



CEO Report - September 2022

Dear Members

A very warm welcome to all of you and thank you for attending the Pedal Power Association AGM 2022. I'd also like to extend a special welcome to lifetime PPA members and those from overseas dialling in this evening.

PPA is a team effort and I would like to thank a number of people for their hard work and support over the last 12 months:

- My staff for their dedication and commitment despite very challenging macro / micro economic conditions.
- The PPA Executive Committee for their strategic oversight and input over the past year of significant change. This has been a very difficult period as we all know and some tough but courageous decisions had to be made for the future health of the PPA brand.
- Our ongoing partnership with Tim Mosdell and the team from BEN. This partnership is a very important element in the PPA's mission to provide accessibility to bicycles across South Africa. Over the next number of years it's a key focus for us to scale our Bike4All program way beyond the successes we have achieved to date. Whilst we have put the foundations down over the last number of years, and this has been truly amazing to see the impact Bike4All has had in the communities we have worked with, it's now time to see how bicycle mobility at scale can bring both joy and opportunity to both kids and adults.
- Our sponsors and partners at Toyota, the Road Accident Fund and Safely Home (the Western Cape Government). Without your constant support and backing, we would not be able to deliver all we do.
- To the Western Cape Government, especially the Premier and the Transport Minister and all the Departments we work with, thank you for your ongoing support in our endeavours to advocate on behalf of all cyclists and cycling in general.
- To all the cycle clubs, ambassadors and friends of the PPA who have given their time and energy to help deliver on our mandate. A big thank you. You know who you all are.
- To our suppliers and business partners who enable our work. We value your commitment and look forward to many more years of doing business together.
- To the media outlets that have supported us and continue to amplify our messaging.
- To Cycling South Africa and all the Provincial structures that we work with inside your organisation. We feel privileged to be doing our little bit to help

build the sport side of cycling. Who knows when we might discover the next Nic Dlamini at one of our fun / recreational rides!

Thanks to all of you for your commitment and support in these difficult times over the last 12 months. It's a pleasure and privilege to work with you all.

THE CYCLING ENVIRONMENT

The Market context

From a macro-economic perspective, South Africa and the world in general still face huge headwinds. Global fuel prices, supply chain issues resulting from over two years of lockdowns, CPI (over 6%), fuel costs, Inflation (8.6%) and Interest rates remain a huge burden on the middle to lower income families in South Africa. So disposable income and discretionary spend remains under pressure.

Policy uncertainty in some sectors as well as political instability places further challenges on an already weak economy.

Post lockdown, we are starting to see some green shoots of revival (GDP growth of 1.9% although off a lower base in 2021 because of lockdowns) but this will take a while to spread across all sectors of the economy. The country is now eventually back to its pre-pandemic GDP levels.

In terms of the direct impact this has on the PPA, we have seen it in a significantly reduced income from our members as the PPA purposely lowered their membership rates over the last 12 months to R100 to cater for the environment we were all living in.

Income from events has also dried up over the last 24 months due to government legislation (lockdowns) and sponsorship in general has been under pressure for a few years already. The Cape Town Cycle Tour, the jewel in the cycling crown has also come under the same pressures. As one of the two Cycle Tour Trust beneficiaries, PPA feels the trickle-down effect through a reduced distribution from the Cape Town Cycle Tour Trust and an overall reduction in membership income.

Actions taken over the last 12 months

- A new Vision - Reshaping / repurposing the organisation for the future
In order to remain relevant (now and into the future) the PPA needed to have a strategic review of the business. To this end and after a lengthy and robust process (additional presentations which can be shared with the members), we have come up with some guiding principles which will steer the business into the future. A vision, our mission and some clear goals have been identified. Our vision can be summarised as follows: *“Cycling has become recognized, acceptable, popular and accessible to all as a mode of transport*

and recreation". Our Mission, which will lead us towards this vision has been encapsulated as follows: "Raising awareness of cycling's role as a key and sustainable mode of transport and making it easy and safe for everyone to cycle (anywhere anytime)".

And finally we have looked at what success will look like over the next decade. We have divided this into seven key areas: Namely

1. A greater awareness of cycling as a sustainable economic driver and appropriate support through corporate funding.
2. A Safer environment to cycle in.
3. An improving infrastructure to support cycling systems not just cycle paths.
4. A wider accessibility to bicycles and cycling.
5. PPA is viewed as a key stakeholder in all planning, Non-Motorised Transport development and implementation nationwide.
6. Events that deliver nationally to a much wider & diverse member base.
7. The PPA's brand positioning can be summarised as a *"National organization which lives and delivers on the mantra of **"Cycling is part of the solution"**"*.

