



FOREIGN SERVICE DISPENSATION (FSD) DETERMINATION

***BY THE MINISTER FOR THE PUBLIC
SERVICE AND ADMINISTRATION IN
TERMS OF SECTION 3(3)(c) OF THE
PUBLIC SERVICE ACT, 1994, FOR THE
IMPLEMENTATION OF THE NEW FOREIGN
SERVICE DISPENSATION W.E.F.
1 DECEMBER 2003***

ADJUSTED WITH EFFECT FROM 1 DECEMBER 2003, UNLESS OTHERWISE PROVIDED

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IMPLEMENTATION OF THE NEW FOREIGN SERVICE DISPENSATION (FSD): DETERMINATION FOR THE CALCULATION OF THE ELEMENTS OF THE FSD

BACKGROUND

1. In September 1995, the Minister for the Public Service and Administration (MPSA) commissioned an investigation on the revision and implementation of interim measures to correct disparities prevalent in the FSD. A consultant, Mr Kluever, was appointed to undertake the investigation from 1 January 1996. The investigation commenced on 17 January 1996, under the auspices of the Public Service Commission (PSC) but since the establishment of the Department of Public Service and Administration (DPSA), the project was conducted under the guidance of a project office designated by the MPSA.
2. The first report which provided a comprehensive and manageable description of the FSD was finalised and submitted during June 1996. The second report, which contains the evaluation, analysis and recommendations of the Republic of South Africa FSD, based, inter alia, on an investigation on the dispensations which applied to designated officials by the United Nations and a selection of other countries, was completed on 20 May 1997. This culminated in Cabinet Memorandum No 13 of 1997 on recommendations and a final report, which was approved by Cabinet on 22 May 1997. This Cabinet Memorandum did not take into account the amendments to the Income Tax Act, 1962, which were effected in 2000.
3. In view of the above, Cabinet Memorandum No 20 of 2002 was submitted and approved by Cabinet on the 17 April 2002. This Cabinet Memorandum took into account the impact of Income Tax Act amendments and other report findings issued by the Task Team, which comprised of officials from the Department of Foreign Affairs (DFA) and DPSA (National Treasury participated on an ad hoc basis), as well as the recommendations of reports 1 and 11 of the consultant. This process was followed by extensive negotiations between the State as employer and all trade unions represented in the PSCBC. The negotiations finally culminated in the signing of an agreement in the PSCBC, namely Resolution No 8 of 2003 on the new FSD.

DEFINITIONS

4. For purposes of this Determination, the terms below have the following meaning:
 - 4.1 Any expression used in this Determination which is defined in the English dictionary or any acceptable resource shall have the same meaning, except that, unless the context indicates otherwise -

“agreement” means the PSCBC Resolution No 8 of 2003;

“**applicable foreign currency**” means the currency in which the FSD elements **COLA**, **DPACA** and **CA** are paid which need not be the local currency of the relevant country where the mission is;

“**benchmark**” means the benchmark level calculated at the total net cash payment (TNCP) for the United States of America as provided by the ECA and is determined by the MPSA at Lower Quartile plus 7.5% with effect from 1 April 2005;

“**BER**” means Budget Exchange Rate annually determined by National Treasury;

“**CA**” means the Child Allowance;

“**CA key norm amount**” means R4992 and \$2000 on which the consultant based the calculation of the norm amounts for CA as contained in A 10 of Annexure A to this Directive;

“**COL**” means the Cost of Living;

“**COLA**” means the Cost of Living Allowance derived from benchmark pay levels applicable to designated officials serving abroad;

AC = Accompanied COLA payable at the “married” tariff

UC = Unaccompanied COLA payable at the single tariff

“**COLI**” means the Cost of Living Index;

“**CPI**” means the Consumer Price Index;

“**CTE**” means cost-to-employer;

“**dependent child**” means a biological or adopted child or a stepchild for whose care the designated official is legally responsible and who is –

- (a) under 18 years of age; or
- (b) under 23 years of age and engaged in full-time study; or
- (c) unable to attend a normal school or obtain reasonable full-time paid employment due to physical disabilities;

“**dependent spouse**” means a spouse who is not -

- (a) engaged in full-time paid employment; or
- (b) eligible for the FSD;

“designated official” means a RSA Government Official that is a South African citizen employed at a RSA Mission abroad (excluding locally recruited personnel);

“DFA” means the Department of Foreign Affairs;

“DGFA” means the Director-General of Foreign Affairs;

“DGPSA” means the Director-General of Public Service and Administration;

“difficult post” means a post that has been so classified by the DFA and determined as such by MFA;

“DPACA” means the Difficult Post Additional Cost Allowance;

AD = Accompanied DPACA payable at the “married” tariff

UD = Unaccompanied DPACA payable at the single tariff

“DPACA key norm amount” means the amount of R10,000 on which the consultant based the calculation of the norm amounts for DPACA as contained in A 9 of Annexure A to this Directive;

“DPSA” means the Department of Public Service and Administration;

“duty tour” means the standard four year period that a designated official renders foreign service duty at a mission abroad;

“ECA” means the Employment Conditions Abroad, a firm selected to provide information on foreign service remuneration and compensation;

“employer” means the Department of Foreign Affairs or a participating department;

“FSD” means the Foreign Service Dispensation;

“FSDCC” means the Foreign Service Dispensation Co-ordinating Committee;

“GEPF” means the Government Employees Pension Fund;

“HOD” means the Head of the Department;

“HOM” means the Head of Mission;

“IERF” means the Index Exchange Rate Function;

“JE” means job evaluation;

“life partner” means the partner as registered in terms of the GEPF and who is not married to any other person in terms of the Recognition of the Customary Marriages Act No 120 of 1998 or the Marriages Act No 25 of 1961;

“locally recruited personnel” means a foreign national (other than a permanent resident of South Africa) employed locally by the South African Government at a diplomatic or consular mission abroad for the purpose of rendering supportive services to the mission;

“married couple” means a couple married in terms of customary or indigenous law or in terms the Recognition of Customary Marriages Act, 1998 or the Marriages Act, 1961;

“MFA” means the Minister of Foreign Affairs or her/his delegate;

“MOF” means the Minister of Finance or her/his delegate;

“MPSA” means the Minister for the Public Service and Administration or her/his delegate;

“NT” means the National Treasury;

“QED” means the soft ware for the official pay roll system of the DFA.

“RSA” means the Republic of South Africa;

“service bonus” means one twelfth of the annual basic salary notches for levels 6 to 12 and one twelfth of the basic salary (60%) of the SMS member’s package payable as a 13th cheque for the member who structured for a 13th cheque;

“single designated official” means a designated official who is not married in terms of the Recognition of the Customary Marriages Act No 120 of 1998 or the Marriages Act No 25 of 1961 or does not have a registered life partner;

“SMS member” means a member of the Senior Management Services;

“spouse” means a person registered by the designated official with the employer as the lawful husband or wife or life partner for the use of the benefit, worker compensation or work facility: Provided that a designated official -

- (a) may register one spouse married under customary or indigenous law, with the employer; or
- (b) may register only one life partner with the employer who is not married to any other person in terms of the Recognition of Customary Marriages Act, 1998 or the Marriages Act, 1961, and

will only be recognised if approved of by the receiving country in terms of DFA recruitment policy; or

- (c) who has a spouse registered with the Employer in terms of the Recognition of Customary Marriages Act, 1998 or the Marriages Act, 1961, may not register a life partner with the Employer;

“**TNCP**” means total net cash pay amounts applicable to expatriates in the USA which are linked to evaluated post levels by means of ECA evaluations and extrapolation;

“**travelling privilege**” means to be the cost of an air travel ticket from the mission to Johannesburg International and back to the mission.

- 4.2 Any expression in the singular in this Determination includes the plural and *vice versa*, unless the context indicates otherwise.

PURPOSE

5. The purpose of the FSD is to enable a designated official who wishes to perform foreign service and who is assigned to perform such service to maintain a standard of living commensurate with the image which the RSA Government wishes to project abroad taking into account the nature and level of the duties and responsibilities assigned to the designated official. To this end the FSD must be designed to achieve the following:
- 5.1. Reimburse a designated official for the cost of relocating her/his household; additional expenses necessarily incurred by her/him in regard to the adequate schooling of her/his dependent children; the cost of maintaining family ties; the cost of maintaining contact with the South African way of life; and the additional cost of medical and related services;
 - 5.2. Provide a designated official with dwelling and work facilities on a basis that will enable her/him to operate effectively as a representative of the RSA abroad;
 - 5.3. Compensate a designated official for higher costs of living abroad and also for additional costs incurred by her/him to generally function at the required level;
 - 5.4. Reimburse a designated official for direct expenses incurred in the performance of specific official duties abroad;
 - 5.5. Provide relief from or compensate a designated official for additional costs resulting from particularly onerous conditions, which she/he and her/his household are subjected to as the result of working at certain missions;

- 5.6 Provide special measures or facilities to meet extraordinary needs such as death or serious illness of a designated official or her/his family members and evacuation of a designated official and her/his household in an emergency.
6. The purpose of this Determination is to outline the procedural and substantive measures to be followed when implementing the agreement.
7. This Determination is in no way intended to replace the agreement and must be read with the agreement.
8. Any person using this Determination shall, in no way, read into it any provision which deviates or derogates from the agreement. Should any person be unclear of what is required of him/her in executing any duty or function arising from the implementation of the agreement or this Determination, such a person should seek clarification from the MPSA by submitting such request in writing to the DGPSA via her/his HOD.

SCOPE OF APPLICATION

9. This Determination is issued in terms of section 3(3)(c) of the Public Service Act, 1994 as a determination by the MPSA and applies to designated officials who serve in a foreign country at a RSA mission abroad. It does not apply to persons belonging to the category "locally recruited personnel" employed by the DFA/ other departments at a RSA mission abroad or to officers serving abroad who are not attached to missions. This Determination is binding and not a mere guideline.

