



PROVINCIAL TREASURY • PROVINSIALE TESOURIE
• UNONDYEBO WEPHONDO



Verwysing
Reference
Isalathiso

T16/20/1

Navrae
Enquiries
Imibuzo

Z Nocanda

TREASURY CIRCULAR, ⁴⁶ /2010

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (ADV B GERBER)
THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR P WILLIAMS)
THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (DR JC STEGMANN)
THE ACCOUNTING OFFICER: VOTE 4: COMMUNITY SAFETY (DR GA LAWRENCE)
THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MS P VINJEVOLD)
THE ACCOUNTING OFFICER: VOTE 6: HEALTH (PROF KG HOUSEHAM)
THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MS K LUBELWANA)
THE ACCOUNTING OFFICER: VOTE 8: HOUSING (MR M TSHANGANA)
THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR R ELLIS)
THE ACCOUNTING OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR J FOURIE)
THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (MS J ISAACS)
THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR S FOURIE)
THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR B WALTERS)
THE ACCOUNTING OFFICER: VOTE 14: LOCAL GOVERNMENT (DR H FAST)

THE CHIEF FINANCIAL OFFICER: VOTE 1: PREMIER (MR P O'BRIEN)
THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR R HINDLEY) (ACTING)
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR A GILDENHUYS)
THE CHIEF FINANCIAL OFFICER: VOTE 4: COMMUNITY SAFETY (MR M FRIZLAR)
THE CHIEF FINANCIAL OFFICER: VOTE 5: EDUCATION (MR L ELY)
THE CHIEF FINANCIAL OFFICER: VOTE 6: HEALTH (MR A VAN NIEKERK)
THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)
THE CHIEF FINANCIAL OFFICER: VOTE 8: HOUSING (MR D BASSON)
THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR AA GAFFOOR)
THE CHIEF FINANCIAL OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR CR ISMAY)
THE CHIEF FINANCIAL OFFICER: VOTE 11: AGRICULTURE (MR F HUYSAMER)
THE CHIEF FINANCIAL OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MS M ABRAHAMS)
THE CHIEF FINANCIAL OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MS BG RUTGERS)
THE CHIEF FINANCIAL OFFICER: VOTE 14: LOCAL GOVERNMENT (MR D BASSON)

THE SUPPLY CHAIN MANAGER: VOTE 1: PREMIER (MS A STASSEN)
THE SUPPLY CHAIN MANAGER: VOTE 3: PROVINCIAL TREASURY (MR A SEALE)
THE SUPPLY CHAIN MANAGER: VOTE 4: COMMUNITY SAFETY (MS E ISAACS)
THE SUPPLY CHAIN MANAGER: VOTE 5: EDUCATION (MR W CARELSE)
THE SUPPLY CHAIN MANAGER: VOTE 6: HEALTH (MR I SMITH)
THE SUPPLY CHAIN MANAGER: VOTE 7: SOCIAL DEVELOPMENT (MS P MABHOKWANA)
THE SUPPLY CHAIN MANAGER: VOTE 8: HOUSING (MS L NEL)
THE SUPPLY CHAIN MANAGER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR W PHASWANE)
THE SUPPLY CHAIN MANAGER: VOTE 10: TRANSPORT AND PUBLIC WORKS (ADV. C MENTOOR)
THE SUPPLY CHAIN MANAGER: VOTE 11: AGRICULTURE (MS M VAN BREDA)
THE SUPPLY CHAIN MANAGER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR D PAULSE)
THE SUPPLY CHAIN MANAGER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR A ADONIS)
THE SUPPLY CHAIN MANAGER: VOTE 14: LOCAL GOVERNMENT (MS L NEL)

THE PROVINCIAL AUDITOR

MASTER RECORDS OFFICIAL: FINANCIAL MANAGEMENT

Original
ETC

SUPPLY CHAIN MANAGEMENT:

1. **REVISED PROCUREMENT STATISTICS REPORTING REQUIREMENTS**
2. **THE ADJUDICATION OF QUOTATIONS AWARDED ON THE EPSi**

1. **PURPOSE**

- 1.1 To inform all Departmental Accounting Officers, Chief Financial Officers and Supply Chain Managers of the revised requirements for the reporting on procurement statistics ; and
- 1.2 To re-affirm that Provincial Departments adjudicate awards made on the Electronic Purchasing System (EPSi) as per PT Circular 14/2010.

