

INSURANCE CLAUSES FOR CAPEX PROJECTS

This is an ACSA internal document and should not be shared with external stakeholders in this format. Only the insurance clauses relevant to the particular project should be copied and pasted to that tender document or contract.

SECTION A: DEFINITIONS

Landside refers to:

- Areas of the airport before the security points; and
- The restricted area beyond the security points but, within the perimeter of gatehouses, passenger terminals and cargo buildings.

Airside refers to:

- The Apron / maneuvering areas; and
- Area within the airside boundary/perimeter fence, excluding the internal areas of the passenger terminals, perimeter gatehouses and cargo buildings.

SECTION B: INSURANCE CLAUSES

1. INSURANCE REQUIREMENTS FOR PROJECTS WITH A VALUE BELOW R50 million AND DURATION NOT EXCEEDING 36 MONTHS ON THE LANDSIDE

- Projects with a value below R50 million and with a duration not exceeding 36 months are automatically covered under an ACSA umbrella insurance. No need to notify ACSA Treasury about these projects.
- But please note that **Project Notification forms** should be completed by project managers and sent to ACSA Treasury (Email: nokulunga.masiza@airports.co.za) for all projects with a value below R50 million, and with a duration that exceeds 36 months as soon as the contract is awarded, as these projects are not automatically covered under an ACSA umbrella insurance.

1.1 Contract Works Insurance

- The contractor must secure a contract works insurance cover for a limit not less than R250 000, each and every claim
- The contractor must submit to ACSA proof of cover in the form of a certificate of insurance before a contract is signed between ACSA and the contractor

1.2 Public Liability Insurance

- The contractor must secure Public Liability insurance cover for 3rd party property damage, for a limit not less than R275 000 for each and every claim;
- The contractor must secure Public Liability insurance cover for removal of lateral support, for a limit not less than R500 000 for each and every claim;
- The contractor must submit to ACSA proof of cover in the form of a certificate of insurance before a contract is signed between ACSA and the contractor

1.3 Professional Indemnity Insurance

- All consultants must secure Professional Indemnity cover for a limit not less than R5 million;
- Contractors who have a material design element, excluding typical P & G related work, as part of their scope, must secure Professional Indemnity cover for a limit not less than R5 million;
- The consultant must submit to ACSA proof of cover in the form of a certificate of insurance before a contract is signed between ACSA and consultant.

2. INSURANCE REQUIREMENTS FOR PROJECTS WITH A VALUE BELOW R50 million AND DURATION NOT EXCEEDING 36 MONTHS ON THE AIRSIDE

- Projects with a value below R50 million and with a duration not exceeding 36 months are automatically covered under an ACSA umbrella insurance. No need to notify ACSA Treasury about these projects.
- But please note that **Project Notification forms** should be completed by project managers and sent to ACSA Treasury (Email: nokulunga.masiza@airports.co.za) for all projects with a value below R50 million, and with a duration that exceeds 36 months as soon as the contract is awarded, as these projects are not automatically covered under an ACSA umbrella insurance.

2.1 Contract Works Insurance

- The contractor must secure a contract works insurance cover for a limit not less than R250 000, for each and every claim
- The contractor must submit to ACSA proof of cover in the form of a certificate of insurance before a contract is signed between ACSA and the contractor

2.2 Public Liability Insurance

- The contractor must secure Public Liability insurance cover for 3rd party property damage, for a limit not less than R525 000, for each and every claim;
- The contractor must secure Public Liability insurance cover for removal of lateral support, for a limit not less than R750 000, for each and every claim;
- The contractor must secure Public Liability insurance cover for damage to aircraft, for a limit not less than R750 000, for each and every claim
- The contractor must submit to ACSA proof of cover in the form of a certificate of insurance before a contract is signed between ACSA and the contractor

2.3 Professional Indemnity Insurance

- All consultants must secure Professional Indemnity cover for a limit of not less than R5 million;
- Contractors who have a material design element, excluding typical P & G related work, as part of their scope, must secure Professional Indemnity cover for a limit not less than R5 million;
- The consultant must submit to ACSA proof of cover in the form of a certificate of insurance before a contract is signed between ACSA and consultant.

