Response of Department of Transport to Food Security in South Africa: Leading agility during COVID-19

Ravi Pillay and Caren Brenda Scheepers *Emerald Emerging Markets Case Studies*, 10(3),1-23, DOI 10.1108/EEMCS-06-2020-0224 ISSN 2045-0621

On 15 May 2020, Alec Moemi, Director-General of the South African Government's Department of Transport (DoT), looked back on how his department had managed to capitalise on the opportunities presented by the COVID-19 crisis. The pandemic had demanded a rapid response which meant government had to streamline several of its processes. Communication, engagement and subsequent collaboration between business and government had improved significantly. The question facing Moemi was how his department could maintain these improved relationships beyond COVID-19?

During the lockdown occasioned by the pandemic, companies such as Nestlé East and Southern Africa (ESAR) required specific support from government in aid of their endeavour to transport its essential workers during times outside the prescribed Level Five and Four lockdown rules. This was addressed rapidly and effectively by the DoT. How could this, and other challenges presented by COVID-19, be approached such that they provided the opportunity for the department to view South Africa's transport system as an integrated whole, and improve its overall effectiveness beyond the pandemic? Could new minibus taxi routes be introduced to ensure that taxis fulfilled their intended function as feeder mechanisms to main bus routes? Finally, was there a way the DoT could use this window of opportunity to attract the industry into the tax net?

Background to current dilemma

Moemi acknowledged that COVID-19 first entered the country via transportation, namely aviation. The first COVID-19 cases were travellers who had returned to Johannesburg after visiting Italy. The initial group of 10 tested positive for the virus and relevant health protocols were put in place. Those they had been in contact with were tracked down, and new cases identified. Further cases were then identified among people returning to the country, largely from Europe and the other eight countries that had by then been identified as high-risk. The South African government had to intensify screening measures and took the extreme measure of closing the country's air, land and sea borders, heavily impacting all modes of transport and people movement.

Moemi recalled that the government considered the South African Bill of Rights in its entirety at that time and decided the right to life was more sacrosanct than all other rights, including the right to trade. Government realised the virus would cause loss of life if it did not introduce strict measures. It understood that the whole country would suffer, as would the economy. It knew its stance would bring hardship but believed this to be a necessary evil that everybody had to accept.

There was a direct link between the movement of people and the spread of the virus. Transportation was therefore a key area in the fight to prevent transmission. The virus was able to survive on surfaces for long periods of time, ensuring that all modes of transport and passenger handling terminals were at risk, not only of contamination, but of spreading COVID-19 as well.

While grappling with this new challenge, the DoT realised anew that the South African transport sector remained largely untransformed and still operated according to the apartheid inequality planning that characterised South Africa before democracy in 1994. Consequently, the predominant carriers of citizens were minibus taxis, with approximately 16 million passenger journeys a day, as opposed to about three million passenger journeys by train and a further four million by bus.

Although minibus taxis carried by far the most people, the industry remained largely informal: taxi ranks had never been constructed to handle the volumes they now had to carry and it had always been assumed that minibuses would play only a feeder role in the transport system. These taxis had, however, overtaken all other modes of transportation and now posed a huge risk in terms of transmitting the virus. It was obviously vital to prevent the spread of the virus to townships and other high-density areas, such as informal settlements, in which infrastructure and water were scarce. The DoT realised it would have to limit the movement of people in and out of those key areas and suspended some minibus taxi routes. It also stopped some high-risk modes of transport, such as overcrowded trains.

As transportation carried such a high risk of spreading the virus, the DoT introduced additional measures as well, including the limitation of cross-border transportation and prohibition of inter-provincial, inter-metro and inter-district travel. The department also suspended and closed some taxi ranks in areas considered high density and high risk so that no transportation operated on a large scale in those areas. Surprisingly, during the initial period everybody understood what the DoT intended by these measures. Moemi realised that the President's message had been very clear and that his leadership had inspired people to rally behind him. The DoT received support despite the hardships facing many.

