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Ref : MPT/14/4/12

PROVINCIAL TREASURY CIRCULAR NO. 49 OF 2017

TO

THE ACCOUNTING OFFICER: VOTE 1: OFFICE OF THE PREMIER (MR T MDAKANE)
THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (MS NZ NKAMBA)
THE ACTING ACCOUNTING OFFICER: VOTE 4: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR TP NYONI)
THE ACCOUNTING OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (MS SP XULU)
THE ACCOUNTING OFFICER: VOTE 6: ECONOMIC DEVELOPMENT AND TOURISM (MR MW MKHIZE)
THE ACCOUNTING OFFICER: VOTE 7: EDUCATION (MS MOC MHLABANE)
THE ACCOUNTING OFFICER: VOTE 8: PUBLIC WORKS, ROADS AND TRANSPORT (MR KM MOHLASEDI)
THE ACCOUNTING OFFICER: VOTE 9: COMMUNITY SAFETY, SECURITY AND LIAISON (MR W MTHOMBOTHI)
THE ACTING ACCOUNTING OFFICER: VOTE 10: HEALTH (DR S MOHANGI)
THE ACCOUNTING OFFICER (ACTING): VOTE 11: CULTURE, SPORT AND RECREATION (MR VS GANA)
THE ACCOUNTING OFFICER (ACTING): VOTE 12: SOCIAL DEVELOPMENT (MS TE MHLONGO))
THE ACCOUNTING OFFICER: VOTE 13: HUMAN SETTLEMENTS (MR K MASANGE)

THE CHIEF EXECUTIVE OFFICER: MPUMALANGA ECONOMIC GROWTH AGENCY (MR XGS SITHOLE)
THE CHIEF EXECUTIVE OFFICER: MPUMALANGA GAMBLING BOARD (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: 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: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR SEB MATSEBULA)
THE CHIEF FINANCIAL OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (MR MA LETSWALO)
THE CHIEF FINANCIAL OFFICER (ACTING): VOTE 6: ECONOMIC DEVELOPMENT AND TOURISM (MS H THRUSH)
THE CHIEF FINANCIAL OFFICER: VOTE 7: EDUCATION (MS MM MASHITENG)
THE CHIEF FINANCIAL OFFICER: VOTE 8: PUBLIC WORKS, ROADS AND TRANSPORT (MS HN MDAKA)
THE CHIEF FINANCIAL OFFICER: VOTE 9: COMMUNITY SAFETY, SECURITY & LIAISON (MS SA SEFALA)
THE CHIEF FINANCIAL OFFICER: VOTE 10: HEALTH (MR CB MNISI)
THE CHIEF FINANCIAL OFFICER: VOTE 11: CULTURE, SPORT AND RECREATION (MR BH NGOMA)
THE CHIEF FINANCIAL OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MR JB MBATHA)
THE CHIEF FINANCIAL OFFICER: VOTE 13: HUMAN SETTLEMENTS (MR BS NYOKA)

THE CHIEF FINANCIAL OFFICER: MPUMALANGA ECONOMIC GROWTH AGENCY (MR E POTGIETER)
THE CHIEF FINANCIAL OFFICER: MPUMALANGA GAMBLING BOARD (MR BL MASEKO)
THE CHIEF FINANCIAL OFFICER: MPUMALANGA REGIONAL TRAINING TRUST (MR MG JAFTA)
THE CHIEF FINANCIAL OFFICER (ACTING): MPUMALANGA TOURISM AND PARKS AGENCY (MR S MATHYE)

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) POLICIES ALIGNED WITH THE NEW PREFERENTIAL PROCUREMENT REGULATIONS 2017

PURPOSE

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

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, new Preferential Procurement Regulations were gazetted in replacement of the Preferential Procurement Regulations of 2011, to replace the outdated procurement and provisioning practices across government with a Supply Chain Management (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.

SUBMISSION DATE OF SCM REVISED POLICIES

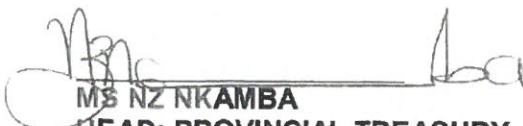
Departments and Public Entities are requested to submit their revised SCM policies to Provincial Treasury by **31 August 2017**.

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: 18 / 08 / 2017