

1. INTRODUCTION

Section 114(2) of the Constitution mandates the Provincial Legislature to conduct oversight on the Provincial Executive Authority, including any organs of state. The Legislature should also ensure that all Provincial Executive Organs of the state are accountable to it. It is in this context that the Committees of this House are explicitly obliged to act in the best interest of the public in the exercise of their work as instructed by s114 of the Constitution of the Republic read with Rule 81 sub-rule (1) (b) – (d) of the Standing Rules and Orders of the Limpopo Legislature.

Practically, these provisions require the Committee of the House to monitor, inquire, and make necessary recommendations relating to Departmental budgets, strategic plans, restructuring, and rationalisation, among others. In this way, the Departments are held accountable and ensure that they spend the voted amounts accordingly.

2. BACKGROUND

Gateway Airports Authority Limited (GAAL) is a state-owned entity under the Limpopo Department of Transport and Community Safety, mandated to develop, operate, and maintain airport infrastructure in the province, primarily at Polokwane International Airport and other designated aviation assets.

The Portfolio Committee on Transport and Community Safety was briefed on this report on 19 September 2025. The briefing was therefore centred on the 2025/2026 1st Quarter Report of the Gateway Airport Authority Limited.

3. PREVIOUS RESOLUTIONS

The following resolutions were made in the previous committee meeting.

- 3.1. The entity should expedite processes to appoint, fill remaining vacant posts, and further ensure that all appointments are completed in the second quarter of the financial year 2024/25.
- 3.2. The board of directors should ensure that the envisaged turnaround strategy is aligned with the Annual Performance Plan and implemented in the 2024/2025 financial year.
- 3.3. The entity should ensure that its supply chain processes are beefed up and strengthened with the necessary capacity to execute its responsibilities properly.
- 3.4. The entity should ensure that it implements all outstanding training programmes in the following financial year.
- 3.5. The entity should adhere to planned maintenance plans and ensure that it complies with all the requirements set by the SACAA.
- 3.6. The entity should review its revenue collection performance targets to ensure they are in line with the envisaged Revenue Collection Strategy.
- 3.7. The entity's board should continue to pursue the PPP option in terms of the administration and management of Polokwane International Airport.
- 3.8. The entity should work towards diversifying its energy supply to ensure continued operations at the airport with minimal disruptions.
- 3.9. The entity should strengthen its safety and security measures at the airport, including the installation of the perimeter fence.
- 3.10. The entity should upgrade the landscaping and improve the cleanliness of the airport's surroundings, including the visibility of the Airport during the day and at night.

is funded from both the government grant and the revenue it generates. It is largely on the government's grant, which is allocated annually at its revenue.

Programme 1: During the quarter under review, the Administration underspent by R 5 004m (8%) of its allocated budget, achieved 2 targets, and 1 target was not achieved.

Programme 2: Commercial Services has underspent R 418 000 (21%) of their quarterly budget. Achieved 2 targets out of 2 targets planned for the quarter.

Programme 3: Business Operations has underspent R 15 566m (14.3%) of its quarterly budget. Achieved 5 targets out of 5 planned targets.

5. PROGRAMME PERFORMANCE

5.1. ADMINISTRATION

The Administration programme is responsible for the development and execution of the organization's strategy. The primary deliverable is the achievement of the organization's key performance target aligned with good corporate governance.

The Committee has noted that of the five (5) performance indicators, the entity achieved only two (2) targets, being on the amount of CAPEX and assets maintenance that was targeted at R97 897 per annum, the quarter target was at R13 925. The quarter achievement was R14 102. The entity overachieved by R177. This was caused by the catch-up on projects that were delayed from the last financial year and now the entity has completed them. The number of HR initiatives implemented had four (4) annual targets, the goal was set at one (1) target, it was then achieved at one (1) target.

Analysis indicates that GAAL failed to achieve the amount of revenue collected and the number of ICT projects implemented. The Committee has noted that non achievement in the amount of revenue collected was that Revenue enhancement projects were reported not to be operational. Advertising Billboards, Airport Museum, Aircraft simulator and Aircraft restaurant were not functional however the entity reported that all those projects have been advertised and reported to be implemented in quarter 3. Payment of rental for

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the blue hangar was reported to be halted by the tenant due to structural defects that are being repaired.

The Committee expressed serious concerns regarding the ongoing underperformance of Gateway Airports Authority Limited (GAAL). The Committee noted that lack of Effective Oversight and Accountability by GAAL management and Board of Directors, and the continued inefficiencies in administrative functions compromise the sustainability and credibility of GAAL as a public entity and strategic provincial asset.

