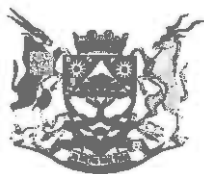


Northern Cape Provincial Government



NCPT

NORTHERN CAPE PROVINCIAL TREASURY

NOORD KAAP PROVINSIALE TESOURIER

LEFAPHA LA MATLOTLO LA KAPA BOKONE

ISEBE LEZEMALI LOMNTLA KOLONI

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KIMBERLEY
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Enquiries:
Dipatlisiso: **P Potgieter**
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Reference:
Tshupelo:
Isalathiso:
Verwysings:

Date:
Leshupelo: **11 July 2016**
Umhla:
Datum:

**TO: ACCOUNTING OFFICERS OF DEPARTMENTS AND CONSTITUTIONAL INSTITUTIONS.
ACCOUNTING AUTHORITIES OF PUBLIC ENTITIES.**

RE: NORTHERN CAPE PROVINCIAL SUPPLY CHAIN MANAGEMENT INSTRUCTION NOTE NO 2 OF 2016/17. IMPLEMENTATION OF THE NATIONAL CENTRAL SUPPLIERS DATABASE (CSD) IN LINE WITH NATIONAL TREASURY SUPPLY CHAIN MANAGEMENT INSTRUCTION NO 4 AND 4A OF 2016/17 – CSD.

1. PURPOSE

The purpose of the Provincial SCM Instruction note is in line with National Treasury's SCM Instruction no 4 and 4A of 2016/17 – CSD; to prescribe the utilization of the CSD as mandatory and to highlight specific requirement.

2. BACKGROUND

2.1 In terms of section 38 (i) (a) (iii) and 51 (i) (iii) of the PFMA, the Accounting Officer of a Department or Constitutional Institution and the Accounting Authority of a Public Entity listed in schedule 2 and 3 of PFMA must ensure that their respective institutions have and maintains an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost effective.

2.2 The mandatory implementation date of the CSD is 1 July 2016.

2.3 Accounting Officers / Accounting Authorities must align their current supply chain management policies with the provisions of both Provincial and National Treasury's instructive notes. Please read Provincial Treasury Supply Chain Management instruction no 2 of 2016/17 together with National Treasury's Supply Chain Management instruction note no 4 and 4A of 2016/17 – CSD; for implementation.

2.4 Price quotations are invited and accepted from prospective suppliers listed on the CSD and the following information must be verified:

- (i) Business registration, including details of directorship and membership;
- (ii) Banking account holder information;
- (iii) In service of the state status checks is only done on state employees with a PERSAL number not local government employees;
- (iv) Tax compliance status;
- (v) B-BBEE status level, the implementation date on CSD is 1 October 2016; up to this date sworn affidavits or certified copies of certificates issued by an approved agency must be obtained.
- (vi) Tender defaulting and restriction status; and
- (vii) Any additional and supplementary verification information communicated by National Treasury.

3. AWARDING OF BIDS AND PRICE QUOTATIONS

3.1 Bids and price quotations may not be awarded to any company not registered on CSD except for the following excluded transactions:

3.1.1 Transactions concluded through petty cash, sundry payments and foreign suppliers with no local registered entity may be concluded, though the supplier is not registered on CSD.

3.1.2 If it is not possible to obtain price quotations from the list of prospective suppliers on CSD, then departments / public entities must conduct a market analysis to identify possible suppliers, record the process and request the Accounting Officer or Accounting Authority or delegated official to approve the list and process and proceed to obtain quotations. **PLEASE NOTE THE IDENTIFIED SUPPLIER(S) SHOULD BE REGISTERED ON CSD BEFORE ORDERS ARE FINANLISED.**

3.2 From 1 July 2016 departments / public entities may not extend existing contracts of computerized systems that are used to record details of their prospective suppliers and may not institute any new computerized systems for the management of their list of prospective suppliers without written approval from the National Treasury.

3.3 Suppliers' records must be verified through the online CSD search function and a copy of the verification report must be appended to the procurement transaction.