IMPLEMENTATION

10. The new Foreign Service Dispensation (FSD) shall be implemented with effect from 1 December 2003 based on calculations for 1 April 2003 and using the September 2002 data. Revision of the FSD allowances/elements will be considered annually by the MPSA based on the ECA information of the September survey of the previous year and adjustment will only be effected with effect from 1 April if substantial changes take place.
11. The Cabinet took note of the MPSA's authority in terms of the Public Service Act, 1994, to decide on particular matters, which may arise from the process of developing measures for implementation of the FSD.

ELEMENTS OF THE FSD INCLUDING CALCULATION AND RULES FOR PAYMENT

RSA SALARY

12. On transfer abroad payment of the designated official's RSA salary is continued subject to the following rules of payment, measures and conditions:-

- 12.1. The net amount of RSA salary is deposited on behalf of the designated official into her/his account at a registered financial institution in the RSA on the normal date of payment;
- 12.2. If the designated official wishes to receive her/his RSA salary abroad, she/he must arrange this through the registered financial institution in the RSA where the salary has been deposited on her/his behalf by her/his department;
- 12.3. Where paragraph 12.2 above is applied, the current exchange rate, which the institution in the RSA uses for the transaction, will be applicable;
- 12.4. The employer effecting the above will provide the financial institution (see definition) with Reserve Bank authority for transferring the amount concerned abroad once the request has been received from the designated official;
- 12.5. The open authority of the Reserve Bank is valid for one year and should be renewed annually. The RSA salary earned in the book year concerned must therefore be transferred abroad in the same book year if the designated official so chooses. A salary earned in one book year can ONLY be transferred abroad in the following book year (years) once the relevant permission of the Reserve Bank through a commercial bank has been obtained;
- 12.6. The designated official can claim the expenses attached to the transfer of the Rand salary abroad from the employer;
- 12.7. As in the case of a designated official stationed in the RSA, taxation on the RSA salary is collected in the RSA.

REMUNERATIVE AND COMPENSATIVE ALLOWANCES AND PAYMENTS PAYABLE IN RAND IN THE RSA

- 12.8. All remunerative and compensative allowances and payments not dealt with separately in this Determination for which the designated official meets the requirements for the payment thereof, shall be paid or continued unchanged in the RSA in accordance with the general measures applicable to public service officials during periods of service abroad.
- 12.9. The net amounts payable are deposited on behalf of the designated official in her/his account at a registered financial institution in the RSA.

COST OF LIVING ALLOWANCE (COLA)

13. Officials designated for deployment in the foreign service abroad shall be eligible for receiving Cost of Living Allowance (COLA).

- 13.1. The current station and representation allowance shall be replaced by COLA and shall be payable based on the establishment of a household.
- 13.2. The purpose of COLA is to compensate a designated official stationed abroad for COL expenses based on the principle that it is expected of designated RSA officials stationed abroad to maintain a standard of living commensurate with the representational standard determined by the RSA Government.
- 13.3. The MFA will determine the applicable foreign currency in which COLA annual amounts are payable in the different countries where the RSA has missions.
- 13.4. The COLA payable to accompanied designated officials is different from the payout for unaccompanied designated officials.

NOTE: Examples on calculations are contained in Annexure A to this determination.

DETERMINING COLA AMOUNTS PAYABLE

- 13.5. There are 9 grade/COLA pay levels that are used for the purpose of the application of the FSD. These are RSA salary levels 6 to 14 as indicated in column (b) in Table B, page 5 of Annexure A.
- 13.6. The amounts payable in respect of each of the salary levels mentioned above are determined using RSA salaries and benchmark information provided by ECA in September of each year.
- 13.7. The current benchmark level, is determined at Lower Quartile plus 7.5% based on the September information of the previous year as provided by ECA and which were adjusted with the USA CPI of 2.3% for 2004 and 2.7% for 2005.
- 13.8. Adjustments to the benchmark level are considered annually as contained in paragraph 10 above. Departmental budget allocations must be done concurrently with the updated benchmark level. These adjustments will be determined by the MPSA taking into account the advice of the MOF.
- 13.9. The COLA amounts payable in each of the relevant salary levels are determined in the following manner:

FOR DESIGNATED OFFICIALS WHO ARE NOT SMS MEMBERS

(a) *Determining the net RSA remuneration package*

$$(A - B + C) - D$$

Where-

A = The first notch corresponding to the designated official's post level; (See the General Rules in paragraph 14 below and columns (d) in Table B and (b) in Table C, pages 5 and 6 of Annexure A)

B = 7.5% of the designated official's basic salary, that is, the official's contribution to the GEPF; (See column (c) in Table C, page 6 of Annexure A)

C = The designated official's service bonus; (See column (e) in Table C, page 6 of Annexure A) and

D = the amount corresponding to the designated official's basic salary in the standard income tax tables applicable to natural persons (See column (g) in Table C, page 6 of Annexure A)

NOTE:

Where the result has a decimal fraction, such a figure must be rounded off to the nearest R1,00 if the figure is more than 0,5 and to 0, where the result is less than 0,5.

(b) *Converting the net RSA amount to US\$ amounts*

$$E * F$$

WHERE-

E = The net RSA salary determined in the above formula; (See column (h) in Table C, page 6 of Annexure A) and

F = The Rand/US\$ exchange rate, Budget Exchange Rate (BER), applicable for the period 2003/2004 (See column (i) in Table C, page 6 of Annexure A)

(c) *Determining the applicable benchmarks points and amounts for each salary level*

- (i) Benchmark levels for each salary level are determined using the corresponding USA expatriate salary levels at Lower Quartile for 2003/2004. This information was provided by ECA in September 2002.
- (ii) Applicable ECA points for the corresponding RSA salary levels were determined during the investigation of the FSD and the ECA points linked to the applicable RSA salary levels as indicated in columns (b) and (c) in Table E, page 8 of Annexure A.
- (iii) In instances where the determined ECA amounts fall between the given ECA information, the following formula applies:

FOR APPLICABLE ECA POINTS:

$$\frac{(H-L) \times 5 + L}{D}$$

WHERE-

H = Higher given ECA point

L = Lower given ECA point

D = Difference between Higher and Lower calculated point

The result to be divisible by 5 and rounded to the nearest whole currency unit by taking 0,5 and more to 1 and discarding values of less than 0,5 and multiplying results by 5.

FOR APPLICABLE ECA AMOUNTS:

$$\frac{(H-L) \times 5 + L}{D}$$

WHERE-

H = Higher ECA amount

L = Lower ECA amount

D = Difference between Higher and Lower ECA points

The result to be divisible by 12 and rounded to the nearest whole currency unit by taking 0,5 and more to 1 and discarding values of less than 0,5 and multiplying results by 12.

- (d) *Determining the applicable COLA key norm amounts* (See calculations in Table F, page 10 of Annexure A)

COLA key norm amounts payable are determined by subtracting the results of calculations in (a) and (b), that is, the converted net RSA salary, from the results of a calculation in (c) above, that is, the benchmark amounts using the following formula:

$$K - L$$

WHERE-

K = Corresponding ECA amount in US\$; and

L = Corresponding converted net RSA salary in US\$

NOTE:

See calculations in columns (d) and (e) and the result thereof in column (f) in Table F, page 10 of Annexure A

FOR DESIGNATED OFFICIALS WHO ARE SMS MEMBERS

- 13.10. The above process in 13.9.(a) to (d) is the same for SMS members, save for the difference in the formula for a calculation in paragraph 13.9.(a) above:

Determining the net RSA remuneration package for the calculation of the COLA key norm amounts

$$(A - B + C) - D$$

WHERE-

A = With implementation 1 December 2003:

The first packages of Remuneration Bands A and B - SMS Grades A and B - post levels 13 and 14; (See Annexure A to Circular 2 of 2002 on the adjustment of the inclusive flexible remuneration packages of members of the SMS and amendments of the remuneration dispensation: 1 January 2003)

60% of the first packages of Remuneration Bands A and B - SMS Grades A and B - post levels 13 and 14

in columns (d) in Table B page 5 and (b) in Table C, page 6 of Annexure A with effect from 1 December 2003.)

- B = 7.5% of the designated official's basic salary (calculated at 60% of the official's remuneration package in A above), representing the official's contribution to the GEPF. (See column (c) in Table C, page 6 of Annexure A)
- C = One twelfth of the basic salary, to be structured as a once-off non-pensionable bonus and payable in the anniversary month of birth. (See columns (e) and (f) in Table C, page 6 of Annexure A) and
- D = the amount corresponding to the designated official's basic salary in the standard income tax tables applicable to natural persons. (See column (g) in Table C, - resulting in the net RSA component in column (h), page 6 of Annexure A.)

13.11. The results of the COLA key norm amounts for accompanied designated officials in paragraph 13.9(d) should be rounded to be divisible by 12 by dividing the answer by 12, rounding to the nearest whole currency unit (equal to or in excess of 0,5 being taken to 1 or by discarding values of less than 0,5) and multiplying by 12.

13.12 For determining the key norm amounts of COLA for un designated officials, subtract 7,5% from the key norm amounts determined in paragraph 15.9(d) above and rounding the result in the same manner as in paragraph 13.11 above.

COLA AMOUNTS PAYABLE AT DIFFERENT MISSIONS

13.13. The key norm amount for COLA determined in paragraphs 13.9 and 13.10 above must be used in determining the relevant COLA values applicable in each country where the RSA has a mission.

13.14. The IERF is used for the conversion of applicable COLA values for all relevant levels to determine the COLA amounts at the different missions abroad: See Tables G and H in Annexure A.

