



SPECIAL CONDITIONS OF THE CONTRACT

RT68-2026

**APPOINTMENT OF A CONTRACTOR FOR THE PROVISION OF FINANCE AND ADMINISTRATION
OF SUBSIDISED VEHICLE FLEET TO THE STATE FOR THE PERIOD**

1 OCTOBER 2026 TO 30 SEPTEMBER 2031

**NON-COMPULSORY BRIEFING SESSION TO BE HELD VIRTUALLY ON 24 APRIL 2026 ON THE
MICROSOFT TEAMS PLATFORM**

CLOSING DATE AND TIME OF BID

11 MAY 2026 AT 11H00

BID VALIDITY PERIOD: 180 DAYS

National Treasury

Transversal Contracting



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LIST OF ABBREVIATIONS

Abbreviation	Meaning
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
BQRC	Bid Quality Review Committee
CCGMT	Coordinating Committee of Government Motor Transport
CIPC	Companies and Intellectual Property Commission
CPA	Contract Price Adjustment
CPI	Consumer Price Index
CSD	Central Supplier Database
FSCA	Financial Sector Conduct Authority
FSRA	Financial Sector Regulation Act 9 of 2017
GCC	General Conditions of Contract
NT	National Treasury
NCR	National Credit Regulator
OCPO	Office of the Chief Procurement Officer
PA	Prudential Authority
SBD	Standard Bidding Document
SARS	South African Revenue Service
SCC	Special Conditions of Contract
STATS SA	Statistics South Africa
TC	Transversal Contract
TCA	Transversal Contracting Agreement
TCD	Transversal Contract Document
PFMA	Public Finance Management Act
PPPFA	Preferential Procurement Policy Framework Act
VAT	Value-Added Tax



LIST OF ATTACHMENTS AND ANNEXURES

- i. Standard Bidding Documents (SBD's)
- ii. Transversal Contracting Documents (TCD's)
- iii. General Conditions of Contract (GCC)
- iv. Annexure A - Pricing Schedule
- v. Annexure B - Contract Deliverables and Service Requirements
- vi. Annexure C - Penalty Schedule
- vii. Annexure D - Subsidized Motor Transport Handbook 1 of 2017
- viii. Annexure E- Statistics

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LIST OF DEFINITIONS

Accounting Officer	bears the same meaning as defined in the Public Finance Management Act (PFMA) or the Municipal Finance Management Act (MFMA)
Contract	the agreement that results from the acceptance of a bid by any organ of State.
Contractor	the successful bidder who is awarded the contract to maintain and administer the required and specified services to the State.
Driver/owner	an official/employee who has qualified for and partakes in the Subsidized Motor Transport Scheme and is in possession of a valid unendorsed driver's license which enables them to drive a specific category of vehicle.
Due Diligence	The investigation or exercise of care that the State conducts before entering into an agreement with the bidders to validate the bid responses.
Fleet Responsibility Manager / Fleet Manager / Transport Officer	an official designated by the Accounting Officer or Chief Financial Officer to assume accountability for the subsidized vehicle fleet of the respective department.
Government Payroll Systems	The Persol and Persal systems or the system of preference, as used by the majority of government end-user departments, as identified in the special conditions of the contract.
Joint Venture	an association of persons for the purpose of combining their expertise, property, capital, efforts, skills, and knowledge in an activity for the execution of a contract.
National Department	means a department listed in Schedule 1 to the Public Service Act, Act 1 of 1994, excluding the Office of a Premier.
Provincial Department	The Office of a Premier listed in Schedule 1 to the Public Service Act, Act 1 of 1994 and a provincial department listed in Schedule 2 to the Public Service Act, Act 1 of 1994.
Service Plan / Maintenance Plan	A service or maintenance plan that is procured during the purchasing of the vehicle where it is compulsory as part of the RT57 price.
SMS	Short Message Service or also referred to as text messaging
Subsidized vehicle	A vehicle procured from the RT57 vehicle procurement contract, financed by the service provider as appointed under contract RT68 and maintained through contract RT62.
Subsidized Vehicle Owner	a government employee who was allocated a vehicle in terms of Scheme A of the Subsidized Motor Transport Scheme.



The State	for the purpose of this bid, the State refers to National and Provincial Departments and any other public entity that make use of the government payroll systems, payroll systems PERSAL and PERSOL.
Transport Officer / Controller / Control Officer	an officer appointed by the Accounting Officer in writing to, inter alia, administer the department's State vehicles either at a sub-office within a region, within a region or within a department.



BID DOCUMENT CHECKLIST AND RETURNABLE

Table 1: Bid Document Checklist and Returnable

#	Document Name ¹	Included in the published bid document?	To be returned by the bidder?	Bidder to tick Yes if the document is submitted
PHASE 1: MANDATORY REQUIREMENTS EVALUATION				
1.	Pricing Schedule (Annexure A)	Yes	Yes	
PHASE 2: ADMINISTRATIVE REQUIREMENTS EVALUATION				
2.	SBD 1 Invitation to Bid	Yes	Yes	
3.	Proof of authority must be submitted as per SBD 1	No	Yes	
4.	SBD 4 Bidder's Disclosure	Yes	Yes	
5.	SBD 6.1 – Preference points claim form.	Yes	Yes	
6.	TCD 13 Authorization Declaration	Yes	Yes	
7.	TCD 13.1 List of goods or services offered	Yes	Yes	
8.	Written confirmation for disclosing tax status by SARS	No	Yes	
9.	Central Supplier Database Report	No	Yes	
10.	CIPC Company Registration Documents	No	Yes	
11.	Copy of Identity Documents of the Owners and Directors	No	Yes	
PHASE 3: TECHNICAL COMPLIANCE EVALUATION				
12.	TCD 13.2 Authorization Declaration: Third-Party Letter of Undertaking	Yes	Yes	
13.	Implementation plan	No	Yes	
14.	Operating License	No	Yes	
15.	Compliance with Representatives of Authorized	No	Yes	

¹ Table 1 is provided as guidance to assist bidders with documents that must be returned with the bid. The list is not exhaustive, and it is the responsibility of the bidder to provide all required documents as per the provision of each clause in this bid



#	Document Name ¹	Included in the published bid document?	To be returned by the bidder?	Bidder to tick Yes if the document is submitted
	Financial Service Provider Requirements (FAIS Act)			
16.	Professional Indemnity Insurance	No	Yes	
17.	Reference Letter (s)	No	Yes	
18.	Financial Guarantee	No	Yes	
19.	National Credit Regulator Certificate	No	Yes	
PHASE 4: PRICE & SPECIFIC GOALS EVALUATION				
20.	Pricing Schedule (Annexure A)	Yes	Yes	
21.	Proof of Business Shareholding/Ownership	No	Yes	
OTHER BID DOCUMENT REQUIREMENTS				
22.	Company Profile	No	Yes	
23.	Special Conditions of Contract (SCC)	Yes	Yes	
24.	General Conditions of Contract (GCC)	Yes	Yes	

**SECTION A: INTRODUCTION AND TERMS OF REFERENCE****1. DESCRIPTION AND FORMAT OF THE BID**

- 1.1 This bid is for the appointment of a contractor for the provision of finance and administration of subsidised vehicle fleet to the state for the period of sixty (60) months.
- 1.2 This bid document is structured as follows:
 - 1.2.1 Section A: Introduction and Terms of Reference
 - 1.2.2 Section B: Conditions of Bid
 - 1.2.2.1 Part 1: Evaluation Criteria
 - 1.2.2.2 Part 2: Additional Bid Requirements
 - 1.2.2.3 Part 3: Recommendation and Appointment of Bidders
 - 1.2.3 Section C: Conditions of Contract

2. LEGISLATIVE AND REGULATORY FRAMEWORK

- 2.1 This bid and all contracts emanating therefrom will be subject to General Conditions of Contract issued per Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) as well as the Preferential Procurement Policy Framework Act No 5 of 2000 (PPPFA) with its latest 2022 regulations.
- 2.2 The Special Conditions of Contract (SCC) are supplementary to those of the General Conditions of Contract (GCC). However, where the Special Conditions of Contract conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.
- 2.3 This bid is subject to all applicable industry-related legislation, particularly the legislation stated below:
 - a. Protection of Personal Information Act, Act No. 4 of 2013, and its Regulation
 - b. Financial Advisory and Intermediary Services Act (FAIS), Act 37 of 2002, and its Regulations
 - c. Companies Act, Act No. 71 of 2008
 - d. Financial Advisory & Intermediary Services Act, Act 37 of 2002, and its Regulation
 - e. Financial Sector Regulation Act (FSRA), Act No. 9 of 2017
 - f. Banks Act, 1990 Act No. 94 of 1990 Act 13 of 2002 and its Regulation
 - g. National Credit Act (NC), No 34 of 2005



- 2.4 The Contractor must ensure that its services comply with all applicable legislation, at all times during the contract period.