Our Values, team culture and our philosophy have been reshaped to fit within our new mandate.

- Cost reductions & improved office efficiencies
Over the past 12 months, we have reduced costs in some areas and have worked on improving efficiencies within our overall OPEX. We have also re-structured the business in order for a better "Future Fit" to deliver on our strategic mandate.
- Focus on the future
We have strategically focused on two key areas of our business which will bring results now and into the future when we will hopefully be able to scale both projects (and additions). Bike4All remains a key strategic distribution initiative for us and our Safety focus through our Stay Wider of the Rider & Cool Kid on a Bike campaigns remain top priorities.
- De-risking funding
Our Stay Wider of the Rider safety initiatives have received funding support from both the Road Accident Fund and Toyota South Africa and we are looking to extend both of these partnerships as well as look to grant / CSI funding to support our strategic initiatives.

We are now proactively working on establishing new income streams for the organisation. We are looking specifically at fundraising to support the Bike4All and Safe Cycling programs (Stay Wider & Cool Kid on a Bike), as well as commercial sponsorship for our events which we are re-launching after a two year hiatus.

MEMBERSHIP

Membership remained under pressure during the past year, but with the Cape Town Cycle Tour back on the calendar (albeit in a restrictive environment) we were able to see an uptick in numbers. We reduced the membership fee significantly due to the legislative environment we were all living through (set at R100) and were able to get back to almost 80% of our 2018 membership number as paid up in the 2022 financial year. Revenues were however significantly down given the huge “price holiday” in 2022.

In the 2023 financial year we have kept our membership fees at more than half of what they were in 2019/2020. We believe this is fair and reflective of the current economy and we look forward to providing a more robust membership offering given where we are going as an organisation.

Membership remains our primary income stream and will remain so into the near future. To this end, we need to maintain a fine balance between offering members a good value proposition and generating the necessary revenue to both run the organisation and fund our programs and events. As we aim to bring more members on board in the near future, and open up other revenue streams, we aim to offer our members a very competitive rate to belong to the PPA, given our new strategic direction where we will be advocating and lobbying on members’ behalf on a much more proactive and broader basis. We believe our members will see the value over the next few years.

Actions

- Consolidate overall member benefits
 - Discounted entries to all PPA owned events (events that are wholly owned and managed by PPA as opposed to those where we provide some form of support to the organisers for a fee)
 - Guaranteed preferential early entry to the 2023 Cape Town Cycle Tour.
 - Newsletters that keep you up to date with events and the world of cycling.
 - A free annual seeded fun ride number (road cycling only).
 - Preferential seeding at fun rides and published timing results.
 - Discounts and membership benefits from our partners (see [PPA website](#)). We are working on new partnerships as well.
- Promoting PPA’s non-event work

As part of our new positioning and strategy, we are increasingly focusing on highlighting the “other”, non-event work that PPA does. As members scale back on events, we hope to retain them by remaining relevant as an organisation that promotes road safety and aims to bring bicycle mobility to all communities around South Africa. Our campaign and advocacy work assist in keeping you safe on a social ride with friends, or if you’re cycling to work or school, and a growing number of cyclists will create a tipping point that is needed to kick start a culture of cycling in the country.

- **Where the money goes to**
We are becoming an organisation that will deliver on more than just events. While increasing our events portfolio nationwide over the next five years, we aim to focus on commuter / utility cycling and bringing in a safety educational focus in schools and communities. Our main two programs, Stay wider of the rider and Bike4All aim to address the need for safety on roads, safer roads all-round and more access to bicycles around South Africa. We have earmarked these two projects as something that members could make a voluntary contribution towards when renewing their memberships. We aim to monitor these numbers and provide annual feedback as to the impact / results we have achieved through these voluntary contributions. We are also working towards Section 18A certification, allowing tax benefits for donations from members and supporters. To recap the essence of these two vitally important programs:
 - Bike4All helps put more people on bikes to share the economic, social, environmental and health benefits of cycling with our fellow South Africans. Each member's voluntary contribution will support our partnership with the Bicycling Empowerment Network (BEN) to get robust affordable bikes into more communities along with safety training, bike maintenance initiatives and support. Many of you will have seen someone riding a red and yellow Bike4All somewhere.
 - Stay wider of the Rider - Safe Cycling: Your voluntary contribution will support our ongoing work to educate motorists and other road users to 'stay wider of the rider'. And our Cool Kid on a Bike initiative helps school kids gain an understanding of the benefits of a bicycle as well as the safety aspects of riding on the road. We also campaign to strengthen laws and regulations to safeguard cyclists; assist cyclists and their families that have been involved in incidents on the road and lobby for improved signage for cyclists and motorists in hotspots; and provide reflective safety gear and helmets to cyclists in low-income communities.

