



Reference number: RCS/C.6

Private Bag X9165
CAPE TOWN
8000

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

THE PREMIER

THE MINISTER OF AGRICULTURE

THE MINISTER OF COMMUNITY SAFETY

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 HUMAN SETTLEMENTS

THE MINISTER OF LOCAL GOVERNMENT, ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING

THE MINISTER OF SOCIAL DEVELOPMENT

THE MINISTER OF TRANSPORT AND PUBLIC WORKS

THE SPEAKER: PROVINCIAL PARLIAMENT

THE DEPUTY SPEAKER: PROVINCIAL PARLIAMENT

THE EXECUTIVE AUTHORITY: WESTERN CAPE GAMBLING AND RACING BOARD (MINISTER D MAYNIER)

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

THE EXECUTIVE AUTHORITY: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MINISTER D MAYNIER)

THE EXECUTIVE AUTHORITY: SALDANHA BAY IDZ LICENCING COMPANY (MINISTER D MAYNIER)

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 A FRITZ)

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

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 P MAYISELA)

THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR P VAN ZYL)

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 S FOURIE)

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 M SPICER)
 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 (MR S SYMINGTON)
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE LIQUOR AUTHORITY (ADV. L PETERSEN) (ACTING)
 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 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 (DR R HAVEMANN) (PRO TEM)
 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 (MS C GREEN)
 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) (PRO TEM)
 THE DIRECTOR: INFRASTRUCTURE (MR K LANGENHOVEN)
 THE DIRECTOR: LOCAL GOVERNMENT ACCOUNTING (MR F SALIE)
 THE DIRECTOR: LOCAL GOVERNMENT BUDGET OFFICE (MR M BOOYSEN)
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (MS K NEETHLING) (ACTING)
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR I TSIE)
 THE DIRECTOR: LOCAL GOVERNMENT MFMA COORDINATION (MR S KENYON) (PRO TEM)
 THE DIRECTOR: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MR R MOOLMAN)
 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 A PICK) (PRO TEM)
 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)

DECOMMISSIONING OF THE INTEGRATED PROCUREMENT SOLUTION (IPS)

1. PURPOSE

- 1.1 The purpose of this communicate is to advise accounting officers and accounting authorities of the:
- a) decommissioning process of the Integrated Procurement Solution (SAP ARIBA), and the implementation of the e-Procurement Solution (ePS) developed in-house by the Provincial Treasury with effect of 1 December 2021; and
 - b) IPS decommissioning requirements in order to avoid disruption to the Supply Chain Management (SCM) processes and ensure business continuity.

2. BACKGROUND

- 2.1 The ePS in its current form has been implemented within the Province since 2012 as part of the overall Western Cape Government Strategy to improve how businesses interact with the Western Cape Government (WCG) in the procurement process using technology as an enabler as it relates to the procurement of formal quotations.
- 2.2 Given the moratorium placed on the purchasing of financial systems by the National Treasury, the WCG received approval from the National Treasury via the Integrated Financial Management System (IFMS) Steercom to proceed with its own e-Procurement Solution (ePS) until the implementation of the IFMS. The following conditions have been stipulated by the National Treasury, noting that the Provincial Treasury is comfortable that it has satisfied these conditions with the in-house developed ePS:
- a) WCG will be required to transition to the IFMS when the IFMS is rolled-out to replace the ePS and related IFMS functionalities;
 - b) the WCG needs to ensure that it complies with all policy prescripts applicable to the functional areas supported by the system;
 - c) the approval granted to WCG does not entail condonation of any past and potential non-compliance with policy prescripts;
 - d) should WCG enter into any contract, the contract terms should include an exit clause of six (6) months' notice that releases WCG from related contract in the event that the IFMS is ready for implementation before the end of the contract; and
 - e) approval is only limited to the scope of the moratorium and excludes matters related to procurement and contract renewal/extensions where specific Supply Chain Management (SCM) processes apply.
- 2.3 The WCG, has via the Provincial Treasury (PT) entered into a contract with SAP South Africa in 2016 for the provision of an ePS currently known as the Integrated Procurement Solution (IPS).
- 2.4 As indicated via Treasury Circular 32 of 2021, the development and management of an internet-based sourcing solution for invitation of quotations, the receipt thereof and the adjudication of bids submitted by suppliers will be done in-house by the Provincial Treasury.
- 2.5 With effect 1 October 2021, phase 1 of the ePS was rolled out to departments and public entities by means of a commodity phased-in approach.