3. OBJECTIVE OF THE BID

- 3.1 To arrange the RT68-2026 transversal contract for the appointment of a contractor for the provision of finance and administration of the subsidised vehicle fleet to the State for the period of sixty (60) months.
- 3.2 For the promotion of historically disadvantaged individuals as per the specific goals (maximum 10 points) allocated in terms of the Preferential Procurement Regulations, 2022, issued according to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000).
- 3.3 For the promotion of historically disadvantaged individuals who, due to the apartheid policy that had been in place had no franchise in national elections before the introduction of the Constitution of the RSA, 1983 (Act 110 of 1983) or the Constitution of the RSA, 1993 (Act 200 of 1993), ("the Interim Constitution") and who is a female.

4. BRIEFING SESSION

- 4.1 A non-compulsory virtual briefing session will be held as follows:

Venue: **Microsoft Teams**. The link to register and attend the briefing session is included on the National Treasury website and e-tenders. Bidders can click on the link below to access the briefing session:

RT68-2026 BRIEFING SESSION LINK:

<https://teams.microsoft.com/meet/32414203988564?p=J70FGCElpcOFNnAUNE>

Date: **24 April 2026**

Time: 10h00 to 11h30

- 4.2 The bid information session is not compulsory; however, it will provide bidders with an opportunity to obtain clarity on certain aspects of the procurement process as set out in this bid document. The National Treasury reserves the right to answer questions at the briefing session and/or to respond formally after the briefing session.



5. TERMS OF REFERENCE

5.1 INTRODUCTION AND BACKGROUND

- 5.1.1 The RT68-2026 bid is for the appointment of a contractor for the provision of finance and administration of subsidised vehicle fleet to the State for the period of sixty (60) months.
- 5.1.2 The Government's Subsidized Motor Transport Scheme provides state employees with access to vehicles through a subsidized vehicle scheme program. The State requires a Contractor to finance and administer all subsidized vehicles procured under Scheme A of the Subsidized Motor Transport Scheme.
- 5.1.3 For the appointed Contractor to execute the required services as set out in this bid, the Contractor will need to share information with other service providers appointed in terms of other Subsidized Vehicle Contracts. This includes, but is not limited to, contract RT62 for the Maintenance of Subsidized Vehicles and contract RT58 for the Insurance of Subsidized Vehicles.
- 5.1.4 The same requirement for the sharing of information applies to other contractors appointed in terms of the Subsidized Vehicle Scheme.
- 5.1.5 The appointed Contractor will need to ensure that every agreement signed by any official partaking in the scheme will allow for the sharing of information submitted during the application process with other service providers and the government for the single purpose of executing the contract.

5.2 SCOPE OF WORK

The RT68-2026 Contract Deliverables and Service Requirements are attached as **Annexure B**. The appointed contractor will be required to undertake these services in accordance with the contract conditions and in compliance with the penalty schedule attached as **Annexure C**. The appointed contractor must, amongst other things:

- 5.2.1 Administer the Subsidized Vehicle application process for the procurement of vehicles from the RT57 Vehicle procurement contract of the State for all subsidized vehicles on Scheme A.
- 5.2.2 Ensure that the affordability and the National Credit Act requirements are met and complied with for officials applying for a Subsidized Vehicle.
- 5.2.3 Place the vehicle order, including accessories, with the RT57 supplier, monitor the delivery process, and ensure the ordered vehicle is delivered.



- 5.2.4 Ensure payment to the RT57 suppliers is made within the required 30 days of vehicle delivery.
- 5.2.5 Finance the Subsidized Vehicle.
- 5.2.6 Ensure that the correct deductions and allowances are loaded and managed for officials on government payroll systems (Persal/Persol).
- 5.2.7 Provide and compile management reports as required by end users.
- 5.2.8 Assist the government in the enforcement of the current Subsidized Motor Transport Handbook (Transport Handbook 1 of 2017, attached as **Annexure D**).
- 5.2.9 Communicate accurate information to all relevant stakeholders within the scheme, including the use of SMS or other electronic communication methods as required.
- 5.3 **TECHNICAL SPECIFICATIONS REQUIREMENTS**
- 5.3.1 The detailed scope of work and deliverables is as per **Annexure B** for the bid, which is for the appointment of a contractor for the finance and administration of the subsidised vehicle fleet of the State for the period of sixty (60) months.
- 5.3.2 The bid consists of one category with four line items.
- 5.3.3 Bidders must note that all group items in category 1 will be evaluated as a series, and the award will be to a sole contractor.
- 5.3.4 The summary details are as follows:

Table 2: Summary of Technical Specifications Categories

#	ITEM #	CATEGORY DESCRIPTION	# ITEM IN THE CATEGORY
1.	RT68-01-01	Interest rate to be charged on capital in relation to the prime lending rate, expressed in % per individual contract, to be amended based on changes in the repo rate as determined by the South African Reserve Bank	1
2.	RT68-01-02	Contract initiation fee/Once-off admin fee (Legislated)	1
3.	RT68-01-03	Monthly contract administration fee (Legislated)	1
4.	RT68-01-04	Monthly Contract RT68 Administration fee charged by the contractor	1



#	ITEM #	CATEGORY DESCRIPTION	# ITEM IN THE CATEGORY
TOTAL NUMBER OF ITEMS IN THE BID			4

5.4 **Related Contracts**

5.4.1 The effectiveness of the Subsidized Vehicle fleet Scheme relies on the Contractor appointed under RT68-2026 for the Finance and Administration of Subsidized Vehicles to collaborate closely with Contractors appointed under related contracts (including RT62, RT57, and RT58) to ensure effective implementation of the Subsidized Motor Transport Scheme. This collaboration includes the sharing of information and the joint development and integration of systems.

5.4.2 As the Government does not operate its own administration system for the Scheme, it relies on the appointed Contractor under the related contracts to manage and coordinate all administrative processes. The Contractors are therefore responsible for ensuring a seamless flow of information between themselves and all relevant end-users within the Subsidized Vehicle Scheme

5.4.3 The related contracts under the Subsidized Vehicle Scheme include:

5.4.3.1 **RT57 – Vehicle procurement Contract**

- i. Vehicles are procured directly from the RT57 suppliers and delivered to the dealership identified during the application process.
- ii. The service provider appointed under contract RT68-2026 must establish working relationships with the various suppliers under contract RT57. The relationship ensures access to all relevant vehicle information, including vehicle warranties, and any other applicable information, documentation, or specifications.
- iii. Contract RT57 is currently a three-year contract and provision must be made to accommodate changes in models and the possible additions of new suppliers on an annual basis.

5.4.3.2 **RT58 – Insurance of Subsidized Vehicles**

- i. The service provider appointed for RT58 (Insurance of Subsidized Vehicle) is responsible for insuring all vehicles financed through the RT68 finance contract.



- ii. Interaction with the RT58 Insurance Contractor will be required in the event of a total loss of a vehicle.
- iii. The RT58 service provider must confirm the insurance cover of a vehicle before the delivery of a vehicle to an official through an automated process as mutually agreed to with the Finance Service provider on contract RT68.
- iv. The appointed service provider on contract RT58-2026RA will be required to set up a Standard Operating Procedure with the Finance Service Provider (RT68) for the settlement of accounts where a total loss occurs.

5.4.3.3 **RT62 – Maintenance of Subsidized Vehicles**

- i. The service provider appointed on contract RT68-2026 must maintain regular communication with the Maintenance service provider appointed under contract RT62.
- ii. The information collected during the application process also forms the basis of the database to be used by the service providers appointed in terms of contract RT62 (Maintenance of the Subsidized Vehicles).
- iii. The RT62 Maintenance Service provider will notify the RT68 contractor in the event that a vehicle contract has terminated due the kilometres travelled.

5.5 **Subsidized Vehicle Procurement Processes**

5.5.1 Processes have been implemented to effectively manage the Subsidized Motor Transport Scheme. The appointed contractor will be required to fulfil their role in accordance with these processes, while also introducing modifications and improvements to the current systems. While at the same time ensuring that all control measures as implemented remains intact.

5.5.2 The typical life cycle of a vehicle ordered through the Subsidized Motor Transport Scheme can be summarized as follows:

5.5.2.1 The official will utilize the generated quotation and applies within his/her department for a subsidized vehicle. This application is not vehicle specific but rather for a certain type/category, e.g., sedan or a light delivery vehicle with a specific engine classification, based on the approved benchmark. The end-user department will approve the application if the official meets the minimum requirements for the participation in the scheme and if the application reflects the most economical solution for the provision of appropriate transport as set out in the Subsidized Motor Transport Handbook 1 of 2017.

