



national treasury

Department: Specialist Functions: Contract Management
National Treasury
REPUBLIC OF SOUTH AFRICA

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CONTRACT 57-2007CV

**MOTOR VEHICLES, LIGHT AND HEAVY COMMERCIAL VEHICLES,
BUSSES AND MOTOR CYCLES**

PERIOD: 1 APRIL 2007 TO 31 MARCH 2008

Please note that all National Government Departments; Provincial Administrations and other authorised entities who requested participation, will participate in this contract.

1. Particulars of offers accepted.

- 1.1 Particulars of all the offers accepted are reflected in the attached Contract summary report.
- 1.2 The prices that will be reflected on the particular contractor's invoice will be updated periodically by means of amendments issued by Contract Management.
- 1.3 The details contained in the Contract Summary report are all the necessary information to enable ordering officials to place orders.

2. Comparative positioning of accepted tenders.

- 2.1 Orders must be placed in accordance with the accepted policy which **inter alia** means that orders must first be placed with contractors who are ranked lowest-highest on points (from top to bottom) in the comparative order.
- 2.2 In all cases where more expensive makes/models are required, motivation to that effect must be kept for audit purposes.
- 2.3 The prices reflected in the **contract summary report** and the comparative ranking has already been determined. The total points reflected and the units shown are only given for information purposes. Also read paragraph 3.4 hereunder.

3. Placing of orders.

- 3.1 The contents of paragraph **3.4** should always be applied before orders are placed.
- 3.2 All the details to enable ordering officials to make accountable purchases are enclosed in the Contract Summary report.

- 3.4 **NB: Orders should only be placed after written consultation with the highest ranked contractor(on points) regarding availability and delivery period.** If it is confirmed by the highest ranked contractor (on points) that the available vehicles have been allocated, ordering officials must approach the second contractor or others on the same basis. **More expensive vehicles should only be ordered after written confirmation has been obtained from higher ranked contractors on points that delivery cannot be affected within the contract period or that vehicles are not available.** The documents concerning these consultations (letters, facsimile messages, e-mails and other notes) must be kept for future reference and auditing purposes.
- 3.5 It is essential that the point of delivery and railage or cost of delivery by motor carriers be taken into consideration when orders are placed. The cost of delivery by motor carriers is reflected in the Annexures showing particulars of successful contractors

As far as the financing, maintenance and administration of the subsidized motor transport scheme is concerned the following must be pointed out:

The Bid Adjudication Committee granted approval for the under-mentioned procedure for ordering and purchasing vehicles off contract RT 57 with regards to subsidized vehicle transport (SVT) in order to alleviate administrative and financial management problems.

Approved procedure

- Once the Head of a particular Department approves the allocation of a subsidized vehicle, the user Department then forwards a requisition to the National Department of Transport to order the required vehicle.
- On receipt of the requisition, the National Department of Transport will certify each requisition and order per pre-forma letter with a numerical number from the manufacturer. A copy will be forwarded to the maintenance contractor to administer the maintenance of the subsidized vehicles and associated administration of the log sheets.
- The maintenance contractor will then log the order and handle all associated queries resulting from the ordering of subsidized vehicles.
- All original invoices for the ordering vehicles will be forwarded to the Finance House from the manufacturer.
- On receipt of the original invoices and delivery note from the manufacturer, the Finance House will pay on invoice within seven (7) days – 30 days maximum.
- The Finance House will then forward a copy of the invoice and payment advice to the Department where the requisition originated and to the National Department of Transport.
- A full audit trail of all vehicles purchased off contract RT 57 will then be submitted to the Office of Contract Management at the end of each month for review.
- Vehicles will be collected on account of the contractor notifying the client that the dealer has completed the PDI service.

The term GP directs General Purpose (GP) (*)

4. **Payment conditions. (General Purpose)**

- 4.1 **NB: Payment must be effected within 30 days from date of invoice, which *inter alia* is the delivery date of the vehicle, proved by a signed delivery note.**
- 4.2 End users must ensure that deliveries are executed within the indicated delivery period reflected. When deliveries are executed outside the stated period, the relevant contractor is not entitled to any price escalations.
- 4.3 Contractors made decide to levy interest at prime rate on all accounts outstanding for 30 days and more after delivery. In severe cases of non-payment further shipments to the relevant Departments/Administrations may be suspended.
- 4.4 End users are advised not to delay accepting delivery of their vehicles from the relevant dealers/contractors in order to delay payments.
5. End users should take note of the fact that certain makes/ models are available for a limited period only and will be phased out during the contract period. Furthermore model changes will take place during the contract period, this includes the addition of optional extras as standard features at extra cost.

Colour Choices:

All subsidised vehicles ordered on the current contract by the service provider must be submitted to the manufacturer with a minimum of four (4) colour choices from the list of approved paint colours offered by him indicated on the order form.

Since all subsidised vehicles are ordered via the current contract from the manufacturer and in the interest of expediting the delivery of the vehicle, the manufacturer, can supply the ordered vehicle in any one of the four stipulated colour choices in order of stated preference on the order form and/or based on availability of any one of the four selected colours at the time of manufacture.

6. Delivery periods are not firm and are subject to the availability of vehicles.
7. End users must not settle invoices with amended prices before an amendment in that regard has been issued.
8. End users must ensure that details of all performance measures for which they are responsible must be handed in on time.
9. No allocations were made against the certain items and these items are therefore cancelled. If End users are in need of these categories, they should endeavour to satisfy the needs through the remaining categories.
10. The under-mentioned annexures contain the covering letters of the various contractors and should be perused before orders are placed as it contains important conditions and information.

Annexure A BMW SA (Pty) Ltd

Annexure B DaimlerChrysler South Africa (Pty) Ltd

Annexure C Ford Motor Company of Southern Africa (Pty) Ltd

Annexure D	General Motors South Africa
Annexure E	Isuzu Trucks (Pty) Ltd
Annexure F	Iveco South Africa (Pty) Ltd
Annexure G	McCarty Limited (Yamaha)
Annexure H	Land Rover South Africa
Annexure I	Nissan South Africa (Pty) Ltd
Annexure J	Tata Automobile Corporation of South Africa (Pty) Ltd
Annexure K	Toyota SA Motors (Pty) Ltd (Sedan)
Annexure L	Toyota SA Motors (Pty) Ltd (Heavy vehicles)
Annexure M	Volkswagen of South Africa

CARLO RAFFANTI

VEHICLES

For CHIEF DIRECTOR: CONTRACT MANAGEMENT

1 April 2007

RT 57/2007 - Circular