3.4 Departments / Public Entities must ensure that suppliers awarded business with the state, excluding exception mentioned in paragraph 3.1.1 are registered on the CSD prior to award letter / purchase order / signed contract being issued.

4. EMERGENCY PROCUREMENT PROCEDURE.

4.1 National Treasury's SCM instruction no 4 of 2016/17 is applicable, paragraph 5.4.

- 4.2 Suppliers that have been contracted in respect of emergency procurement procedure that is not registered on the CSD, must be registered **NOT LATER THAN 7 CALENDER DAYS** after the order was issued to the supplier.

5. SUBMISSION OF COMPLIANCE DOCUMENTS BY PROSPECTIVE SUPPLIERS

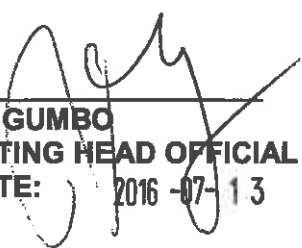
- 5.1 Departments / Public Entities needs to indicate in their request for bids and price quotations that prospective suppliers must be registered on CSD and proof must be submitted. Tax clearance certificates need not be submitted or copies of identity documents and from 1 October 2016 B-BBEE status level sworn affidavits or certified copies issued by approved agency. It is however necessary to verify if prospective suppliers do work for the state as only employees with PERSAL numbers are verified on CSD not Local Government employees. It is advisable to verify prospective suppliers' tender defaulter and restriction status on the relevant databases over and above CSD. Remember CIDB certificates must be verified on the CIDB website it is not included on CSD, so verification of service providers accredited by professional bodies that are not on CSD. **REMEMBER BEFORE ISSUING A LETTER OF AWARD / PURCHASE ORDER/ CONTRACT TO VERIFY A SUPPLIERS TAX COMPLIANCE STATUS ON CSD AND OTHER INFORMATION.** It forms part of evaluation and adjudication processes.

6. REPEAL OF NATIONAL TREASURY'S PRACTICE NOTE AND REFERENCE

- 6.1 National Treasury SCM instruction note no 4 and 4A of 2016/17 – CSD repeals paragraph 5 and 6 of National Treasury's practice note no 8 of 2007/08. The list of prospective suppliers must now be regarded as the list of prospective suppliers established through CSD.

7. EFFECTIVE DATE

- 7.1 Implementation of the CSD is effective 1 July 2016


HV GUMBO
ACTING HEAD OFFICIAL
DATE: 2016-07-13



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

TO: ACCOUNTING OFFICERS OF DEPARTMENTS AND CONSTITUTIONAL INSTITUTIONS

ACCOUNTING AUTHORITIES OF PUBLIC ENTITIES

HEAD OFFICIALS OF PROVINCIAL TREASURIES

**NATIONAL TREASURY SCM INSTRUCTION NO 4A OF 2016/2017
CENTRAL SUPPLIER DATABASE**

1. PURPOSE

The purpose of this *SCM Treasury Instruction* is to prescribe the utilisation of the mandatory **Central Supplier Database (CSD)** to Accounting Officers and Accounting Authorities.

2. BACKGROUND

- 2.1 The National Treasury identified the registration of prospective service providers on each and every Organ of state's individual list of prospective suppliers as one of the processes that makes it difficult for service providers to do business with the State.
- 2.2 Cabinet approved steps to accelerate the modernisation of public procurement as per a Cabinet Resolution dated 10 December 2014. Amongst the ensuing modernisation initiatives, the National Treasury established the CSD on behalf of all Departments, Constitutional Institutions and Public Entities listed in Schedule 2 and 3 of the PFMA. The CSD's purpose is to avoid the multiple registrations by prospective suppliers with each individual Organ of State they intend doing business with.
- 2.3 In terms of Section 38 (1) (a) (iii) and 51 (1) (iii) of the PFMA, the Accounting Officer of a Department or Constitutional Institution and the Accounting Authority of a Public Entity listed in Schedule 2 and 3 to the PFMA must ensure that their respective Institutions have and maintain an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost effective.
- 2.4 National Treasury Circular No 3 of 2015/2016 informed Accounting Officers and Accounting Authorities of Departments, Constitutional Institutions and all Schedule 2 and 3 Public Entities of the transitional arrangements prior to the mandatory application of the CSD on 1 April 2016. Through this SCM Instruction, the date is extended to 1 July 2016.
- 2.5 The registration and verification of supplier information has not been uniform and standardised for all Organs of State, which complicated the process of doing business with the state. Therefore, the National Treasury established the CSD in

