



Reference number: RCS/C.6

Private Bag X9165  
CAPE TOWN  
8000

## TREASURY CIRCULAR NO. 1/2023 (SUPPLEMENTARY 2/2023)

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: COMMUNITY SAFETY (ADV. Y PILLAY)

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

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

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

THE ACCOUNTING OFFICER: VOTE 8: HUMAN SETTLEMENTS (MS L SCHUURMAN)

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

THE ACCOUNTING OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (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)

THE CHIEF FINANCIAL OFFICER: VOTE 1: PREMIER (MR D BASSON)

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: COMMUNITY SAFETY (MR M FRIZLAR)

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

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

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

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

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

THE CHIEF FINANCIAL OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (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

THE ACCOUNTING AUTHORITY: WESTERN CAPE GAMBLING AND RACING BOARD (MR D LAKAY)  
 THE ACCOUNTING AUTHORITY: WESTERN CAPE NATURE CONSERVATION BOARD (PROF. D HENDRICKS)  
 THE ACCOUNTING AUTHORITY: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR D GREEN)  
 THE ACCOUNTING AUTHORITY: SALDANHA BAY IDZ LICENCING COMPANY (DR J STEGMANN)  
 THE ACCOUNTING AUTHORITY: WESTERN CAPE CULTURAL COMMISSION (MS J MOLELEKI)  
 THE ACCOUNTING AUTHORITY: WESTERN CAPE LANGUAGE COMMITTEE (MS J MOLELEKI)  
 THE ACCOUNTING AUTHORITY: WESTERN CAPE HERITAGE (MR M DLAMUKA)  
 THE ACCOUNTING AUTHORITY: CASIDRA (PROF. J KIRSTEN)  
 THE ACCOUNTING AUTHORITY: WESTERN CAPE LIQUOR AUTHORITY (ADV. T SIDAKI)  
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE GAMBLING AND RACING BOARD (MR P ABRAHAMS)  
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (DR R OMAR)  
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MS W STANDER)  
 THE CHIEF EXECUTIVE OFFICER: SALDANHA BAY IDZ LICENCING COMPANY (MS K BEUKES)  
 THE CHIEF EXECUTIVE OFFICER: CASIDRA (DR K DU PLESSIS)  
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE LIQUOR AUTHORITY (ADV. L PETERSEN) (ACTING)  
 THE CHIEF EXECUTIVE OFFICER: ATLANTIS SPECIAL ECONOMIC ZONE (MR P VOGES)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE GAMBLING AND RACING BOARD (MS Z SIWA)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (MR M BHAYAT)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MS K ZAMA)  
 THE CHIEF FINANCIAL OFFICER: SALDANHA BAY IDZ LICENCING COMPANY (MR H BONESCHANS)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE CULTURAL COMMISSION (MS B RUTGERS)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LANGUAGE COMMITTEE (MS B RUTGERS)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE HERITAGE (MS B RUTGERS)  
 THE CHIEF FINANCIAL OFFICER: CASIDRA (MR F VAN ZYL)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LIQUOR AUTHORITY (MR S GCWABE)  
 THE CHIEF FINANCIAL OFFICER: ATLANTIS SPECIAL ECONOMIC ZONE (MS W SAIB)  
 THE DIRECTOR: GOVERNMENT MOTOR TRANSPORT (MR R WIGGILL)  
 THE HEAD OFFICIAL: PROVINCIAL TREASURY (MR D SAVAGE)  
 THE DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES (DR R HAVEMANN)  
 THE DEPUTY DIRECTOR-GENERAL: GOVERNANCE AND ASSET MANAGEMENT (MS J GANTANA)  
 THE CHIEF DIRECTOR: PUBLIC POLICY SERVICES (MS S ROBINSON)  
 THE CHIEF DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS A PICK)  
 THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (MR S KENYON)  
 THE CHIEF DIRECTOR: ASSET MANAGEMENT (MR I SMITH)  
 THE CHIEF DIRECTOR: FINANCIAL GOVERNANCE AND ACCOUNTING (MR A HARDIEN)  
 THE CHIEF FINANCIAL OFFICER (MS A SMIT)  
 THE HEAD: OFFICE OF THE FINANCE MINISTRY (MR R BRUETON)  
 THE DIRECTOR: BUSINESS INFORMATION AND DATA MANAGEMENT (MR P PIENAAR)  
 THE DIRECTOR: FINANCIAL GOVERNANCE (MS M VAN NIEKERK)  
 THE DIRECTOR: FISCAL POLICY (MR M BOOYSEN)  
 THE DIRECTOR: INFRASTRUCTURE (MS S VAN BREDA) (ACTING)  
 THE DIRECTOR: LOCAL GOVERNMENT ACCOUNTING (MR F SALIE)  
 THE DIRECTOR: LOCAL GOVERNMENT BUDGET OFFICE (MS N RINQUEST) (ACTING)  
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (MR T NTSHINGILA)  
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR I TSIE)  
 THE DIRECTOR: LOCAL GOVERNMENT MFMA COORDINATION (MR D CRONJE)  
 THE DIRECTOR: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS L SALLIES) (ACTING)  
 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)  
 THE DIRECTOR: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS N ISMAIL)  
 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)

# WESTERN CAPE GOVERNMENT INTERIM ARRANGEMENT TO GIVE EFFECT TO THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022 UPDATE

## FORMAL COMMUNICATION RECEIVED FROM NATIONAL TREASURY IN RESPECT OF THE REPEAL OF ALL DESIGNATED LOCAL AND PRODUCTION AND CONTENT INSTRUCTIONS AND CIRCULARS; AND

### ISSUANCE OF A REVISED WESTERN CAPE BIDDING DOCUMENT (WCBD) 1 and WCBD 7.1

#### 1. PURPOSE

- 1.1 The purpose of this circular is to inform accounting officers and accounting authorities of:
- a. the formal communication received from National Treasury (NT) in respect of the repeal of all designated local production and content instructions and circulars (attached hereto marked Annexure A);
  - b. the issuance of a revised Western Cape Bidding Document 1 (WCBD 1): Invitation to bid (attached hereto marked Annexure B) and WCBD 7.1: Contract Form- Purchase of Goods/Works/Services (attached hereto marked Annexure C); and
  - c. retraction and replacement of the recalculation sheet issued via Treasury Circular No. 01 of 2023 (attached hereto marked Annexure D).

