

NATIONAL TREASURY

MFMA Circular No 119

Municipal Finance Management Act No. 56 of 2003

WITHDRAWAL OF MFMA CIRCULAR 105 and MFMA Circular 109: PROCUREMENT IN RESPONSE TO NATIONAL STATE OF DISASTER REGARDING COVID-19 PANDEMIC

1. PURPOSE

The purpose of the circular is to-

(a) inform municipalities and municipal entities of the withdrawal of MFMA Circular 105 (25 August 2020) and MFMA Circular 109 (18 May 2021) that dealt with the procurement processes in response to the National State of Disaster regarding the COVID-19 pandemic.

2. BACKGROUND

- 2.1 The National Treasury issued MFMA Circular 105 on 25 August 2020, which became effective on 1 September 2020, in which municipalities and municipal entities were informed to revert to normal procurement procedures for all goods, services and works (including the procurement of Personal Protective Equipment and fabric masks). The Circular also included reporting measures to improve the monitoring and transparency of COVID-19 related procurement data and such information was published on relevant websites and the National Treasury website.
- 2.2 On 18 May 2021, National Treasury issued MFMA Circular 109, in which the reporting dates were extended up to March 2022.

3. **DISCUSSION**

3.1 Cabinet decided to terminate the National State of Disaster from midnight, 04 April 2022. While the pandemic is not over, and while the virus continues to circulate, Cabinet determined that it was no longer necessary for the country to remain in a National State of Disaster. 3.2 Certain regulations that were issued in terms of the Disaster Management Act, 2002 (Act No.57 of 2002), remained in place for a further 30 days to ensure a smooth transition to the new regulations that were issued in terms of the National Health Act, 2003 (Act No. 61 of 2003), contained in Notice No. 2061 published under Government Gazette No. 46319 of 4 May 2022.

4. APPLICABILITY

This Circular applies to all Municipalities and Municipal entities and is effective on the date of signature.

5. WITHDRAWAL OF MFMA CIRCULAR 105 AND MFMA CIRCULAR 109

MFMA Circular 105 and MFMA Circular 109 on **Emergency procurement in response to National State of Disaster**, are hereby withdrawn. This withdrawal includes the reporting requirement which will not be required any longer.

6. DISSEMINATION OF INFORMATION CONTAINED IN THIS CIRCULAR

Accounting officers are requested to bring the contents of this circular to the attention of municipal officials and municipal entities, supply chain management officials and any other official who may be responsible or are assigned duties in the procurement of items listed in this circular and its Annexures.

7. NOTIFICATION TO THE AUDITOR-GENERAL

A copy of this circular will be submitted to the Auditor-General for notification.

8. CONTACT INFORMATION

Any enquiries in respect of this circular must be submitted to: Molefe-Isaac Fani Acting Chief Procurement Officer Email: <u>cpo@treasury.gov.za</u> Any enquiries in respect of the reporting template and data extraction advice must be submitted to: Tumelo Ntlaba Acting Chief Director: SCM ICT Email: <u>tumelo.ntlaba@treasury.gov.za</u>

MOLEFE-ISAAC FANI ACTING CHIEF PROCUREMENT OFFICER DATE: 7 July 2022