We hope you support these much needed programs going forward.

EVENTS

State of play

The event environment has been decimated by lockdowns over the last two and a bit years. It was a real challenge to host under the constantly changing regulations. We managed to host two events in the last year. After the lifting of all regulations in South Africa, the events calendar is set to resume in September 2022. We will continue to keep the entry fees as reasonable as possible as we understand the financial constraints our cyclists are facing post Covid-19. We are also proud to announce that our sponsorship agreement with PENBEV Coca Cola has been renewed for another three years up until early 2025. We value this partnership greatly and we believe it will continue to deliver great value to both parties.

Further to the above point, we recognise the macro challenges we all face: economic (fuel prices, distances to travel to participate in events), social (time pressure to spend time with loved ones so coffee rides is a quick/fun fix), political (the convenience and availability of roads and trails due to council restrictions) and environmental challenges (driving long distances and CO2) that face cyclists looking to participate in the events that we put on post lockdown. The space is also overtraded and even well-known signature events are feeling the pressure. Cyclists are increasingly looking for experiences rather than races as well as time sensitive based events and we have been trying to adapt our offering to the changing environment. We believe that our knowledge and expertise at putting on safe and fun events as well as looking to cater for the needs of the ever changing market will still position PPA events as authentic, value for money and an overall pleasurable experience. Be it the total experience or the convenient “ride and go” type events.

Actions

- **Bespoke cycling experiences**
PPA is in a unique position in that we are an event organiser with a pool of thousands of potential participants – our members. Post lockdown, with people now looking for more healthier “live for today” outdoor type experiences, we will keep working on creating bespoke cycling experiences for our members, that look and feel like you’ve planned a ride for yourself and a couple of mates.
- **Saturday social rides**
Introduced in September 2018 these still remain popular with the relaxed and social aspect to them while helping those less experienced cyclists learn “on the job”.
- **Mountain biking and gravel riding**
We have one Mountain Biking Event planned for the new financial year and will be looking to introduce others as well as Gravel events in the future.
- **Keep promoting our mass participation events**
These form the backbone of our portfolio, offering safe cycling opportunities for new and seasoned cyclists. Our events and seeding serve as a year-round marketing platform for the Cape Town Cycle Tour. Popular events will be retained, while the marginal events could be moved or re-invented given market dynamics. The latest events calendar is on [our website](#) and we look forward to another exciting season. Some of the events which the PPA owns are listed below and we also assist third party organisers to put on safe and fun events for their constituencies. In doing this, our aim is to help grow cycling in a safe and well managed environment as much as possible.

Current Road events owned / organised by PPA

Maluti Double90 Team Challenge

One Tonner
PPA Sportive Series
Tour de PPA
Killarney training sessions (September to December & January to March)
Old Mutual Wealth Double Century

External Road events supported by PPA
West Coast Express
Winelands Cycle Race

Current MTB events owned / organised by PPA
Tiletoria Elgin Valley MTB and trail run
The MTB Challenge

A new opportunity presents itself post the lockdown world and we will remain relevant and creative in a competitive market, bringing our members the best that is on offer (given what members want given the time / value for money equation).

BIKE4ALL AND SAFE CYCLING

The Bike4All bicycle distribution program and Stay Wider of the Rider safety campaign remain key pillars of the PPA strategy as mentioned earlier. Some highlights from the last 12 months include the following:

Safe Cycling

Overview

During the 2022 financial year, the PPA continued to expand the safe cycling campaign. Our focus being on the Western Cape, Gauteng, Eastern Cape and KZN.

This was largely down to our generous sponsors, Toyota South Africa and the Road Accident Fund (RAF), to whom we give much thanks. We were also grateful that we were able to extend our Toyota sponsorship for another three years to March 2025 and are looking to extend our agreement with the RAF. Once again, we wish to thank our loyal sponsors for their continued support to keep the safe cycling campaign running and providing us with the opportunity to expand across South Africa.

Activities in support of our key strategies

Our regular activations in 2021-2022 continued during the lockdown period and we are thankful that we were able to reinstate all our activations after the lockdown was ended. Besides key messaging promoting safety on the road, we promoted our tag lines ***“Cycling is part of the solution”*** as well as our hash tag **#CyclistsLivesMatter**.

