



 Nokuthula Simelane Building, No 7 Government Boulevard, Riverside Park Extension 2, **MBOMBELA** 1200
 Private Bag x11205, **MBOMBELA** 1200
 013 766 4437

SigcinaMafa SesiFundza

UmNyango weeMali ZesiFunda

Provinsiale Tesourie

Enquiries : MR. R.M. MASAMBO Ext 4230
Ref 14/P

PROVINCIAL TREASURY CIRCULAR NO. 35 OF 2025

TO:
ALL MUNICIPAL MANAGERS
ALL CHIEF FINANCIAL OFFICERS

THE DIRECTOR GENERAL: OFFICE OF THE PREMIER
THE CHIEF DIRECTORATE: SUSTAINABLE RESOURCE MANAGEMENT
THE CHIEF DIRECTORATE: ASSETS AND LIABILITIES MANAGEMENT
THE CHIEF DIRECTORATE: FINANCIAL GOVERNANCE

SUBJECT: SUBMISSION OF ANNUAL PROCUREMENT PLANS FOR GOODS, WORKS AND SERVICES, INCLUDING INFRASTRUCTURE PROJECTS, ESTIMATED IN EXCESS OF R200 000 FOR DISTRICT MUNICIPALITIES (INCLUSIVE OF APPLICABLE TAXES) AND R300 000 FOR LOCAL MUNICIPALITIES AND FOR THE 2025/2026 FINANCIAL YEAR.

1. PURPOSE

The purpose of this circular is to request Municipal Managers of all municipalities in the Mpumalanga Province to submit annual procurement plans in respect of goods, works and services including infrastructure projects, estimated more than R200 000 (inclusive of applicable taxes) for District Municipalities, and for amounts in excess of R300 000 (inclusive of applicable taxes) for Local Municipalities for the 2025/2026 financial year. And again, this aims to ensure that municipalities pro-actively plan for the procurement of goods, service or infrastructure projects and to move away from merely reacting to ad-hoc purchasing requests.

2. BACKGROUND

The Provincial Treasury is required, in terms of its mandate to oversee and monitor the procurement of goods, works and services in municipalities for the purposes of enforcing compliance with the appropriate legislation and enhancing service - delivery.

In terms of the Municipal Finance Management Act Circular 62 of 2013, and municipalities are required to develop annual procurement plans in respect of goods, works and services, including infrastructure projects estimated in excess of R200 000 for District Municipalities, and for amounts in excess of R300 000 (inclusive of applicable taxes) for Local Municipalities (inclusive of applicable taxes) per case, for the 2025/2026 financial year.

Threshold has been revised in terms of Local Government: Municipal Finance Management Act, 2003 amendments of regulations regarding Supply Chain Management dated 14 December 2023. These procurement plans must be approved by the Accounting Officer or his or her delegate.

3. DISCUSSION

Municipalities are requested to submit their approved annual procurement plans for goods, works and services, including infrastructure projects estimated that are estimated more than R200 000 (inclusive of applicable taxes) for District Municipalities, and for amounts in excess of R300 000 (inclusive of applicable taxes) for Local Municipalities for the 2025/2026, to the Provincial Treasury on or before **30 June 2025**.

All Municipalities should further **report quarterly** on the implementation of the procurement plan. The progress reports must be submitted **15 days** after the closure of each quarter.

All the approved annual procurement plans and reporting thereof should be in the format as captured in the templates attached.

All the approved annual procurement plans and quarterly reporting thereof should be captured on the template which is attached herewith as Annexure "A" & "B".

PROVINCIAL TREASURY CIRCULAR NO OF 2025

Municipal Managers are encouraged to disseminate the contents of this circular to their respective Chief Financial Officer's and Supply Chain Management units to encourage prompt processing and accelerate the submission process.

All submissions should be forwarded to Ms Emma Modupi at the email address: emashiane@mpg.gov.za.



MS. GUGU MASHITENG
HEAD: PROVINCIAL TREASURY
DATE: 02-06-2025