

ETC statement

11 December 2018

ETC sets the record straight on e-tolling contract renewal

The original Contract was awarded by SANRAL to the Electronic Toll Collection (ETC) Company on 18 September 2009.

The full Operations portion of the Contract included Open Road Tolling (ORT) services for a period of eight years, as well as five-year contracts for the Violations Processing Centre (VPC) and the Transaction Clearing House (TCH), from toll commencement.

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Sub-clause 10.8 of the Special Provisions in the full Works contract states: “The Employer (SANRAL) shall have the option to extend the Operation Service Period in respect of TCH and VPC for a further period of 12 months.”

However, contractual terms were amended through an amicable settlement, signed by ETC and SANRAL on 3 April 2017 and read as follows:

7.1. The Operations Service duration shall be amended such that it shall be six years for the full Works (for the avoidance of doubt, the Operation Service Period for the ORT, TCH and VPC shall end on 2 December 2019).

7.2. It is further agreed that the Employer (SANRAL) shall have the option, on written notice to the Contractor (ETC) prior to the expiry of the Operation Service Period, to extend the Contract for a further period of 12 or 24 months, effectively extending the Contract to seven or eight years.

Thus, ORT, TCH and VPC are all now one six-year contract, with the option available to extend the Contract for another one or two years. The settlement was approved by Treasury, based on the fact that SANRAL would not have spent the entire contract value by the end of the maximum two-year extension period.

ETC will, therefore, continue to manage e-tolling until at least 2 December 2019.

For ETC and SANRAL contract is in the public domain and can be accessed through the SANRAL website. www.sanral.co.za.

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