5.5.2.2 The official will need to have the ability to log onto the website of the RT68 Finance Service



provider to obtain a quotation that will set out the details of the application, including the vehicle price, accessories and other costs. They will also include the government contribution.

- 5.5.2.3 Once the department has approved the application for the subsidized vehicle, the application will be sent to the Finance service provider appointed on contract RT68. The Finance service provider will conduct credit and affordability checks as required by the National Credit Act.
- 5.5.2.4 The Finance service provider, once the applications have been approved will send the application back to the end-user department for verification of the vehicle make and model as ordered by the official.
- 5.5.2.5 Upon verification the application will be sent back to the Finance service provider that will place the vehicle order with the relevant supplier in terms of contract RT57 for the procurement of vehicles.
- 5.5.2.6 The supplier in terms of contract RT57 will deliver the vehicle to the identified dealership and invoice the Finance service provider accordingly.
- 5.5.2.7 The official will do an inspection of the vehicle and sign the finance agreement with the finance service provider after a confirmation of insurance was received from the Insurance service provider appointed in terms of contract RT58.
- 5.5.3 When the officials sign the finance agreement and take delivery of the vehicle, the following processes will commence:
- 5.5.3.1 The Finance service provider is required to pay the vehicle supplier as per contract RT57.
- 5.5.3.2 The Finance service provider must institute the monthly deductions and allowances on official's salary for the payment of the capital of the vehicle through the Persal / Persol system.
- 5.5.3.3 The vehicle is insured with immediate effect as per contract RT58.
- 5.5.3.4 The collection of the insurance premiums is instated. All premiums are collected upfront for the full financial year.
- 5.5.3.5 The Maintenance service provider needs to institute the deductions for the maintenance premiums through the government's payroll systems.
- 5.5.3.6 The Maintenance service provider on contract RT62 appointed in terms of this contract is responsible for any maintenance required on the vehicle.



- 5.5.3.7 The Maintenance service provider needs to process all fuel claims and log the payments thereof through the government's payroll systems.
- 5.5.3.8 The Insurance service provider will be required to cover any damage to the vehicle and settle the Finance Service provider in case of total loss.
- 5.5.4 Once the vehicle has reached the required kilometres (160 000km) or the required time period elapses as set out in the finance agreement (32/36/42/48/60 months) or for any other reasons such as the resignation from government by the official, the official passing away or the official being promoted the vehicle is withdrawn from the scheme.
- 5.5.5 The Insurance service provider as appointed on contract RT58 will be required to make a pro-rata refund of the insurance premium to the end-user department. Insurance cover for the vehicle must remain in place until the last calendar day of the month in which the official's contract is terminated.
- 5.5.6 In addition to the above functions, the appointed contractor must assist the government in implementing and enforcing the provisions of the current Subsidized Motor Transport Handbook (**Annexure D**), which may be amended from time to time by the National Department of Transport.
- 5.6 **Statistics and Estimated Quantities**
- 5.6.1 It must be noted that these statistics must be utilized for the sole purpose of preparation for this bid and that it is only a guideline in terms of the volumes of this contract.
- 5.6.2 The State does not guarantee that the number of vehicles in the fleet at the time of implementation will be the same as indicated in this document. It is merely an estimate to be used in the compilation of the bids.
- 5.6.3 The State does not and shall not guarantee the fleet size or any other statistics provided as part of this bid as contracted by the State.
- 5.6.4 The Contractor is required to obtain knowledge of the State's business principles and accordingly assist with the optimization of its fleet. Consequently, the Service provider will be contractually required throughout the contract period to provide recommendations to optimally manage the fleet size and cost.
- 5.6.5 The statistics provided to assist the bidders in the compilation of their bids are attached to this document as Annexure E.



SECTION B: CONDITIONS OF BID

6. PART 1: EVALUATION CRITERIA

6.1 The details of the evaluation phases are outlined below:

Table 3: Evaluation Criteria

Phase 1	Phase 2	Phase 3	Phase 4
Mandatory Requirements	Administration Requirements	Technical Compliance	Price and Specific Goals
Compliance with mandatory requirements	Compliance with the Administration documents requirements	Compliance with the technical specifications and requirements	Bids evaluated in terms of the 90/10 preference points system

6.1.1 The State may conduct due diligence during any of the evaluation phases to confirm the information submitted by the bidder, and any misrepresentation by the bidder may disqualify the bid thereof.

6.2 PHASE 1: MANDATORY REQUIREMENTS

6.2.1 Bidders must submit all required documents indicated hereunder with the bid documents at the closing date and time of the bid. During this phase, bidders' responses will be evaluated against the mandatory requirement for compliance. Bidders who fail to comply with the mandatory requirement will be disqualified.

6.2.2 Pricing Schedule

6.2.2.1 The pricing schedule (**see Annexure A**) provided in this bid forms an integral part of the bid document, and bidders must ensure that it is completed in full without changing the structure thereof.

6.2.2.2 Bidders are required to complete a mandatory **Pricing Schedule Annexure A** as a response to how much the items offered will be charged. Failure to submit the Annexure A Pricing Schedule will invalidate the bid response.

6.2.2.3 The pricing for this bid is required to be on a national level.

6.2.2.4 Prices submitted in this bid must be filled in on the fields provided on the Pricing Schedule supplied with the bid.

6.2.2.5 Price structures that do not comply with this requirement will invalidate the bid.

6.2.2.6 Bidders are required to submit an all-inclusive Administration Fee for the execution of all



services on the contract. Prices submitted in this bid must be inclusive of 15% Value Added Tax (VAT) and pricing not in accordance with the prescribed format of **Annexure A** will invalidate the bid. No additional costs will be considered post-award that do not form part of the Pricing Schedule.

- 6.2.2.7 The Pricing Schedule (Annexure A) must be submitted online in an **XLSX Excel format**.
- 6.2.2.8 Bidders must take note that the total book value on the pricing schedule is as per Annexure E-Statistics.
- 6.2.2.9 The items in category 1 will be evaluated as a series.
- 6.3 **PHASE 2: ADMINISTRATION AND LEGISLATION REQUIREMENTS EVALUATION**
- 6.3.1 Bidders must submit the following documents listed below to comply with the policy to guide uniformity in procurement reform processes.
 - 6.3.1.1 **SBD 1** – Invitation form to bid.
 - 6.3.1.2 **Proof of Authority** – This is proof that the company representative has been given authority by the company to sign bid documents on their behalf as required on SBD 1.
 - 6.3.1.3 **SBD 4** – Bidder's Disclosure
 - 6.3.1.4 **SBD 6.1** - Preference points claim form.
 - 6.3.1.5 **TCD 13 and 13.1 - Authorization Declaration** - All bidders are required to complete the "Authorisation Declaration" (TCD 13 and TCD 13.1) for all relevant services in full, sign it, and submit it together with the bid response at the closing date and time of the bid invitation.
 - 6.3.1.6 **Central Supplier Database** - Bidders are required to submit their Central Supplier Database report.
 - 6.3.1.7 **Written Confirmation to disclose tax status** - Bidders must submit a Tax Pin issued by SARS. This tax pin is deemed as a confirmation that, on an ongoing basis during the bid evaluation and the tenure of the transversal contract, the State may access the bidder's tax compliance status.
 - 6.3.1.8 **Company registration documents issued by CIPC** - Bidder must submit proof of registration with the Companies' Intellectual Property Commission (CIPC). In a case where the shareholding percentage is not indicated on the CIPC registration documents, an additional shareholding certificate issued by the relevant authority detailing the shareholding of the bidder must be submitted.
 - 6.3.1.9 **Copy of Identity Document (Directors/Owners)** - Bidders are required to submit a copy of



an identity document of the directors and/or owners.

- 6.3.2 Failure to submit the documents indicated above, even after the bidder has been notified and given a maximum of seven calendar days to rectify, may invalidate the bid.

6.4 **PHASE 3: TECHNICAL SPECIFICATION REQUIREMENTS**

- 6.4.1 During this phase, bidders' responses will be evaluated based on technical requirements. Only the bidders who have complied with Phases 1 and 2 will be evaluated in Phase 3. Non-compliance with the applicable requirements below will result in the disqualification of the bid.