13.15. The IERF for each country where the RSA has a mission, is determined by multiplying the COLI, information provided to DFA by ECA in September annually, by the US\$ exchange rate to the applicable currency in a mission.

- 13.16. Table G provides information applicable for the implementation of the PSCBC Resolution 8 of 2003, while Table H provides examples using information applicable in India.

COLA RULES OF PAYMENT

Dates of effect

- 13.17. On transfer from the RSA to a mission abroad, the COLA shall be paid to the designated official from the date of arrival at the mission up to and including the day of transfer back to the RSA.
- 13.18. On transfer between missions abroad, the designated official shall be paid the COLA applicable at the old mission up to and including the date of her/his departure and is paid the COLA applicable at the new mission from the date following the date of her/his departure from the old mission subject to the rules relating to absences from duty that affect COLA payment.
- 13.19. On transfer from a mission abroad back to the RSA, the designated official is paid the applicable COLA up to and including the date of departure from the mission. The COLA (AC) is payable from arrival of the spouse on transfer up to and including the date of departure on transfer up to and including the date of departure from the mission.
- 13.20. In cases where both members of a married couple are employed as designated officials at a mission (locally recruited personnel – LRP excluded), the couple will receive 100% of the COLA amount as if it is paid to an accompanied designated official.
- 13.21. The COLA payout may be split on a 50/50 and be paid to each individual designated official on written request or paid to an official designated by the MFA .
- 13.22. Where one household is established by a member of a couple not accompanied by the spouse or by a single designated official, the unaccompanied COLA (UC) shall therefore be paid to the designated official at 100% less 7.5%.
- 13.23. Where one household is being established and is occupied by a married couple or registered life partners and only one member of the couple is a designated official, the accompanied COLA shall be paid at 100% to the eligible official.
- 13.24. The COLA payout shall be made in terms of the following scenarios:

(a) SCENARIO 1

A single designated official will be paid—the unaccompanied COLA (UC) equal to 100% of applicable amount less 7.5% = 92.5% irrespective of whether s/he is accompanied by child/ren.

(b) SCENARIO 2

A married couple where both members of the married couple are designated officials, 100% of the accompanied COLA (AC) shall be paid to the designated official or split on a 50 / 50 basis and paid to each individual designated official, if requested in writing.

(c) SCENARIO 3

A married couple where only one member of the married couple is a designated official, 100% of the accompanied COLA (AC) shall be paid to the designated official.

(d) SCENARIO 4

In the case of a married couple, where both members of the couple are designated officials, who are stationed at different cities, the unaccompanied COLA (UC) shall be paid to each designated official even if one member of the couple has to take care of dependent children.

EFFECTS OF ABSENCE ON THE COLA PAYOUTS

- 13.25. For COLA payout purposes, time off afforded to designated officials in terms of the rules governing travelling privileges may not be construed as absence from duty.
- 13.26. During absence(s) of the designated official and/or her/his spouse from duty and/or from the mission where the designated official is stationed, the normal rate based on the designated official's household (the accompanied/unaccompanied COLA rate) is paid except where specifically determined otherwise.
- 13.27. If the member of a married couple, both being officials, designated as the official for COLA payout purposes is absent from duty on vacation, sick, maternity or special leave or on official duty away from official quarters at the mission station or for other reasons, the COLA payout will be reduced proportionally or discontinued.
- 13.28. If a married couple where both members are designated officials - in instances where the payout is made on a 50/50 basis and the remaining official has to take care of dependent children, departments must determine whether the remaining official should not qualify for 100% of the applicable COLA payout during the relevant period.
- 13.29. COLA payments in relation to duration of absence

Nature and duration of absence	COLA rate
---------------------------------------	------------------

- | | |
|---|--|
| (a) <i>A DESIGNATED OFFICIAL ON DUTY AT THE MISSION BUT THE SPOUSE IS AWAY FROM THE MISSION -</i> | |
| 1 to 60 days | 100% of applicable COLA amount payable to accompanied designated officials |
| 61 days and more | 100% of a COLA amount payable to unaccompanied designated officials |
| (b) <i>A DESIGNATED OFFICIAL ABSENT FROM DUTY ON PAID VACATION LEAVE -</i> | |
| 1 to 60 days | 100% of applicable COLA amount either AC or UC |

Nature and duration of absence	COLA rate
61 days and more	0% of applicable COLA amount
(c) A DESIGNATED OFFICIAL ABSENT FROM MISSION ON OFFICIAL DUTY -	
1 to 60 days	100% of the applicable COLA amount payable whether AC or UC
61 days and more	50% of the applicable COLA amount payable whether AC or UC.
(d) A DESIGNATED ABSENT FROM DUTY ON SICK LEAVE BUT LIVES IN OFFICIAL QUARTERS AT THE MISSION -	
1 to 60 days	100% of the applicable COLA amount payable whether AC or UC
61 days and more	0%
(e) A DESIGNATED OFFICIAL ABSENT FROM DUTY ON SICK LEAVE AND OFFICIAL DOES NOT LIVE IN OFFICIAL QUARTERS AT MISSION-	
1 to 60 days	100% of the applicable amount payable whether AC or UC
61 days and more	50% of the COLA amount payable
(f) A DESIGNATED OFFICIAL ABSENT FROM DUTY ON MATERNITY LEAVE BUT LIVES IN OFFICIAL QUARTERS AT THE MISSION –	
For the duration of the maternity leave	100% of applicable COLA amount payable
(g) A DESIGNATED OFFICIAL ABSENT FROM DUTY ON MATERNITY LEAVE AND WHO DOES NOT LIVE IN OFFICIAL QUARTERS AT THE MISSION	
1 to 60 days	100% of the COLA amount payable
61 days and more	50% of the COLA amount payable

Nature and duration of absence	COLA rate
(h) A DESIGNATED OFFICIAL ABSENT FROM MISSION ON LEAVE OTHER THAN SICK, MATERNITY, VACATION, STUDY, FAMILY/RESPONSIBILITY OR SPECIAL LEAVE -	
1 to 30 days	100% if the COLA amount payable
31 to 60 days	75% of the COLA amount payable
61 and more	50% of the COLA amount payable
(i) HOM ABSENT FROM MISSION BECAUSE OF BEING RECALLED -	
1 to 30 days	100% of the COLA amount payable
31 days and more	0% of the COLA amount payable payable
(j) A DESIGNATED OFFICIAL ABSENT FROM DUTY ON UNPAID LEAVE	
For the duration of this period	0%
(k) A DESIGNATED OFFICIAL ABSENT FROM DUTY ON SPECIAL LEAVE (THE HOD SHALL ENSURE THAT HER/HIS DEPARTMENT HAS ADOPTED A SPECIAL LEAVE POLICY IN TERMS OF PARAGRAPH 21 OF THE DIRECTIVE ON LEAVE OF ABSENCE IN THE PUBLIC SERVICE READ WITH THE APPLICABLE PSCBC RESOLUTIONS – 7/2000, 5/2001 AND 15/2002)	
1 to 30 days	100% of the COLA amount payable
31 to 60 days	75% of the COLA amount payable
61 days and more	50% of the COLA amount payable

Provided that -

- (i) in the case of a married designated official where the rule at subparagraph (a) above is applied because the spouse is away from the mission for more than 60 days, the indicated percentage of COLA at the UC rate must in all cases be paid to the designated official;
- (ii) in the case of a married couple who are both designated officials and posted to different cities abroad, that each of the officials shall be paid the UC.
- (iii) where a designated official's periods of absence for different reasons are contiguous, such periods must be taken separately to determine the COLA rate (percentage) payable to the designated official during each part of the total period of absence;
- (iv) in cases where a designated official and her/his dependants (if any) are housed in a hotel or similar establishment and maintained or by means of subsistence allowance and hotel accommodation cost payments before or after vacating official quarters, COLA shall be payable at the full rate for the first 30 days and at 50% of the full rate thereafter;
- (v) in the case where a designated official's spouse took up remunerative employment outside the mission or as an LRP, the COLA amount will be reduced to UC with effect from the day of assumption of duty of the spouse. The COLA amount will only be reduced to UC if the spouse's remuneration package (excluding benefits) exceeds the 7.5% difference between the COLA AC and UC; and
- (vi) those cases not specifically covered by the measures in paragraph 13.29 shall be referred to the MPSA for the determination of appropriate measures in respect of the percentage of COLA payment.

GENERAL RULES REGARDING THE DETERMINATION AND REVISION OF THE COLA AMOUNTS

14. The following are the general measures applicable in the determination and use of the COLA:

- 14.1. The benchmark pay levels referred to in paragraph 13.5 shall, for practical purposes, be pay levels applicable to designated officials serving in missions abroad.

- 14.2. COLA amounts are linked to Public Service grade levels. For this purpose, benchmark pay levels from which COLA amounts are derived, are linked to RSA Public Service grade levels on the basis of broad comparative evaluation.
- 14.3. The calculation of the COLA payout shall be based on the commencing notch of the salary grading system on which the designated official is employed in the RSA.
- 14.4. COLA amounts must reasonably reflect the different costs of living in different countries. For this purpose, a suitable COLI combined with concurrent exchange rates must be used to convert COLA key norm amounts to COLA amounts in the applicable foreign currency for each country, where the RSA is represented.
- 14.5. The results as determined by the approved JE system, dictate the grade levels on which COLA amounts will be payable.
- 14.6. In cases where a designated official serving abroad is not on a standard Public Service grading system level or pay scale or where a designated official is on a grade level or pay scale clearly higher than that justified by her/his representational role, the MFA may decide that such official be paid the COLA rate applicable to an appropriate lower grade level. The MFA may delegate such power to the DGFA.
- 14.7. In the case of a designated official who is not on one of the standard pay scales/packages attached to Public Service salary levels or who is not, for pay purposes, linked to one of the standard salary levels of the Public Service salary grading system, the MFA may, after consultation with such official's department/institution, decide which of the standard COLA amounts applies to the designated official.
- 14.8. COLA amounts must be evaluated regularly and revised at least annually in accordance with changes in the relevant benchmark pay levels.
- 14.9. The amount of COLA payable to a designated official must be increased, reduced or discontinued in accordance with changes that affect the COL expenses of a designated official.

