



ADVERTISEMENT OF BIDS AND THE PUBLICATION OF NOTICES IN RESPECT OF AWARDED BIDS, CANCELLED BIDS, VARIATIONS AND EXTENSIONS OF EXISTING CONTRACTS ON THE eTENDER PUBLICATION PORTAL

PURPOSE

The purpose of this *Circular* is to provide information to municipalities and municipal entities regarding the advertisement of bids and the publication of notices in respect of awarded bids, cancelled bids, deviations, variations and extensions of existing contracts of a municipality or a municipal entity on the eTender Publication Portal. The contents of this Circular must be read in conjunction with MFMA Circular 81 dealing with the web based Central Supplier Database (CSD). This Circular is available and can be accessed on the MFMA webpage, using the following link <http://mfma.treasury.gov.za/Circulars/Pages/default.aspx>.

BACKGROUND

Regulation 22 (1) (a) of the Municipal Supply Chain Management Regulations states that a supply chain management policy must determine the procedure for the invitation of competitive bids, and must stipulate that any invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, the website of the municipality or municipal entity or any other appropriate ways (which may include an advertisement in the Government Tender Bulletin).

On the 4th February 2015, the National Treasury issued the Public Sector Supply Chain Management Review. The aim of this review was to, amongst others, improve processes, rules and infrastructure related to supply chain management and to facilitate easier interaction between the public and private sectors in order to conduct business more efficiently.

During the review, SCM practitioners, SMMEs, organised business and civil society expressed to the National Treasury that the advertisement of bids and the publication of awards, cancellations, deviations, variations and extensions of contracts on a central publication platform are instrumental to meeting the constitutional requirement for ensuring that goods, services and works are procured in a manner that is fair, equitable, transparent, competitive and cost-effective.

The National Treasury has therefore implemented the eTender Publication Portal as another mechanism where municipalities and municipal entities are required to advertise all their bids and publish notices of all awarded bids, cancellations and deviations, variations and extensions of existing contracts. The purpose is to ensure

that all potential service providers have easy and free access to advertised bids and are provided with an opportunity to compete in supplying municipalities with goods, services and works.

ADVERTISEMENT OF BIDS ON THE eTENDER PUBLICATION PORTAL

Accounting officers of municipalities and municipal entities are required to advertise all bids¹ on the eTender Publication Portal as provided below.

All bids advertised on the eTender Publication Administrator must at least contain the following information:

- Bid description;
- Bid number;
- Name of Municipality or Entity;
- The physical location where the goods, services or works specified in the bid are required;
- The closing date and time of the bid;
- Municipality or entity's contact details (postal and physical address, telephone number, email address, etc.);
- The physical location where hard copies of bids can be collected;
- The physical location where bids should be delivered; and
- The bid documents (MBDs, Terms of Reference, GCC and any other relevant documents)

PUBLICATION OF NOTICES OF BID AWARDS, CANCELLATIONS, DEVIATIONS, VARIATIONS AND EXTENSIONS ON THE eTENDER PUBLICATION PORTAL

Accounting officers of municipalities and municipal entities are required to publish the awards of all competitive bids on the eTender Publication Portal as mentioned below.

Municipalities and municipal entities are required to publish the following information on successful bids² within seven (7) working days of awarding the bids:

- Names of the successful bidder(s) and preference points claimed;
- Contract price(s) ;
- Contract period;
- Contact details;

¹ **bids** mean competitively advertised requirements over the threshold value of R200 000.00 (two hundred thousand rand)

² **Successful bids** include bids concluded through limited bidding process (deviations, unsolicited bids etc.)

- Names of Directors; and
- Date of completion/award.

In addition to the information required above, accounting officers of municipalities and municipal entities are required to publish information on unsuccessful bids on the eTender Publication Portal and publish the following data within the same time frame referred to above:

- Names of the unsuccessful bidder(s); and
- Contact details.

Notice of a cancelled bid must be published on the same day, or at the latest, the day after a municipality or municipal entity decided to cancel a bid.

Notice of all awards to suppliers through deviations from competitive bidding procedures must be published on the eTender Publication Portal within seven (7) working days after the award was made. Notice of all awards through variations and extensions of existing contracts must be published on the eTender Publication Portal within seven (7) working days after the award was made.

ACCESS TO THE eTENDER PORTAL BY DESIGNATED OFFICIAL(S)

The National Treasury will grant access to the eTender Publication Portal to designated official(s) to upload information required in terms of this circular.

Accounting Officers must utilise the Organ of State System Account Application Form on the Office of the Chief Procurement Officer (OCPO) website to request access rights on the eTender Publication Portal. For legibility and accuracy purposes the form must be completed electronically. The form may be accessed from the following link on the National Treasury website:

<http://ocpo.treasury.gov.za>

The National Treasury will facilitate access to the system and provide training and support in collaboration with Provincial Treasuries.

TRAINING AND SUPPORT REQUIREMENTS

All Training and support requirement need to be forwarded to eTenders@treasury.gov.za. For telephonic support, the OCPO call centre can be contacted Monday to Friday from 08h00 to 16h00 on 012 406 9222 or alternatively the operational support staff on 012 315 5425; 012 315 5863; or 012 406 9012.

ADVERTISEMENT OF BIDS AND PUBLICATION OF NOTICES OF AWARDS, CANCELLATIONS, DEVIATIONS, VARIATIONS AND EXTENSIONS IN THE NEWSPAPERS COMMONLY CIRCULATED LOCALLY, THE WEBSITE OF THE MUNICIPALITY OR GOVERNMENT TENDER BULLETIN

The advertisement of bids and publication of awards on the eTender Publication Portal is additional to the requirement specified in the SCM Regulation 22 (1) (a) which must be complied with by all municipalities and municipal entities. This initiative supports government's drive to improve access to government business opportunities, reduce red tape and duplication of administrative effort in doing business with the state designed to improve the use of technology across all spheres of government.

Municipalities should ensure that closing dates of bids advertised in the *Government Tender Bulletin and other mediums* are the same for those bids that are advertised on the eTender Publication Portal.

CONCLUSION

It is incumbent on accounting officers of municipalities and municipal entities to ensure that this circular is brought to the attention of senior management, chief finance officers, internal audit units, supply chain management practitioners and members of bid committees in the municipality or municipal entity. Accounting officers must also ensure that appropriate systems and controls are in place to comply with the legislation.

CONTACT

National Treasury

Phone

Private Bag X115, Pretoria 0001

012 315 5850

Fax

012 315 5230

Email – General

mfma@treasury.gov.za

Website

www.treasury.gov.za/mfma

TV PILLAY

CHIEF DIRECTOR: MFMA IMPLEMENTATION

Date: 18 July 2016