Activities included reflective bib handouts, sticker handouts to cycle shops and motorists, awareness rides, donation drives, Chapman's Peak Powerade handouts, expos, start groups as well as social media campaigns to promote safety on the road. We launched our **#CyclistsLivesMatter** campaign in March 2022 focusing on the lack of prosecution of cycling related cases in South Africa. We've also managed to set up a quarterly forum with the MEC of Mobility Daylin Mitchell in the Western Cape to discuss and resolve critical issues with regards to safety. The Premier has joined the meeting on occasion. Plans are to do the same with the Gauteng and KZN Transport Ministries.

National bib handouts

We were able to hand out close to 10 000 reflective bibs, 2 500 lights, 1 000 lumo tags and 150 helmets to commuters across South Africa mostly in previously disadvantaged communities. Our focus areas are in the Western Cape, Gauteng and Gqeberha. The RAF has been instrumental in providing funds for the past seven years to be able to keep commuter cyclists safer on the roads. A huge focus for the PPA.

Awareness rides

We were able to host awareness rides after March 2022 in Khayelitsha as well as in Velddrif on the West Coast and Gqeberha. These were very well supported by cyclists and the media. Plans are to continue hosting these rides with the focus this year being on the Western Cape, Gauteng as well as KZN.

Stay wider of the Rider merchandise & stickers

Our online sales continued well this year and our short and long sleeve jerseys as well as gilets proved to be popular items that keep cyclists visible and safe on the road. We wish to thank Toyota for their merchandise sponsorship which allows us to sell top quality jerseys, arm warmers and gilets at a very competitive rate. We intend to expand the range this year and to expand our distribution to partner select retailers. Funds from the sales of our merchandise help us further invest in our Safe Cycling programs.

It is also encouraging to see how many vehicles sport our "Share the road/Stay Wider of the Rider' bumper stickers. We see them on all kinds of vehicles, from taxis and buses to cars and scooters. Well over 100 000 of these bumper stickers and 40 000 license disks were distributed in four key regions of our Country in 2021/2022 (WC, KZN, EC and Gauteng).

Crash & crime map

We continue with this initiative & use social media to pin all cycle crashes and theft hot and black spots, keeping members informed of dangerous areas. The information is also very useful for media interviews and reports where a wider audience is then alerted. We've also launched a PPA Stay Wider of the Rider WhatsApp line to report crashes and other crime related incidents on a national level. It's been working extremely well to date.

Legal assistance

This is a critical part of our strategy moving forward. We continue to monitor crashes (often mistakenly referred to as accidents) and incidents on a case-by-case basis and support families and individuals in their pursuit of justice. We are determined to change behaviour in this Country in the medium to long term through appropriate consequences for crimes perpetrated.

Cape Town Cycle Tour activations

Although there were lockdown restrictions, we managed to secure a PPA Stay Wider of the Rider start group for the CTCT in 2022. We also wish to thank the CTCT for allowing us to display banners with relevant messaging along sections of the route. Unfortunately, due to the restrictions we could not host an awareness ride prior to the CTCT.

Ride Joburg

We were able to attend the expo hosted by Ride Joburg in Nov 2021. Although the expo was hosted on a much smaller scale, it was successful in promoting the campaign in Gauteng.

National brand ambassadors

We would like to thank our national brand ambassadors across South Africa for their dedication and assistance to promote the safety of all cyclists throughout South Africa. They assist us on a volunteer basis and are a hugely important part of the reason why we have achieved what we have to date. Their belief in this campaign is gratifying and we hope to work with our current ambassadors moving forward as well as extending an invitation to those people who have time on their hands and are willing / able to assist.

Partners

We have a number of ongoing relationships which allow us to continue doing the work we do. We greatly appreciate these and wish to thank them all again.

- Cycle Lab - Countrywide
- Cape Peninsula Beverages
- Lions Club Pretoria South
- KPPC, CSC and East Coast Cycling DBN
- Bike & Bean DBN
- Road Rangers -Gauteng
- Think Bike Marshalls – Cape Town
- Golden Harvest
- Volume Photography

Donation Drive for disadvantaged cyclists

During the year we launched a successful donation drive in the Western Cape and hope to extend our reach to the other provinces very soon. We have collected thousands of items that we've redistributed to cyclists in disadvantaged communities.

#Cyclistslivesmatter

In March 2022, in partnership with Cycle Lab we launched the #CyclistsLivesMatter campaign in the Cradle of Humankind focussing on the lack of prosecution of drivers involved in cycling crashes. We monitor and support families as much as we possibly can, and we're driving the lack of prosecution on all levels of government engagements.