- 7.3 For legibility and accuracy purposes, the form must be completed electronically. The form may be accessed under buyer's area on the OCPO website/supplier management/documents: <http://ocpo.treasury.gov.za>.
- 7.4 Completed forms must be forwarded to business.support@csd.gov.za.

8. TRAINING AND SUPPORT REQUIREMENTS

- 8.1 All Training and support requirements need to be forwarded to business.support@csd.gov.za
- 8.2 For telephonic support the OCPO call centre can be contacted on 012 406 9222.
- 8.3 The National Treasury will facilitate access to the system and provide training.

9. APPLICABILITY

This SCM Instruction applies to all Departments, Constitutional Institutions and Public Entities listed in Schedule 2 and 3 to the PFMA.

10. REPEAL OF NATIONAL TREASURY PRACTICE NOTE AND REFERENCE

- 10.1 This instruction repeals:
- a) National Treasury SCM Instruction 4 of 2016/2017;
 - b) Paragraph 5 and 6 of National Treasury practice note no 8 of 2007/2008 on threshold values for the procurement of goods, works and services by means of petty cash, verbal/written price quotations or competitive bids dated 29 November 2007;
- 10.2 The list of prospective suppliers referred to in paragraph 3.2 and 3.3 of the National Treasury practice note no 8 of 2007/2008 must be regarded as the list of prospective suppliers established through the CSD.

11. DISSEMINATION OF INFORMATION CONTAINED IN THIS INSTRUCTION

- 11.1 Heads of Provincial Treasuries are requested to bring the contents of this SCM Instruction to the attention of Accounting Officers and Supply Chain Management Officials of their respective provincial departments;
- 11.2 Accounting Officers of National and Provincial Departments are requested to bring the contents of this SCM Instruction to the attention of Supply Chain Management Officials in their Departments and Accounting Authorities that report to the Executive Authority of their Department.
- 11.3 Accounting Authorities of Public Entities listed in Schedules 2 and 3 of the PFMA are requested to bring the contents of this SCM Instruction to the attention of the Supply Chain Management Officials of their Public Entities.

12 NOTIFICATION TO THE AUDITOR-GENERAL

The Auditor-General will be notified of the contents of this Instruction.

13 AUTHORITY FOR THIS INSTRUCTION AND EFFECTIVE DATE

This SCM Instruction is issued in terms of section 76(4) (c) of the PFMA takes effect from 1 July 2016. Institutions that have adopted the implementation of the CSD before 1 July 2016, may continue to utilise the CSD.

14 CONTACT INFORMATION

Enquiries related to this Instruction may be directed to:

Tumelo Ntlaba

Director: Central Supplier Database

Phone: 012 315 5509

Email: tumelo.ntlaba@treasury.gov.za or csd@treasury.gov.za



KENNETH BROWN
CHIEF PROCUREMENT OFFICER

DATE: 19/5/2016.



national treasury

Department
National Treasury
REPUBLIC OF SOUTH AFRICA

TO ALL: ACCOUNTING OFFICERS OF DEPARTMENTS AND CONSTITUTIONAL INSTITUTIONS

ACCOUNTING AUTHORITIES OF PUBLIC ENTITIES

HEAD OFFICIALS OF PROVINCIAL TREASURIES

NATIONAL TREASURY SCM INSTRUCTION NO 4 OF 2016/2017

CENTRAL SUPPLIER DATABASE (CSD)

1. PURPOSE

The purpose of this *SCM Treasury Instruction* is to prescribe the utilisation of the Central Supplier Database (CSD) to Accounting Officers and Accounting Authorities.

