



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Private Bag X115, Pretoria, 0001

Enquiries: Hulisani Negovha **Tel:** (012) 315 5449 **Email:** Hulisani.Negovha@treasury.gov.za

Ms. P. Khoza
Chief Executive Officer
South African Civil Aviation Authority
Private Bag X73
HALFWAY HOUSE
1685

Email: SeedatA@caa.co.za

Dear Ms. Khoza

REQUEST FOR CONTRACT EXTENSION AND EXPANSION: APPOINTMENT OF VOX TELECOM

1. The National Treasury acknowledges receipt of your letter dated 24 June 2021.
2. SACAA requests National Treasury to expand and extend a contract awarded to Vox Telecom for provision of emails and internet hosting services from 01 July 2021 to 30 November 2021 and from 30 November 2021 to 30 June 2022 in the respective amounts of R1 664 054.25 (9% to the original contract) and R2 329 675.95 (13% to the original contract). This contract had already been varied three times by upgrading the emails and internet hosting from 01 February 2019 to 30 November 2021 in the total extension amount of R1 341 592.10 which is 8% of the original contract. The original contract was in the amount of R17 121 910.45 for five years from 01 December 2016 until 30 November 2021. This amounts to a total variance of 28.27%.
3. The submission was signed by Chief Financial Officer on 24 June 2021.
4. The reasons provided for the contract expansion and extension is that SACAA is planning to move to the new building by 01 July 2022, so the extension of this contract is to align it to the extension of lease agreement. SACAA intends to go out on new tender for this service in the new building.
5. The reason provided is justifiable because it is not economical to install new internet hosting services in the building that SACAA is about to vacate.

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6. National Treasury supports the contract expansion and extension from 01 July 2021 to 30 November 2021 and from 30 November 2021 to 30 June 2022 in the respective amounts of R1 664 054.25 and R2 329 675.95.
7. Your Institution has an obligation to ensure that any contract for goods and services is in accordance with the system which is fair, equitable, transparent, competitive and cost-effective.
8. National Treasury's letter dated 10 March 2020, is hereby withdrawn.

Kind Regards,

ESTELLE SETAN
ACTING CHIEF PROCUREMENT OFFICER
DATE: 30 June 2021