



**Western Cape
Government**

Provincial Treasury

HOW TO DO BUSINESS WITH THE WESTERN CAPE GOVERNMENT

22 – 23 May 2019

Hessequa and Kannaland Municipalities
in Eden District

PRESENTED BY MALIBONGWE VUSANI

Western Cape Government Departments

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Our Provincial Strategic Goals



STRATEGIC GOAL 1:
Create opportunities
for growth and jobs



STRATEGIC GOAL 2:
Improve education
outcomes and
opportunities for youth
development



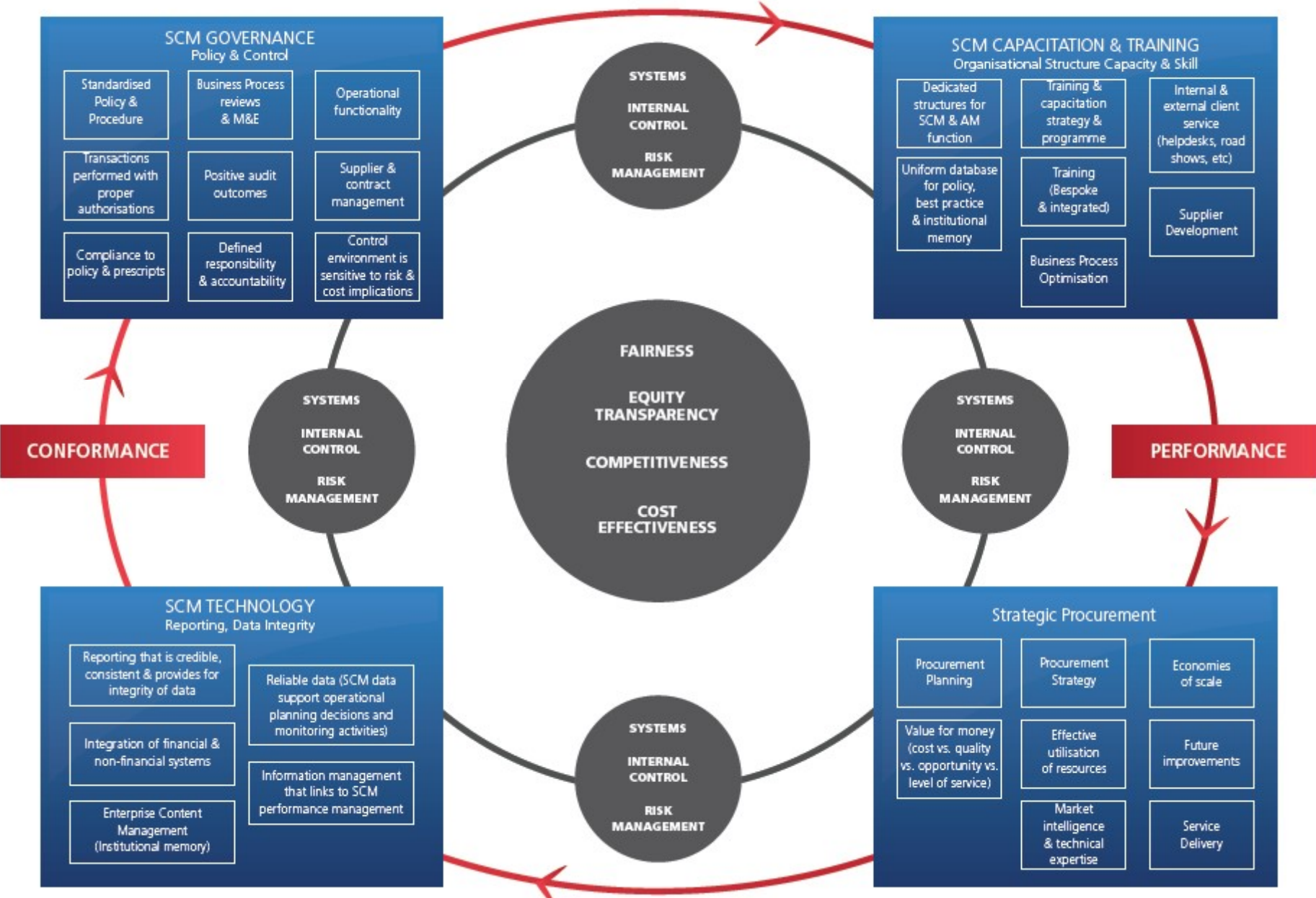
STRATEGIC GOAL 3:
Increase wellness,
safety and tackle social
ills