2. BACKGROUND

- 2.1 In terms of Section 38 (1) (a) (iii) and 51 (1) (iii) of the PFMA, the Accounting Officer of a Department or Constitutional Institution and the Accounting Authority of a Public Entity listed in Schedule 2 and 3 to the PFMA must ensure that their respective institution has and maintains an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost effective.
- 2.2 Section 76 (4) (c) of the PFMA further confers National Treasury to issue instructions applicable to all institutions to which the Act applies, concerning the determination of a framework for an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective.
- 2.3 National Treasury Circular No 3 of 2015/2016 informed Accounting Officers and Accounting Authorities of Departments, Constitutional Institutions and all Schedule 2 and 3 Public Entities of the transitional arrangements prior to the mandatory application of the CSD on 1 April 2016.
- 2.4 The registration and verification of supplier information has not been uniform and standardised for all organs of state which complicated the process of doing business with the state, thus National Treasury established the CSD in September 2015 to administer supplier registration and facilitate the verification of supplier information in respect of all goods and services procured.

3. UTILISATION AND ACCESS TO THE CSD AS A USER BY DESIGNATED OFFICIALS¹

- 3.1 The Accounting Officer/Accounting Authority must ensure that:
- 3.1.1 Suppliers of the department or public entity are registered on the CSD before any procurement related activity commences;
- 3.1.2 The CSD be utilised as the single and only list of prospective suppliers for the respective department or public entity; and
- 3.1.3 Designated official(s) are appointed and authorised to access the CSD as prescribed by the National Treasury.

4. ACCESS TO THE CSD AS A USER FOR DESIGNATED OFFICIALS

- 4.1 National Treasury will grant access to organs of state and their respective authorised designated official(s) on the CSD to identify prospective suppliers for quotes and/or verify supplier's key information through the following procedure:
- 4.1.1 Accounting Officers and Accounting Authorities or their delegated official must submit the Organ of State System Account Application Form, attached as Annexure A in order to obtain system and user access to the CSD.
- 4.1.2 For legibility and accuracy purposes the forms referred to in 4.1.1 must be accessed and completed electronically from the following link to National Treasury website:
- http://ocpo.treasury.gov.za/buyers_Area
- 4.1.3 Accounting Officers and Accounting Authorities or their delegated official may only obtain access upon receipt and processing of system/user application forms for authorised designated official(s) of the department or entity.

5. REQUIRED PROCEDURES FOR SUPPLIER VERIFICATION IN TERMS OF ALL GOODS AND SERVICES PROCURED THROUGH QUOTATIONS

The Accounting Officer or Accounting Authority of all institutions to which this *SCM Treasury Instruction* applies must:

- 5.1 Invite and accept price quotations from prospective suppliers listed on the CSD.

¹ "Designated official(s)" means an official in the employ of an organ of state who have been granted access on the CSD to source quotations and verify key information.

National Treasury SCM Instruction 4 of 2016/2017
Central Supplier Database

- 5.1.1 The verification of the following key information for bids received:
- a) Business registration, including details of directorship and membership;
 - b) Bank account holder information;
 - c) In the service of the state status²;
 - d) Tax compliance status;
 - e) B-BBEE status level³;
 - f) Tender defaulting and restriction status;
 - g) Identity number; and
 - h) Any additional and supplementary verification information communicated by the National Treasury.
- 5.2 Include the mandatory requirement for prospective suppliers to be registered on the CSD in all Requests for Price Quotations and advertisements for procurement of goods and/or services.
- 5.3 Conduct a thorough market analysis to identify possible supplier(s) if it is not possible to obtain price quotations from the list of prospective suppliers registered on the CSD. The process must be properly documented and submitted to the Accounting Officer, Accounting Authority or an appropriately delegated official for approval. The identified supplier(s) must be registered on the CSD before orders are processed or contracts entered into by the institution.
- 5.4 Ensure that a supplier that has been contracted in respect of emergency procurement procedures of the department/entity that is not registered on the CSD, be registered as soon as possible but not later than 7 calendar days after the order was issued to the supplier.
- 5.5 Provide registration support to prospective suppliers that are unable to self-register or require assistance with registration.
- 5.6 Only award bids to suppliers after verifying that the supplier is registered as prospective suppliers on the CSD.
- 5.7 Not award bid(s) to any supplier registered as a prospective supplier on the CSD who is identified as being a tender defaulter.
- 5.8 Not extend any contract(s) for computerised database systems that record details of their prospective suppliers.

