

Thursday, 29 March 2007

FOR IMMEDIATE RELEASE

**ROAD FUND ADMINISTRATION RE-IMPLEMENTS MASS DISTANCE
CHARGES**

The Road Fund Administration will re-implement Mass Distance Charges, as an additional Road User Charge, on the 1st April 2007.

After the High Court declared the method of collection of Mass Distance Charges invalid on the 11th September 2006, the Road Fund Administration engaged all relevant and key stakeholders in the transport sector in an extensive consultation process, to develop the new Mass Distance Charges system. At the initial consultation meeting with all stakeholders, a Technical Committee was formed that consisted of representatives of the following institutions:

- Ministry of Finance
- Ministry of Works, Transport and Communication
- Ministry of Justice
- Ministry of Rural, Local Government and Rural Development

- Namibia Road Carriers Association
- Namibia Agricultural Union
- Oil Industry
- Namibia Manufacturers' Association
- Namibia National Farmers' Union

The Technical Committee's Terms of Reference were to meet as soon as possible in order to facilitate the process of developing a more adequate collection system for the Mass Distance Charges, and that will allow the Road Fund Administration to collect Mass Distance Charges as from the 1st April 2007.

Whereas the previous Mass Distance Charges implemented in 2006 were based on advance payments calculated on assumed travelling distances per annum, the new Mass Distance Charges to be implemented is based on self-assessments for actual distances travelled within Namibia per annum. Thus all owners or operators of heavy vehicles with a Maximum Legally Allowed Mass above 3,500kg will, as from the 1st April 2007, be liable to pay Mass Distance Charges to the Road Fund Administration, for kilometres travelled within Namibia. The Maximum Legally Allowed Mass for vehicles travelling singular is referred to as the V-rating, while the Maximum Legally Allowed Drawing Mass of a power unit utilised as a combination vehicle is referred to as the D/T-rating. Mass Distance Charges applies to both local and foreign owners or operators of heavy vehicles.

All owners or operators of *heavy vehicles registered in Namibia*, with a V- or D/T Rating above 3,500kg must register by completing the prescribed Mass Distance Charges Registration Form, obtainable from the Road Fund Administration or any Registering Authority (i.e. NaTIS) closest to them. The Mass Distance Charges Registration Form must be completed by the owner/operator, who must provide an indication of the distance that he/she intends to travel in the year following his/her registration.

The Road Fund Administration will:

- in accordance with the distance indicated on the form, determine the first date of liability for payment of Mass Distance Charges for a specific vehicle of an owner or operator and the intervals at which that operator must pay Mass Distance Charges; and
- verify that all vehicles, in respect of which the applicant is the registered owner or operator, are listed on the form.

Once the Road Fund Administration is satisfied that the information is in order, it will issue a Mass Distance Charges logbook to the owner or operator for every heavy vehicle indicated on the form. Every logbook will have a specific serial number that will be registered with the Road Fund Administration.

The owners or operators of heavy vehicles must ensure that the driver(s) of a specific heavy vehicle keeps the current logbook issued to that particular vehicle in the vehicle at all times. When the vehicle is in use, the driver must record the distance travelled in kilometres in that vehicle's specific logbook every time the vehicle is driven. The owners or operators of heavy vehicles must also ensure that the driver(s) correctly records the distance travelled by that specific heavy vehicle, while the owners or operators must correctly calculate the total amount due to the Road Fund Administration.

All owners or operators are required to complete their assessments for the period under review on the prescribed Mass Distance Assessment Form. Mass Distance Charges are to be paid directly into the Road Fund Administration's bank account; through either cash or bank guaranteed cheque deposits and/or electronic bank transfers.

All assessments can be handed in directly to the Road Fund Administration or to any Registering Authority (i.e. NaTIS) closest to you. Assessments must be accompanied by the original proof of payment (i.e. bank deposit slip and/or electronic transfer confirmation of payment). Please take note that under no circumstances should cash be submitted with the Assessment Form.

The following documents must be submitted with all assessments to the Road Fund Administration or to any Registering Authority (i.e. NaTIS):

- the prescribed Assessment Form;
- original log sheets (sheets marked *RFA Copy*) as supplied in the logbooks issued to each heavy vehicle;
- owners or operators currently making use of satellite tracking systems may include proof of distance travelled, that is verified and signed off by their respective service providers; and
- original proof of payment (i.e. bank deposit slip and/or electronic transfer payment confirmation).

The Road Fund Administration officials and/or NaTIS officials (depending on where the assessments are handed in) will verify and confirm receipt of the above documents by ticking a checklist, signing and giving a copy of same to the respective owner or operator. The Road Fund Administration will process these documents and verify all information contained in it. Once all information has been verified as correct, the owner or operator will be issued with a *Receipt – MDC Assessment*.

On this occasion I would like to thank the stakeholders of the Road Fund Administration, for their valued support, patience and cooperation during the last

year, especially with respect to the Mass Distance Charges Project. With your assistance, we have been able to develop a system, albeit not perfect in the true sense of the word, but one that is satisfactory to all at this point in time. We however assure you that every cent collected through the Mass Distance Charges will be utilised for road projects in Namibia.

Let us continue working together to achieve a safe and economically efficient road sector in our country.

ISSUED BY:

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