STRATEGIC GOAL 4:
Enable a resilient,
sustainable, quality
and inclusive living
environment

STRATEGIC GOAL 5: Embed good governance and integrated service delivery through partnerships and spatial alignment

PROVIDE POLICY DIRECTION



ALLOCATE BUDGET



Western Cape
Government

Sustainable spending to create public value

2018/19 Provincial Budget

R62.705 billion ✓
a Budget for People

We are delivering public value by prioritising quality health care and education, keeping communities safe, creating jobs, providing housing, and improving infrastructure and informal settlements.



Government
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WATCHDOG OVER FINANCIAL SYSTEMS





Western Cape Government

Provincial Treasury

Legislative Framework

Constitution of the Republic of South Africa (Act No. 108 of 1996) - Section 217 states that government procurement systems must be Fair, Equitable, Transparent, Competitive and Cost Effective

Fair, Transparent, Competitive, Cost Effective			Equitable	
Public Finance Management Act (Act No. 1 of 1999)	Municipal Finance Management Act (Act No. 56 of 2003)	Construction Industry Development Board Act (Act No. 38 of 2000)	Preferential Procurement Policy Framework Act (Act No. 5 of 2000)	Broad Based Black Economic Empowerment Act (Act No. 53 of 2004)
PFMA	MFMA	CIDB	PPPFA	BBBEE

THRESHOLD VALUES FOR VARIOUS FORMS OF PROCUREMENT

Accounting officers or accounting authorities must adhere to the following threshold values for the procurement of goods or services:

- goods or services up to an estimated value of R2000 (inclusive of all taxes) may be procured through petty cash;
- goods or services between an estimated value of R2000 and up to R10 000 (inclusive of all taxes) may be procured by obtaining at least three informal quotations;
- goods or services between an estimated value of R10 000 and up to R500 000 (inclusive of all taxes) must be procured through formal invitation of price quotations by means of the integrated procurement solution; and
- goods or services above the estimated value of R500 000 (inclusive of all taxes) must be procured through a competitive or limited bidding process,

The accounting officer or accounting authority must ensure that goods or services are not deliberately split into parts as items of lesser value merely to avoid complying with the requirements of the prescribed threshold values as contained in paragraph 5.3.1 of these Instructions.

WHAT ARE THE REQUIREMENTS TO DO BUSINESS WITH WESTERN CAPE GOVERNMENT (WCG)?

Suppliers must:

- Acquaint and up-skill themselves to enable them to participate in the competitive bidding processes
- Register on the Western Cape Supplier Database (WCSD) via Ariba. As from 1st of April 2013, WCG no longer do business with suppliers who are not duly/actively registered on the supplier database.
- Be tax compliant.
- Obtain a B-BBEE rating certificate or a sworn affidavit for EMEs and QSEs (It is a requirement for the claim of preference points) as well as complete WCBD 6.1 to claim your B-BBEE points
- Complete the Declaration document WCBD4 and meet all other compulsory requirements of tender
- There is no cost involved for a Supplier to register on the WCSD or to update their Profiles. All costs are carried by Provincial Treasury.

REGISTRATION ON THE WCSD

- Compulsory registration on the Western Cape Supplier Database (WCSD) is a policy decision taken by the Western Cape Government (WCG) in order to utilise the database as a mechanism to house compulsory tender and supplier information requirements, such as Tax Clearance Certificates, BBBEE Certificates, SBD 4; 8 and 9 (WCBD 4), WCBD 6.1 and 6.2, to eliminate repeated requests for documents every time suppliers tender.
- It is essential to note that you will only be able to receive Request for Quotations (RFQ's) from WCG if you are duly registered and in a verified status on the WCSD. Should you fail to maintain your profile on the WCSD you will be suspended on the database and you will not receive RFQ's.
- The onus will be on suppliers to ensure that their status on the WCSD is maintained at all times.