6.4.2 **Authorization Declaration - Third Party Letter of Undertaking**

- 6.4.2.1 Any bidder who is using a sub-contracting partner to offer the required service offering must submit a valid Third-Party Undertaking letter (template provided as TCD 13.2) in full for all relevant services.
- 6.4.2.2 The letter of undertaking from the service partner/sub-contracting partner must include a letter that meets the following requirements:
- a) The letter must be on the letterhead of the service partner/sub-contracting partner's letterhead, dated, and signed
 - b) In terms of solution, the bidder must list the type of services to be offered by the relevant service partner/subcontracting partner.
 - d) The letter must not be older than 30 days at the closing date and time of the bid.
 - e) The letter must have the contact person's name, physical and postal address, telephone, and email details, and the capacity with which a person is signing the letter.
 - f) All the information on the letter must be in English.
- 6.4.2.3 The letter of undertaking must be from the service partner/subcontracting partner that the service will be offered. The letter of undertaking and supporting documents must be submitted with the bid at the closing date and time of the bid.
- 6.4.2.4 The State reserves the right to verify any information supplied by the bidder in the Authorisation Declaration, and should the information be found to be false or incorrect, the State will exercise any of the remedies available to it in this bid document.
- 6.4.2.5 The bidder must ensure that all financial and supply arrangements for goods or services have been mutually agreed upon between the bidder and the third party. No agreement between the bidder and the third party will be binding on the State.
- 6.4.2.6 Where the bidder intends to outsource any part of the services to a service partner or sub-contractor, the bidder must submit a duly completed and signed Authorisation Declaration,



together with all required annexure(s). Failure to submit a duly completed and signed Authorisation Declaration, with the required annexure(s), by the above provisions will invalidate the bid.

6.4.3 Implementation Plan:

6.4.3.1 The bidder must submit an implementation plan detailing the activities with clear timelines to ensure that the contract is successfully implemented. The full implementation must be completed within a period of three (3) months from the date of the award or before the contract commencement date of 1 October 2026.

6.4.3.2 The implementation plan must outline the following key activities:

- a) Call centre setup, number of call centre agents, and call centre functions
- b) Capacity, personnel, and organizational structure
- c) Establishment of offices in each province
- d) How the vehicle application process will be managed, the finance processes, and the payment of the RT57 suppliers
- e) Implementation of an IT system to fulfil the requirements of the contract, including the set-up, development, implementation, and integration with other subsidized Motor Transport Contractors.
- f) It is a requirement of this bid that bidders be able to administer the collection of premiums on government's Persal and Persol systems. Bidders must provide proof that their system will be able to interface and/or interact with Persal and Persol systems.
- g) Bidders are expected to provide documentation relating to the operations of the system and how it is able to interact and /or interface with government's Persal and Persol systems.
- h) The bidder must prove that it has the capability to collect the maintenance premiums on a monthly basis through the government payroll systems. Should the service of submitting the payment files to payroll systems for the collection of the maintenance premium or the submission of the fuel claim payments be outsourced, the bidder must include any such agreements that it may have or will enter into with a third party as part of its bid submission.

6.4.4 Operating License:

6.4.4.1 The bidder must submit a copy of their valid license/authorisation issued by the Financial Sector Conduct Authority (FSCA), confirming that the bidder is licensed to operate as a Financial Services Provider (FSP) under the Financial Advisory and Intermediary Services (FAIS) Act.



- 6.4.4.2 Bidders must submit a current and valid FSCA certificate, a letter confirming registration, or an FSP number confirming registration with FSCA.
- 6.4.5 **Compliance with Representatives of Authorised Financial Service Provider Requirements (FAIS Act)**
- 6.4.5.1 In alignment with the requirements of RT68 for the Finance and Administration of Subsidized Vehicles, it is a mandatory requirement that the Contractor's implementation team or appointed representatives comply with all applicable requirements relating to representatives of an authorised Financial Services Provider (FSP) as prescribed by the relevant financial regulatory authorities.
- 6.4.5.2 The Contractor shall, as part of its bid submission, provide a register of the implementation team or representatives to demonstrate compliance with the applicable representative requirements.
- 6.4.6 **Professional Indemnity Insurance:**
- 6.4.6.1 The bidder must submit valid proof of Professional Indemnity Insurance cover, in the form of a confirmation letter, a quotation, or certificate of insurance, issued by an insurer licensed and regulated by the FSCA, indicating a coverage of not less than R10 million.
- 6.4.7 **Reference Letter(s):**
- 6.4.7.1 The bidder must submit a reference letter(s) with contactable references indicating that the bidder:
- (a) Vehicle asset finance experience for at least 3000 vehicles per annum over a continuous period of five (5) years.
- 6.4.7.2 The 3000 vehicles and the R50 million can be made up of multiple contracts, as supplied in different reference letters. This can include Full Maintenance Lease Experience. The reference letter/s must not be older than five (5) years.
- 6.4.7.3 The following information must be contained in the reference letter:
- a. Confirmation of vehicle finance, the number of vehicles, and the period over which the vehicles were financed.
 - b. The letter must be on the Third-Party letterhead, dated, and signed.
 - c. The letter must have the Third-Party name, physical and postal address, and telephone and email details, and the capacity of the person signing the letter.
- 6.4.8 **Financial Guarantee**
- 6.4.8.1 The bidder must submit a financial guarantee confirming access to funding in the amount of R750 million. The financial guarantee must be issued by a registered South African bank regulated by the South African Reserve Bank (SARB), a licensed financial institution or insurer regulated by the Financial Sector Conduct Authority (FSCA).



6.4.8.2 To this extent, the financial guarantee must be dated and signed and must contain the following information:

- a) Must be on the official letterhead of the issuing financial institution
- b) Name of the financial institution
- c) Contact details of the financial institution, which include physical and postal address, telephone numbers, and email address
- d) The guarantee must be addressed to the bidding company
- e) Indicate access to funding of R750 million
- f) Indicate that it is explicitly issued for RT68-2026 and valid for the entire contract duration, i.e., 1 October 2026 to 30 September 2031
- g) Full name, designation, and capacity of the individual signing the guarantee.

6.4.8.3 This requirement will not be applicable where the bidder is a registered bank in terms of the Banks Act. In such a case, proof of banking registration needs to be provided.

6.4.9 National Credit Regulator Certificate

6.4.9.1 Bidders must be registered with the National Credit Regulator (NCR).

6.4.9.2 Bidders must submit a current and valid NCR certificate or letter confirming registration issued by the National Credit Regulator.

6.4.9.3 Failure by the bidder to meet any requirement detailed in this phase will render their submitted bid non-responsive and therefore disqualified.

6.4.9.4 Once a bid has complied with all requirements in phase 3, it will be evaluated to phase 4.

6.5 PHASE 4: PRICE AND SPECIFIC GOALS

6.5.1 Pricing Schedule and Structure Requirements

6.5.1.1 Only the bidders who have complied with all phases will be evaluated in Phase 4.

6.5.1.2 Prices quoted must be furnished based on “delivered to State facility”, country-wide, inclusive of VAT. No additional costs will be considered post-award.

6.5.1.3 The pricing schedule provided in this bid forms an integral part of the bid document, and bidders must ensure that it is completed without changing the structure thereof. Bidders are required to complete a mandatory Pricing Schedule in response to how much the items offered will be charged.

6.5.1.4 A bid comprising of two pricing schedules will invalidate the bid and will not be evaluated further.



- 6.5.1.5 Due diligence on market-related pricing reasonability may be conducted. The State reserves the right to disqualify bid offers that are under-quoted and or are above market value. In this case, the bidder may be required to submit supporting documentation to the State to prove that the pricing is not under-quoted or above market value.
- 6.5.1.6 Conditional discounts offered will not be taken into consideration during evaluation.
- 6.5.1.7 Bidders are required to submit an all-inclusive Administration fee for the execution of all services on the contract. Prices submitted in this bid must be inclusive of 15% Value Added Tax (VAT) and pricing not in accordance with the prescribed format of **Annexure A** will invalidate the bid.
- 6.5.1.8 Prices submitted in this bid must be filled in on the field provided on the pricing schedule supplied with the bid. Price structures that do not comply with this requirement will invalidate the bid.
- 6.5.1.9 Bidders cannot, in the submission of the bid, submit any additional pricing or fee structures that are not included in the pricing schedule attached as **Annexure A**.
- 6.5.1.10 Pricing Schedule (**Annexure A**) must be submitted online in an XLSX Excel format.
- 6.5.1.11 The State will not pay any amounts to the appointed Contractor that are not reflected on the Annexure A: Pricing Schedule at the time of bid submission.
- 6.5.1.12 Due diligence on market-related pricing reasonability may be conducted. The State reserves the right to disqualify bid offers that are under-quoted and or are above market value. In this case, the bidder may be required to submit supporting documentation to the State to prove that the pricing is not under-quoted or above market value.

