



Reference: T16/P

TREASURY CIRCULAR MUN NO 36 of 2012

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THE MAYOR, CEDERBERG MUNICIPALITY: MR J WHITE
THE MAYOR, BERGRIVIER MUNICIPALITY: MR EB MANUEL
THE MAYOR, SALDANHA BAY MUNICIPALITY: MS R JAGER
THE MAYOR, SWARTLAND MUNICIPALITY: MR T VAN ESSEN
THE MAYOR, CAPE WINELANDS DISTRICT MUNICIPALITY: MR N DE BRUYN
THE MAYOR, WITZENBERG MUNICIPALITY: MR S LOUW
THE MAYOR, DRAKENSTEIN MUNICIPALITY: MS G VAN DEVENTER
THE MAYOR, STELLENBOSCH MUNICIPALITY: MR C SIDEGO
THE MAYOR, BREEDE VALLEY MUNICIPALITY: MR BD KIVEDO
THE MAYOR, LANGEBERG MUNICIPALITY: MS D GAGIANO
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THE MAYOR, THEEWATERSKLOOF MUNICIPALITY: MR CB PUNT
THE MAYOR, OVERSTRAND MUNICIPALITY: MS N BOTHA-GUTHRIE
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THE MAYOR, SWELLENBAM MUNICIPALITY: COUNCILLOR N MYBURGH
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THE MAYOR, KANNALAND MUNICIPALITY: MR J DONSON
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THE MAYOR, MOSSEL BAY MUNICIPALITY: MR M FERREIRA
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THE MAYOR, OUDTSHOORN MUNICIPALITY: MR G APRIL
THE MAYOR, BITOU MUNICIPALITY: MR M BOOYSEN
THE MAYOR, KNYSNA MUNICIPALITY: MS J WOLMARANS
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THE MAYOR, PRINCE ALBERT MUNICIPALITY: MR G LOTTERING
THE MAYOR, BEAUFORT WEST MUNICIPALITY: MR HD PRINCE

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THE MUNICIPAL MANAGER, MOSSEL BAY MUNICIPALITY: DR M GRATZ
THE MUNICIPAL MANAGER, GEORGE MUNICIPALITY: MR T BOTHA
THE MUNICIPAL MANAGER, OUDTSHOORN MUNICIPALITY: MR T MNYIMBA
THE MUNICIPAL MANAGER, BITOU MUNICIPALITY: MR T GILIOME
THE MUNICIPAL MANAGER, KNYSNA MUNICIPALITY: MS L WARING
THE MUNICIPAL MANAGER, CENTRAL KAROO DISTRICT: MR S JOOSTE
THE MUNICIPAL MANAGER, LAINGSBURG MUNICIPALITY: MR P WILLIAMS
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THE CHIEF FINANCIAL OFFICER, CITY OF CAPE TOWN: MR K JACOBY
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THE CHIEF FINANCIAL OFFICER, CEDERBERG MUNICIPALITY: MR MR E ALFRED
THE CHIEF FINANCIAL OFFICER, BERGRIVIER MUNICIPALITY: MR JA VAN NIEKERK
THE CHIEF FINANCIAL OFFICER, SALDANHA BAY MUNICIPALITY: MR S VORSTER
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THE CHIEF FINANCIAL OFFICER, STELLENBOSCH MUNICIPALITY: MR M BOLTON
THE CHIEF FINANCIAL OFFICER, BREEDE VALLEY MUNICIPALITY: MR D McTHOMAS
THE CHIEF FINANCIAL OFFICER, BREEDE RIVER/WINELANDS: MR CF HOFFMANN
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THE CHIEF FINANCIAL OFFICER, GEORGE MUNICIPALITY: MR M CUPIDO
THE CHIEF FINANCIAL OFFICER, OUDTSHOORN MUNICIPALITY: MR T MNYIMBA
THE CHIEF FINANCIAL OFFICER, BITOU MUNICIPALITY: MR A BREDENHANN
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THE CHIEF FINANCIAL OFFICER, PRINCE ALBERT MUNICIPALITY: MR J VAN DER WESTHUIZEN
THE CHIEF FINANCIAL OFFICER, BEAUFORT WEST MUNICIPALITY: MR PdV STRUMPHER

THE HEAD OF SCM, CITY OF CAPE TOWN: MR L SHNAPS
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THE HEAD OF SCM, BREEDE RIVER/WINELANDS: MR C HOFFMANN
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THE HEAD OF SCM, MOSSEL BAY MUNICIPALITY: MS E NEL
THE HEAD OF SCM, GEORGE MUNICIPALITY: MR B GERICKE
THE HEAD OF SCM, OUDTSHOORN MUNICIPALITY: MR J LADOUNCE
THE HEAD OF SCM, BITOU MUNICIPALITY: MR C. KOEBERG (ACTING)
THE HEAD OF SCM, KNYSNA MUNICIPALITY: MS M BRAND
THE HEAD OF SCM, CENTRAL KAROO DISTRICT: MS L STRUMPHER
THE HEAD OF SCM, LAINGSBURG MUNICIPALITY: MS A GROENEWALD
THE HEAD OF SCM, PRINCE ALBERT MUNICIPALITY: MR D. PLAATJIES (ACTING)
THE HEAD OF SCM, BEAUFORT WEST MUNICIPALITY: MS SA POTHBERG

