

Reference number: RCS/C.6

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TREASURY CIRCULAR NO. 32 OF 2021 (SUPPLEMENTARY NO. 1/2023)

THE PREMIER

THE MINISTER OF AGRICULTURE

THE MINISTER OF CULTURAL AFFAIRS AND SPORT

THE MINISTER OF EDUCATION

THE MINISTER OF FINANCE AND ECONOMIC OPPORTUNITIES

THE MINISTER OF HEALTH

THE MINISTER OF INFRASTRUCTURE

THE MINISTER OF LOCAL GOVERNMENT, ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING

THE MINISTER OF MOBILITY

THE MINISTER OF POLICE OVERSIGHT AND COMMUNITY SAFETY

THE MINISTER OF SOCIAL DEVELOPMENT

THE SPEAKER: PROVINCIAL PARLIAMENT

THE DEPUTY SPEAKER: PROVINCIAL PARLIAMENT

THE EXECUTIVE AUTHORITY: WESTERN CAPE GAMBLING AND RACING BOARD (MINISTER M WENGER)

THE EXECUTIVE AUTHORITY: WESTERN CAPE NATURE CONSERVATION BOARD (MINISTER A BREDELL)

THE EXECUTIVE AUTHORITY: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MINISTER M WENGER)

THE EXECUTIVE AUTHORITY: SALDANHA BAY IDZ LICENCING COMPANY (MINISTER M WENGER)

THE EXECUTIVE AUTHORITY: WESTERN CAPE CULTURAL COMMISSION (MINISTER A MARAIS)

THE EXECUTIVE AUTHORITY: WESTERN CAPE LANGUAGE COMMITTEE (MINISTER A MARAIS)

THE EXECUTIVE AUTHORITY: WESTERN CAPE HERITAGE (MINISTER A MARAIS)

THE EXECUTIVE AUTHORITY: CASIDRA (MINISTER IH MEYER)

THE EXECUTIVE AUTHORITY: WESTERN CAPE LIQUOR AUTHORITY (MINISTER R ALLEN)

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (DR H MALILA)

THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR R ADAMS)

THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (MR D SAVAGE)

THE ACCOUNTING OFFICER: VOTE 4: POLICE OVERSIGHT AND COMMUNITY SAFETY (ADV. Y PILLAY)

THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MR B WALTERS)

THE ACCOUNTING OFFICER: VOTE 6: HEALTH AND WELLNESS (DR K CLOETE)

THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (DR R MACDONALD)

THE ACCOUNTING OFFICER: VOTE 8: MOBILITY (MR K REINECKE)

THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR G GERBER)

THE ACCOUNTING OFFICER: VOTE 10: INFRASTRUCTURE (MS J GOOCH)

THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (DR M SEBOPETSA)

THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR V DUBE)

THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR G REDMAN)

THE ACCOUNTING OFFICER: VOTE 14: LOCAL GOVERNMENT (MR G PAULSE)

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THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MS N PETERSEN)

THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MS A SMIT)

THE CHIEF FINANCIAL OFFICER: VOTE 4: POLICE OVERSIGHT AND COMMUNITY SAFETY (MR M FRIZLAR)

THE CHIEF FINANCIAL OFFICER: VOTE 5: EDUCATION (MR L ELY)

THE CHIEF FINANCIAL OFFICER: VOTE 6: HEALTH AND WELLNESS (MR S KAYE)

THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)

THE CHIEF FINANCIAL OFFICER: VOTE 8: MOBILITY (MR F DE WET)

THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR RT MOSOME)

THE CHIEF FINANCIAL OFFICER: VOTE 10: INFRASTRUCTURE (ADV. C SMITH)

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 (MS B SEWLALL-SINGH)