This support started flagging, however, as the measures become prolonged and people became impatient. There needed to be a balancing act between economic needs and people's health needs. Easing lockdown measures was inevitable but would contribute to the spread of the virus so the DoT would have to ensure it could contain it. The department was encouraged by the fact that transmission from public transport seemed to have been minimal. The National Institute of Communicable Diseases recorded that the bulk of transmissions occurred in shopping malls, and at funerals or other mass gatherings, despite the fact that numbers were limited.

Business continuity planning

The team responsible for Nestlé's Business Continuity Planning had been planning for the COVID-19 pandemic even prior to it becoming a crisis for South Africa. Bruno Olierhoek, MD and Chairman of Nestlé ESAR had experience of the SARS virus in Vietnam, with its subsequent lockdown, as well as the Ebola outbreak in Cameroon. Olierhoek was also part of a select team of global leaders who had extensive briefings on how his counterpart in Nestlé China had been dealing with business continuity there. These experiences gave him insight into how Nestlé should go about preparing for the South African lockdown. He and Nestlé ESAR's Head of Safety, Health & Environment Andre Robins, worked closely with a dedicated team of Senior leaders from respective areas of the business to generate and continuously update the Business Continuity Plans as events around COVID-19 evolved. Nestlé ESAR was classified as an essential service and all ten of its plants, situated mainly in rural areas in five of South Africa's provinces, therefore had to operate and produce food during this very difficult

time. Food security for the nation was a priority. Nestlé needed to ensure its staff could get to work safely and efficiently.

According to lockdown regulations, minibus taxis could only operate from 06h00 to 09h00 and from 17h00 to 21h00. The food industry, however, often operated 24-hour shifts, which required public transport outside these hours.

Under the regulations, Nestlé employees could come to work for the morning shift with no problem but were then delayed by four hours before they could catch taxis back home. In addition, there were no taxis to bring the second shift in during the afternoon. Robins requested the assistance of Nestlé's Advisor to the Chairman, Ravi Pillay, who contacted the Director-General of the DoT. In response, Moemi asked for a letter outlining the challenges and to make recommendations. Nestlé recommended that it be allowed to employ private transporters as 'taxis' for its staff during times when no minibus taxis were permitted to operate. Moemi then gazetted changes putting this into effect. Within a remarkable 24 hours, the problem was thus theoretically resolved, and employees could now travel unhindered to work and back. Production of nutritious food products could continue, and food security would not be at risk.

The next problem for Nestlé was that some of these private transporters, despite observing all social distancing requirements, were being stopped by the police. Incidents took place near Hammanskraal, Estcourt, Mossel Bay and East London. Nestle's advisor again contacted Moemi, who asked for the company's input into how to rectify the situation. It was then decided to classify the private taxi companies as essential service providers to Nestlé. All were issued company letters to this effect for display on their dashboards and laminated copies attached to the side of the vehicle. These notices stated that they were transporting essential Nestlé workers and included contact details as well as copies of the shift patterns. From this point onwards there were no more unnecessary vehicle stoppages.

Nestlé also made large signs that designated the vehicles as staff transport vehicles (see Exhibit 1). These ensured that the police and other authorities could immediately see that the passengers were essential workers en route to their important jobs of making food for the country.

Pillay had managed to secure a list of cell phone numbers of senior police officers from the DoT, and this came in extremely useful when a private transporter of Nestlé staff was detained near Temba, in the Hammanskraal region, one evening. Pillay had already spoken to one of the policemen on the list, a high ranking official from the DoT Command Council, who had said to him, 'If you have any problems I am here 24/7 to assist.'

When Pillay called Mkhwanazi, close to midnight, the policeman said, 'Leave it to me' and immediately contacted the station commander in Temba, instructing him to release the driver.

Nestlé was thus able to address the challenges presented by COVID-19 early on, sort out all the teething problems as they arose, and continue to operate efficiently during the lockdown. The company rigorously observed all the precautionary measures, including social distancing. While regulations called for no more than 70% of the usual number of passengers in one vehicle, Robins decided on a 50% capacity rule. Nestlé also ensured that all vehicles were equipped with sanitisers and conducted random checks to ensure all staff were observing the new hygiene precautions.