CENTRAL SUPPLIER DATABASE

- The Minister of Finance announced in the 2015 budget speech, the development and future use of the Central Supplier Database (CSD) as a way of simplifying the process of doing business with government.
- From 1 April 2016 all organs of state excluding Municipalities (1 July 2016) will be required to only do business with Suppliers that are duly registered on the CSD.
- **The CSD was defined with the intent to:**
 - ✓ be the single source of all supplier information for all organs of state;
 - ✓ reduce the paper-based exchange of compliance documents;
 - ✓ eliminate multiple registrations with different organs of state;
 - ✓ reduce the cost for both business and government by enabling electronic registration and verification processes; and
 - ✓ reduce audit queries on suppliers' compliance information
- CSD interfaces with the South African revenue Service (SARS) for tax status verification and the Companies and Intellectual Property Commission (CIPC) for business registration and business ownership information. Supplier information with the NT register for tender defaulters and database of restricted suppliers will be verified.
- Supplier Banking details /holder account information verification and B-BBEE verification with the DTI databases

CSD CONTINUED

- **Permission was granted to run the WCSD concurrently with the CSD provided that:**
 - The CSD is the master of supplier information and such information cannot be modified by the WCSD; and
 - suppliers registered on the CSD should not be excluded or disadvantaged in anyway by the existence of the WCSD.
- Self registration of suppliers commenced 1 September 2015
- Suppliers that register on the CSD must provide their CSD supplier number that will be communicated to them, as well as any other relevant documentation (not yet electronically verified by the CSD) to the organs of state that they want to do business with.

TAX ISSUES WITH CSD



Result Summary

Entity Details

Registered Name:	[REDACTED]
Trading Name:	[REDACTED]
Reg/CC/Trust No:	[REDACTED]
INCOME_TAX:	[REDACTED]
TCC Number:	[REDACTED]
Date/Time:	2016-05-06 09:15:37

The response represents the taxpayer's compliance status at the date and time of this response. It is important to note that the overall compliance status is not static and will change as the compliance status changes.

Indicator	Description	Status	Purpose	Approved Date	Expiry Date	Refresh	Open
Compliant	The taxpayer is registered for tax and is currently compliant in respect of filing and payment responsibilities	ACTIVE	TENDER	2016-04-19	2017-04-19	Refresh	

Print screen and save or snipping tool and save. Forward print screen/screen shot to ARIBA with downloaded eFiling Tax Clearance Certificate

BANK ISSUES

Confirm Bank Account Details with the Bank

ABSA: CIF Screen

First National Bank: Hogans System on the CIS4

Standard Bank: Bank Look-up Screen

Nedbank: Banking Platform under the Client Details Tab

For banks not listed above, ask the bank to confirm the bank account number as it is listed on their client information system (specifically the information provided to account verification services).

E-Tender Publication Portal

- National Treasury (OCPO) launched the e-Tender Publication portal as from 1 May 2015 to create a single platform for the publication of tenders and to eliminate duplication and fragmentation of notices for government tenders.
- This initiative is further aimed at simplifying, standardising and automating the procurement process whereby provincial departments will publish their tenders in accordance with the demand plans for acquisition of goods, services and infrastructure
- The portal will carry notices, accompanied by official tender documents and relevant Terms of Reference or other description of functionality that may be applicable and the publication of Award notices and minimum information as prescribed. The benefits of the portal include cost reduction and effort associated with traditional tender publications and an improvement in transparency and accountability with regards to the award of government tenders
- Suppliers will have central access to all bid opportunities and their results

❖ www.etenders.gov.za



e Tender Publication



national treasury
Department
National Treasury
REPUBLIC OF SOUTH AFRICA

eTenderPublication

managing South Africa's national government finances



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Welcome to eTenderPublication

Welcome to the government of South Africa's eTenderPublication portal.

This portal provides a single point of access to information on all tenders made by all public sector organisations at all spheres of government. This includes tenders of amongst others all National and Provincial Departments, Metros, District Municipalities, Local Municipalities, Municipal Entities, all Public Entities, State Owned Enterprises, Constitutional Bodies etc.

The eTender Publication Portal facilitates all government institutions to publish their tenders, corrigendum and award notices on a single platform. This portal gives FREE access to public sector tender opportunities in South Africa.