6.5.2 **Preferential Point System**

The pricing evaluation will be in terms of the Preferential Procurement Regulations as per the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000). Responsive bids will be adjudicated by the State on the 90/10 preference point system based on:

- 6.5.2.1 The bid price (Maximum of 90 points)
- 6.5.2.2 Historically disadvantaged individuals as well as specific goals (maximum 10 points)
- 6.5.2.3 The following formula will be used to calculate the points for price out 90:

$$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where,



Ps = Points scored for the comparative price of the bid under consideration

Pt = Comparative price of a bid under consideration

Pmin = Comparative price of the lowest acceptable bid

6.5.2.4 The following goals will be used to calculate the points for specific goals out of 10 points:

Table 4: Specific Goals

SPECIFIC GOALS	POINTS ALLOCATED OUT OF 10
Preference points for equity ownership by a South African citizen: i) Who, due to the apartheid policy that had been in place, had no franchise in national elections before the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993) (the Interim Constitution); and/or ii) Who is born after the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993) (the Interim Constitution), but who, due to the apartheid policy that had been in place, would not have had a franchise in the national elections; and/or	5
iii who is a female Provided that a person who obtained South African citizenship on or after the coming into effect of the Interim Constitution is deemed not to be an HDI.	5
TOTAL POINTS	10

6.5.2.5 The points scored by a bidder in respect of the goals indicated above will be added to the points scored for price.

6.5.2.6 **SBD 6.1:** Bidders are required to complete the SBD 6.1 form to claim preference points. Only a bidder who has fully completed and signed the declaration part of the SBD 6.1 preference points claim forms will be considered for preference points.

6.5.2.7 The bidder's Central Supplier Database (CSD) report, CIPC registration documents, and copies of Identity Documents (ID) submitted will serve as proof of ownership and directorship of the company.

6.5.2.8 Failure on the part of a bidder to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender will not be allocated with the points claimed.



- 6.5.2.9 The State may, before a bid is adjudicated or at any time, require a bidder to submit any relevant additional supporting documents to substantiate claims it has made about preference.
- 6.5.2.10 Points scored will be rounded off to the nearest 2 decimals.
- 6.5.2.11 If two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for the specified goals. Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- 6.5.2.12 Preference points may not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with their degree of ownership.
- 6.5.2.13 The following formula must be applied to calculate the number of points out of 10 for specific goals:

$$\text{PSSG} = \text{MPA} \times \frac{\text{POE}}{100}$$

Where:

PSSG= Points scored for a specific goal

MPA = Maximum points allocated for a specific goal

PEO = Percentage of equity ownership by an HDI

- 6.5.2.14 The specific goals contemplated in the paragraph above and are related to equity ownership must be equated to the percentage of an enterprise or business owned by individuals or, in respect of a company, the percentage of a company's shares that are owned by individuals, who are actively involved in the management of the enterprise or business and exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.
- 6.5.2.15 If the percentage of ownership contemplated in the paragraph above changes after the closing date of the tender, the tenderer must notify the Office, and such tenderer will not be eligible for any preference points.
- 6.5.2.16 Equity in private companies must be based on the percentage of equity ownership.
- 6.5.2.17 Preference points may not be awarded to public companies and tertiary institutions.
- 6.5.2.18 Equity claims for a Trust may only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust.
- 6.5.2.19 Documentation to substantiate the validity of the credentials of the trustees contemplated in the paragraph above must be submitted to the Office.



6.5.2.20 A consortium or Joint Venture may claim points for specific goals, based on the percentage of the contract value managed or executed by individuals who are actively involved in the management or exercise control of the respective parties of the consortium or Joint Venture.

6.5.2.21 A tenderer who does not submit proof of ownership may not be disqualified from the bidding process, but will be allocated zero points for the relevant specific goals for ownership.

6.5.3 **Applicable Taxes**

- a) All bid prices must be inclusive of all applicable taxes.
- b) All bid prices must be inclusive of fifteen percent (15%) Value Added Tax.
- c) Failure to comply with this condition may invalidate the bid.

6.5.4 **Cost Breakdown**

6.5.4.1 Bidders are requested to submit the cost breakdown of their pricing for each item offered in the response fields allocated on the pricing schedule for each item offered. The cost breakdown submitted will be utilized during the price adjustment considerations.

6.5.4.2 Bidders should itemize the cost of each item into various components, which are cost drivers. The cost needs to be broken down into direct and indirect costs. Each cost driver should be assigned a percentage of the total cost. Bidders must take note that the cost components shall only be applicable to the monthly Contract RT68 Administration fee charged by the contractor for all new contract entered into.

6.5.4.3 **Example:**

Table 5: Example of Cost Breakdown

Cost-driver	% Total Cost
Financial Services	100%
The total % of the item	100%

6.5.5 **Group series evaluation**

6.5.5.1 Bidders must note that all group items in category A will be evaluated as a series.

6.5.5.2 The items are grouped as a group series within a specific line item and will be evaluated accordingly as a whole.

6.5.5.3 Bidders are required to submit offers for ALL ITEMS in the group series. The grouped items are indicated on the pricing schedule attached as Annexure A.

6.5.5.4 Failure to submit pricing for all items in the group series as required in the clauses above will invalidate the bid.

6.5.5.5 The group items will be evaluated on the total comparative price. See table below for the groups:

**Table 6: Category 1-group items**

Line #	Item number	Group
1.	RT68-01-01	Group 1
2.	RT68-01-02	Group 2
3.	RT68-01-03	Group 3
4.	RT68-01-04	Group 4

6.5.6 Responsive Bids

- 6.5.6.1 Bidders are required to submit responsive bids by completing all pricing and item information on the provided pricing schedule (Annexure A) for the individual items and all required forms. Non-submission of the pricing schedule (Annexure A) will invalidate the bid response.



7. PART 2: ADDITIONAL BID REQUIREMENTS

7.1 TERMS AND CONDITIONS OF BID

7.1.1 Counter Conditions

7.1.1.1 Bidders' attention is drawn to the fact that amendments to any of the bid conditions or setting of counter conditions by bidders may result in the invalidation of such bids.

7.1.1.2 The National Treasury reserves the right to change or supplement any information or to issue any addendum to this bid before the closing date and time. The National Treasury and its officers, employees, and advisors will not be liable in connection with either the exercise of or failure to exercise this right.

7.1.1.3 If the National Treasury exercises its right to change or supplement information in terms of the above clause, it may seek amended bid documents from all bidders.

7.1.2 Fronting

7.1.2.1 The National Treasury supports the spirit of broad-based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent, and legally compliant manner. Against this background, the National Treasury does not support any form of fronting.

7.1.2.2 The National Treasury, in ensuring that bidders lawfully conduct themselves, will, as part of the bid evaluation processes, conduct or initiate the necessary inquiries/investigations to determine the accuracy of the representation made in this bid document. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade, Industry, and Competition, be established during such inquiry/investigation, the onus will be on the bidder to prove that fronting does not exist.

7.1.2.3 Failure to do so by the bidder within fourteen (14) days from the date of notification by the National Treasury may invalidate the bid/contract and may also result in the restriction of the bidder from conducting business with the public sector for a period not exceeding ten (10) years, in addition to any other remedies the National Treasury may have against the bidder concerned.

7.2 SUBMISSION OF BIDS

7.2.1 ONLINE BID SUBMISSION

7.2.1.1 Bidders must submit their bids online through the eTender Publication portal.



- 7.2.1.2 Manual or hardcopy bids are not acceptable.
- 7.2.1.3 The online eTender publication portal can be accessed on the following link:
<https://www.etenders.gov.za/>
- 7.2.1.4 The link to the guide for online bid submissions is: <https://youtu.be/B7pNseNJYHM>
- 7.2.1.5 Bidders must adhere to all the rules for the online bid submission.
- 7.2.1.6 Bidders' attention is drawn to the sequential submission format as per the checklist on Table 1.
- 7.2.1.7 The Pricing Schedule (**Annexure A**) should be in an XLSX excel sheet format and not any other format.
- 7.2.1.8 A bid comprising of two pricing schedules will invalidate the bid.
- 7.2.1.9 Non-compliance with online bid submission WILL invalidate the bidder's response.
- 7.3 **LATE BIDS**
- 7.3.1 Bids received after the closing date and time will NOT be accepted for consideration.
- 7.4 **COMMUNICATION AND CONFIDENTIALITY**
- 7.4.1 The Chief Directorate: Transversal Contracting (TC) within the Office of the Chief Procurement Officer (OCPO) may communicate with bidders where clarity is sought after the closing date and time of the bid and before the award of the transversal contract, or extend the validity period of the bid, if necessary.
- 7.4.2 Any communication to any State official or a person acting in an advisory capacity for the State in respect of this bid between the closing date and the award of the bid by the bidder is discouraged.
- 7.4.3 Whilst all due care has been taken in connection with the preparation of this bid, the National Treasury makes no representations or warranties that the content in this bid or any information communicated to or provided to bidders during the bidding process is, or will be, accurate, current, or complete. The National Treasury, and its officers, employees, and advisors, will not be liable concerning any information communicated that is not accurate, current, or complete.
- 7.4.4 If a bidder finds or reasonably believes it has found any discrepancy, ambiguity, error, or inconsistency in this bid or any other information provided by the National Treasury (other than minor clerical matters), the bidder must promptly notify the National Treasury in writing of such discrepancy, ambiguity, error or inconsistency to allow the National Treasury to



consider what corrective action is necessary (if any).