Impact of COVID-19 on the taxi industry

For Moemi, the COVID-19 pandemic was definitely ominous, but it also proved to be something of a blessing. For a start, it afforded the DoT an opportunity it had never had before: the taxi industry was suddenly a captive audience. The department and the taxi industry had to start to engage meaningfully and discuss issues that had never been frankly discussed before.

The DoT took this opportunity to think about a total reorganisation of the transport system and networks in parallel to the fight against COVID-19.

Bus companies had been subsidised since 1994, and some even prior to that during the apartheid years, to connect townships with the economic hubs in urban centres throughout South Africa. The pandemic brought about discussions around the new rules, but also about new townships that had sprung up and were largely serviced only by minibus taxis, with no buses or trains. The DoT had already been reviewing whether taxis, which were originally intended only to feed commuters to other forms of transport, should go back to playing this feeder role. Integrated transport planning had envisaged people stepping out of their houses, being picked up by a metered taxi or E-Hailing services which would deliver them to a main road where they would board a minibus taxi to take them to a bus stop. The bus would transport them for a longer distance to a train station where a train would take them to the next station from where they would either take a metered taxi or walk to their workplace. That was how the system was designed to work. What happened in reality was that people walked a longer distance to a main road, and there they would get into a minibus taxi (and possibly change to another taxi at a taxi rank) which would drop them close to their workplaces.

The DoT had also been reviewing the professionalisation of the taxi industry. The department wanted taxis to operate as registered businesses, complete with third party insurance, and to employ people who contributed to the Unemployment Insurance Fund (UIF). With the onset of the COVID-19 pandemic, and the ensuing negotiations about a relief fund, the DoT and the taxi industry were finally 'finding each other' and mutually agreed that it was time to formalise the industry. When the DoT initially announced a relief fund for taxis, it was challenged on social media platforms for giving funds to people who did not pay taxes. The DoT, however, was using the relief fund as a friendly incentive to attract the industry into the tax net. It insisted that the requirement for taxi owners to access funding was that they should agree to registration as well as some other state requirements.

The two main taxi industry bodies, SANTACO and the National Taxi Alliance, agreed to the requirement that licensed taxi owners register with the government to access funding. The South African government's National Treasury was supportive of the initiative and provided a substantial fund to subsidise and relieve the taxi industry. In return, the industry legalised and regulated itself. The DoT, for the first time, now had access to information such as how many minibus taxis were operating and their designated routes.

The department's greatest legacy would be to bring two to three hundred thousand minibus taxis into the tax net. There had always been reluctance on the part of the taxi industry to cooperate. COVID-19, however, had thrown a curve ball and the industry found itself in need of significant state resources. The price for this was industry formalisation. Taxis operating on routes designated for buses, for example, would not receive subsidies. The DoT would be able to regulate the taxi industry, thus ensuring each mode of transport served its original purpose.

A massive restructure of the transport sector and transport provision had become possible as a result of the foundation laid by the COVID-19 pandemic.

The DoT had been busy finalising the Level Three and Two lockdown measures it intended to put in place when the country announced that Level Three would commence on June 1, 2020. The Minister of Transport was set to report to the National Coronavirus Command Council on all modes of transportation, with the intention of commencing the restructuring implementation once the DoT received endorsement.

Communication during the lockdown to gain buy-in

How did the Minister of Transport and senior government officials get such rapid buy-in from such a vast, fragmented industry that was made up of independent operators from all over the country? For a start, the voice of the taxi associations was recognised during this process. The DoT also listened to minibus taxi passengers and gained empathy from consumers. There was a dramatic move to WhatsApp from email and phone calls, and much of the communication during this time took place via WhatsApp.