COST OF LIVING ALLOWANCE (COLA) ADVANCES

15. To ensure that designated officials and their families and/or dependents do not experience hardships during the initial transfer, the employer may advance a percentage of the annual COLA allowance to such officials.

- 15.1. The purpose of COLA advances is to assist a designated official being transferred abroad to meet the expense of essential purchases.

CAR PURCHASE ADVANCE

- 15.2. For purposes of purchasing a car, a designated official being transferred abroad may be granted a Car Purchase Advance of the COLA payable to her/him at the mission to which she/he is being transferred. SMS members are excluded from this provision as provision is made in the all inclusive flexible packages to purchase/lease a car.
- 15.3. The Car Purchase Advance shall be limited to a maximum of 23% of three times the annual COLA payable to an accompanied designated official on grade level 8.
- 15.4. A Car Purchase Advance may only be approved in cases where the designated official actually purchases/leases a car. A designated official may purchase/lease a new or reliable second hand vehicle.
- 15.5. A designated official who is granted a Car Purchase Advance must be bound by means of an appropriate repayment agreement approved by the NT and the advance must be repaid by means of monthly deductions from the designated official's COLA within a period of 36 months.
- 15.6. No Car Purchase Advance may be granted to any designated official who has served abroad for more than six calendar months or who has been granted a departmental loan to purchase a car under previously existing measures or in cases where a car has been transported abroad as part of the designated officials' effects at State expense.
- 15.7. If a designated official is transferred from one mission to another or back to the RSA, any Car Purchase Advance owing by the designated official must be converted into the currency applicable at the new mission or into a Rand amount.
- 15.8. The outstanding balance of the advance must be redeemed immediately where a designated official sells his/her motor vehicle or for whatever reason resigns from the public service.

GENERAL ADVANCE

- 15.9. For purposes of purchasing clothing, items of diplomatic equipment and related goods a designated official being transferred abroad may be granted a General Advance of COLA payable to her/him at the mission to which she/he is being

transferred. Heads of Mission are not entitled to General Advances to purchase Diplomatic Equipment as these are provided to them.

- 15.10. The General Advance shall be limited to a maximum of 12,5% of the annual COLA amount payable to an accompanied designated official on grade level 8.
- 15.11. The advance or part thereof may be paid in Rand in the RSA and, if so paid in Rand, the amount repayable must be calculated by using the applicable exchange rate (Rand/applicable foreign currency) that applied on the date of payment to the designated official.
- 15.12. An designated official who is granted a General Advance must be bound by means of an appropriate repayment agreement approved by the NT.
- 15.13. The repayment may be a once-off deduction or be repaid in equal monthly deductions from the designated official's COLA within a period of 12 months.
- 15.14. No General Advance may, during a tour of duty abroad, be granted to any designated official who has served abroad for more than two calendar months or who has been paid a clothing grant or a sum of money to assist her/him with the purchasing of diplomatic equipment on being transferred abroad for such tour of duty.
- 15.15. If a designated official is transferred from one mission to another or back to the RSA, any General Advance amount owing by the designated official must be converted into the currency applicable at the new mission or into Rand using the formula in 15.17 below.
- 15.16. COLA advances are granted based on the level of COLA payable at a particular mission in a particular currency and repayment takes place on the basis of deductions from the COLA payable to the designated officials at such mission. This means that if a designated official is transferred from one mission to another abroad or from a mission abroad back to the RSA any amount of COLA advance owing by the designated official must be appropriately adjusted to reflect the change in COL level and currency.
- 15.17. If a designated official is transferred from one mission to another abroad, any COLA advance amounts owing must be calculated by applying the following formula:

$$\frac{A \quad X \quad B}{C} = D$$

- WHERE
- A = the numerical value of the annual COLA amount payable to the designated official at the grade level applicable to her/him at the new mission with effect from her/his date of transfer
 - B = the numerical value of the annual COLA amount that would have been payable to the official at the same grade level referred to for A above at the old mission with effect from her/his date of transfer
 - C = the numerical value of the amount of COLA advance owing by the designated official at the old mission on the day before the effective date of her/his transfer.
 - D = the amount of COLA advance owing by the designated official in the currency applicable at her/his new mission.

15.18. If a designated official is transferred from a mission abroad back to the RSA, any amount of COLA advance owing must be converted to the Rand value using a theoretical norm amount of COLA that would have been payable in Rand value in the RSA. This theoretical COLA amount must be calculated by applying an RSA IERF.

15.19. The MFA may determine the programme for the introduction of the measures for advances subject to the availability of funds.

DIFFICULT POST ADDITIONAL COST ALLOWANCE (DPACA)

16. In acknowledging that there are countries in which designated officials serving in foreign missions abroad are exposed to hardships as a result of conditions in such countries, designated officials in these countries are entitled to the payment of a DPACA.

16.1. The DPACA replaces the current special station allowance (SSA) commonly known as the hardship allowance.

16.2. The purpose of the DPACA is to assist a designated official to meet additional expenses resulting from difficult conditions

prevailing at the mission where she/he is stationed including expenses resulting from the utilisation of travelling privileges.

- 16.3. DPACA norm amounts and rules governing the payment of DPACA amounts are determined by the MPSA within the principles referred to in A 9 of Annexure A to this Determination.

MEASURES FOR DPACA DETERMINATION

- 16.4 For purposes of DPACA payment, missions are evaluated and classified into four categories based on their difficulty levels, with-

Category I - Being the category for which no DPACA is payable; and

Category IV - Being the category for which the highest rate of the DPACA is payable.

Categories I to IV See paragraphs 16.9 to 16.14 below

- 16.5. The relevant measures and applicable procedures for the evaluation and classification of missions are determined by the MFA in accordance with a method and procedure designed within the framework of principles relating to DPACA.

- 16.6. The evaluation and the classification of missions must be undertaken at least once per year. Where conditions at a mission improve or deteriorate rapidly, reclassification may be done when such changes occur. The MFA must, based on the proposed categories, issue a determination in respect of applicable reclassifications.

- 16.7. The DPACA annual amounts will be payable at the various missions, depending upon the classification of missions into categories as determined by the MFA.

- 16.8. The DPACA monthly amount shall be one twelfth and the daily amount shall be $1/365^{\text{th}}$ of the applicable annual amount.

CALCULATION OF APPLICABLE DPACA AMOUNTS

- 16.9. The RSA DPACA key norm amount is currently the RSA value amount of R14, 844. (See Table I in Annexure A to this Determination.) This amount must be adjusted annually in April using the average RSA CPI. The US\$ hard currency norm amount is \$1,608 with effect from 1 April 2003.

- 16.10. The RSA DPACA key norm amount is converted into the selected hard currency norm amount mentioned in paragraph

16.9 above. The RSA amount is converted into applicable foreign currency amounts for each category of designated official and each mission.

16.11. The current ratio values of DPACA between the different mission categories are:

Mission category	Applicable ratio value
Category I	0% of hard currency norm amount
Category II	100% of hard currency norm amount
Category III	150% of hard currency norm amount
Category IV	200% of hard currency norm amount

16.12. The DPACA annual amounts payable to designated officials differ based on whether they are unaccompanied (U), accompanied by one (A) or more than one dependent (A+). This difference is determined by applying the following ratio values:

- (a) U = An unaccompanied designated official shall be paid 100% of the applicable DPACA amount;
- (b) A = A designated official accompanied by one dependent shall be paid 150% of the applicable DPACA amount; and
- (c) A+ = A designated official accompanied by more than one dependent shall be paid 180% of applicable DPACA amount.

16.13. The DPACA amounts payable at the various missions are calculated by applying the following formula:

$$N \times E \times C \times D = Z \text{ (rounded to the nearest Rand amount)}$$

WHERE N = RSA key amount

:

E = Fixed exchange rate

C = The ratio value of the mission category (I = 0, II = 1, III = 1,5 and IV = 2)

D = The ratio value linked to the designated official being unaccompanied, accompanied by one dependant or accompanied by more than one dependant

Z = The annual amount of DPACA payable to a designated official in the applicable foreign currency which amount *must be rounded to be divisible by 12 by dividing the result of the formula by 12, rounding the answer to the nearest whole currency unit (with 0,5 and more being taken to 1 and less than 0,5 being discarded) and multiplying the rounded result by 12.*

16.14. Tables I and J of Annexure A to this Determination display RSA and converted US\$ norm amounts respectively while Table K provides examples of norm amounts converted to other currencies as applicable in other mission stations.

DPACA RULES OF PAYMENT

DATES OF EFFECT

- 16.15. On transfer from the RSA to a mission abroad, DPACA shall be paid to an designated official at the applicable rate from the date of arrival at the mission up to and including the day of transfer back to the RSA.
- 16.16. On transfer between missions abroad, the designated official shall be paid the DPACA applicable at the old mission up to and including the date of her/his departure and is paid the DPACA applicable at the new mission from the date following the date of her/his departure from the old mission subject to the rules relating to absences from duty that affect DPACA payment.
- 16.17. On transfer from a mission abroad back to the RSA, the official is paid the applicable DPACA up to and including the date of her/his departure from the mission.
- 16.18. If both members of the married couple are designated officials at a mission, the accompanied DPACA must be paid to the designated official unless a written request is made by the married couple that the DPACA be paid on a 50 / 50 basis to each designated official.