Bike4All

The Bike4All partnership with the Bicycling Empowerment Network (BEN) has had a good year in terms of distributing bicycles and doing both safety and mechanical training. 2022 is our final year of our three year contract to distribute bicycles on behalf of the Western Cape Department of Transport and Public Works in support of the Provincial Sustainable Transport Programme (PSTP) and we've distributed 480 bicycles so far.

Of the 480 bicycles that were distributed, 80 went to various neighbourhood watch groups in Vredenburg, Langebaan, Saldanha, Porterville, Piketberg, Mooresburg, Hopefield, Riebeek Wes and Darling - all linked to the Premier's Tour which took place in February 2022.

The remaining 400 Bicycles were distributed across various projects and programmes in the Western Cape as part of the Provincial Sustainable Transport Programme (PSTP). These bicycles have been used in the following areas:

- Scholar mobility
- Community safety initiatives such as neighbourhood watches and Community Policing Forums (CPF's)
- Small, medium and micro enterprise (SMME) support initiatives
- Food and medicine delivery

While we have come to the end of our contract with the provincial department of transport, we have already submitted a bid for another three years of the PSTP.

Safe cycling has always been a key element of the Bike4All project, and we aim to ensure that every beneficiary of a bicycle is properly trained before they receive their bicycle. We have taken an expansive view on our Intellectual Property and allow and encourage third party organisations to use the content that we have developed to support their training programmes, indirectly expanding our safety training reach.

As we move forward, we will remain committed to enabling strong partnerships, creating access to bicycles to those who can least afford it, provide an end-to-end package for bicycle distribution and support a range of mobility projects in a collaborative approach.

Advocacy

Over the last 12 months our advocacy initiatives have grown tremendously and will become a driver of the PPA's mandate moving forward. In our recent restructure and refocus exercise, we resourced appropriately to tackle this central task that we believe will essentially drive large change in South Africa over the next decade. Advocacy is a long term play for the PPA but overall it will position us as one of the key voices in the Non-Motorised Transport space in South Africa. A position which will allow us to assist in providing a more sustainable transport system and safer cycling in South Africa.

Over the next decade our overall aim is about trying to open the eyes & minds of politicians, administrators, the private sector and the public to the benefits of bicycle mobility and more broadly, Non-Motorised Transport (NMT) as key for a more sustainable and just transport system. Improved health, better social cohesion, reduced congestion, better economic and educational opportunities, a more sustainable environment and mobility choices for low-income earners are just some of the compelling reasons for utility cycling to be taken seriously by everyone.

Cycling and walking should be the departure point for any and every transport and urban development project or programme. It is the foundation of sustainable transport which is so critical in addressing the impacts of climate change that we are seeing so starkly in the natural disasters around the world as evidenced by the recent floods here in South Africa and Pakistan.

Current Initiatives & or actions that we're involved in

PPA is involved in helping shape/guide and making contributions to various policies and legislation that have an overall impact on NMT and sustainability in general. There is a long list below, some of which are long term projects and some which we believe could show progress within the next few years. Each is a complex and political process where we aim to have a meaningful voice.

- Standardisation of cycling signage and road markings
- Status of The White Paper on the Rights of Persons with Disabilities, 2016
- Tackle the NMT issues of The National Learner Transport Policy, 2015
- The National Strategic Framework on Universal Design and Access (2021)

- The Revised Draft White Paper on National Transport Policy, 2018 (published 2022)
- The Draft Roads Policy, 2018
- The Draft National Non-Motorised Transport Policy, 2013
- The National Learner Transport Policy, 2015
- The Rural Transport Strategy for South Africa, 2005
- The Green Transport Strategy
- WCG – Draft Cycling Strategy
- Alliance for Climate Action

- The Presidential Climate Commission
- South African Cities' Network and South African Local Government Association – working group on the State of SA Cities
- City of Cape Town – Integrated Transport Planning Committee and Sustainable Transport Subcommittee
- Cycling and NMT safety working group – Department of Transport
- Conference of the Parties on Climate Change - COP27

Concluding Remarks

Although it has been a challenging 12 months coming out of lockdowns and very restrictive trading conditions, there are signs of life in a very complex economy and political landscape. We are energised as ever to bring back our events portfolio and will be looking to grow these in the coming years.

We are also excited to get more people safely on bikes more often through our safety and bike distribution programs and to advocate in the right areas for our members, cyclists and cycling in general.

Ultimately aiming to help create a cycling South Africa.

Thank you

Neil Robinson
CEO