



**national treasury**

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**

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**FROM:** Mr. Sithembiso Mahlalela, **Tel:** 012 395 6680, **Cell:** 060 998 5515; **Email:** [TCcontracts2@treasury.gov.za](mailto:TCcontracts2@treasury.gov.za)

## **AMENDMENT 66**

### **AMENDMENT TO SPECIAL CONDITIONS OF CONTRACT RT57-2022 – SECTION 47.7**

#### **RT57-2022: SUPPLY AND DELIVERY OF SEDAN, LIGHT AND HEAVY COMMERCIAL VEHICLES, BUSES, MOTORCYCLES, AGRICULTURAL TRACTORS, CONSTRUCTION PLANT, AND EQUIPMENT TO THE STATE FOR THE PERIOD 1 JULY 2023 TO 30 JUNE 2026**

The National Treasury hereby issues this amendment regarding the application of Section 47.7 – Payments under the Special Conditions of Contract RT57-2022.

It has come to our attention that suppliers under the RT57-2022 contract are not always able to deliver vehicles within the prescribed 120-day period, particularly for vehicles not included in Year 2 or 3 of the contract, or after the contract has expired. This delay is often due to factors beyond their control, such as international unavailability of vehicles and delays in the conversion process.

As a result of these challenges, suppliers have faced significant price increases from the time of order placement to delivery. Consequently, they are sometimes unable to deliver vehicles at the originally agreed-upon contract price. Furthermore, if end users cancel vehicle orders, the procurement process must be restarted, leading to additional delays and increasing the risk of recurring supply chain management issues.

#### **Current Clause 47.7**

*“Where the vehicle is delivered at a date later than the expiry date of the contract and/or not included in year 2 or 3 of the contract, the last available contract price will be applicable. The last available contract price shall be applied for the delivery period not exceeding a maximum of 120 days. Should the maximum period be exceeded, the end user must cancel the vehicle order or take delivery of the vehicle at the last contract price.”*



To address these challenges, the following amendment shall apply **effective on the date of signature.**

**Revised Clause 47.7:**

"Where the vehicle is delivered at a date later than the expiry date of the contract and/or not included in Year 2 or 3 of the contract, the last available contract price will be applicable. The contract price shall apply for the delivery period, which shall not exceed a maximum of one hundred and twenty (120) days. Should the maximum period be exceeded, the end user must either cancel the vehicle order or negotiate an adjusted price with the supplier."

This amendment aims to provide a practical resolution that balances the interests of both End Users and Suppliers, ensuring continuity in vehicle procurement while addressing the challenges of pricing and delays.

Kind regards,

**MULATEDZI RAUDZINGANA**

**For CHIEF DIRECTOR: TRANSVERSAL CONTRACTING**

**OFFICE OF THE CHIEF PROCUREMENT OFFICER**

**DATE: 07 MARCH 2025**