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PROVINCIAL TREASURY CIRCULAR NO: 48 OF 2015

THE MUNICIPAL MANAGER: EHLANZENI DISTRICT MUNICIPALITY (ADV H MBATHA)
THE MUNICIPAL MANAGER BUSHBUCKRIDGE LOCAL MUNICIPALITY (MR C LISA)
THE MUNICIPAL MANAGER: MBOMBELA LOCAL MUNICIPALITY (MR N SEANEGO)
THE MUNICIPAL MANAGER: NKOMAZI LOCAL MUNICIPALITY (MR MD NGWENYA)
THE MUNICIPAL MANAGER (ACTING): THABA CHWEU LOCAL MUNICIPALITY (MR SD MAEBELA)
THE MUNICIPAL MANAGER: UMJINDI LOCAL MUNICIPALITY (MR DP MSIBI)
THE MUNICIPAL MANAGER: GERT SIBANDE DISTRICT MUNICIPALITY (MR CA HABILE)
THE MUNICIPAL MANAGER: CHIEF ALBERT LUTHULI LOCAL MUNICIPALITY (MR VN MPILA)
THE MUNICIPAL MANAGER: DIPALESENG LOCAL MUNICIPALITY (MR V NGCOBO)
THE MUNICIPAL MANAGER: DR PIXLEY KA ISAKA SEME (MR PB MALEBYE)
THE MUNICIPAL MANAGER: GOVAN MBEKI LOCAL MUNICIPALITY (MR MF MAHLANGU)
THE MUNICIPAL MANAGER: LEKWA LOCAL MUNICIPALITY (MR LB TSHABALALA)
THE MUNICIPAL MANAGER: (ACTING) MKHONDO LOCAL MUNICIPALITY (MR C MABUZA)
THE MUNICIPAL MANAGER: MSUKALIGWA LOCAL MUNICIPALITY (MR S SHONGWE)
THE MUNICIPAL MANAGER: NKANGALA DISTRICT MUNICIPALITY (MS M SKOSANA)
THE MUNICIPAL MANAGER: DR JS MOROKA LOCAL MUNICIPALITY (MR BS MAHLANGU)
THE MUNICIPAL MANAGER: (ACTING): EMAKHAZENI LOCAL MUNICIPALITY (MS EK TSHABALALA)
THE MUNICIPAL MANAGER: (ACTING) EMALAHLENI LOCAL MUNICIPALITY (MR T VAN VUUREN)
THE MUNICIPAL MANAGER: (ACTING) STEVE TSHWETE LOCAL MUNICIPALITY (MR M MNGUNI)
THE MUNICIPAL MANAGER: (ACTING) THEMBISILE HANI LOCAL MUNICIPALITY (MR O NKOSI)
THE MUNICIPAL MANAGER: VICTOR KHANYE LOCAL MUNICIPALITY (MR BSS RIBA)

THE CHIEF FINANCIAL OFFICER: EHLANZENI DISTRICT MUNICIPALITY (MR W KHUMALO)
THE CHIEF FINANCIAL OFFICER: BUSHBUCKRIDGE LOCAL MUNICIPALITY (MS C NKUNA)
THE CHIEF FINANCIAL OFFICER: MBOMBELA LOCAL MUNICIPALITY (MR O MOKOENA)
THE CHIEF FINANCIAL OFFICER: NKOMAZI LOCAL MUNICIPALITY (MR B KHOZA)
THE CHIEF FINANCIAL OFFICER (ACTING): THABA CHWEU LOCAL MUNICIPALITY (MR G MNISI)
THE CHIEF FINANCIAL OFFICER: UMJINDI LOCAL MUNICIPALITY (MR P MPELE)
THE CHIEF FINANCIAL OFFICER: GERT SIBANDE DISTRICT MUNICIPALITY (MR AY SINGH)
THE CHIEF FINANCIAL OFFICER: CHIEF ALBERT LUTHULI LOCAL MUNICIPALITY (MR PJ NHLABATHI)
THE CHIEF FINANCIAL OFFICER: DIPALESENG LOCAL MUNICIPALITY (MS AM NGEMA)
THE CHIEF FINANCIAL OFFICER: (ACTING) DR PIXLEY KA ISAKA SEME (MS N NTHOMBELA)
THE CHIEF FINANCIAL OFFICER: GOVAN MBEKI LOCAL MUNICIPALITY (MR J MOKGATSI)
THE CHIEF FINANCIAL OFFICER: LEKWA LOCAL MUNICIPALITY (MR RA MORRIS)
THE CHIEF FINANCIAL OFFICER: MKHONDO LOCAL MUNICIPALITY (MR S THOBELA)
THE SUPPLY CHAIN MANAGER (ACTING): MSUKALIGWA LOCAL MUNICIPALITY (MR EM NDLOVU)
THE CHIEF FINANCIAL OFFICER: NKANGALA DISTRICT MUNICIPALITY (MS AL STANDER)
THE CHIEF FINANCIAL OFFICER: DR JS MOROKA LOCAL MUNICIPALITY (MR Z SKHOSANA)
THE CHIEF FINANCIAL OFFICER: EMAKHAZENI LOCAL MUNICIPALITY (MS W NGWENYA)
THE CHIEF FINANCIAL OFFICER: (ACTING) EMALAHLENI LOCAL MUNICIPALITY (MR T MAAKE)
THE CHIEF FINANCIAL OFFICER: STEVE TSHWETE LOCAL MUNICIPALITY (MS E WASSERMANN)
THE CHIEF FINANCIAL OFFICER (ACTING): THEMBISILE HANI LOCAL MUNICIPALITY (MS L SEHLAKO)
THE CHIEF FINANCIAL OFFICER: VICTOR KHANYE LOCAL MUNICIPALITY (MR C BARNARD)