#### 2. BACKGROUND AND CONTEXT

- 2.1 On 13 January 2023, Provincial Treasury (PT) issued Treasury Circular No. 1 of 2023 which informed departments and entities on the interim implementation arrangements of the Western Cape Government as it relates to the Preferential Procurement Regulation, 2022 (hereafter referred to as PPR 2022). The PT became aware of an error in the recalculation sheet where the formula which calculates the preference points was erroneously omitted from the recalculation sheet and therefore the issuance of a revised recalculation sheet (hereto attached as Annexure D).
- 2.2 Procuring institutions are required to note that paragraph 5.3 of Treasury Circular No. 1 of 2023 remains applicable:
- “Where a procuring institution opts not to utilise the ePS for procurement between an estimated value of R2 000 and R10 000 and instead follows a manual process, the procuring institution must source quotations from suppliers that are registered on the Central Supplier Database. The procuring institution must then secure the required governance documents (i.e. WCBD 4, WCBD 6.1 and B-BBEE Certificate and/or affidavit) and utilise the calculation spreadsheet...”*
- 2.3 Paragraph 2.10 (d) of Treasury Circular No. 1 of 2023 states that: **“National Treasury ha[s] indicated that they will be withdrawing Local Content Instructions.”** On 31 January 2023, the NT has communicated that:
- a. Regulation 10 of the PPR 2022 repeals the 2017 Regulations in their entirety, including any designation circulars or instructions saved under the PPR 2017 in terms of Regulation 16. This ultimately means that the instructions and circulars issued in terms of the PPR 2011 and PPR 2017 respectively, no longer have legal authority as from the 16th of January 2023, except where they are used to evaluate a tender advertised before the effective date of the PPR 2022.

- b. There will not be a formal communication as regulation 10 of the PPR 2022 is clear that it repeals the PPR 2017.
- c. A process is underway by the NT to remove all designated sector circulars and instruction notes from the list of active circulars and Instructions so as to eliminate confusion.
- 2.4 As part of the technical review on the current procurement system to be undertaken by the Provincial Treasury, further engagement with the Department of Trade, Industry and Competition will be scheduled. Until further advised by the PT, procuring institutions must hold in abeyance local production and content requirements for designated sectors when advertising bids and quotations.
- 2.5 The NT further indicated that it is in the process of amending the applicable Standard Bidding Documents (SBD's) to align to the Preferential Procurement Regulations, 2022. At this point it is not clear when NT will issue the revised Standard Bidding Documents. This necessitated the PT to review and amend the province's own WCBD 1 and WCBD 7.1 to align to the PPR, 2022 in terms of the Western Cape Government's interim arrangements communicated via Treasury Circular 1 of 2023.
- 2.6 When the NT formally issues the revised Standard Bidding Documents, the PT will review its contents and augment the Western Cape Bidding Documents issued via this supplementary circular and re-issue it to departments and public entities.
- 2.7 The key amendments to the WCBD 1 and WCBD 7.1 is articulated in the below table:

**Table 1**

PARAGRAPH	REFERENCE	STATUS	AMENDMENT
<b>WCBD1 INVITATION TO BID</b>			
Page 1	TCS PIN:	Removed	Not applicable
Page 2, Part B, Paragraph 1.3	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.	Amended	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
footer	18/12/2019	amended	February 2023
<b>WCBD 7.1 CONTRACT FORM - PURCHASE OF GOODS/WORKS/SERVICES</b>			
Page 1, Paragraph 2 (i)	Tax clearance certificate	Amended	Tax compliance status
Page 1, Paragraph 2 (i)	Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2017; [WCBD 6.1]	Amended	Preference claims for Broad-Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2022 and in terms of the Western Cape Governments interim strategy as it relates to preference points [WCBD 6.1];
Page 3, Paragraph 3	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)	Removed	Not applicable

PARAGRAPH	REFERENCE	STATUS	AMENDMENT
footer	Not applicable	Added	February 2023

2.8 Departments are required to utilise the revised Western Cape Bidding Documents from the date of issuance of this Circular.

### 3. REQUEST

3.1 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;

3.2 Departments and public entities are required to note:

- a) Repeal and replace of the WCBD 1 issued via Treasury Circular No. 29 of 2019 (supplementary 1 of 2020);
- b) Repeal and replace of the WCBD 7.1 issued via Treasury Circular No. 30 of 2021; and
- c) Repeal and replace of the recalculation sheet issued with Treasury Circular No. 1 of 2023.

3.3 The requirements as articulated in this Circular will take effect from date of signature.

### 4. ENQUIRIES

9.1 All enquiries in respect of this circular or any other enquiries in respect of procurement must be directed to: [SupplyChainManagement.HDPFMA@westerncape.gov.za](mailto:SupplyChainManagement.HDPFMA@westerncape.gov.za)

**MR D SAVAGE**  
**HEAD OFFICIAL: PROVINCIAL TREASURY**