EFFECTS OF ABSENCE ON THE DPACA PAYOUTS

- 16.19. If the member designated as the official for DPACA payment purposes during any given period is absent from duty on vacation, sick, maternity or special leave or for other reasons that result in the reduction or discontinuation of DPACA

payments to the designated official, it must be determined whether designating the other member (the spouse) as the designated official will result in higher DPACA payments during any given period and if this is the case such higher payments must, during the relevant period, be made in lieu of any DPACA payments to the member who was originally designated as the official.

16.20. Time off afforded to designated officials in terms of the rules governing travelling privileges may not be construed as absence from duty. This is only done for DPACA payout purposes.

16.21. A spouse or child who is absent from the mission for more than 60 days, is during the period from day 61 until such spouse or child return to the mission, not regarded as a dependant for purposes of determining the category of DPACA which the designated official qualifies for and the DPACA rate payable must be reduced accordingly during the period of absence of such spouse or child.

16.22 Children/spouse stationed in third country (not the mission or the RSA) will be excluded from the determination of the DPACA amount.

16.23. The scenarios applicable in this regard are as follows:

(a) SCENARIO 1

A single designated official – in the case of an official who is classified as a single official the UD shall be paid at the prescribed rate applicable.

(b) SCENARIO 2

If one member of a married couple is a designated official, the amount payable shall be paid to the designated official taking into consideration the prescribed number of dependants.

(c) SCENARIO 3

If both members of a married couple are designated officials, the amount payable may be paid to the designated official or split on a 50/50 basis and paid to each official if requested in writing.

(d) SCENARIO 4

If the members of a married couple are stationed at different cities, the unaccompanied DPACA shall be paid to each designated official.

16.24. DPACA payments in relation to duration of absence:

Nature and duration of absence	DPACA rate
(a) <i>A DESIGNATED OFFICIAL ABSENT FROM DUTY ON PAID VACATION LEAVE -</i>	
1 to 60 days	100%
61 days and more	0%
(b) <i>A DESIGNATED OFFICIAL ABSENT FROM MISSION ON OFFICIAL DUTY -</i>	
1 to 60 days	100%
61 days and more	0%
(c) <i>A DESIGNATED OFFICIAL ABSENT FROM DUTY ON SICK LEAVE BUT LIVES IN OFFICIAL QUARTERS AT THE MISSION -</i>	
1 to 60 days	100%
61 days and more	0%
(d) <i>A DESIGNATED OFFICIAL ABSENT FROM DUTY ON SICK LEAVE AND WHO DOES NOT LIVE IN OFFICIAL QUARTERS AT MISSION-</i>	
1 to 60 days	100%
61 days and more	0%
(e) <i>A DESIGNATED OFFICIAL ABSENT FROM DUTY ON MATERNITY LEAVE BUT LIVES IN OFFICIAL QUARTERS AT THE MISSION –</i>	
For the duration of the maternity leave applicable in terms of the general measures in the Public Service	100%
(f) <i>A DESIGNATED OFFICIAL ABSENT FROM DUTY ON MATERNITY LEAVE AND WHO DOES NOT LIVE IN OFFICIAL QUARTERS AT THE MISSION</i>	
1 to 60 days	100%

Nature and duration of absence	DPACA rate
61 days and more	0%
(g) A DESIGNATED OFFICIAL ABSENT FROM MISSION ON LEAVE OTHER THAN SICK, MATERNITY, VACATION OR SPECIAL LEAVE -	
1 to 30 days	100%
31 and more	0%
(h) A DESIGNATED OFFICIAL ABSENT FROM DUTY ON UNPAID LEAVE	
For the duration of this period	0%
(i) A DESIGNATED OFFICIAL ABSENT FROM DUTY ON SPECIAL LEAVE (THE HOD SHALL ENSURE THAT HER/HIS DEPARTMENT HAS ADOPTED A SPECIAL LEAVE POLICY IN TERMS OF PARAGRAPH 21 OF THE DIRECTIVE ON LEAVE OF ABSENCE)	
1 to 30 days	100%
31 and more	0%

GENERAL RULES REGARDING THE DETERMINATION AND REVISION OF THE DPACA

- 16.25. DPACA amounts are derived from a key norm amount determined on implementation of the latest revised FSD.
- 16.26. Missions are evaluated and classified for purposes of payment of DPACA based on the following guidelines:
- (a) DPACA is only payable at missions where conditions are substantially more difficult than in the RSA and where such difficult conditions necessarily result in additional (abnormal) expenses that designated officials have to incur to alleviate the effect of difficult conditions.
 - (b) Classification of missions must be based on the following factors-
 - (i) Risk of contracting communicable diseases.
 - (ii) Standard/availability of medical facilities.
 - (iii) Sanitation standards.

- (iv) Absence of normal amenities.
 - (v) Restriction of movement.
 - (vi) Isolation.
 - (vii) Possibilities for local leave.
 - (viii) Security.
 - (ix) Climate.
 - (x) Other hardship factors that cause additional expenses
- (c) When evaluating missions in terms of the above factors, care must be taken to avoid giving weight to difficulty/expense factors that are already provided for by means of the COLA which provides for all normal COL differences.

CHILD ALLOWANCE

17. Designated officials that have dependent children shall be eligible for the payment of a child allowance.

17.1 The purpose of CA is to compensate a designated official for additional expenditure necessarily incurred by her/him in respect of the maintenance of (a) dependent child/ren as the direct result of performing foreign service.

DETERMINATION OF CHILD ALLOWANCE

- 17.2. The amounts of CA payable to designated officials and the rules governing the payment of CA are determined by the DPSA.
- 17.3. The CA is payable to eligible designated officials in respect of each dependent child of such officials.
- 17.4. The key norm amount for the payment of the CA is currently US\$ 2,292, in respect of a dependent child that accompanies the designated official abroad or R 7,404, in respect of a dependent child that remains in the RSA. These amounts must be adjusted annually in April using the relevant CPI respectively. See A 10 in Annexure A for the key amounts.
- 17.5. Monthly amount payable, in this regard, is one twelfth and the daily amount is 1/365th of the annual amount.
- 17.6. The annual CA amounts payable to designated officials at the various missions, are determined using the applicable foreign currency calculated from a selected country's currency norm

amount using the IERF applicable for the determination of the relevant COLA.

RULES OF PAYMENT

- 17.7. The CA is payable in respect of a dependent child.
- 17.8. The CA is payable with effect from the day of arrival of the designated official at the mission up to and including the day of transfer from the mission.
- 17.9. If a designated official who is transferred from one mission to another abroad, the CA paid in respect of a child maintained abroad must be paid at the rate applicable at the old mission up to and including the date of the designated official's departure and at the rate applicable at the new mission from the date following the date of the designated official's departure from the old mission.
- 17.10. The CA is payable in Rand value in the RSA in respect of a child who is maintained in the RSA and in the applicable foreign currency in respect of a child, who accompanies the designated official abroad and who is maintained by the designated official abroad. The onus is on the head of the relevant department to determine where the dependent child is maintained in the RSA or abroad and in cases where this changes, the effective date of change must also be determined.
- 17.11. If a child is maintained in the RSA and visits parents abroad, the CA is continued to be paid in Rand value in the RSA *and vice versa* in the case of a child maintained abroad and visiting in the RSA.
- 17.12. A dependent child who attends school, or studies at a post-school educational institution, abroad away from the parent's/ designated official's mission as a direct result of foreign service abroad, the CA is payable in the foreign currency applicable to the designated official's mission. The MFA may decide on the measures in this regard.
- 17.13. If the parents of a dependent are at two different cities and the child resides away from both the parents, 100% of the CA will be paid to the parent who is a designated official unless a written request is made by the parents that the CA be paid on a 50/50 basis to each parent.
- 17.14. If a child ceases to meet the definition of a dependent child, the payment of CA must be discontinued with effect from the first of the month following the month in which the eligibility of the child ceased.

17.15. No CA is payable to a designated official who is reimbursed in respect of a child for boarding school fees in terms of paragraph 18.6 below.

GENERAL RULES REGARDING DETERMINATION AND REVISION OF THE CA

- 17.16. The CA is payable in respect of a child who is fully and necessarily dependent upon the designated official. The CA must be discontinued when the child ceases to be a dependent child.
- 17.17. The CA is of a compensative nature and is designed to globally assist designated officials with the additional expenditure of maintaining dependent children while serving abroad.
- 17.18. The CA current key norm amounts are derived from norm amounts determined on implementation of the latest revised FSD.
- 17.19. If the USA\$ value becomes unsuitable for use as the selected hard currency, the norm amount must be switched to another selected hard currency, as determined by the DFA in consultation with the NT, using an appropriate exchange rate.
- 17.20. The CA norm amounts must be maintained by adjustment of -
- (a) the RSA Rand norm amount by changes in the CPI of the RSA; and
 - (b) the selected hard currency norm amount by CPI changes in the selected country,
- on an annual basis as approved in principle by Cabinet.

REIMBURSEMENT OF SCHOOLING EXPENSES

18. Designated officials with school going dependent children may be reimbursed for expenditure incurred for this purpose.
- 18.1. The purpose to reimburse schooling expenses, is to contribute towards the tuition expenses incurred in connection with the school fees of the dependent children of an designated official stationed abroad.
- 18.2. The full cost of approved tuition expenses will be reimbursed in respect of a dependent child who accompanies a designated official abroad, limited to a maximum amount based on the average of the tuition fee levels of an approved norm school or a basket of approved norm schools at a particular mission determined by the MFA on the recommendation of the HOM.