The DoT had to customise messages for the different industry sub-sectors and address the specific challenges facing them. It managed to engage these sub-sectors fairly well, and complaints from the taxi associations died down. Its stakeholders were aware of what the DoT was trying to achieve. All of them, including private providers such as E-Hailers and Metered Taxis', understood the approach and what would be implemented as the country progressed to further lockdown levels. The DoT's communication machinery was quite robust.

Moving forward

No country in the world could claim to have all the answers to the challenges posed by the COVID-19 pandemic and as more information became known, the DoT had to adapt. It also had to makes changes to regulations based on inputs from various sub-sectors.

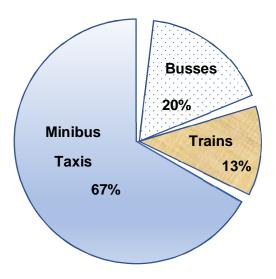
COVID-19 necessitated that all stakeholders respond much faster than ever before. Government had to be more responsive and accountable. The DoT had to listen to all businesses, in all sectors with equal treatment. Specific structures had to be set in place promptly to respond to the pandemic, as the virus spread fast and would not wait for the department to hold a meeting the following week. If the DoT did not respond immediately, more people might have died.

The DoT began to conduct its business virtually, via technology. Microsoft Team and Zoom meetings, shied away from in the past, became the order of the day. Meetings were shorter. In the past, if Moemi had to appear before the Portfolio Committee, he had to fly to Cape Town and his entire day would be taken up with the task. Since the pandemic hit South Africa, he has used a virtual platform which has made for far more efficient use of his time.

The silver lining to this pandemic is that it has forced the DoT to rewrite the script of how the South African transport system should work. The great positive is the promise that once lives have been saved, there will be a tomorrow. It was up to the taxi industry to build a bridge between today and that tomorrow. The relief fund has been put into place for taxis and other transport-related businesses in distress, including driving schools, providers of learner transport, tracking businesses and airline employees. Government's response as a whole,

including reprioritising the budget and focusing on the necessities of the day, will most certainly affect lives. However, without the lockdown measures, there would be no country to speak about in future. Moemi was contemplating his dilemma how his department could use the opportunity that COVID-19 presented to transform the transport system and to maintain relationships with business and the taxi industry beyond COVID-19?

EXHIBIT 1: MODES OF PUBLIC TRANSPORT IN SOUTH AFRICA



Source: National Land Transport Strategic Framework 2015 |National Household Travel Survey 2013 | Census data 2011

EXHIBIT 2: DEPARTMENT OF TRANSPORT AMENDMENT TO ACCOMMODATE ESSENTIAL SERVICE WORKERS

No. 43186 Government Gazette, 31 March 2020, p. 4

(2) "6(6) (a) During the lock-down period and unless determined by the Minister Of Transport, private institutions or companies may make arrangements for the Transportation of their workers who are rendering essential services as listed In Annexure B of Disaster Management Act 2002. Amendment Regulations Issues in terms of Section 27(2) in line with the operating shifts, work time Schedules as determined by the responsible head of operations, Manager, Head of the Department or a person with responsible authority within such institutions; and (b) The operating shifts or work schedules or time table should be stamped and Signed by such person with authority as contemplated in direction 6(6) (a) above."

This amendment Notice shall come into effect on the date of publication in the

Government Gazette.

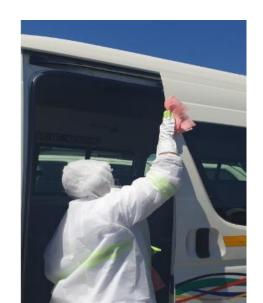
Source: https://protect-za.mimecast.com/s/KcMlCj2JJkIx1xJTWrvTm?domain=sacoronavirus.co.za

EXHIBIT 3: PHOTO OF SIGNAGE OF VEHICLE OF AN ESSENTIAL SERVICE PROVIDER



Source: Andre Robins Nestlé South Africa, Corporate Safety Health Environment Manager

EXHIBIT 4: DEDICATED STAFF FOR PRIVATE TAXI SANITIZATION PROGRAMME







Source: Andre Robins Nestlé South Africa, Corporate Safety Health Environment Manager