THE HEAD OFFICIAL: PROVINCIAL TREASURY (DR JC STEGMANN)
THE HEAD: BRANCH FISCAL AND ECONOMIC SERVICES (MR H MALILA)
THE HEAD: BRANCH GOVERNANCE AND ASSET MANAGEMENT
THE HEAD: PUBLIC POLICY SERVICES (MR A PHILLIPS)
THE HEAD: PUBLIC FINANCE (MR H MALILA) (PRO TEM)
THE HEAD: FINANCIAL GOVERNANCE (MR A HARDIEN)
THE HEAD: ASSET MANAGEMENT (I SMITH)
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THE CHIEF FINANCIAL OFFICER (MR A GILDENHUYNS)
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THE SENIOR MANAGER: ACCOUNTING SERVICES: LOCAL GOVERNMENT (MR T MADONDILE)) (ACTING)
THE SENIOR MANAGER: CORPORATE GOVERNANCE (MR B VINK)
THE SENIOR MANAGER: INTERNAL AUDIT: GOVERNANCE AND ADMINISTRATION CLUSTER (MS B CAIRNCROSS)
THE SENIOR MANAGER: INTERNAL AUDIT: SOCIAL CLUSTER (MR M MALULEKA)
THE SENIOR MANAGER: INTERNAL AUDIT: ECONOMIC CLUSTER (MR J RADEBE)
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THE SENIOR MANAGER: PROVINCIAL GOVERNMENT FINANCE (MS A PICK)
THE SENIOR MANAGER: LOCAL GOVERNMENT FINANCE (GROUP ONE) (MR F SABBAT)
THE SENIOR MANAGER: LOCAL GOVERNMENT FINANCE (GROUP TWO) (MR M SIGABI)
THE SENIOR MANAGER: PUBLIC FINANCE POLICY RESEARCH AND MODELLING (MS C HORTON)
THE SENIOR MANAGER: IMMOVEABLE ASSET MANAGEMENT (MR R DANIELS) (ACTING)
THE SENIOR MANAGER: SUPPLY CHAIN MANAGEMENT (MS N EBRAHIM)
THE SENIOR MANAGER: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A BASTIAANSE)
THE HEAD: OFFICE OF THE FINANCE MINISTRY

THE PROVINCIAL AUDITOR
MASTER RECORDS OFFICIAL: FINANCIAL MANAGEMENT
THE HEAD OF DEPARTMENT: LOCAL GOVERNMENT AND HOUSING

RE: LOCAL PRODUCTION AND CONTENT

1. PURPOSE

- 1.1 The purpose of this Provincial Treasury Circular is to inform municipalities of the National Treasury's Instruction Notes and MBD 6.2 dated 16 July 2012 on invitation and evaluation of bids based on a stipulated minimum threshold for local production and content.

2. BACKGROUND

- 2.1 With effect from 7 December 2011 the requirements of the Preferential Procurement Regulations, 2011 come into effect and accounting officers and accounting authorities were required to invite, evaluate and award bids in terms thereof.
- 2.2 The National Treasury has, to this end issued circulars, municipal bidding documents and guidelines that give effect to the requirements of the regulatory regime to assist institutions to implement these regulations.
- 2.3 Preferential Procurement Regulation 9 'Local Production and Content'. In light of the revised regulations further clarity had been sought by institutions in respect of invitation and evaluation of bids on local production and content.
- 2.4 The purpose of the Instruction Notes and MBD 6.2 is to regulate the environment within which Accounting Officers and Accounting Authorities may procure as per the designated sectors for buses, canned or processed vegetables, rail rolling stock,

steel power pylons, and the sector for textile, clothing leather and footwear. MBD 6.2 contains general information and serves as a declaration form for local content (local production and local content are used interchangeably) and must form part of all bids invited.

- 2.5 The Instruction Notes and MBD 6.2 dated 16 July 2012 is attached herewith for your attention.

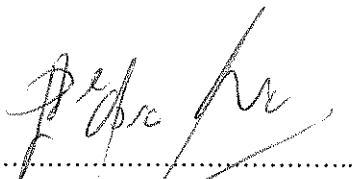
3. REQUEST

- 3.1 The Accounting Officers of municipalities and municipal entities are requested to disseminate the contents of the attached circulars to the attention of SCM officials of their municipalities and municipal entities.
- 3.2 Any enquiries in respect of Local Production and Content and all documents to be submitted to the dti as indicated in the Instruction Notes must be directed to:

The Department of Trade and Industry
Private Bag x84
Pretoria
0001

Mr Tebogo Makube
Chief Director: Industrial Procurement
Tel: (012) 394 3927
Fax: (012) 394 4927
Email: TMakube@thedti.gov.za

I trust you find the above in order.



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MS NADIA EBRAHIM

DIRECTOR: LOCAL AND PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT

DATE: 2012/08/14