THE DIRECTOR GENERAL: VOTE 1: OFFICE OF THE PREMIER (DR NONHLANHLA MKHIZE)
THE ACCOUNTING OFFICER: VOTE 4: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
(MR CM CHUNDA)

THE CHIEF DIRECTORATE: SUSTAINABLE RESOURCE MANAGEMENT (MR M MADIKE)
THE CHIEF DIRECTORATE: ASSETS AND LIABILITIES MANAGEMENT (MS E VISSER)
THE CHIEF DIRECTORATE: FINANCIAL GOVERNANCE (MS J BEZUIDENHOUT)
THE MFMA COORDINATOR: PROVINCIAL TREASURY (MS B GUNQISA)

IMPLEMENTATION OF CENTRAL SUPPLIER DATABASE FOR GOVERNMENT

1. INTRODUCTION

The purpose of this circular is to inform Municipal Managers of municipalities in the Province about the implementation of a Central Supplier Database that will serve as the source of supplier information for all spheres of government including State Owned Enterprises (SOE).

2. BACKGROUND

2.1. Government has developed a Central Supplier Database (CSD) which is accessible on www.csd.gov.za with an aim of centralising government's supplier database to reduce duplication and cost for both supplier and government while enabling electronic procurement processes. Currently there is no single supplier database for national, provincial or local government which causes duplication of supplier information across the spheres of government. CSD implementation ensures the following:

- Suppliers will only be required to register once when they do business with the State;
- Suppliers will be able to ensure their data is up-to-date, complete and accurate through maintenance of their profiles online;
- Significant reduction of the administrative burden for suppliers especially small and medium-sized enterprises;
- Single source of supplier information to all organs of state;
- Suppliers will not be required to submit physical tax clearance and business registration certificate to organs of State;
- Standardised and electronic verification of supplier information leading to reduced fraud with paper copies and manual processes (Tax clearance status, Business registration and business ownership, bank account and bank account holder – available 1 April 2016, Citizen identity number – available 1 April 2016, register for tender defaulters and database of restricted suppliers while the Broad Based Black Economic Empowerment (BBBEE) will be introduced in future).

2.2. This intervention will also reduce the administrative burden for Supply Chain Management practitioners and address many of the concerns raised by the Auditor-General every year. In addition, information related to the compliance requirements are duplicated during procurement processes, processing of payments and audit procedures which are all examples of financial management activities dependent on supplier's information.

3. PROVINCIAL TREASURY'S DIRECTIVE TO MUNICIPALITIES

3.1. As part of our mechanisms to provide support and guidance, we would like to direct as follows:

3.1.1. Municipalities must continue to manage their current database efficiently and effectively to ensure Supply Chain Management compliance. Provincial Treasury is in the process of initiating the system through all the spheres of government; however the first phase of implementation is all the Institutions that are functioning under the Public Finance Management Act, No. 1 of 1999 and Schedule 3C, with the aim of ensuring high-quality management to the CSD system.

- 3.1.2. Once the first phase is completed information regarding the implementation of CSD to all institutions functioning under the Municipal Finance Management Act, No. 56 of 2003, will be communicated accordingly for the 2016/17 financial year. Municipal Managers should disseminate the contents of this Circular to their respective Supply Chain Management Units for information.

Kind Regards,



MS NZ NKAMBA
HEAD OFFICIAL: PROVINCIAL TREASURY
DATE: 21/10/2015