- 7.4.5 Any actual discrepancy, ambiguity, error, or inconsistency in this bid or any other information provided by the National Treasury will, if possible, be corrected and provided to all bidders without attribution to the bidder who provided the written notice.
- 7.4.6 All communication between the bidder and the National Treasury TC office must be done in writing as per the Contact Details below.
- 7.4.7 No representations made by or on behalf of the National Treasury about this bid will be binding on the National Treasury unless that representation is expressly incorporated into the contract ultimately entered into between the National Treasury and the successful bidder(s).
- 7.4.8 All persons (including all bidders) obtaining or receiving this bid and any other information in connection with this bid, or the tendering process, must keep the contents of the bid and other such information confidential, and not disclose or use the information except as required for developing a response to this bid.

7.5 **CONTACT DETAILS**

- 7.5.1 **General:** - National Treasury, Office of the Chief Procurement Officer, Chief Directorate: Transversal Contracting, Private Bag x115, Pretoria, 0001. Physical address: 40 Church Square, Pretoria
- 7.5.2 **Bid Enquiries:** - All inquiries should be in writing to Ntombi.Sidinile@treasury.gov.za. The closing date for receipt of all inquiries is **5 May 2026**. All inquiries beyond the closing date will not be considered.

**8. PART 3: RECOMMENDATION AND APPOINTMENT OF BIDDERS**

- 8.1 Once the evaluation process is complete, there will be a recommendation report by the Bid Evaluation Committee (BEC) to the Bid Adjudication Committee (BAC), which has the authority to either support (approve) or not support (not approve) the recommendation/s and appointment/s.
- 8.2 On approval of the recommendation and appointment, the successful bidder(s) will sign an appointment letter together with the Transversal Contracting Agreement (TCA) for the provision of finance and administration services for the subsidized motor transport scheme for the state for the period of sixty (60) months, and the unsuccessful bidder(s) will be informed accordingly. The following paragraphs will be applicable when the BEC makes the recommendation to the BAC.
- 8.3 The Contract between National Treasury and the preferred bidder (Contractor), collectively referred to as the Parties, shall come into effect after the Service Provider has been issued with an Unconditional letter of Acceptance to their bid.
- 8.4 It is a requirement that the Contractor and the Department of Transport sign an SLA after the award of this Contract. National Treasury shall terminate the Contract with the Contractor that fails to sign the SLA without justifiable grounds.
- 8.5 The Transversal Contracting Agreement (TCA) will cover all items as specified in the Special Conditions of Contract, whilst the SLA will cover all items as set out in the Contract Deliverables and Service Requirements document. (Annexure B)
- 8.6 The Contractor shall be the bidder appointed in terms of this bid. The parties must ensure that the terms and conditions of the SLA do not contradict the provisions of this bid document.
- 8.7 If the terms of the SLA contradict the provisions of this bid document to the extent that the duration, pricing, or services have changed in terms of this Contract, such SLA shall be deemed not to be in terms of this RT68-2026. Therefore, any transaction that flows therefrom shall not be considered a transaction in terms of this RT68- 2026.
- 8.8 The following will form part of the Contract documents between the parties on RT68:
- 8.8.1 Bid Documents.
- 8.8.2 Letter of appointment.
- 8.8.3 Award Documents (Covering Letter, Contract Circular, Special Conditions of Contract, and General Conditions of Contract);



8.8.4 Transversal Contract Agreement

8.8.5 Service Level Agreement

8.9 **Tax Compliance Requirements**

8.9.1 It is a condition of this bid that the tax matters of the successful bidder(s) are in order, or that satisfactory arrangements have been made with the South African Revenue Service (SARS) to meet the bidder's tax obligations.

8.9.2 The Tax Compliance status requirements are also applicable to potential foreign bidders/individuals who wish to submit a bid.

8.9.3 Bidders are required to be registered on the Central Supplier Database (CSD), and the National Treasury shall verify the bidder's tax compliance status through the CSD or SARS.

8.9.4 Where Consortia / Joint Ventures / Sub-Contractors are involved, each party must be registered on the CSD, and their tax compliance status will be verified through the CSD or SARS.

8.10 **Negotiations**

8.10.1 The State reserves the right to negotiate with the shortlisted bidders before or after the award. The terms and conditions for negotiations will be communicated to the shortlisted bidders before the invitation to negotiations. This phase is meant to ensure value for money is achieved through the measure of quality that will assess the monetary cost of the items or services against the quality and or benefits of that item or service.

8.11 **Due Diligence**

8.11.1 The State may conduct due diligence before the final award or at any time during the transversal contract period, and this may include pre-announced/ non-announced site visits. During the due diligence process, the information submitted by the bidder is verified, and any misrepresentation thereof may disqualify the bid in whole or in part.

8.11.2 The State also reserves the right to conduct any evaluation verifications before the final award or at any time during the transversal term contract period.

8.12 **Right of Award**

8.12.1 The State reserves the following rights -

8.12.1.1 To award the bid in part or in full,

8.12.1.2 Not to make any award in this bid or accept any bids submitted,

8.12.1.3 Request further technical information from any bidder after the closing date,

8.12.1.4 Verify information and documentation of the bidder(s),



- 8.12.1.5 Not to accept any of the bids submitted,
- 8.12.1.6 To withdraw or amend any of the bid conditions by notice in writing to all bidders before closing of the bid and post-award, and
- 8.12.1.7 If an incorrect award has been made to remedy the matter in any lawful manner it may deem fit.

SECTION C: CONDITIONS OF CONTRACT

9. CONCLUSION OF CONTRACT

- 9.1 The Contract between National Treasury and the preferred bidder (contractor), collectively referred to as the Parties, shall come into effect after the contractor has been issued with an unconditional letter of acceptance to their bid.
- 9.2 The Service Provider (s) shall be appointed in terms of this bid. The following will form part of the contract documents between the Parties as far as this RT68-2026 is concerned:
 - 9.2.1 Bid Documents
 - 9.2.2 Letter of Appointment
 - 9.2.3 Award Documents
 - 9.2.4 Transversal Contracting Agreement (TCA) entered into between the Contractor and National Treasury for all items included in the Special Conditions of Contract.
 - 9.2.5 Service Level Agreement entered into between the Contractor and the National Department of Transport for all items contained in **Annexure B**, End User Requirements.
- 9.3 If there is any contradiction between the abovementioned documents, the special conditions of the contract shall take precedence.

10. PARTICIPATING STATE INSTITUTIONS

- 10.1.1 This transversal contract RT68-2026 is intended to be utilized by all National and Provincial Government departments that participate in the contract. The system requirements of the contract require that the participants to the contract make use of the government payroll systems as per the definition.

11. POST-AWARD PARTICIPATION

- 11.1 PFMA public institutions listed in Schedules 1, 2, 3A, 3B, 3C, 3D, and Local Government may send an application to the National Treasury post-award to request participation in the transversal contract.
- 11.2 In terms of Treasury Regulation 16A6.5, Accounting Officer/Accounting Authority of National and Provincial departments, constitutional institutions, and public entities listed in schedules 1, 3A, and 3C to the PFMA may opt to participate in a transversal contract



facilitated by the relevant treasury.

- 11.3 Other entities of the State can only make use of this contract if they utilize the government payroll systems as per the definition. Only once formal requests have been submitted, and formal approval has been obtained from Transversal Contracting, National Treasury.

12. CONTRACT MANAGEMENT: ROLES AND RESPONSIBILITIES

12.1 Contract Administration

- 12.1.1 The administration and facilitation of the transversal contract is the responsibility of the National Treasury, and all correspondence in this regard must be directed to the Transversal Contracting Department via email on TCcontracts2@treasury.gov.za
- 12.1.2 The contractor must advise the Chief Directorate: Transversal Contracting, National Treasury, immediately when unforeseeable circumstances will adversely affect the execution of the transversal contract. Full particulars of such circumstances, as well as the period of delay, must be furnished.

12.2 Channels of Communication

- 12.2.1 For matters relating to the administration of the contract with a financial impact, the Contractor shall communicate with the National Treasury, ensuring that the National Department of Transport is copied on all communication.
- 12.2.2 Prior to such communication, the contractor will be required to consult the National Department of Transport.
- 12.2.3 For operational queries, the Contractor shall communicate with the relevant end user department or, if necessary, the National Department of Transport.