5.2. BUSINESS DEVELOPMENT

The programme is responsible for new business development and marketing. It is also responsible for maintaining existing business and stakeholder relationships whilst developing and formalising partnerships with other stakeholders.

It was indicated that the programme has targeted 06 quarterly planned indicators and targets, 02 targets were achieved, 04 were not achieved.

The number of routes introduced in this programme is one (1) per year. The entity reported that they are still engaging with other airlines regarding the movement of new routes. The Committee expresses concern that the entity cannot look for outside airlines without first engaging with the local airlines.

The number of units leased as a percentage of units available (occupancy rate) was reported to have annual target of 70%. The quarterly target set was 58%, the target was achieved by 58% during the quarter under review. The annual target for the launch of the Aviation Museum was one (1). However, no progress was made during the quarter under review. The annual target for the launch of the Aircraft Restaurant was one (1). There was no progress made during the quarter under review. The Cargo operator contracted has one (1) target per year. There was no progress made during the quarter under review. Number of marketing initiatives conducted was 14 targets per year. The entity had quarterly target of four (4) and achieved seven (7). The entity collaborated with

other stakeholders on marketing opportunities to intensify brand awareness. As a result of these efforts, the quarterly target was overachieved by three (3).

The Committee raised concerned that GAAL is running the risk of failing to grow the business side of its operations, which poses a serious threat to its long-term financial sustainability. This underperformance undermines GAAL's ability to function as a strategic asset for the province, limiting its potential to contribute to economic growth, investment attraction, and job creation within the aviation and related sectors.

5.3. BUSINESS OPERATIONS

This programme focuses on the operations and infrastructure management at the airport. The entity achieved all the 05 planned quarterly planned indicators for the quarter under review.

The programme uses more funds than other programmes due to aerodrome infrastructure maintenance and calibration. This programme further ensures that the airport's Category 7 license is maintained. The entity had planned twelve (12) annual targets on the number of months the Aerodrome Cat 7 license maintained. The quarter targets were set at three (3), the entity achieved three (3) targets. The infrastructure Maintenance Plan reviewed had annual target of 1, the quarterly target was 1 and the entity achieved the target by 1. Infrastructure Maintenance Plan implemented (equipment and infrastructure) had an annual target of 100%, quarter target was 22% and the target was achieved by 22%. Number of quality assurance inspections conducted has eight (8) annual targets. The quarter targets were two (2), the targets achievement was four (4) with the overachievement of two (2). In August 2025, the entity had more inspections conducted in preparations of SACAA audits. The number of mandatory and compliance training courses implemented was planned to have 12 annual targets. The quarter target was three (3) and the quarter achievement was three (3).

6. RECOMMENDATIONS

Having made the above observations and assessments, the Committee would like to submit the following recommendations for consideration and adoption by the House:

- 6.1. The Committee recommended that in the next quarter, GAAL should appear before the Committee together with the relevant officials responsible for the non-achievement of projects, in order to account for the work being done and to provide reasons for not meeting their targets.
- 6.2. The department should assist and infuse additional capacity on the GAAL supply chain and overall entity performance to avoid recurring underspending and failure to meet their planned quarterly targets. This will be an ongoing process until the entity improves its status of non-performance.
- 6.3. GAAL is encouraged to adopt the OTP (On-Time Performance) system to enhance the monitoring and performance management of records and airline operations.
- 6.4. The entity should refrain from pursuing international airline arrangements, leaving the local airlines behind like SANDF.
- 6.5. The committee also raised concern over the issue of non-operational billboards, which remain unattended. GAAL was instructed to resolve the billboard issue as a matter of urgency and to report on the operational status of the billboards in the second quarter.
- 6.6. The department should finalise the appointment of the new board of directors as advertised and report in the second quarter.
- 6.7. The entity should on quarterly basis provide themselves with achievable targets to help them gradually improve and reach their set goals.
- 6.8. The entity should ensure that the rollover of unachieved targets to the next quarter are addressed and work towards their achievement in every quarter.
- 6.9. The entity must develop a marketing strategy that will bring affirmative results and ensure sustained growth, profitability, and competitiveness on quarterly basis.

6.10. Future improvement in revenue generation is expected, and accountability within the entity should be strengthened through the filling of critical posts with the requisite competent personnel.

7. CONCLUSION

Honourable Speaker, we therefore, as the Portfolio Committee on Transport and Community Safety, table this report in this House for deliberation and adoption.

Finally, we accordingly request the House to support the report as presented, reflecting the department's performance plan during the quarter under review. I, therefore, move that the report be adopted as a report of this House, and I move accordingly.


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HON LEBEA K
CHAIRPERSON: PORTFOLIO COMMITTEE ON
TRANSPORT & COMMUNITY SAFETY

02.10.2025
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DATE