- 18.3. Such norm tuition fee levels may include levels determined for a city in a foreign country other than the country in which the designated official is stationed in cases where no other practicable arrangement is possible at the country of a mission station.
- 18.4. Expensive private schools may not be included in the basket for purposes of norm tuition fee determination.
- 18.5. In lieu of the reimbursement of approved tuition expenses abroad, there must be a deduction from the designated official's RSA salary in respect of each child for an amount equal to the average tuition fees of a basket of RSA norm schools approved by NT on the recommendation of the DFA.
- 18.6. If a designated official chooses to have a dependent child educated in the RSA, the cost of boarding school fees may be reimbursed to the designated official limited to a maximum amount based on the average boarding school fees (tuition fees excluded) of a basket of RSA norm boarding schools approved by NT on the recommendation of the DFA.
- 18.7. Schooling expenses will only be reimbursed if the child is educated in a third country as a direct result of the foreign service abroad by the parent and limited to the foreign currency of the official's mission. The MFA will determine the measures in this regard (see paragraph 17.12 above).
- 18.8. Subject to the exceptions listed in paragraph 18.9, the reimbursement of approved tuition fees is limited to fees for the primary or secondary school education of a child who attends school in the same country and city in which the designated official is stationed abroad from the beginning of the school year during which the child will attain the compulsory school going age as determined by the host country (not that of the school) up to and including the end of the school year during which the child will complete her/his secondary schooling in the minimum period prescribed by the relevant education authority. For longer than the minimum period prescribed by the host education authority, refer to paragraph 18.9 (d) below.
- 18.9. The exceptions referred to in paragraph 18.8 above in respect of which approved or specifically indicated tuition fees may be reimbursed, are the following:
 - (a) A child who attends a primary or secondary school in a city abroad other than that in which the designated official is stationed (as in paragraph 18.7 above), provided that the MFA approves the arrangement as being essential.

- (b) A child who follows a correspondence course in primary or secondary education provided that the DFA approves the arrangement based on the following considerations that-
 - (i) suitable school facilities are not available in the country where the designated official is stationed; or
 - (ii) the child's primary or secondary schooling would have been disrupted or retarded had she/he been sent to a school on transfer abroad.
- (c) A child who receives additional or pre-school tuition provided that -
 - (i) pre-school tuition is limited to a period of one year immediately preceding the year in which the child's primary education will commence;
 - (ii) the HOM confirms that the tuition is essential to ensure that the child's primary or secondary education is not retarded as a result of language problems resulting from the medium of instruction or differences in school years, syllabi or the educational policy and practices of the country in which the designated official is stationed; and
 - (iii) fees for additional tuition shall be reimbursed to the official over and above reimbursement for normal approved tuition fees.
- (d) If a child cannot complete her/his schooling in the minimum period prescribed by the relevant education authorities, as a result of language problems resulting from the medium of instruction or differences in school years, syllabi or the educational policy or practices of the country in which the designated official is stationed, tuition fees may be reimbursed for an additional period of up to one year with the approval of the HOM.

18.10. For purposes of application of the measures relating to the reimbursement of schooling expenses, the following definition shall apply in addition to definitions generally applicable to the FSD:

Tuition fees

The payment of tuition fees -

- (a) excludes boarding school fees, subsistence fees, transport expenses, food and drink, school clothes, insurance and expenses relating to extramural activities; and
- (b) includes registration fees; entrance fees; examination entrance fees; cost of books and material; fees for additional compulsory subjects; correspondence tuition fees or additional / pre-school tuition fees and maintenance fees of the school and/or its personnel which devolve without the parents having a choice in the matter. The MFA must determine which of these expenses can be included in the maximum amount payable.

18.11. The above measures in paragraph 18.10 are *mutatis mutandis* applicable to a handicapped child and such cases must be decided upon by the MFA taking into account the nature and degree of the handicap and also the fact that designated officials in the RSA are not reimbursed for additional expenses which they have to incur in respect of the school education and/or institutionalisation of their handicapped children which means that designated officials abroad may only be reimbursed for additional expenses resulting from being stationed abroad.

SPECIAL TRAVELLING AND LEAVE PRIVILEGES

19. To ensure that designated officials serving in foreign missions abroad are able to keep in touch with their families in the RSA, designated officials abroad qualify for the travelling privileges stated in paragraphs 19.1 of 19.32.

19.1. The purpose of special travelling privileges is to assist an official stationed abroad to maintain RSA family ties, to attend to her/his personal interests in the RSA, to rest and recuperate in a different environment (particularly where difficult conditions prevail at a mission) and to have access to shopping and routine health care check-ups that are not available at the location of the mission.

19.2. Travelling privileges may be granted to the designated official, to her/his spouse (whether such spouse is employed in a fully remunerated position or not) residing with her/him abroad and to her/his dependent children residing, with her/him abroad. If the official's spouse does not reside with her/him abroad, travelling privileges may be granted to such spouse on a reversible basis - this means instead of the designated official visiting the spouse, the spouse shall be allowed to visit the designated official and therefore the official forfeits the travelling privilege used by the spouse.

19.3. The same classification of missions used for the linking of DPACA amounts is used for purposes of linking travelling privileges. The following number of travelling privileges are linked to categories of missions and are in certain cases adjusted as indicated:

- (a) I - One travelling privilege during a four-year duty tour typically after two years' service.
- II - Two travelling privileges during a four-year duty tour typically after 16 and 32 months' service.
- III - Four travelling privileges during a four-year duty tour typically at 9 to 10 months' intervals.
- IV - Seven travelling privileges during a four-year duty tour typically at 6 to 7 months' intervals.

(b) In cases of shorter or longer than normal duty tours, such should be referred to the MFA for a relevant decision.

19.4. If a designated official is transferred from one mission to another or if a mission is reclassified for DPACA purposes, the following measures must be applied to calculate the number of travelling privileges the designated official shall qualify for at the new mission:

(a) All travelling privileges that the designated official could have qualified for at the old mission lapse.

(b) The travelling privileges for which the designated official can qualify at the new mission must be determined on a pro-rata basis by dividing the probable time (expressed in months) that she/he will spend at the new mission by the number of standard tour months (i.e. 48) and multiplying the result with the number of travelling privileges linked to the category in which the new mission falls. The result obtained must be rounded by taking fractions of 0,5 and more to 1 and by discarding fractions of less than 0,5.

(c) If a designated official being transferred or if a mission is reclassified from a category I to a category II mission or *vice versa* and such official has served more than 24 months at the old mission but has not utilised a travelling privilege, the result of the calculation in terms of subparagraph (b) must be increased by adding 1 to it.

19.5. All travelling privileges are limited to the cost of a return air travel ticket from the mission to Johannesburg for the designated

official and each of her/his eligible dependants residing with her/him abroad.

- 19.6. Designated officials have the choice when utilising a travelling privilege to travel to any destination but in all cases the reimbursable amount, whatever mode of transport the designated official may use, shall be the actual travelling cost over the most direct route subject to a maximum which is calculated by ensuring that the minimum cost of air travel between the mission and Johannesburg and back avoiding stopovers and taking advantage of discounts that would be available with reasonable planning is applied.
- 19.7. The actual maximum cost must be limited to an economy class return air ticket for each mission and must be determined by the MFA. If a designated official uses her/his privately owned vehicle, reimbursement must be based on the kilometre tariffs provided for in the general measures as contained in Part XI of Annexure B to PSCBC Resolution 3/1999, but no passenger allowance shall be payable.
- 19.8. Designated officials are granted reasonable time off for travelling purposes when a travelling privilege is utilised. Such time off is linked to missions on the basis of a separate classification of missions, which is determined by the MFA based on the geographic location of missions and the difficulty/time of travelling from a mission to Johannesburg and back. For this purpose there are three classes of missions with the indicated maximum time off linked to each class which will be determined by the MFA in the placement policy of the DFA:

Class D1	-	2 days
Class D2	-	4 days
Class D3	-	6 days.

GENERAL RULES REGARDING THE DETERMINATION AND REVISION

- 19.9 If both a designated official and her/his spouse is employed at a mission, travelling privileges shall apply only to the designated official with the spouse being regarded as a dependant.
- 19.10. Granting of all travelling privileges is subject to the exigencies of the mission and for the HOM to approve. In the case of a HOM, the MFA must approve her/his travelling privileges.
- 19.11. No designated official is entitled to or may be paid any compensation for any unutilised travelling privilege.

- 19.12 A designated official required to perform official duty during a period of utilising of a travelling privilege, shall be paid subsistence allowance in terms of the general measures applicable to officials stationed in the RSA during the time she/he performs official duty, but this shall not apply to her/his dependants. The days on which the designated official performs official duty shall not be recorded as leave.
- 19.13. The MFA may determine reasonable levels of excess baggage costs for which a designated official shall be reimbursed when returning to a mission after utilising a travelling privilege as well as which levels must be linked to the availability of shopping facilities at missions/locations. No expenses other than transportation costs are reimbursable with the exception of excess baggage costs.
- 19.14. Travelling privileges for compassionate reasons are granted in terms of the general measures in Part XI of Annexure B to PSCBC Resolution 3/1999 relating to official travelling and transport applicable to the Public Service.

SPECIAL TRAVELLING PRIVILEGES FOR DEPENDENT CHILDREN

- 19.15 The purpose of travelling privileges for children is to provide measures to maintain family ties and to prevent the schooling of dependent children from being disrupted.
- 19.16. Travelling privileges for children shall be granted in respect of a designated official's dependent child.

RULES OF PAYMENT

- 19.17. The expenses that may be paid in respect of a travelling privilege for a dependent child are limited to the cost of an economy class return air ticket over the most direct route avoiding stopovers and taking advantage of discounts that would be available with reasonable planning, from the international airport nearest to the child's place of residence to the mission where the official is stationed, provided that where means of transport other than air travel are used, the most economical means of travel compatible with the safe and suitable conveyance of the child must be used and only the cost thereof may be paid.
- 19.18. The cost relating to the travelling expenses of a person accompanying a dependent child are not paid for by the State.
- 19.19. In all cases, a travelling privilege shall be regarded as having been granted during the calendar year.