12.3 Supplier Performance Management

- 12.3.1 Supplier performance management will be the responsibility of the National Department of Transport through the Coordinating Committee for Government Motor Transport (CCGMT), and where supplier performance disputes cannot be resolved between the service provider and the relevant purchasing institution, National Treasury: Transversal Contracting must be informed for corrective action.
- 12.3.2 End-user State institutions are required to report to the National Treasury on where the contractor's performance is not satisfactory.

13. POST AWARD SERVICE COMPLIANCE

- 13.1 The contractor shall ensure that the NCR and FSCA certificates remain valid for the duration



of the contract. It remains the responsibility of the service provider to ensure that it provides the Transversal Contracting office at National Treasury with a valid certificate within 30 (thirty) days from the date of expiry of such a certificate or within the time agreed to with the State, failing which the service provider shall be in breach of contract.

- 13.2 The State reserves its right to terminate the contract should the service provider fail to remedy such breach as per the provisions of this contract

14. INSPECTION AND AUDIT

- 14.1 The State reserves the right to inspect and audit any document about this contract within five (5) years of the date of expiry of the contract. This may also include queries and complaints.
- 14.2 The contractor shall provide any assistance free of charge that may be required in this regard.
- 14.3 The cost of inspections and audits shall be borne by the contractor where the State can provide reasonable grounds to prove the inaccuracy of information provided by the contractor or deliberate misrepresentation by the contractor.
- 14.4 The State reserves the right to conduct audits on the status of the contract, and the contractor shall provide any assistance free of charge that may be required in this regard.
- 14.5 Should any audit or inspection reveal that the contractor has not complied with any of the terms of this contract, the contractor shall be charged for the cost of the audit or inspection, as well as the cost of any losses incurred by the State associated with such non-compliance.

15. INSURANCE AND INDEMNITY

- 15.1 The contractor must obtain sufficient professional indemnity insurance to indemnify the State against any claim of whatever nature and however arising out of any wilful or negligent action or omission of the contractor, its employees, subcontractors, and assignees.
- 15.2 If any legal action is based on the wilful or negligent action or omission of the contractor, its employees, subcontractors, and assignees, is brought against the State, the State shall be entitled, inclusive, to recover from the contractor the legal fees and disbursements on an attorney-client scale.

16. CONTRACT PRICE ADJUSTMENT

- 16.1 **Formula**



- 16.1.1 Prices submitted for this bid, that is not regulated, will be regarded as non-firm and subject to adjustment(s) in terms of the following formula, defined areas of cost and defined periods of time. The price will only be adjusted for the Monthly Contract RT68 Administration fee charged by the contractor for all new finance contracts entered into.
- 16.1.2 Applications for price adjustments must be accompanied by documentary evidence in support of any adjustment claim.
- 16.1.3 The following price adjustment formula will be applicable for calculating contract price adjustments (CPA).

Table 7: Contract Price Adjustment Formula

$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + + Dn \frac{Rnt}{Rno} \right) + VPt$		
Pa	=	The new adjusted price to be calculated
V	=	Fixed portion of the bid price (15% or 0.15)
Pt	=	Original bid price. Note that Pt must always be the original bid price and not an adjusted price
(1-V)Pt	=	Adjustable portion of the bid price (85% or 0.85)
D1 – Dn	=	Each factor (or percentage) of the bid price, e.g., material, labour, transport, overheads, etc. The total of the various factors (or percentages) D1 – Dn must add up to 1 (or 100%)
R1t – Rnt	=	End Index. Index figure obtained from the index at the end of each adjustment period.
R1o–Rno	=	Base Index. Index figure at the time of bidding.
VPt	=	15% (or 0.15) of the original bid price. This portion of the bid price remains fixed, i.e. it is not subject to price adjustment

16.2 Formula component definitions

16.3 Adjustable amount

- 16.3.1 The adjustable amount is the portion of the bid price that is subject to adjustment. In this bid, the adjustable amount is 85% of the original bid price. For example, if the bid price is R1000, then only R850 will be subject to adjustment.

16.4 Fixed portion

- 16.4.1 The fixed portion represents those costs that will not change over the adjustment period and



do NOT represent the profit margin. In this bid, the fixed portion is 15% of the original bid price. Using the same example as above, it would amount to R150, which will remain fixed over the contract period.

16.5 **Cost components and proportions**

16.5.1 The cost components of the contract price usually constitute the cost of materials (raw material or finished product), cost of direct labour, cost of transport, and those other costs that are inclined to change. The proportions are the contribution to the contract price of each of these cost components. In this bid, the following cost components will be used to calculate contract price adjustments.

16.5.2 Bidders are requested to submit the cost breakdown of the bid price for each item with their bid. Should the cost breakdown be the same for all items on the bid, please indicate it clearly in the bid document. Bidders will not be allowed to change the cost breakdown of bid prices during the tenure of the contract.

Table 8: Contract Price Adjustment Cost Components

Cost Component	% Contribution
D1 – Financial services	100%
TOTAL (Cost components must add up to 100%)	100%

16.6 **Applicable indices/references**

16.6.1 The applicable index refers to the relevant market index, which is a true reflection of price movement(s) in the cost over time. In this bid, the following indices or references will be applicable:

Table 9: Applicable Indices/References

Cost component	Index Publication	Index Reference
D1 – Financial Services	STATS SA Statistical release P0141 (CPI COICOP Publication) Table E	Insurance and financial Services- Financial services

16.7 **Base index date**

16.7.1 The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid, the base index date is **April 2026**.

16.8 **End index date.**



16.8.1 The end index dates are the dates at predetermined points in time during the contract period. In this bid, the end indices are defined in the next paragraph (Price Adjustment Periods).

16.9 **Price adjustment periods**

16.9.1 Price adjustment shall be applied on an annual basis at the anniversary of the transversal contract from the start date of the contract.

Table 10: Price Adjustment Period

Adjustment	CPA application to reach the office at the following dates	End Index Date	Dates from which adjusted prices will become effective
1st Adjustment	1 September 2027	July 2027	1 October 2027
2nd Adjustment	1 September 2028	July 2028	1 October 2028
3rd Adjustment	1 September 2029	July 2029	1 October 2029
4th Adjustment	1 September 2030	July 2030	1 October 2030

16.10 **General**

16.10.1 Unless prior approval has been obtained from the National Treasury, Transversal Contracting, no adjustment in contract prices will be made.

16.10.2 Application for price adjustment must be accompanied by documentary evidence in support of any adjustment.

16.10.3 CPA application will be applied strictly according to the specified formula and parameters above as well as the cost breakdown supplied by bidders in their bid documents.

16.10.4 If the supplier's CPA application, based on the above formula and parameters, differs from Transversal Contracting verification, Transversal Contracting will consult with the supplier to resolve the differences.

16.10.5 Bidders are referred to in the paragraph regarding counter conditions.

16.10.6 An electronic price adjustment calculator will be available on request from Transversal Contracting.



- 16.10.7 The State reserves the right to negotiate a price adjustment or not to grant any price adjustment.

17. DELIVERY ADHERENCE, ORDERS, AND PAYMENTS

17.1 Placements of Orders and Payments

- 17.1.1 Orders will be placed by participating departments.
- 17.1.2 It will be the responsibility of the RT68-2026 contractor to collect the premiums electronically through the government payroll systems: Persal and Persol.

18. EQUIPMENT AND MATERIALS

- 18.1 The Contractor shall provide all equipment, materials, sundry items stationery, incur any delivery charges, postage, telephone, facsimile, photocopy costs and the like that may be required for purposes of the contract, as part of the cost of the contract.
- 18.2 Equipment and materials of the contract will include a “driver’s handbook that can be compiled in cooperation with all service providers to the Subsidized Vehicle Scheme and is to be handed over to the official at the time of signature.
- 18.3 The “driver’s handbook” should also be issued to all officials partaking in the Subsidized Motor Transport Scheme as well as all departmental transport officers.

19. COPYRIGHT AND OWNERSHIP OF DOCUMENTS

- 19.1 All documents and information produced by the service provider, including its employees and agents, in the fulfilment of the terms of this contract shall be and remain the sole property of the State. Any and all copyrights and ownership of documents shall vest with the State.
- 19.2 The service provider including its employees and agents, shall, on oral or written request from the State, submit any documentation and materials to the State within 24 hours of such request.

20. OWNERSHIP OF DATA

- 20.1 The State is, and remains, the sole owner of all data generated by the execution of this contract. The Contractor shall provide the data to the State or a third party only upon written request in paper and/or electronic format, upon approval from the National Department of Transport or the Provincial Transport Departments, where applicable.
- 20.2 All data generated through the execution of the contract remains the property of the State. The Contractor must make all data available to the state upon conclusion of the contract.



Such data should be made available in the prescribed format, and if requested to do so, transfer all data to an independent or any other third party as nominated by the State.

