

**PROVINCIAL TREASURY • PROVINSIALE TESOURIE
• UNONDYEBO WEPHONDO**



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Reference
Isalathiso

T16/P

Navrae
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TREASURY CIRCULAR, 32 /2010

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (ADV B GERBER)
THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR P WILLIAMS)
THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (DR JC STEGMANN)
THE ACCOUNTING OFFICER: VOTE 4: COMMUNITY SAFETY (DR GA LAWRENCE)
THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MS P VINJEVOLD)
THE ACCOUNTING OFFICER: VOTE 6: HEALTH (PROF KG HOUSEHAM)
THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MS K LUBELWANA)
THE ACCOUNTING OFFICER: VOTE 8: HOUSING (MR M TSHANGANA)
THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR R ELLIS)
THE ACCOUNTING OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR J FOURIE)
THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (MS J ISAACS)
THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR S FOURIE)
THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR B WALTERS)
THE ACCOUNTING OFFICER: VOTE 14: LOCAL GOVERNMENT (DR H FAST)

THE CHIEF FINANCIAL OFFICER: VOTE 1: PREMIER (MR P O'BRIEN)
THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR R HINDLEY) (ACTING)
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR A GILDENHUYS)
THE CHIEF FINANCIAL OFFICER: VOTE 4: COMMUNITY SAFETY (MR M FRIZLAR)
THE CHIEF FINANCIAL OFFICER: VOTE 5: EDUCATION (MR L ELY)
THE CHIEF FINANCIAL OFFICER: VOTE 6: HEALTH (MR A VAN NIEKERK)
THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)
THE CHIEF FINANCIAL OFFICER: VOTE 8: HOUSING (MR D BASSON)
THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR AA GAFFOOR)
THE CHIEF FINANCIAL OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR CR ISMAY)
THE CHIEF FINANCIAL OFFICER: VOTE 11: AGRICULTURE (MR F HUYSAMER)
THE CHIEF FINANCIAL OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MS M ABRAHAMS)
THE CHIEF FINANCIAL OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MS BG RUTGERS)
THE CHIEF FINANCIAL OFFICER: VOTE 14: LOCAL GOVERNMENT (MR D BASSON)

THE SUPPLY CHAIN MANAGER: VOTE 1: PREMIER (MS A STASSEN)
THE SUPPLY CHAIN MANAGER: VOTE 3: PROVINCIAL TREASURY (MR A SEALE)
THE SUPPLY CHAIN MANAGER: VOTE 4: COMMUNITY SAFETY (MS E ISAACS)
THE SUPPLY CHAIN MANAGER: VOTE 5: EDUCATION (MR W CARELSE)
THE SUPPLY CHAIN MANAGER: VOTE 6: HEALTH (MR I SMITH)
THE SUPPLY CHAIN MANAGER: VOTE 7: SOCIAL DEVELOPMENT (MS P MABHOKWANA)
THE SUPPLY CHAIN MANAGER: VOTE 8: HOUSING (MS L NEL)
THE SUPPLY CHAIN MANAGER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR W PHASWANE)
THE SUPPLY CHAIN MANAGER: VOTE 10: TRANSPORT AND PUBLIC WORKS (ADV. C MENTOOR)
THE SUPPLY CHAIN MANAGER: VOTE 11: AGRICULTURE (MS M VAN BREDA)
THE SUPPLY CHAIN MANAGER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR D PAULSE)
THE SUPPLY CHAIN MANAGER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR A ADONIS)
THE SUPPLY CHAIN MANAGER: VOTE 14: LOCAL GOVERNMENT (MS L NEL)

THE PROVINCIAL AUDITOR

MASTER RECORDS OFFICIAL: FINANCIAL MANAGEMENT

VERIFYING THE PROHIBITION STATUS OF RECOMMENDED BIDDERS PRIOR TO AWARDING CONTRACTS

1. PURPOSE

- 1.1 The purpose of this circular is to inform Department's of the National Treasury Circular dated 12 July 2010, regarding the checking and verification of the prohibition status of a bidder prior to the awarding of a contract.
- 1.2 National Treasury has discovered that a number of institutions are not checking the database of restricted suppliers and register for tender defaulters prior to the award of contracts and thus putting the state at risk of awarding contracts to companies/persons that have been restricted for having , among other, committed corrupt and fraudulent acts or performed unsatisfactorily.