- 19.20. A pre-school child, a child who is at school and a child who is engaged in full-time post-school study in the RSA, qualify for the granting of two travelling privileges per year. The same applies to a handicapped child who, because of physical or mental disability is maintained by the designated official at a place other than at the mission where she/he is stationed.
- 19.21. An additional travelling privilege per year may be granted to a child referred to in paragraph 19.20 to visit her/his parents during a school vacation on condition that the official makes a contribution of 50% towards the cost of the travelling privilege.
- 19.22. A dependent child of parents stationed at different missions who resides with one of the parents, qualifies for the granting of two travelling privileges per year to visit the parent stationed at the other mission. An additional travelling privilege per year may be granted to visit her/his other parent during a school vacation on condition that the parent makes a contribution of 50% towards the cost of the travelling privilege. The expenses that may be paid in respect of a travelling privilege for a child may not exceed the cost of an economy class return air ticket over the most direct route avoiding stopovers and taking advantage of discounts that would be available with reasonable planning, from the international airport nearest to the child's place of residence to where the other parent/ designated official is stationed provided that where means of transport other than air travel are used, the most economical means of travel compatible with the safe and suitable conveyance of the child must be used and only the cost thereof may be paid.
- 19.23 In exchange for one of the travelling privileges of all the children in the RSA provided for in paragraphs 19.20 or 19.21, the official **or** her/his spouse may be granted a travelling privilege to visit her/his child/children in the RSA. In such a case the expenditure for the State relating to the travelling privilege must be limited to what it would have been, had the relevant child been granted the travelling privilege on the normal basis.
- 19.24 A child referred to in paragraphs 19.20 and 19.21 who completes secondary school but does not enrol for post-school study on a full-time basis, may on completion of her/his secondary school study, be granted a travelling privilege provided that such travelling privilege commences during the year in which she/he completes school and that the granting of such a travelling privilege does not exceed the number of travelling privileges provided for in paragraphs 19.20 and 19.21.
- 19.25. Where a designated official wishes to send her/his child residing with her/him abroad, to the RSA to attend school or for post-

school study, such journey shall be granted as a special travelling privilege for the child.

- 19.26. The measure in paragraph 19.25 will not apply in cases where a designated official is transferred abroad and shortly after the transfer abroad, returns her/his child to the RSA to attend school or for purposes of post-school education. However, if a head of department is satisfied that it was the *bona fide* intention of the designated official that the child should accompany her/him abroad to attend school or an institution for post-school education abroad, but that unforeseen circumstances made it essential for the child to return to the RSA, such journey may be granted as a special travelling privilege for the child.
- 19.27. A child who utilises her/his special travelling privilege, referred to in paragraphs 19.25 and 19.26 above, to enrol at a school in the RSA may be accompanied by either the official or the spouse on the basis of a special additional travelling privilege on condition that -
- (a) such a special additional travelling privilege may only be granted once to the designated official/spouse in respect of each child concerned even though the person is transferred abroad more than once or between missions abroad;
 - (b) the travelling privilege applies only in the case of a child who returns to the RSA to attend school and not an institution for post-school education; and
 - (c) the head of department is satisfied that normal travelling privileges provided for at paragraphs 19.1 to 19.14 above, could not have been used by the official/spouse for the relevant purpose.
- 19.28. In cases where a special additional travelling privilege is granted to a designated official or her/his spouse on the basis set out in paragraph 19.27 above and the head of department is satisfied that it is impossible for the designated official to make suitable arrangements for the care of her/his other children at the mission where she/he is stationed during her/his absence, such other children may be allowed to accompany the designated official/spouse on the basis of a special travelling privilege for such children. This arrangement should only be allowed in exceptional circumstances with prior approval from the head of the department.
- 19.29. A travelling privilege on a one-way basis may be granted in the case of –

- (a) A child returning to the RSA after completion or cessation of her/his studies abroad to take up employment in the RSA if the employer does not provide such transport privileges; and
- (b) A child returning to the RSA for purposes of post-school education on condition that the child does in fact commence such studies at an institution for post-school education at the start of the ensuing academic year,

provided that in both cases above, the child was a dependant of the designated official immediately prior to the date of such travel to the RSA.

GENERAL RULES

- 19.30. In the case of travelling privileges granted to and in respect of children of divorced parents, the children of both the designated official and her/his spouse shall receive equal treatment.
- 19.31. Granting of travelling privileges to designated officials and also to spouses who are employed as transferred officials at a mission, to visit and accompany children shall be subject to the exigencies of the mission and, therefore, to the approval of the HOM and, in the case of the HOM, to the approval of the MFA.
- 19.32. No designated official or child is entitled to or may be paid any compensation for any unutilised travelling privilege.

TRANSFER COSTS (RESETTLEMENT EXPENDITURE)

- 20. Officials designated to serve in foreign missions may be required to resettle.
 - 20.1. The purpose of this benefit is to assist the official with her/his actual expenses in respect of resettlement costs incurred by her/him and her/his immediate family as a result of a need to resettle at the beginning and at the end of the official tour of duty. Part XV of Annexure B to PSCBC Resolution 3 of 1999 sets out the general measures applicable to the Public Service.
 - 20.2. The MPSA must, after the receipt of a proposal from the MFA, determine relevant policy and measures to be applied on condition that:
 - (a) The determination by the MPSA shall include the amount that may be reimbursed to or paid on behalf of an official to assist the designated official with the duties and taxes payable in respect of the transportation of one passenger vehicle;

- (b) The nature of the passenger vehicle to be transported must be prescribed by the MPSA, on transfer of the designated official back to the RSA;
- (c) Where both a designated official and her/his spouse are employed at a mission abroad, the relevant amounts of assistance may be paid/reimbursed only in respect of one vehicle when they are transferred back to the RSA. Duty and taxes shall be paid in terms of SARS measures up to a prescribed maxima on return to South Africa; and
- (d) The MFA must make the proposal to the MPSA, after consulting other affected departments.

20.3. The policy and measures determined by the MPSA in terms of paragraph 20.2 above will be conveyed to affected departments by means of a circular to be issued by the DFA.

PROVISION OF FURNISHED DWELLING ABROAD (OFFICIAL QUARTERS)

21. It is important that designated officials serving in foreign missions abroad are provided with decent accommodation.

21.1 The purpose of the provision of dwelling accommodation and related services to designated officials abroad is:

- (a) to ensure that designated officials are suitably housed to perform their official functions;
- (b) to avoid difficulty with finding suitable accommodation when a designated official is transferred abroad;
- (c) to avoid the cost and complexity of transporting a designated official's furniture to foreign countries; and
- (d) to enable a designated official to become functionally effective in the shortest possible space of time.

21.2 A designated official stationed abroad shall be provided with furnished accommodation free of charge. Rates and taxes and customary service charges such as water, electricity, gas and refuse removal as well as maintenance of the dwelling and its grounds is paid for by the State on the basis and within the limits prescribed by the MFA.

21.3 This prescriptive power of the MFA must, in regard to dwellings purchased or erected by the State, be exercised within policy framework determined by the Minister of Public Works. The

MFA must in particular determine measures dealing with the following:

- (a) Arrangements which are not specifically prescribed elsewhere relating to the settling in and out of accommodation by designated officials.
- (b) The exact nature and levels of service charges excluding telephone services that are paid for by the State.
- (c) The exact aspects and items of maintenance that are the responsibility of the designated official and the State, respectively.
- (d) The respective responsibilities of the State and the official with regard to the insurance of the contents of official quarters and the personal effects of designated officials.
- (e) The responsibilities and liability of the designated official relating to care of and damage to official accommodation, fittings, equipment and furniture.

21.4 The MFA must ensure that designated officials are placed in official accommodation within the shortest possible time, after arriving at a mission and that they remain in such accommodation until as shortly as possible before leaving on transfer so as to save expenditure on the hotel accommodation of such officials. The acquisition of accommodation and the readiness thereof for occupancy must be properly synchronised with transfers abroad and back to the RSA.

OFFICIAL JOURNEYS WHILE SERVING ABROAD (KILOMETRE TARIFFS)

22. When designated officials serving abroad are required to perform official duty away from their mission stations, they will be entitled to reimbursement for kilometres travelled as provided for in paragraphs 22.1 to 22.4.

22.1. The purpose of these measures is to ensure economy, appropriateness and uniformity taking into account the diplomatic position and/or rank of an official as well as the circumstances and purpose of travelling.

22.2. The MFA must, after consulting other affected departments, determine the relevant policy and measures for the use of this benefit.

22.3. To ensure appropriate standardisation, the MFA is authorised by the national Department of Transport to determine the kilometre

tariffs (distance allowance) payable to designated officials who use their private vehicles for purposes of official duty abroad provided that such tariffs must be based on the principle of being re-imbursive for expenditure incurred.

- 22.4. Kilometre tariffs must be based on an authoritative transport cost index, which accurately reflects the kilometre costs for appropriate categories of vehicles in the various countries.

The policy and measures and kilometre tariffs referred to above must be made available by the DFA to all affected departments by means of a circular.

REIMBURSEMENT OF ENTERTAINMENT EXPENSES

23. Designated officials will, from time to time, be expected to entertain people as a means to promote the RSA.
 - 23.1. The purpose of this benefit is to reimburse a designated official for direct expenses incurred in respect of entertainment aimed at the promotion/achievement of a mission's representational objectives within the overall guideline of promoting South Africa's interests abroad.
 - 23.2. Entertainment expenses may only be reimbursed in respect of entertainment approved in accordance with arrangements determined by the MFA.
 - 23.3. All official entertainment must be properly controlled by means of timeous approval after envisaged entertainment actions have been properly evaluated in the light of representational objectives and on the basis of properly documented claims.