21. SECURITY AND CONFIDENTIALITY OF DATA

- 21.1 The Contractor undertakes to disclose information related to or generated through this contract only to the parties stipulated in the contract, both during the contract period and subsequently. Information may only be disclosed to outside sources with the prior, written approval from the National Department of Transport or the Provincial Transport Departments, where applicable.
- 21.2 The Contractor shall ensure that all information made available online to end users of the contract is secured by the use of usernames and passwords and will allow individuals to reset the passwords in a user-friendly way.
- 21.3 To protect the database relating to the State's fleet contract, the Contractor shall have in place, and shall maintain, suitable backup procedures and disaster plans to protect data. The Contractor shall back up all electronic data on a daily basis. Any costs associated with the recapture and processing of data for whatever reason shall be borne by the Contractor.
- 21.4 If the disaster plan needs to be implemented, the Contractor must ensure that operational capability is restored within a period of 12 hours, with full access to reporting and all other requirements of the contract within a period of 48 hours.
- 21.5 A successful bidder shall be subject to a SSA clearance process which will be facilitated by the State.
- 21.6 Should the service provider's clearance have a negative outcome, the State shall terminate this contract with immediate effect.

22. RISK MANAGEMENT

- 22.1 The Contractor's systems and procedures should incorporate both preventative and detective safeguards capable of preventing and detecting fraudulent transactions related to claims registered with the service provider, as well as merchants with which it does business.
- 22.2 The Contractor is required to report in writing or electronic mail (e-mail) to the National Department of Transport and the respective end user department any suspected irregularities involving an official, a merchant or any other person immediately upon the suspicion arising.
- 22.3 Information provided by the contractor shall be sufficient to enable the State to institute



investigations and/or take corrective action or institute disciplinary action against employees in the employment of the State. The service provider must avail any of its staff at no additional cost to the State to assist in any investigations.

- 22.4 Where fraud related to a claim or the repair of the vehicle can be proven, the Contractor has the right to recover any losses from the companies or individuals involved.
- 22.5 Should fraud of any kind against any merchant as utilized by the contractor be proved, the contractor shall remove such a merchant from the database of approved merchants. The merchant shall remain suspended until a full report is received from the Insurance service provider that addresses all corrective and preventative measures that was taken.
- 22.6 All corrective and preventative measures must be approved by the National Department of Transport in consultation with the end user department/Provincial Department of Transport prior to the implementation thereof.

23. CONTRACT LEAD OUT PROCESSES

- 23.1 The Contractor shall make at least the following data as generated during the execution of the contract or as received from previous contractors available to the State or any other third party as nominated by the State electronically and in the agreed upon format:
- 23.1.1 Detailed transaction data per vehicle
- 23.1.2 All Life to Date data per vehicle to be made available to the new contractor or any other party as nominated by the state, with clear explanations of every data field.
- 23.1.3 List of all user departments, including contact details
- 23.1.4 All process flows as developed by the Contractor during the contract period, as approved by the Department of Transport.
- 23.1.5 All information and data transfers need to be done within a period of 30 days.
- 23.1.6 At the end of the contract period, the Contractor shall assist the State by providing all information that will assist in the transition between the current contractor and the new contractor.
- 23.2 At the end of the contract period, the Contractor shall assist the State by providing all information that will assist in the transition between the current contractor and the new contractor in a format that will be determined through consultation with the current contractor, the possible new contractor, and the National Department of Transport.

24. ASSIGNMENTS AND CESSIONS OF CONTRACTS AND CHANGES IN CONTACT DETAILS



24.1 Where a contracted supplier plans to merge with or is going to be acquired by another entity, the contracted supplier must inform the National Treasury in writing 90 days before such event of relevant details.

24.2 Assignments of Contract

24.2.1 Assignment of contract refers to the transfer of rights and obligations in a contract from an assigned to an assignee. The effect of this is that the service provider appointed through a competitive bidding process transfers the contract in its entirety that is, the obligation (the responsibility of rendering the services) and the right (of receiving payment for service rendered) to a third party that did not participate in the bidding process or a bidder that participated in the bidding process but was not successful.

24.2.2 Assignment of contracts is therefore not allowed as it will be contrary to principles of section 217 of the Constitution particularly, fairness, transparency, and competitiveness.

24.3 Cession of Contracts

24.3.1 Cession refers to the transfer of only the rights a service provider has in terms of a contract from it to a third party. cession will be limited only to those cession agreements in favour of registered Financial Services Providers (FSP) and state institutions established for the express purpose of providing funding to businesses and entities (State Institutions).

24.3.2 The written request for cession must be by the service provider and not a third party, and the written request by the service provider must be accompanied by the cession agreement.

24.4 Changes in the Service Provider Contact Details

24.4.1 A contracted supplier must inform the National Treasury within 7 days of any changes of address, name, and or contact details.

24.5 Change Control Process

24.5.1 Change controls will only be considered if there is an amendment in the legislation governing the contract or if the amendments will not change the scope of the contract. The following process will apply:

24.5.1.1 A request shall be made by either the State, through The National Department of Transport or the Contractor through the individual appointed as the contract manager.

24.5.1.2 The other party shall acknowledge receipt of such a request and shall confirm its agreement with the proposal that was made.

24.5.1.3 Once approval has been granted by the Section: Transversal Contracting at National



Treasury, the changes will be signed off by both parties prior to implementation.

- 24.5.1.4 All changes as agreed to in terms of this process will form part of the actual agreement and will be attached to the Service Level Schedule as an Annexure.

24.6 Format of change control:

- 24.6.1 Each request for a change control shall have a date and be individually numbered in terms of the year and the request number, i.e. Change Control 1 of 2025.
- 24.6.2 The request shall provide the current contents of the contract, the recommended changes to be made, the reasons for such changes.
- 24.6.3 The change control shall specify the date of the change control being effective, if the date is not the same as the last signature date.

25. REPORTING AND FEEDBACK MEETINGS

- 25.1 The contractor should provide feedback and relevant reports to the National Treasury, National Department of Transport, other national departments, the CCGMT, the provincial transport officer forums, and end-user departments as and when required.
- 25.2 The contractor is subject to a multi-tiered reporting framework, requiring the submission of feedback and performance reports to oversight bodies, inter-departmental forums, and end-user stakeholders as part of the contract's governance and accountability requirements as and when required.

26. MONITORING

- 26.1 Monitoring audits may be conducted periodically and randomly by the National Treasury, Participating Institutions, and or by a service provider appointed by the State to determine continuous compliance with the product and terms of the contract. The Participating Institutions, will monitor the performance of contracted suppliers and maintain a report for compliance with the terms of this contract as follows:
- 26.1.1 Compliance with reporting requirements according to End User Requirements.
- 26.1.2 Attendance of compulsory meeting: The National Treasury compulsory meetings with suppliers to review supplier performance. The schedules of the meetings will be sent to successful bidders.
- 26.2 The state may conduct a random audit(s) with or without prior appointment arrangements with the appointed Supplier(s).
- 26.3 The National Treasury may conduct meetings with the Participating Institutions and the



contractor to discuss transversal contracting issues.

- 26.4 The National Treasury may request Participating Institutions to impose penalties, where deemed necessary, as per Sections 21 and 22 of the General Conditions of Contract.
- 26.5 Any change in the status of supply performance during the contract period must be reported within seven (7) days of receipt of such information to the National Treasury.
- 26.6 Reporting and Supplier(s) meetings and schedules will be communicated to successful bidders.
- 26.7 All successful Suppliers are required to submit historical value and volume reports via e-mail every quarter to: TCcontracts2@treasury.gov.za
- 26.8 Detailed reporting requirements from Suppliers will be provided to awarded Suppliers.
- 26.9 The National Treasury may request Participating Institutions to impose penalties, where deemed necessary, as per Sections 21 and 22 of the General Conditions of Contract and the Contract Deliverables and Service Requirements (**Annexure B**).

27. TERMINATION

27.1 Termination of Contract

- 27.1.1 The State shall be entitled to terminate this agreement if one or more of the following occur:
- 27.1.1.1 The Supplier decides to transfer the contract or cede the contract.
- 27.1.1.2 The supplier does not honour contractual obligations including the submission of information.
- 27.1.1.3 The supplier is provisionally or finally liquidated, making it impossible for the supplier to perform its functions in terms of this transversal contract.
- 27.1.1.4 The supplier enters settlement arrangements with their creditors.
- 27.1.1.5 The supplier commits an act of insolvency.
- 27.1.1.6 If the supplier is a member of an unincorporated joint venture or consortium and the membership of such joint venture or consortium changes.
- 27.1.1.7 There is a change in ownership of the supplier that has the effect that over 50% ownership of the Supplier belongs to the new owner without prior written approval of the State.
- 27.1.1.8 Overall poor performance rating during the contract period.

END