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PROVINCIAL TREASURY CIRCULAR 4(A) OF 2012: CODE OF CONDUCT FOR SUPPLY CHAIN MANAGEMENT PRACTITIONERS AND OTHER ROLE-PLAYERS ON PROCUREMENT

TO :

- THE ACCOUNTING OFFICER: VOTE 1: OFFICE OF THE PREMIER (MR J.M. RABODILA)
- THE ACCOUNTING OFFICER (ACTING): VOTE 2: PROVINCIAL LEGISLATURE (MR LB TSHABALALA)
- THE ACCOUNTING OFFICER (ACTING): VOTE 3: FINANCE (MR J.B. MBATHA)
- THE ACCOUNTING OFFICER: VOTE 4: COOPERATIVE GOVERNANCE & TRADITIONAL AFFAIRS (MR D. MAHLOBO)
- THE ACCOUNTING OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT & LAND ADMINISTRATION (MS N.L. SITHOLE)
- THE ACCOUNTING OFFICER: VOTE 6: ECONOMIC DEVELOPMENT, ENVIRONMENT & TOURISM (DR D.V. DLAMINI)
- THE ACCOUNTING OFFICER: VOTE 7: EDUCATION: (MRS M.O.C. MHLABANE)
- THE ACCOUNTING OFFICER: VOTE 8: PUBLIC WORKS, ROADS & TRANSPORT (MR K.M. MOHLASEDI)
- THE ACCOUNTING OFFICER: VOTE 9: SAFETY, SECURITY & LIAISON (MR S.T. SIBUYI)
- THE ACCOUNTING OFFICER: (ACTING): VOTE 10: HEALTH (MR R.M. MNISI)
- THE ACCOUNTING OFFICER: VOTE 11: CULTURE, SPORTS & RECREATION (MS S.P. MJWARA)
- THE ACCOUNTING OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS N.L. MLANGENI)
- THE ACCOUNTING OFFICER: VOTE 13: HUMAN SETTLEMENT (MR D. DUBE)

THE CHIEF FINANCIAL OFFICER: VOTE 1: OFFICE OF THE PREMIER (MR T. NKOJOANA)

THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL LEGISLATURE (MR S. SANYANE)

THE CHIEF FINANCIAL OFFICER: VOTE 3: FINANCE (MS P. SEMENYA)

THE CHIEF FINANCIAL OFFICER: VOTE 4: COOPERATIVE GOVERNANCE & TRADITIONAL AFFAIRS (MR M.D. SHIPALANA)

THE CHIEF FINANCIAL OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT & LAND ADMINISTRATION (MR CT. DLAMINI)

THE CHIEF FINANCIAL OFFICER: VOTE 6: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM (MS J.P. HLATSHWAYO)

THE CHIEF FINANCIAL OFFICER: VOTE 7: EDUCATION (MR C.B. MNISI)

THE CHIEF FINANCIAL OFFICER (ACTING): VOTE 8: PUBLIC WORKS, ROADS & TRANSPORT (MR S. SHONGWE)

THE CHIEF FINANCIAL OFFICER: VOTE 9: SAFETY, SECURITY & LIAISON (MR B.H. NGOMA)

THE CHIEF FINANCIAL OFFICER: VOTE 10: HEALTH (MS G. MILAZI)

THE CHIEF FINANCIAL OFFICER: VOTE 11: CULTURE, SPORTS & RECREATION (MR M. KHOZA)

THE CHIEF FINANCIAL OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS P. MORGAN)

THE CHIEF FINANCIAL OFFICER: VOTE 13: 13 HUMAN SETTLEMENT (MS B. MOJAPELO)

THE CHIEF EXECUTIVE OFFICER: MPUMALANGA ECONOMIC GROWTH AGENCY (MR E. RABOHALE)

THE CHIEF EXECUTIVE OFFICER: MPUMALANGA GAMBLING BOARD (MR B. MLAMBO)

THE CHIEF EXECUTIVE OFFICER (ACTING): MPUMALANGA TOURISM & PARKS AGENCY (DR N. MOTETE)

THE CHIEF EXECUTIVE OFFICER: MPUMALANGAREGIONAL TRAINING TRUST (MR N.D. MOROPANE)

CODE OF CONDUCT FOR SUPPLY CHAIN MANAGEMENT PRACTITIONERS AND OTHER ROLEPLAYERS ON PROCUREMENT

1. PURPOSE

- 1.1. This circular seeks to promote the practice of good ethics by Government officials whenever procuring goods and services.

2. BACKGROUND

- 2.1. The advent of procurement reforms has brought about a significant change in our procurement environment. However, our procurement system has since been exposed to some form of abuse, whereby some officials resort to corrupt and fraudulent practices.
- 2.2. Fraud and corruption remain a great concern for the Provincial Government, as they undermine the key principles which govern procurement, as contemplated in Section 217 (1) of our Constitution.

3. PROVINCIAL TREASURY'S DIRECTIVE

- 3.1. To promote the practice of good ethics in our procurement environment, the Provincial Treasury has developed a Code of Conduct which is applicable to government officials who are involved in procurement of goods and services.
- 3.2. The attached copy of the Code of Conduct must be circulated to all SCM practitioners and Bid-Committees' members for implementation in ensuring that they become well conversant with the provisions thereof and that they also attach their signatures to confirm receipt of the document.
- 3.3. Heads of Department and CEO's of the public entities listed on schedule 3C to the Public Finance Management Act are requested to disseminate the contents of this circular to their respective Supply Chain Management Units for implementation.