3. INSURANCE REQUIREMENTS FOR PROJECTS WITH A VALUE ABOVE R50 million BUT BELOW R1 billion ON THE LANDSIDE

- Projects with a value of more R50 million are not automatically covered under the construction policies. A separate quote is provided by insurers per project. **Project Notification forms** must be completed by project managers and sent to ACSA Treasury (Email: nokulunga.masiza@airports.co.za) for all projects with a value above R50 million, as soon as the contractor is awarded

3.1 Contract Works Insurance

- The contractor must secure a contract works insurance cover as follows:
 - i) a limit not less than R300 000 each and every claim - For all civil works and earthworks
 - ii) a limit not less than R300 000 each and every claim - all other claims
 - iii) a limit not less than R700 000 each and every claim – other property insured
- The contractor must submit to ACSA proof of cover in the form of a certificate of insurance before a contract is signed between ACSA and the contractor

3.2 Public Liability Insurance

- The contractor must secure Public Liability insurance cover for 3rd party property damage, for a limit not less than R275 000 for each and every claim;
- The contractor must secure Public Liability insurance cover for removal of lateral support, for a limit not less than R500 000 for each and every claim;
- The contractor must submit to ACSA proof of cover in the form of a certificate of insurance before a contract is signed between ACSA and the contractor

3.3 Professional Indemnity Insurance

- All consultants must secure Professional Indemnity insurance cover for a limit of not less than R10 million;
- Contractors who have a material design element, excluding typical P & G related work, as part of their scope, must secure Professional Indemnity insurance cover for a limit not less than R10 million;
- The consultant must submit to ACSA proof of cover in the form of a certificate of insurance before a contract is signed between ACSA and consultant.



4. INSURANCE REQUIREMENTS FOR PROJECTS WITH A VALUE ABOVE R50 million BUT BELOW R1 billion ON THE AIRSIDE

- Projects with a value of more R50 million are not automatically covered under the construction policies. A separate quote is provided by insurers per project. **Project Notification forms** must be completed by project managers and sent to ACSA Treasury (Email: nokulunga.masiza@airports.co.za) for all projects with a value above R50 million, as soon as the contractor is awarded.

4.1 Contract Works

- The contractor must secure a contract works insurance cover as follows:
 - iv) For all civil works and earthworks excluding runways - a limit not less than R300 000 each and every claim
 - v) For runway rehabilitation - a limit not less than R300 000 each and every claim
 - vi) For new runway construction - a limit not less than R700 000 each and every claim
 - vii) For all other claims - a limit not less than R300 000 each and every claim
 - viii) For other property insured - a limit not less than limit of R700 000 each and every claim
- The contractor must submit to ACSA proof of cover in the form of a certificate of insurance before a contract is signed between ACSA and the contractor

4.2 Public Liability Insurance

- The contractor must secure Public Liability insurance cover for 3rd party property damage, for a limit not less than R1 025 000 for each and every claim;
- The contractor must secure Public Liability insurance cover for removal of lateral support, for a limit not less than R1 250 000 for each and every claim;
- The contractor must secure Public Liability insurance cover for damage to aircraft, for a limit not less than R1 250 000 for each and every claim
- The contractor must submit to ACSA proof of cover in the form of a certificate of insurance before a contract is signed between ACSA and the contractor

4.3 Professional Indemnity Insurance

- All consultants must secure Professional Indemnity insurance cover for a limit not less than R10 million;
- Contractors who have a material design element, excluding typical P & G related work, as part of their scope, must secure Professional Indemnity insurance cover for a limit not less than R10 million;
- The consultant must submit to ACSA proof of cover in the form of a certificate of insurance before a contract is signed between ACSA and consultant.



5. INSURANCE REQUIREMENTS FOR PROJECTS WITH A VALUE ABOVE R1 billion ON EITHER LANDSIDE OR AIRSIDE

- The limits to be insured stipulated above on paragraphs 1; 2; 3; and 4 do not apply to projects with a value above R1 billion
- Applicable limits to be insured will be determined on a project by project basis when insurers are approached for cover
- Insurers may also stipulate additional insurance covers, depending on the scope of the project
- Project managers must complete **Project Notification forms** and send them to ACSA Treasury (Nokulunga.masiza@airports.co.za) for projects above R1 billion, **before the publication of the tender document.**