

# R18m payment to taxi operators in Port Elizabeth

The Nelson Mandela Bay Municipality has paid taxi cooperative Laphumilanga R18m to get the stalled Integrated Public Transport System (IPTS) working.



Deputy Mayor Chippa Ngcolomba says the payment of R18m to taxi drivers is legitimate as they will play a fundamental part in ensuring the success of the new public transport system. Image: [MFE](#)

The municipality attached stringent terms and conditions of what the city and auditor-general expected of the taxi cooperative before it handed over the R18m. Laphumilanga is expected to provide monthly financial reports.

A report by city manager Mpilo Mbambisa to the council states that the R18m was paid to the cooperative to help it with start-up and operational costs. He said the city had engaged the provincial and national Treasury before deciding to pay out the agreed amount.

Laphumilanga is an organisation that comprises a number of taxi owners.

Deputy Mayor Chippa Ngcolomba said in an interview that the municipality wanted to make the transport system a reality.

"You will recall that this IPTS is a new thing and it needs the buy-in of every stakeholder to work. The money was to help Laphumilanga have the capacity to operate and engage with government on an equal footing. The money can't be irregular expenditure because it is to assist the taxi operators.

"This project is huge for the government, taxi operators and communities so we need to handle it with care," he said.

"The money paid to Laphumilanga is legitimately due to taxi operators so they can operate in the roll-out of the IPTS," Ngcolomba added.

Source: The Herald via I-Net Bridge

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