



national treasury

**Department:
National Treasury
REPUBLIC OF SOUTH AFRICA**

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To:

ACCOUNTING OFFICERS OF DEPARTMENTS
ACCOUNTING OFFICERS OF CONSTITUTIONAL INSTITUTIONS
ACCOUNTING AUTHORITIES OF SCHEDULE 2 AND 3 PUBLIC ENTITIES
HEAD OFFICIALS OF PROVINCIAL TREASURIES
ACCOUNTING OFFICERS OF MUNICIPALITIES AND MUNICIPAL ENTITIES
CHIEF FINANCE OFFICERS OF MUNICIPALITIES AND MUNICIPAL ENTITIES

CAUTIONARY NOTICE: ADVERTISING, PUBLISHING, AND CLOSING OF BIDS OVER THE FESTIVE SEASON

Section 217 of the Constitution requires that when an organ of state contracts for goods and services, it must do so in accordance with principles of fairness, equitability, transparency, competitiveness, and cost-effectiveness.

The festive period generally commences on 15 December 2023 to 9 January 2024. During this period, many supplies, service providers and other industries are closed and therefore unable to respond to bid opportunities advertised during this period. National Treasury has experienced a flood of allegations of misconduct relating to the above-mentioned practices, during this period. Advertising, publishing, and or closing bids during this period have been questioned and compromise principles of transparency and fairness, amongst others.

National Treasury cautions Accounting Officers and Accounting Authorities (AO/AA) on advertising, publishing and or closing of bids during the festive period, unless relating to emergencies in terms of the supply chain management prescripts. Such practices may lead to unnecessary litigation that will further delay service delivery to the public. Therefore, it is advised that AOs/AAs must ensure that officials responsible for supply chain management processes are made aware of this cautionary communication. It is imperative that appropriate internal control measures and approval protocols are instituted, to mitigate risks associated with bids to be advertised during this period.

Procuring institutions can still advertise bids until 14 December 2023, but are advised to extend closing dates to late January 2023 to provide sufficient time for prospective bidders to respond to such bids.

This communication is applicable for the period 15 December 2023 to 9 January 2024.

Please do not hesitate to contact SCMGMC1@treasury.gov.za for any further clarity.

Yours sincerely

SHABEER KHAN
ACTING DIRECTOR-GENERAL
DATE: 27/11/2023