



**Western Cape
Government**

Provincial Treasury

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Reference: RCS/C.5

TREASURY CIRCULAR MUN NO. 23/2017

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THE MAYOR, WEST COAST DISTRICT MUNICIPALITY: MR JH CLEOPHAS
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THE MAYOR, CEDERBERG MUNICIPALITY: MR J BARNARD
THE MAYOR, BERGRIVIER MUNICIPALITY: MR EB MANUEL
THE MAYOR, SALDANHA BAY MUNICIPALITY: MR M KOEN
THE MAYOR, SWARTLAND MUNICIPALITY: MR T VAN ESSEN
THE MAYOR, CAPE WINELANDS DISTRICT MUNICIPALITY: DR H VON SCHLICHT
THE MAYOR, WITZENBERG MUNICIPALITY: MR BC KLAASEN
THE MAYOR, DRAKENSTEIN MUNICIPALITY: MR CJ POOLE
THE MAYOR, STELLENBOSCH MUNICIPALITY: MS G VAN DEVENTER
THE MAYOR, BREEDE VALLEY MUNICIPALITY: MS A STEYN
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THE MAYOR, THEEWATERSKLOOF MUNICIPALITY: MS CJM VOSLOO
THE MAYOR, OVERSTRAND MUNICIPALITY: MR RJ SMITH
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THE MAYOR, SWELLENDAAM MUNICIPALITY: MR NG MYBURGH
THE MAYOR, EDEN DISTRICT MUNICIPALITY: MR M BOOYSEN
THE MAYOR, KANNALAND MUNICIPALITY: MS M BARRY
THE MAYOR, HESSEQUA MUNICIPALITY: MR G RIDDELS
THE MAYOR, MOSSEL BAY MUNICIPALITY: MR HJ LEVENDAL
THE MAYOR, GEORGE MUNICIPALITY: MR MG NAIK
THE MAYOR, OUDTSHOORN MUNICIPALITY: MR CF SYLVESTER
THE MAYOR, BITOU MUNICIPALITY: MR MP LOBESE
THE MAYOR, KNYSNA MUNICIPALITY: MS E BOUW-SPIES
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THE MAYOR, PRINCE ALBERT MUNICIPALITY: MR G LOTTERING
THE MAYOR, BEAUFORT WEST MUNICIPALITY: MR J VAN DER LINDE

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THE MUNICIPAL MANAGER, GEORGE MUNICIPALITY: MR T BOTHA

THE MUNICIPAL MANAGER, OUDTSHOORN MUNICIPALITY: MR A PAULSE
THE MUNICIPAL MANAGER, BITOU MUNICIPALITY: MR T NDLOVU
THE MUNICIPAL MANAGER, KNYSNA MUNICIPALITY: MR K CHETTY
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THE CHIEF FINANCIAL OFFICER, PRINCE ALBERT MUNICIPALITY: MR J NEETHLING
THE CHIEF FINANCIAL OFFICER, BEAUFORT WEST MUNICIPALITY: MR CJ KYMDELL (ACTING)

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THE HEAD OF SCM, MOSSEL BAY MUNICIPALITY: MR D SCHOLTZ
THE HEAD OF SCM, GEORGE MUNICIPALITY: MR B GERICKE
THE HEAD OF SCM, OUDTSHOORN MUNICIPALITY: MR JC LADOUCE
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THE HEAD OF SCM, PRINCE ALBERT MUNICIPALITY: MS C BAADTJIES (ACTING)
THE HEAD OF SCM, BEAUFORT WEST MUNICIPALITY: MRS SA POTHBERG

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THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (MR A DYAKALA) (ACTING)
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 THE HEAD OF DEPARTMENT: LOCAL GOVERNMENT
 THE CHIEF DIRECTOR: LOCAL GOVERNMENT BUDGET ANALYSIS – NATIONAL TREASURY (MR J HATTINGH)
 THE CHIEF DIRECTOR: MFMA IMPLEMENTATION – NATIONAL TREASURY (MR TV PILLAY)

RE: PT: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT INDABA, 2017: SUSTAINABLE PROCUREMENT: 20 - 21 NOVEMBER 2017 WITHIN THE CAPE WINELANDS DISTRICT MUNICIPALITIES

1. PURPOSE

- 1.1 To inform all municipalities and municipal entities of the 3rd Annual Local Government SCM Indaba, 2017: Sustainable Procurement that is scheduled to take place dated, 20 - 21 November 2017.
- 1.2 The SCM Indaba will be hosted in collaboration with the Department of Economic Development and Tourism (DEDAT) and the Cape Winelands District municipalities.
- 1.3 To request all municipalities and municipal entities to submit at least five (5) representatives, preferably the SCM Manager, SCM Practitioner and the LED Manager, LED Practitioner and or the CFO, who will attend the Indaba.
- 1.4 The purpose is also to acknowledge the efforts of the Cape Winelands District Municipality, Drakenstein Municipality, Stellenbosch Municipality and the other municipalities within the Cape Winelands District in terms of the logistical arrangements as well as hosting the SCM Indaba: Sustainable Procurement in Rawsonville at the ATKV Goudini Spa Resort.
- 1.5 Where the senior official is unable to attend the Indaba the municipality and municipal entity may nominate a representative, preferably an official of the municipality's Supply Chain Management unit and a representative from the LED Department.