3. DECOMMISSIONING AND CLOSE OUT PROCESS OF THE IPS

3.1 Table 1 hereunder depicts the timelines and associated processes for decommissioning:

Table 1

DATE	PROCESS
1 October 2021 up until 30 November 2021	Departments and public entities are required to advertise the commodities as identified via Treasury Circular No. 26 of 2021 via the ePS system. The remainder of the commodities must be advertised via the SAP/Ariba portal.
From 1 December 2021	the ePS will be fully implemented by all institutions with all Request for Quotations (RFQ's) being advertised via the ePS system as the IPS (SAP/ARIBA) will prohibit users to create a new event or project post 1 December 2021.
15 December 2021	The applicable closing date of the last RFQ on SAP/Ariba. This cut-off date cannot be enforced on the IPS hence it is required that supervisors monitor the selection of the closing date to ensure that it does not extend beyond the prescribed date. Any RFQs advertised with a closing date after the 15 December 2021 will pose a risk to the successful decommissioning of the IPS.
15 December 2021 – 31 March 2022	Commencement of the decommissioning period.
28 February 2022	Departments and public entities will be required to award and close-off or if applicable cancel with reasons any outstanding RFQs before 28 February 2021. On a weekly basis, the Provincial Treasury will avail scheduled reports to departments and public entities which provides an overview in terms of the status of the relevant RFQs.
31 March 2022	SAP contract will come to its natural end. Envisaged date that Western Cape in-house developed ePS phase 1- roll out will be completed for all institutions.

4. IPS UNAVAILABILITY

4.1 It must be noted that the IPS solution will be offline for users from **1 March 2022** which will impact departments and public entities as follows:

4.1.1 Users will no longer be able to access the IPS. The PT will avail an alternative functionality for departments and public entities to gain access to all the historical data. The PT will provide further communication once the functionality has been completed.

4.1.2 The above-mentioned functionality will not allow for any editing but merely provide users with a "view" access to the IPS data. Departments and public entities will be required to maintain its records for audit purposes for any amendments to IPS data post 28 February 2021.

4.1.3 The SAP/ARIBA helpdesk will cease to exist for WCG users and suppliers. It must also be noted that the IPS helpdesk will no longer be available to assist users with IPS challenges and queries.

4.2 Should Departments and public entities encounter any IPS challenges during the transitional period, such must be reported to PT via the below email address:

wcseb@westerncape.gov.za

5. EPS SYSTEM SUPPORT OVER THE FESTIVE SEASON

- 5.1 During the period 28 December 2021 until 31 December 2021, the PT will be closed for the festive season. Therefore, ePS technical support will not be available during this period to assist with any matters pertaining to the utilisation of the systems.
- 5.2 However, urgent circumstances may require departments to advertise quotations during the above-mentioned period. The AO or his delegate may authorise such procurement transactions in line with their accounting officer's system (AOS)/emergency policy and/delegations.

6. REQUEST

- 6.1 Accounting Officers and accounting authorities must:
- a) ensure that the content of this Circular is brought to the attention of all relevant officials within their institution;
 - b) monitor compliance to the requirements of this Circular where procurement has been decentralised; and
 - c) that any enquiries relating to this Circular may be directed to:
SCM Helpdesk: wcseb@westerncape.gov.za

NADIA EBRAHIM

DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT

DATE: 19 November 2021