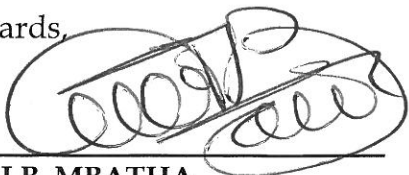
4. APPLICABILITY

- 4.1. The Code of Conduct applies to all officials who are involved in procurement of goods and services (i.e. Supply Chain Management practitioners and Bid Committees' members) at provincial departments and public entities listed on schedule 3C to the Public Finance Management Act.

5. EFFECTIVE DATE

- 5.1. The implementation of this circular takes effect from the date of issue.

Regards,



MR J.B. MBATHA
ACTING HEAD OF DEPARTMENT

DATE: 23/2/2012



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1. The Mpumalanga Provincial Government is committed to a policy of **fair dealing** and **integrity** in conducting its business. To promote these principles, it is imperative for Government officials who are involved in procurement, to observe and adhere to the provisions of the Code of Conduct as contemplated on paragraphs 1.1 to 1.7 hereunder:
 - 1.1. It is a general principle that those officials who are involved in procurement, should always :-
 - 1.1.1. ensure that they act in the public interest whenever procuring goods and/or services, by refraining from performing their duties to unlawfully gain any form of compensation, payment or gratuities from any person or service-provider, for themselves, their families or friends.
 - 1.1.2. perform their duties efficiently, effectively and with integrity, in accordance with applicable legislation and regulations.
 - 1.1.3. ensure that public resources are being utilized and administered properly and responsibly.
 - 1.1.4. execute their functions in a fair and impartial manner
 - 1.1.5. comply with the provisions of the Code of Conduct for the Public Service, as contemplated in Chapter 2 of the Public Service Regulations of 2001, particularly items C4.5 to C4.12 and C5.3 to C5.4 thereof.
 - 1.2. In the case of conflict of interest, Government officials who are involved in procurement , should :-
 - 1.2.1. declare any business, commercial and financial interests or activities undertaken for financial gain that may cause a possible conflict of interest.
 - 1.2.2. not place themselves under any financial or other obligation to individuals or organizations that might seek to influence them in the performance of their official duties.
 - 1.2.3. not take improper advantage of their previous office after leaving their official position in the Public Service.
 - 1.3. For purposes of accountability, Government officials who are involved in procurement:-
 - 1.3.1. are accountable for their actions and decisions to the public
 - 1.3.2. must ensure that public properties are always utilized scrupulously

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- 1.3.3. should take note of the fact that it is only Accounting Officers/Authorities or their delegates who have the authority to commit the Provincial Government to any transaction for the procurement of goods and/or services.
- 1.3.4. should note that all transactions conducted, must be recorded and accounted for in an appropriate accounting system, and that no false or misleading entries should be made into such a system for any reason whatsoever.
- 1.4. In subscribing to the principle of openness, Government officials involved in procurement, should :
 - 1.4.1. always be open about all decisions and actions they take when procuring goods and/or services; and
 - 1.4.2. also to be able to give reasons for their actions and decisions, while at the same time, restrict information only if it is in the public interest to do so.
- 1.5. In adherence to the principle of Confidentiality, Government officials involved in procurement, must take note that :
 - 1.5.1. any information that is the property of the Provincial Government or its suppliers should be protected at all times.
 - 1.5.2. no information regarding any bid/contract/bidder/contractor may be revealed , if such an action will infringe on the relevant bidder's/contractor's personal rights
 - 1.5.3. all matters of confidential nature in their possession, should be kept confidential, unless Legislation, the performance of duty or the provisions of Law requires otherwise; and
 - 1.5.4. that, such restrictions are applicable even after separation from service.
- 1.6. For Government officials who serve in Bid-Adjudication Committees, it is a requirement that they should :-
 - 1.6.1 regulate procurement on behalf of their respective Government institutions, in a fair, honest, impartial, transparent, cost-effective and accountable manner in accordance with directives/delegated powers of the Accounting Officer/Authority.
 - 1.6.2 note that they may be authorized to deal with all procurement matters and finalize bids or price quotations in accordance with directives and delegated powers of the Accounting Officer/Authority.

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- 1.6.3 be familiar with and adhere to the prescribed legislation, directives and procedures in respect of procurement in order to perform effectively and efficiently.
 - 1.6.4 be cleared at the level of confidentiality
 - 1.6.5. declare their financial interests annually
 - 1.6.6. take note of the fact that no person should interfere with the procurement system of the institution, or amend or tamper with any bid after its submission
- 1.7. In order to demonstrate loyalty towards the Mpumalanga Provincial Government and the public, Government officials involved in procurement, should refrain from all sorts of combative practices, which amongst other things, include, but not limited to the following :-
- 1.7.1. Suggestions to fictitious lower quotations
 - 1.7.2. Reference to non-existence competition
 - 1.7.3. Exploiting errors in bids
 - 1.7.4. Soliciting bids from bidders whose names appear on the list of restricted bidders/suppliers/ or persons.

DECLARATION OF OATH

I, (name and surname), ID number and an employee of the Mpumalanga Provincial Government who is attached at the Department of (name of department), hereby declare under oath:

- 1. That I have taken note of the provisions of the Code of Conduct for Government officials involved in procurement, as contemplated on paragraphs 1.1 to 1.7 above, in line with Section 76(4)(c) of the Public Finance Management Act (PFMA)
- 2. I fully understand that, I shall be guilty of an offence, if I fail to comply with the provisions thereof.
- 3. I also understand that this Code of Conduct, shall apply not only during my term of office, but also after the termination of my service with the Mpumalanga Provincial Government; and
- 4. I am fully aware of the serious consequences that may follow in case of any breach or contravention of the provisions thereof.

Signed on this day of (month) (year) at (place).

Signature :