² "In the service of the state" this verification is only applicable to employees with *PERSAL numbers*

³ Verification of B-BBEE status level to be made available at a later stage.

- 5.9 Not institute any new computerised database systems for management of their list of prospective suppliers without prior written approval from National Treasury.

6 APPLICABILITY

This *SCM Treasury Instruction* applies to all departments, constitutional institutions and public entities listed in schedules of the PFMA.

7 REPEAL OF NATIONAL TREASURY PRACTICE NOTE AND REFERENCE

- 7.1 This instruction repeals paragraph 5 and 6 of National Treasury Practice Note no 8 of 2007/2008 on threshold values for the procurement of goods, works and services by means of petty cash, verbal/written price quotations or competitive bids dated 29 November 2007.

- 7.2 The list of prospective suppliers referred to in paragraph 3.2 and 3.3 of the National Treasury Practice Note no 8 of 2007/2008 must be regarded as the list of prospective supplies established through CSD.

8 EFFECTIVE DATE

This *SCM Treasury Instruction* takes effect from 1 May 2016.

9 DISSEMINATION OF INFORMATION CONTAINED IN THIS TREASURY INSTRUCTION

- 9.1 Head officials of Provincial Treasuries must bring the contents of this *SCM Treasury Instruction* to the attention of all Accounting Officers/Accounting Authorities in their respective provinces.

- 9.2 Accounting Officers and Accounting Authorities at National level must bring the contents of this *SCM Treasury Instruction* to the attention of the relevant officials.

10 AUTHORITY FOR THIS INSTRUCTION

This *Treasury Instruction* is issued in terms of Section 76(4) (c) of the PFMA.

11 TRAINING, SUPPORT REQUIREMENTS AND CONTACT INFORMATION

- 11.1 All Training and support requirements need to be forwarded to business.support@csd.gov.za

- 11.2 For telephonic operational support the OCPO call centre can be contacted on (27 12) 406 9222 or csd@treasury.gov.za

- 11.3 The National Treasury will facilitate access to the CSD system and provide training.

- 11.4 Enquiries related to this *SCM Treasury Instruction* may be directed to:

National Treasury SCM Instruction 4 of 2016/2017
Central Supplier Database

Tumelo Ntlaba
Director: Central Supplier Database
Phone: 012 315 5509
Email: tumelo.ntlaba@treasury.gov.za or csd@treasury.gov.za



KENNETH BROWN
CHIEF PROCUREMENT OFFICER

DATE: 22/4/2016



Office of the Chief Procurement Officer System Account Application Form

CSD User Account

- Primary User
- System User

Publishing User

GCommerce

- Buy Site User
- Admin User
- PO Operator
- Receiving User
- Invoicing User
- Payment User

Organ of State Information

- Organ of State Type:
- National
 - Provincial
 - Local
 - SOE

System Account to be:

- Activated
- Deactivated

Organ of State Name:

System Account effective from:



User Information

Title:

Name (s):

Surname:

Rank:

Division:

PERSAL No / Employee No:

Telephone number:

Cell phone number:

Email Address:

ID Number:

Signature:

Date:



Declaration by CFO

I, the Chief Financial Officer (CFO) of the above-mentioned organisation, hereby certify that the provided information of the technical user is correct and verified.

Title:

Name (s):

Surname:

Rank:

Division:

PERSAL No / Employee

No:

Telephone number:

Cell phone number:

Email Address:

ID Number:

Signature: _____

Organ of State Stamp

Date:



1. For legibility and accuracy, please complete this form electronically

2. Print, sign, stamp, scan and email completed document to business.support@csd.gov.za

National Treasury Office Use Only

Title:

Title:

Name (s):

Name (s):

Surname:

Surname:

Request authorised on:



Request authorised on:



Signature: _____

Signature: _____