Links:

[Quarterly Scheduled Bid Opportunities for National Departments and Public Entities](#)


[Central Supplier Database](#)

[Office of the Chief Procurement Officers Website](#)




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Advertised Tenders

Category
- Any -

Province
- Any -

Cluster
- Any -

Department
- Any -

Tender Type
- Any -

Category	Tender Description	Tender No.	Date published	Closing date	Compulsory briefing session
Information and communication	PetroSA OPEN/CLOSE TENDERS	PetroSA OPEN/CLOSE TENDERS	05/03/2018	03/12/2020 - 12:00pm	
Services: Professional	the provision of chemical analysis on an as and when required basis for a period of three years	CORP No 4299	30/11/2017	09/01/2019 - 10:00am	08/12/2017 - 10:00am
Civil engineering	NRA N002-300-2018/1D-DL EOTECHNICAL DRILLING INVESTIGATION FOR THE UPGRADING OF NATIONAL ROUTE 2 SECTIONS 30, 31 AND 32 FROM KANGELA (N2/30 KM 14) TO PONGOLA (N2/32 KM 29.4)	NRA N002-300-2018/1D-DL	01/12/2017	25/12/2018 - 2:00pm	11/01/2018 - 11:00am
Civil engineering	NRA N002-300-2018/1D-DL EOTECHNICAL DRILLING INVESTIGATION FOR THE UPGRADING OF NATIONAL ROUTE 2 SECTIONS	NRA N002-300-2018/1D-DL	01/12/2017	25/12/2018 - 2:00pm	11/01/2018 - 11:00am

The WCG have implemented a web-based **e-procurement** solution which has been acquired via Ariba, **WCG's implementing agent**.

The WCG is committed to implement this **e-procurement solution** as it presents numerous benefits to their supplier base, including the provision of a more effective, efficient and reliable procurement solution.

All RFQ's to the value of R500 000 will be electronically distributed to suppliers duly registered and in a verified status on the WCSD.

It is important to note that suppliers will only receive RFQ's on those commodities and services they are registered for on the WCSD.

Going forward with IPS...

When receiving a RFQ from the WCG, you will be required to respond via the e-procurement system **ONLY**; no faxed or e-mailed responses will be accepted

First email will be and RFI

Second email will be an RFQ

Register and quote

FAIR DEALINGS

Penalties for Suppliers in terms of The Criminal Law Amendment Act 105 of 1997

- Minimum sentence of 15 years imprisonment for fraud, theft and forgery.

The Prevention and Combating of Corrupt Activities Act 12 of 2004 (Corruption Act)

- Imprisonment for life (High Court)
- 28 years (Regional Court)
- Register for convicted persons.
- Register for tender defaulters (National Treasury)
- Agreements terminated
- Offenders black-listed

OFFENCES (GENERAL PRINCIPLE)

Fraud

- misrepresentation/providing false information
- intent to deceive
- Prejudice or potential prejudice

Examples:

- Application for registration on supplier data base : misrepresent relations/connection with Municipal / departmental officials
- Tender documents : misrepresent BEE status
- Misrepresentation on **invoices** or certificates submitted for payment – E.g as to whether work has been completed and/or done correctly
- details of services rendered (E.g. number of points visited as part of a survey, progress made with building work).

OFFENCES (Cont.)

Withholding of information can also constitute a misrepresentation.

Examples:

- Failure by bidder to disclose that he is related to an official or
- that an official has a share in the bidding entity
- Failure to disclose collusion with officials
- inside information obtained about a tender
- Specifications are manipulated /collusion with officials
- Bid rigging between tenderers = manipulation of the quotation sourcing process

DISPUTE MECHANISM

OBJECTIONS AND COMPLAINTS (MUNICIPAL SPHERE)

Supply Chain Management Regulation 49.

- Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action to the Accounting Officer (Municipal Manager) of the Municipality.

OBJECTIONS AND COMPLAINTS (PROVINCIAL SPHERE)

- Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge a written objection or complaint against the decision or action taken in terms of the supply chain management system of the relevant provincial department within 14 days of the decision or action, a written objection or complaint against the decision or action to the Accounting Officer.

IN BOTH INSTANCES WHERE THE OBJECTIONS ARE NOT SATISFACTORILY RESOLVED THE PROVINCIAL TREASURY MAY BE APPROACHED TO ACT AS MEDIATOR. THIS HOWEVER DOES NOT EXCLUDE THE BIDDERS RIGHT TO APPROACH A COMPETENT COURT OF LAW TO DECIDE ON THE MATTER.

HELPDESK EMAIL ADDRESSES

Provincial Departments

Supplychainmanagement.hdpfma@westerncape.gov.za

Municipalities

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Thank you