2. **BACKGROUND**

- 2.1 Provincial Departments have been reporting procurement statistics in a dual manner to National Treasury via the electronic capturing tool and to Provincial Treasury as per the prescribed reporting template.
- 2.2 It is noted that this is an administratively burdensome process for departments hence the Provincial Treasury has decided to streamline the reporting requirements.
- 2.4 As a follow-up to the paragraph 16A7.2.4 of the PTI's (2009), it is still a matter of concern that departments are not adjudicating all awards made on the EPSi and this requirement is therefore deemed necessary to be addressed again in this Circular.

3. REVISED PROCUREMENT STATISTICS REPORTING

- 3.1 Provincial Departments should henceforth only capture their procurement statistics on the National Treasury website and adhere to the capturing requirement of **ALL** contracts above R100 000. It must be noted that this infers that all contracts be reported on, inclusive of contracts procured via the limited bidding process and contract extensions.
- 3.2 Departments must discontinue the monthly reporting of procurement statistics to Provincial Treasury as per the prescribed reporting template.
- 3.3. Provincial Treasury will on a monthly basis forward to all departmental SCM managers, a pre-populated spreadsheet as obtained via the National Treasury website to departments, with the request that departments indicate in the provided additional columns if the contracts are limited bids or extensions. This information will feed into the compilation of the Provincial Treasury quarterly procurement statistics report. Departments will be required to submit their responses to the pre-populated spreadsheet within ten (10) working days of the request being made by the Provincial Treasury.
- 3.3 Those departments that arrange term contracts and with multiple itemed awards and price lists will be approached by the Provincial Treasury to make the necessary arrangements in respect of the reporting on these types of contracts.
- 3.4 It is imperative that the procurement statistics captured on the National Treasury website be accurately and timeously captured. This information serves the basis for the reporting to National Parliament on the progress made in the public sector on the procurement reform processes and to the Provincial MEC of Finance, Economic Development and Tourism.

- 3.5 It was also requested in PT Circular 14/2010 (attached as **Annexure "A"**), that departments submit to the Provincial Treasury, a copy of the bid advertisement request when forwarded to the Government Tender Bulletin or newspaper for publishing and a copy of the acceptance letter when sent to the successful bidder.
- 3.6 The information submitted under paragraph 3.5 above will be utilised to address reporting gaps on the National Treasury website to improve data integrity.
- 3.7 It has come to Provincial Treasury's attention that departments are not complying with these requirements and it is hereby again requested that the information be forwarded to the following official:

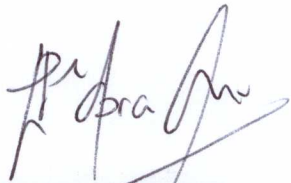
Sindiswa Ngaka
Room 307, 3rd Floor
15 Wale Street
Cape Town
Tel: 021-483 4215
Fax: 021-483 4671

4. THE ADJUDICATION OF QUOTATIONS AWARDED ON THE EPSi

- 4.1 In terms of paragraph 16A7.2.4 of the PTI's (2009), the Accounting Officers must ensure that all the quotations awarded on the EPSi be "adjudicated" on the system to ensure the credibility of procurement statistics. However, not all departments are compliant as is evident from the transversal adjudication rate of 38%. It must be noted that adjudication on the system infers that the department must indicate on the system to whom the quotation has been awarded to. This involves the responsible official informing the system via a tick (√) to whom the quotation has been awarded to.
- 4.2 Departments are urged to adjudicate all the awards on the EPSi, failing which will result in Provincial Treasury enforcing the measures indicated in paragraph 3 of Circular 10/20 (attached as **Annexure "B"**).

5. REQUEST

- 5.1 Provincial Departments are requested to take cognisance of the content of this Circular and to comply with the various requests made herein.
- 5.2 Departments are further required to bring the contents of this to all institutions under their control.
- 5.3 Departments are also requested to note that this circular is effective from 1 November 2010.

**SENIOR MANAGER****MOVEABLE ASSET MANAGEMENT****DATE:** 25/10/2010