For information

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 THE DIRECTOR: INFRASTRUCTURE (MS S VAN BRED A) (ACTING)
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 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (MR T NTSHINGILA)
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 THE DIRECTOR: PROVINCIAL GOVERNMENT ACCOUNTING (MS A ABOO)
 THE DIRECTOR: PROVINCIAL GOVERNMENT BUDGET OFFICE (MS T VAN DE RHEEDE)
 THE DIRECTOR: PROVINCIAL GOVERNMENT FINANCE (EXPENDITURE MANAGEMENT) (MS M NICHOLAS)
 THE DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS N EBRAHIM)
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 THE DIRECTOR: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A MAZOMBA)
 THE PROVINCIAL AUDITOR
 MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT
 THE DEPUTY DIRECTOR-GENERAL: CORPORATE ASSURANCE, DEPARTMENT OF THE PREMIER (MS H ROBSON)

e-PROCUREMENT SOLUTION (ePS) IMPLEMENTATION: AMENDMENT TO CANCELLATION PROCESS

1. PURPOSE

- 1.1 The purpose of this supplementary circular is to inform accounting officers and accounting authorities of the amendment to paragraph 10.1 of Annexure B that was issued under Treasury Circular No. 32 of 2021, which regulates the cancellation of a Request for Quotation (RFQ) on the e-Procurement Solution (ePS).

2. BACKGROUND AND CONTEXT

- 2.1 The ePS was implemented within the Western Cape Government on 01 October 2021 in accordance with paragraph 5.3.1 (a) of Chapter 16A of the Provincial Treasury Instructions, 2019. The requirements governing the ePS were issued via Treasury Circular 32 of 2021, together with business processes related thereto and is attached hereto marked as **Annexure A**. Edits to the ePS business process, with particular reference to paragraph 10.1, have been highlighted in **Annexure B** (hereto attached) in italics and bold font for ease of reference.
- 2.2 A large quantity of RFQs on the system were cancelled by the buyers and were often reported to the PT as being “cancelled in error”. This necessitated the PT to conduct a risk assessment of the business process for cancellations that is being followed by departments and public entities on the ePS.
- 2.3 Ongoing consultation were held with the ePS core group, which consists of departmental representatives, where the reasons and the process for cancellation were discussed. It was mutually agreed that an approval process be implemented for RFQs cancelled after publication.

3. AMENDMENTS TO THE CANCELLATION BUSINESS PROCESS ON THE E-PROCUREMENT SOLUTION

- 3.1 The revised cancellation approval process flow is as depicted in **Annexure C** attached hereto. Buyers and supervisors are required to familiarise themselves with the revised process flow to execute this function efficiently.
- 3.2 Departments and public entities are required to note that paragraph 10.1 of **Annexure B** issued via Treasury Circular 32 of 2021 is repealed and replaced with the following paragraph:

“An RFQ may be cancelled at any stage prior to the award of the RFQ in the procurement process. The reason for a cancellation must be captured on the system and it must be noted that a cancellation after publication approval will require the supervisor to approve the cancellation request. Once the cancellation process has been effected, such decisions cannot be reversed.

If the need is still required by the department the process of initiating a RFQ must commence de novo (i.e. afresh)”

- 3.3 An automated e-mail notification will be sent to all participating suppliers informing them of the RFQ cancellation. The notification will not specify the cancellation reason captured by the buyer as suppliers will be directed to Departments for further information as it relates to the reasons for cancellation.
- 3.4 **All other ePS business processes and functionalities as highlighted in Annexure B of Treasury Circular 32 of 2021 remains unchanged.**

4. REQUEST

- 4.1 Accounting officers and accounting authorities must note the content of this Circular and communicate the requirements to officials under their control for the functions depicted in this Circular;
- 4.2 Annexure B of Treasury Circular 32 of 2021 is repealed and replaced with Annexure B issued via this Circular; and
- 4.3 The requirements as articulated in this Circular will take effect from date of issue of this circular.

4.4 Accounting officers and accounting authorities are required to update their own standard operating procedures and manuals accordingly as well as ensure all officials that perform the affected functions are fully conversant with the changes made.

5. ENQUIRIES

5.1 All enquiries in respect of this circular or any other enquiries in respect of procurement must be directed to: SupplyChainManagement.HDPFMA@westerncape.gov.za

MR D SAVAGE
HEAD OFFICIAL: PROVINCIAL TREASURY