national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

ANNEXURE A:

DOMESTIC AIR TRAVEL UPFRONT FARE DISCOUNTS

1. The National Treasury has negotiated with South African Airways (SAA) and Comair/British Airways (BA) for upfront discounted air fares for government employees travelling domestically on official business. The Domestic Air Travel Fares will annually be reviewed by the National Treasury.

2. Both SAA and COMAIR are **non-exclusive appointed airlines** for Government Departments, Constitutional Institutions and Public Entities listed in Schedules 2 and 3 of the PFMA.

3. Departments, constitutional institutions and public entities must implement the ***best-fare-of-the-day***[1] by making use of the negotiated discounted rates with SAA and BA. These agreements are ***not exclusive*** agreements and, before confirming a booking, Institutions must ensure that their appointed Travel Management Companies (TMCs) and, or, Travel Booker, whichever applicable, compare the rates of SAA and BA with other airlines servicing the specific routes, including the low cost carriers.

4. All tickets sold by appointed Travel Management Companies on behalf of the Government Institution shall be **non-commissionable**[2] (i.e. no override payments are permitted) and the airline and, or the appointed TMC could be subject to penalties by Government should the airline or the appointed TMC pay and, or accept such commissions/overrides.

5. In order to make full use of the corporate discounts with SAA and BA, departments, constitutional institutions and public entities must instruct their appointed Travel Management Companies and, or, Travel Bookers for domestic airline tickets, to book against the following relevant deal codes[3] assigned to Government:
   - SAA Government deal code: **Deal code per department (Annexure B)**
   - BA Government deal code: **Deal code per department (Annexure C)**

6. These agreements will be kept confidential between Government and the Airlines. It is recorded that the Airlines and Government Institutions agree not to disclose the details of the negotiations and the content of the agreements and to regard them as consisting of confidential information. Government Institutions specifically must undertake not to disclose such confidential information to any third party whomsoever (other than to their respective appointed TMCs) without the prior written consent of the relevant Airline.

7. Copies of the agreements will be made available to the Government Institutions upon request and will be subject to the signing of a Non Disclosure Agreement (NDA).

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[1] The lowest fare at the time of booking and for which a seat is available, that meets the business requirements of the traveller.

[2] The net and non-commissionable rate means a rate that does not include any third party reward, i.e. a rate that is not marked up to include any commissions.

[3] The code that the Travel Management Companies must quote/insert when making the booking in order to benefit from the negotiated discounted fares.