ACCOMMODATION AND SUBSISTENCE ALLOWANCE FOR DESIGNATED OFFICIALS SERVING ABROAD

24. When, as a result of official duty away from mission station, designated officials will be expected to sleep over, the following will apply:
 - 24.1. The purpose of this benefit is to assist the designated official to meet the reasonable costs of travel and/or accommodation for official purposes.
 - 24.2. The general measures in this regard are set out in Parts XI and XII of Annexure B to PSCBC Resolution 3 of 1999 except that where provision is made in paragraph 1 in the said Part XI above for heads of departments to determine policy and detailed measures within the limits set by the general measures, the MPSA must, after receipt of a proposal from the MFA compiled after consulting other affected departments, determine such policy and detailed measures.
 - 24.3. As regards the rates of subsistence allowance payable to designated officials when performing official duty away from their headquarters abroad, the MPSA may, after receipt of a proposal from the MFA, determine rates lower than those prescribed in the general measures in respect of groups and classes of designated officials based on circumstances that have the result that designated officials have lower levels of expenditure.

- 24.4. The policy and measures determined by the MPSA in terms of paragraph 24.2 above, must be made available by the DFA to affected departments by means of a circular.

MEDICAL ASSISTANCE

25. To ensure that designated officials serving in foreign missions abroad do not experience hardships with regard to their needs for medical care, these officials are eligible for assistance provided for in paragraphs 25.1 to 25.3 below.
- 25.1 The purpose is to render assistance with the cost of medical and related services to designated officials as well as their dependants who are stationed abroad or who are on official visits abroad.
- 25.2 The general measures relating to medical assistance for officials stationed abroad are set out in Annexure 1 to PSCBC Resolution 11 of 2000.
- 25.3 The MFA is responsible for the determination of measures and establishment of procedures to ensure that claims for medical assistance by designated officials stationed abroad are correctly and expeditiously dealt with.

HEAD OF MISSION (HOM) PRIVILEGES

26. Heads of Missions have the following privileges:
- 26.1 The purpose of HOM privileges is to give recognition to the special position and representation responsibilities of the HOM.
- 26.2 HOM privileges are determined by the MFA subject to any policy guidelines laid down by controlling departments/institutions/persons and may entail elements such as:
- (a) Provision of official transport including chauffeurs;
 - (b) Provision of cutlery, crockery and other items of diplomatic equipment;
 - (c) Provision and maintenance of household appliances;
 - (d) Maintenance of residence and furnishings;
 - (e) Maintenance of gardens;
 - (f) Provision of domestic servants; and
 - (g) Provision of telephone facilities.

- 26.3 HOM privileges may not include any remunerative, compensative or reimbursive payments other than those provided for in this Determination or in the measures generally applicable to the Public Service.
- 26.4 HOM privileges may only be granted to officials who have been formally designated as HOM's or who is appointed to act as a HOM for a period as determined by the MFA.

SPECIAL/EMERGENCY MEASURES

27. In the event of special circumstances such as the outbreak of war or hostilities or the occurrence of natural disasters, the MFA may apply measures to ensure the safety of designated officials and their households and, within reason, to prevent designated officials from suffering financial losses or hardship, provided that measures must be reported to the NT and the DPSA as soon as possible after the event in order to obtain *ex post facto* approval where necessary and also to obtain approval for the continuation of special measures where necessary.

ARRANGEMENTS FOR THE CO-ORDINATED ADMINISTRATION OF THE FSD

28. Administration and co-ordination of the FSD is critical to ensure that the dispensation is applied correctly and equitably.
 - 28.1. The promotion of the co-ordinated development and administration of the FSD shall be undertaken by a body named the Foreign Service Dispensation Co-ordinating Committee (FSDCC).
 - 28.2. Each department that has designated officials serving abroad shall be represented on the FSDCC by a permanent representative who must be a SMS member/senior official mandated by her/his department. The FSDCC shall be chaired by a SMS member of the DFA, designated by the MFA.
 - 28.3. The FSDCC may allow expert officials to attend meetings of the FSDCC as observers and/or to give expert policy advice or guidance.
 - 28.4. All representations to the FSDCC in respect of the amendments to the FSD must be channelled through the DFA.
 - 28.5. The FSDCC may propose changes regarding the FSD to the MPSA through the MFA.

GENERAL INFORMATION RELATING TO THE FSD

29. Other elements of the FSD are detailed in paragraphs 29.1 to 29.8.

29.1. SERVICE BONUS

The service bonus payable to designated officials shall be payable in the normal manner in Rand value in the RSA as for other public servants as in paragraph 3 to Annexure A of PSCBC Resolution No 8 of 2003. Part 1 of Annexure B to PSCBC Resolution 3 of 1999, read with Resolution 7 of 2000, and the calculation method in the Financial Manual on remunerative allowance and benefits as well as paragraphs 4.2 and 4.3 of Chapter 3 of the SMS Handbook (on the 13th cheque), set out the general measures applicable to the Public Service. This benefit is taxable in the normal manner as for all RSA public servants.

29.2. CRYPTOGRAPHIC ALLOWANCE

The cryptographic allowance shall be payable to designated officials in the normal manner in Rand value in the RSA as for other public servants. Part XXV of Annexure B to PSCBC Resolution 3 of 1999 sets out the measures in the agreement applicable to the Public Service and the tariff is updated annually in the Financial Manual on remunerative allowances and benefits.

29.3. OVERTIME PAY

Overtime shall be payable in the normal manner in Rand value in the RSA as for other public servants. Part VII of Annexure B to PSCBC Resolution 3 of 1999 and regulation D of Part V of Chapter 1 of the Public Service Regulations, 2001, as amended, set out the general measures applicable to the Public Service.

29.4. HOMEOWNER ALLOWANCE

Home owner allowance shall be payable to designated officials maintaining a dwelling that accommodates their dependents in the RSA as per the general measures in Part IV of Annexure B to PSCBC Resolution 3 of 1999. The calculation basis is indicated in the Financial Manual on remunerative allowances and benefits adjustments are considered on a quarterly basis and announced by means of a circular. Paragraph 2.3(g) of Part IV of Annexure B to PSCBC Resolution 3 of 1999 also provides in respect of a designated official transferred outside of South Africa that:

- (a) if her or his immediate family no longer stay in the home, she or he shall, if possible, rent it out; and
- (b) the employer shall continue to pay the home-owner allowance less any rent received by the designated official.

29.5. PAYMENT TO ASSIST WITH COST OF IMPORTING A CAR

See paragraph 20.2.(c) above.

29.6. CLOTHING GRANTS

A designated official is allowed to get an advance of COLA up to a maximum limit, to assist her/him to meet the initial expense of equipping herself/himself with the necessary clothing to go abroad.

29.7. PENSION

Pension contributions shall be payable by designated officials in the normal manner in Rand value based on the RSA salary paid to designated officials transferred abroad.

29.8. LEAVE

Designated officials shall be entitled to leave as provided for in PSCBC Resolution 7 of 2000, 5 of 2001 and 15 of 2002 and regulation F of Part V of Chapter 1 of the Public Service Regulations, 2001, as amended.

GENERAL

30. For the smooth application of this Determination the following must be taken into consideration:

30.1. This Determination must be read in conjunction with general measures governing the Public Service. No terms and conditions other than those provided for in this Determination and in the measures generally applicable to the Public Service may be applied to designated officials. Except where other measures are explicitly set out or provided for in this Determination, the general measures applicable to the Public Service must be applied to designated officials.

30.2. Heads of departments whose departments' designated officials are affected by the provisions of this Determination or where specifically indicated as such in this Determination, the DGFA may prescribe aspects thereof in detail for purposes of application and departmental practices but such detailed

measures may not conflict with the measures set out in this Determination.

- 30.3. On being transferred or appointed abroad a designated official must be provided with a copy of this Determination and it must be pertinently brought to the designated official's attention that the COLA, DPACA and CA are of a cost compensative nature and may therefore be increased or reduced from time to time as and when factors underlying the level of such allowances and/or the classification of a mission change.
- 30.4. In cases of duty tours shorter or longer than the standard four year tour, the short/long term assignment policy, determined by the MFA, will apply.
- 30.5. Taxation on the FSD on behalf of designated officials shall be collected in the RSA through the QED payroll system.
- 30.6. In the case of FSD elements where payment is made in foreign currency, the MFA may decide on the currency in which payment shall be made after other affected departments have been consulted and subject to the following guidelines -
 - (a) As far as possible the local currency of the relevant country should be used to avoid designated officials having to spend time and effort to exchange currency for purposes of local purchasing.
 - (b) The currency must not be readily susceptible to or have a history of acute fluctuation against major currencies and in this regard the reality or possibility of high internal inflation must be taken into account.
 - (c) The currency must be readily exchangeable into the local currency of the relevant country.
 - (d) The currency must be readily exchangeable into one or more of the major currencies.
 - (e) Unless there are good reasons for acting to the contrary, currencies which employ fixed exchange rates *vis-à-vis* other currencies should not be chosen.
 - (f) The currency should enjoy acceptability not just in the relevant country but preferably also in the region in which the country is situated.
 - (g) The currency used in a country should be evaluated regularly (at least annually) to ensure that it is still the most appropriate currency for the relevant country.

- (h) Before deciding upon a currency change or choice the South African Reserve Bank should be consulted.
- (i) Immediately after the MFA has decided to change an applicable foreign currency (as determined in paragraph 13.3) the MPSA must be informed in order that any necessary amendments to this Determination can be effected.