###### National Assembly

Question Number: 883

**Adv A de W Alberts (FF Plus) to ask the Minister of Transport**

(1) Whether (a) the SA National Roads Agency and/or (b) its contractor, Electronic Toll Collections, followed a full tender process for the appointment of a certain company (name furnished) for collecting outstanding e-toll debt in Gauteng; if so,

(2) whether the appointment of the specified company complied with the (a) Public Finance Management Act, Act 1 of 1999, (b) Preferential Procurement Policy Framework Act, Act 5 of 2000, and (c) Broad-Based Black Economic Empowerment Act, Act 53 of 2003; if not, (i) why not and (ii) wat are the further relevant particulars; if so, what are the further relevant particulars;

(3) what is the structure for the remuneration to be paid to the specified company for the collection of arrears e-toll debt in respect of (a) fees, (b) commission and (c) any other form of remuneration;

(4) whether there is an option to renew the contract of the specified company; if not, why not; if so, what are the relevant details;

(5) for what period the specified company has been appointed? NW1008E

**REPLY**

1. SANRAL followed a tender process for the overall toll system design, build and operations thereof, in 2009. Following this tender process, it appointed ETC Pty Ltd as the successful tenderer. This tender included the collection of outstanding e-Toll debt. This was revised to address the New Dispensation announced by the Deputy President, with specific reference to the 60% discount offering in respect of historic debt. ETC is therefore responsible for the collection of e-toll debt and may appoint 3rd parties to attend to this on their behalf. SANRAL only contracts (in terms of its Contract with ETC) with ETC and not directly with the 3rd party.

(2) As stated above, SANRAL appointed ETC in terms of the SCM requirements at the time (2009). SANRAL did not procure services with 3rd parties for debt collection. SANRAL has complied with all the requisite legislation.

(3) SANRAL does not pay the "specified company" and is not aware of the arrangements between ETC and that entity. SANRAL's contractual obligation is to ETC.

(4) As stated, SANRAL only has an agreement with ETC. ETC is responsible for the collection of debt for the contract period.

(4) SANRAL appointed ETC in 2009, as explained above. The contract will finish for the operations of the Transaction Clearing House (TCH) and the Violation Processing Centre (VPC) components of the project after 5 years of toll collection operations (ie. December 2013 to December 2018) and for the roadside equipment, maintenance and Open Road Toll (ORT) back office operations, after 8 years of toll collection operations. The collection of outstanding debt is managed within the VPC component of the contract*.*