2. REQUEST

- 2.1 Accounting Officers/accounting authorities are requested to:
 - (i) Note and adhere to the requirements of the attached National Treasury Circular (Annexure "A").
 - (ii) Ensure that the content of the attached circular is brought to the attention of all relevant officials within their institution and Schedule 3A and 3C public entities reporting to their executive authorities.



SENIOR MANAGER

MOVEABLE ASSET MANAGEMENT

DATE: 06/08/2010



national treasury

Department
National Treasury
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**TO: ACCOUNTING OFFICERS OF NATIONAL DEPARTMENTS AND
CONSTITUTIONAL INSTITUTIONS
ACCOUNTING AUTHORITIES OF PUBLIC ENTITIES LISTED IN SCHEDULE
3A AND 3C TO THE PFMA
HEAD OFFICIALS OF PROVINCIAL TREASURIES**

SUPPLY CHAIN MANAGEMENT:

VERIFYING THE PROHIBITION STATUS OF RECOMMENDED BIDDERS PRIOR TO AWARDING CONTRACTS

1 PURPOSE

The purpose of this circular is to draw the attention of accounting officers/ accounting authorities to the fact that they are compelled to verify the prohibition status of recommended bidders prior to awarding any contracts.

2 LEGISLATIVE FRAMEWORK/ REQUIREMENTS

- 2.1 The National Treasury is mandated to maintain and manage the List of Restricted Suppliers and Register for Tender Defaulters that contains information regarding companies/persons that are prohibited from doing business with the public sector.
- 2.2 Accounting officers/ accounting authorities are compelled in terms of Treasury Regulation 16A9.1(c) to check the National Treasury's database (List of Restricted Suppliers and Register for Tender Defaulters) prior to awarding any contract, to ensure that no recommended bidders or any of its directors are listed as companies or persons prohibited from doing business with the public sector.

3 VERIFYING PROCEDURES

- 3.1 Accounting officers/ accounting authorities are required to:
 - (i) Forward requests prior to the awarding of any contract to the National Treasury for verification purposes. The designated e-mail address that was developed for this purpose is: restrictions@treasury.gov.za; and
 - (ii) Check the Register for Tender Defaulters that is available on the National Treasury's web page [www.treasury.gov.za].
- 3.2 It should be noted that the National Treasury normally responds to verification requests within one (1) working day after receipt thereof.

4 MONITORING FINDINGS

- 4.1 It has come to light that a number of institutions are **not** checking the National Treasury's database (List of Restricted Suppliers and Register for Tender Defaulters) prior to awarding contracts. This undesirable situation unnecessarily places the state at risk of awarding contracts to companies/ persons that have been restricted for having, among other, committed corrupt and fraudulent acts or performed unsatisfactorily to name but a few.
- 4.2 To this end, accounting officers/ accounting authorities are compelled to check the National Treasury's database (List of Restricted Suppliers and Register for Tender Defaulters) prior to awarding any contract above R100 000. Institutions may, however, apply this ruling to the award of contracts with a Rand value less than R100 000 as deemed necessary.

5 APPLICABILITY


- 5.1 This circular applies to all national and provincial departments, Constitutional institutions and Schedule 3 A and 3C public entities.

6 DISSEMINATION OF INFORMATION CONTAINED IN THIS CIRCULAR

- 6.1 Heads of provincial treasuries are requested to bring the contents of this circular to the attention of accounting officers of their respective provincial departments.
- 6.2 Accounting officers of national and provincial departments are requested to bring the contents of this circular to the attention of accounting authorities of schedule 3A and 3C public entities reporting to their respective executive authorities.

7 CONTACT PERSON

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JAN BREYTENBACH
CHIEF DIRECTOR: NORMS AND STANDARDS
DATE: 2010/07/12