



Building No.4, No. 7 Government Boulevard, Riverside Park, Ext 2, Mbombela, 1200
Private Bag X 11205, Mbombela, 1200
Tel: 013 766 4572, Fax: 013 766 4604, Int: +27 (13) 766 4572, Int: +27 13 766 4604

SigcinaMafa SesiFundza

UmNyango weeMali ZesiFunda

Provinsiale Tesourie

Enquiries : Mr R. Masambo x 4230
Ref : MPT/14/4/1/2

PROVINCIAL TREASURY CIRCULAR NO. 44 OF 2018

TO

ACTING DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA: VOTE 1: (MR K MOHLASEDI)
HEAD: VOTE 3: PROVINCIAL TREASURY (MS NZ NKAMBA)
HEAD: VOTE 4: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR PS NYONI)
ACTING HEAD: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIROMENTAL AFFAIRS
(MR LS MONARENG)
ACTING HEAD: VOTE 6: ECONOMIC DEVELOPMENT AND TOURISM (MR NM SEBITSO)
HEAD: VOTE 7: EDUCATION (MS MOC MHLABANE)
HEAD: VOTE 8: PUBLIC WORKS, ROADS AND TRANSPORT (MS SP XULU)
HEAD: VOTE 9: COMMUNITY SAFETY, SECURITY AND LIAISON (MR W MTHOMBOTHI)
HEAD: VOTE 10: HEALTH (DR S MOHANGI)
HEAD: VOTE 11: CULTURE, SPORT AND RECREATION (MR GS NTOMBELA)
HEAD: VOTE 12: SOCIAL DEVELOPMENT (MR MV MAHLALELA)
HEAD: VOTE 13: HUMAN SETTLEMENTS (MR K MASANGE)

THE CHIEF FINANCIAL OFFICER: VOTE 1: OFFICE OF THE PREMIER (MR SS SHONGWE)
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR MA KHOZA)
THE CHIEF FINANCIAL OFFICER: VOTE 4: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
(MR SEB MATSEBULA)
THE CHIEF FINANCIAL OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT, LAND AND
ENVIROMENTAL AFFAIRS (MR MA LETSWALO)
THE CHIEF FINANCIAL OFFICER: VOTE 6: ECONOMIC DEVELOPMENT AND TOURISM (ACTING)
(MS S THRUSH)
THE CHIEF FINANCIAL OFFICER: VOTE 7: EDUCATION (MS GM MASHITENG)
THE CHIEF FINANCIAL OFFICER: VOTE 8: PUBLIC WORKS, ROADS AND TRANSPORT (MS H MDAKA)
THE CHIEF FINANCIAL OFFICER: VOTE 9: COMMUNITY SAFETY, SECURITY AND LIAISON (MS S SEFALA)
THE CHIEF FINANCIAL OFFICER: VOTE 10: HEALTH (MR PP MAMOGALE)
THE CHIEF FINANCIAL OFFICER: VOTE 11: CULTURE, SPORT AND RECREATION (ACTING)
(MR M THOBELA)
THE CHIEF FINANCIAL OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MR JB MBATHA)
THE CHIEF FINANCIAL OFFICER: VOTE 13: HUMAN SETTLEMENTS (MR SB NYOKA)

THE CHIEF EXECUTIVE OFFICER: MPUMALANGA ECONOMIC GROWTH AGENCY (MR XGS SITHOLE)
THE CHIEF EXECUTIVE OFFICER: MPUMALANGA ECONOMIC REGULATOR (MR B MLAMBO)
THE CHIEF EXECUTIVE OFFICER: MPUMALANGA REGIONAL TRAINING TRUST (MR R OOSTHUIZEN)
THE ACTING CHIEF EXECUTIVE OFFICER: MPUMALANGA TOURISM AND PARKS AGENCY (MR BJ NOBUNGA)

THE CHIEF FINANCIAL OFFICER: MPUMALANGA TOURISM AND PARKS AGENCY (ACTING) (MS G MILAZI)
THE CHIEF FINANCIAL OFFICER: MPUMALANGA ECONOMIC GROWTH AGENCY (MR E POTGIETER)
THE CHIEF FINANCIAL OFFICER: MPUMALANGA ECONOMIC REGULATOR (MR BL MASEKO)
THE CHIEF FINANCIAL OFFICER: MPUMALANGA REGIONAL TRAINING TRUST (MR MG JAFTA)

THE CHIEF DIRECTORATE: SUSTAINABLE RESOURCE MANAGEMENT
THE CHIEF DIRECTORATE: ASSETS AND LIABILITIES MANAGEMENT
THE CHIEF DIRECTORATE: FINANCIAL GOVERNANCE

SUBMISSION OF REVISED SUPPLY CHAIN MANAGEMENT (SCM) POLICY ALIGNED WITH THE NEW PREFERENTIAL PROCUREMENT REGULATION 2017

1. PURPOSE

The purpose of this Circular is to request all Departments and Public Entities to submit the revised Supply Chain Management Policy in line with the New Preferential Procurement Regulations of 2017.

2. BACKGROUND

In terms of Section 38(1)(a) (iii) and 51(1)(iii) of the Public Finance Management Act, No. 1 of 1999 (PFMA), the Accounting Officer of a Department or Constitutional Institution and the Accounting Authority of a Public Entity listed in Schedule 2 and 3 to the PFMA must ensure that their respective institution has and maintains an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective.

In January 2017, a new Preferential Procurement Regulation was gazetted in replacement of the Preferential Procurement Regulations of 2011, to replace the outdated procurement and provisioning practices across government with a SCM function that will be an integral part of financial management and will conform to best practices. The new arrangements will promote uniformity in SCM processes and also in the interpretation of Government's preferential procurement legislation and policies, which should be seen in the context of other related legislative and policy requirements. Above all, these provisions will mean that responsibility and accountability for SCM-related functions will be entrusted to Accounting Officers or Accounting Authorities.

Therefore, in terms of the legislative requirements, Supply Chain Management units should align their policies to be in line with the applicable legislation as it impacts on supply chain management processes.

Similar workshops were held to build and provide support including the new SCM reforms.

3. SUBMISSION DATE OF SCM REVISED POLICY

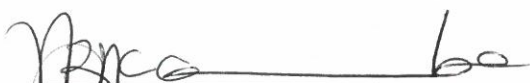
Departments and Public Entities are required to submit revised SCM policies to Provincial Treasury by **3 August 2018**.

4. DISSEMINATION OF INFORMATION

Heads of Departments and Chief Executive Officers are requested to bring the contents of this circular to the attention of the Chief Financial Officers and Heads of Supply Chain Management units for implementation in order to enhance compliance.

Your positive response is highly appreciated.

Kind regards


MS NZ NKAMBA
HEAD: PROVINCIAL TREASURY
DATE: 24/7/2018