- 1.6 The purpose of the SCM Indaba: Sustainable Procurement is to provide a shared platform for discussion and learning on the utilisation of procurement as a catalyst for local economic growth and inclusive economic development.

2. BACKGROUND

- 2.1 In terms of section 5(3) of the MFMA (Act 56 of 2003), a provincial treasury may assist municipalities and municipal entities in building their capacity for efficient, effective and transparent financial management.
- 2.2 The Directorate Local Government Supply Chain Management facilitates this mandate by providing assistance and guidance to municipalities and municipal entities on the regulatory framework that governs Supply Chain Management.
- 2.3 Emanating from the quarterly SCM Forums, the Local Government Supply Chain Management (LG SCM) Directorate, realised that there is a need in the SCM fraternity to create a professional environment to build institutional capacity for efficient, effective and transparent financial management as well as the promotion of the professional development of SCM Practitioners.
- 2.4 This communique serves as an official confirmation of support of the objectives of the SCM Indaba: Sustainable Procurement with specific emphasis on the promotion of a culture of excellence and efficiency, with the alignment of the local economic development department with the supply chain management department in terms of the procuring of goods and services.
- 2.5 However, not only has the demand been for SCM to become more efficient, effective and transparent, but there are increasing questions of the role of institutional procurement - both public and private sector – as a means of contributing to economic growth and inclusive economic development.
- 2.6 Procurement as a catalyst for economic growth and development is a relatively new concept and for many intuitions a daunting task given the increasing imposition of new compliance requirements. The successful combination of compliance and contribution to economic growth and development still remains a maze for many institutions.
- 2.7 The reality we now face is that procurement as means of economic growth and development has become an imperative. The recent (and ongoing) surge of legislation and regulations (e.g. local content requirements) is a clear indication of the seriousness of government in enforcing its will to ensure economic transformation.

- 2.8 The 2017 SCM Indaba: Sustainable Procurement, themed "*Utilising procurement as a strategic enabler to enhance local economic development*", seeks then to create an opportunity for role-players to not only engage on the key challenges of this new imperative, but more importantly, to share experiences which contribute to us all working together to uplift and grow our communities.

3. OBJECTIVES TO BE ACHIEVED THROUGH THE PROCUREMENT INDABA

- 3.1 To provide a socio-economic context for the imperative of the utilisation of procurement as a significant contributor to inclusive economic growth and development.
- 3.2 To share and deliberate the overcoming of challenges posed by compliance requirements in tandem with increasing calls for procurement as means to economic transformation.
- 3.3 To share experiences and exchange learnings both from an institutional and business perspective on the successful implementation of projects and programmes that showcase procurement as a contributor to economic well-being.

4. LOGISTICS

- 4.1 The proposed SCM Indaba: Sustainable Procurement is schedule to take place as follows:

Hosted by: Cape Winelands District, Stellenbosch, Drakenstein, Langeberg, Breede Valley and Witzenberg Municipalities

Date: 20 - 21 November 2017

Venue: ATKV-Goudini Spa, Holiday Resort

Address: Wyzersdrift Road, PO Box 47, Rawsonville, 6845

Office: (023) 349 8124

Fax: (023) 344 3112

Email: tanial@atkv.org.za

Time: 09:00 -17:00

GPS: GPS Co-ordinates: 33.40'06.98" S/19.15'48.06" E

5. ACCOMMODATION ARRANGEMENTS

- 5.1 Please note that a formal communication will be forward to all municipal officials relating to the accommodation arrangements and the reference number against which the municipalities need to book their respective accommodations.

5.2 For any further enquiries it may be directed to the official below:

Goudini Spa and Holiday Resort

Tania Lochner

Conference Coordinator

Tel +27 23 349 8124

Fax +27 23 344 3112

tanial@atkv.org.za

www.atkvoorde.co.za

- 5.3 Municipalities must ensure that it makes the necessary accommodation arrangements within a timely manner.
- 5.4 The onus and responsibility still relies on the municipality to bear the cost of any travel, substance and accommodation on the expense of the municipal official attending the SCM Indaba: Sustainable Procurement.
- 5.5 We therefore need to bring to your attention that any cancellations and non-attendance will have a negative effect in terms of financial implications, hence all attendees must ensure that they attend the Indaba.

6. REQUEST

- 6.1 Municipalities are requested to forward the name, designation and contact details of the representatives, who will be attending the SCM Indaba: Sustainable Procurement.
- 6.2 Failures to submit the requested information on time often makes it difficult to co-ordinate and arrange this event. To this effect, we kindly request your cooperation.
- 6.3 It will be highly appreciated if all confirmations are submitted via e-mail to Letitia.Sallies@westerncape.gov.za by latest **Wednesday, 30 August 2017**.
- 6.4 Any enquiries in this regard may be directed to **Ms Letitia Sallies and/ or Ms Mariam Abrahams on 021 483 3180 and 021 483 8722**, respectively.

Your co-operation will be highly appreciated.



MR RODNEY MOOLMAN

DIRECTOR: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT

DATE: 4 August 2017