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PROVINCIAL TREASURY CIRCULAR NO. 61 OF 2020

TO:

DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA: VOTE 1: (MS SP XULU)

**HEADS OF DEPARTMENTS
CEOs OF THE PUBLIC ENTITIES
CFO OF DEPARTMENTS AND PUBLIC ENTITIES**

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

WITHDRAWAL OF PRACTICE NOTE 5: PROCUREMENT IN RESPONSE TO NATIONAL STATE OF DISASTER REGARDING COVID-19 PANDEMIC

1. PURPOSE

The purpose of this Circular is to inform and provide guidance to all the Accounting Officers/ Authorities of Departments and Entities. This Circular also replaces Provincial Treasury Circular No. 55 of 2020 in terms of reporting on COVID-19 expenditure.

2. BACKGROUND

National Treasury issued Instruction note No. 5 of 2020/2021 for the relaxation, to a certain extent, of supply chain management requirements during times of emergencies to aid whatever situation the country might be facing. President Ramaphosa's declaration of a state of disaster following the rapid spread of the corona virus necessitated the increased procurement of health-related gear and collateral.

Paragraph 12.2 of the Instruction Note indicated that its content will be in effect until the Disaster lapses or terminates or until the circular is withdrawn.

On 5 August 2020, the Standing and Selected Committees on Finance met and National Treasury briefed the Committees on the procurement of PPE during the Covid-19 pandemic and highlighted some shortcomings in the transparency of PPE procurement information. A similar brief was done for MECs of Finance on 6 August 2020.

Consensus was reached that institutions must revert to the normal procurement procedures for all goods, services and works (including the procurement of PPE items and fabric masks). A further call was made for National Treasury to issue reporting guidelines to

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institutions to improve the monitoring and transparency of Covid-19 related procurement data and publish such information on their relevant websites and the National Treasury website.

3. REPORTING REQUIREMENT

Provincial Treasuries must ensure that all Departments and Public Entities reports are provided or render assistance where needed, with ensuring that all reports are collected and submitted to National Treasury. Therefore, Departments must ensure that such reports are submitted to Provincial Treasury.

To give effect to this process, Departments were previously requested to create the Covid Fund item on the system for ease of tracking payments made towards Covid-19. To strengthen this area, specific Covid-19 procurement registers should also be kept.

All Departments and Public Entities are required to report procurement transactions for the **periods indicated in Table 1 by the deadlines provided** below - also see attached Instruction Note for ease of reference.

TABLE 1:

Reporting Period	Submission date to Provincial Treasury	Submission date to National Treasury	Report to be published by NT in public domain
April 2020 - August 2020	15 September 2020	21 September 2020	30 September 2020
September 2020	15 October 2020	21 October 2020	31 October 2020
October 2020	16 November 2020	21 November 2020	30 November 2020
November 2020	15 December 2020	21 December 2020	10 January 2021
December 2020	15 January 2021	21 January 2021	31 January 2021
January 2021	15 February 2021	21 February 2021	28 February 2021
February 2021	15 March 2021	21 March 2021	31 March 2021
March 2021	15 April 2021	21 April 2021	30 April 2021

4. APPLICABILITY

This Circular applies to all Departments and Public Entities.

5. DISSEMINATION OF INFORMATION IN THIS CIRCULAR

Accounting Officers / Authorities are hereby requested to disseminate the contents of this Circular to the attention of Chief Financial Officers, SCM Managers, SCM practitioners and other relevant officials who are assigned duties in the procurement of items listed in this circular and its Annexures.

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Attached is the Instruction note 11 of 2020/2021 in procurement response to the National state of disaster regarding covid-19 pandemic for easy reference.

All reports should be submitted to Provincial Treasury electronically for the attention of Ms Conja Ruthven at choon@mpg.gov.za or Mr Xolani Shongwe at xshongwe@mpg.gov.za or xolanishongwe0@gmail.com. The reports should be signed off by the Accounting Officers / Authorities and the relevant Internal Audit Unit must confirm its validity, completeness and accuracy.

Your co-operation in this regard is appreciated.

Regards



MS GUGU MASHITENG
HEAD: PROVINCIAL TREASURY
DATE: 07 / 05 / 2020