



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

- TO ALL :** **ACCOUNTING OFFICERS OF DEPARTMENTS AND CONSTITUTIONAL INSTITUTIONS**
- :** **ACCOUNTING OFFICERS OF ALL MUNICIPALITIES AND MUNICIPAL ENTITIES**
- :** **ACCOUNTING AUTHORITIES OF SCHEDULES 2 AND 3 PUBLIC ENTITIES**
- :** **HEAD OFFICIALS OF PROVINCIAL TREASURIES**

NATIONAL TREASURY CIRCULAR NO. 1 OF 2015/2016

PROCUREMENT OF RESERVED POSTAL SERVICES OF ONE (1) KILOGRAM AND BELOW, FROM THE SOUTH AFRICAN POST OFFICE (SAPO)

1. PURPOSE

The purpose of this Treasury Circular is to remind accounting officers and accounting authorities on their obligation to procure reserved postal services of one (1) kilogram and below through SAPO.

2. BACKGROUND

- 2.1 In terms of Chapter 3, Section 15.1 of Postal Service Act No. 124 of 1998, no person may operate a reserved postal service except under and in accordance with a licence issued to that person.
- 2.2 The Independent Communications Authority of South Africa (ICASA), authorised in terms of the ICASA Act No. 13 of 2000 to issue operating licences, granted to SAPO the licence to provide nationwide reserved postal services on an exclusive basis for a period of twenty five years (25) effective from 20th October 2008.
- 2.3 Currently, there are no service providers licenced to provide nationwide reserved postal services and SAPO is the sole mandated service provider. It has come to light that some accounting officers and accounting authorities including their designated SCM practitioners have not been complying to this requirement. This circular is an attempt to provide clarity on the provisions of the Postal Service Act and the ICASA operating license.

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2.4 Accounting officers and accounting authorities are therefore reminded to ensure that reserved postal related goods and services are procured as per the prescribed legislation.

3. MANDATORY ELEMENTS OF THE RESERVED POSTAL ITEMS AND SERVICES

3.1. In terms of the operating licence granted to SAPO as per the ICASA Act, the mandatory services to be exclusively provided by SAPO and referred to as reserved postal services are-

- a) All letters, postcards, printed matter, small parcels meaning any form of written communication or other document, article or object that is directed to a specific person or persons or specific address and is to be conveyed other than by electronic means, and includes a parcel, package or wrapper containing any such communication or article.
- b) Issuing of postage stamps; and
- c) The provision of roadside collection and address boxes.

3.2. The reserved postal described in paragraph 3.1 (a) are all items of a mass up and including **one kilogram** as well as dimensions which enable it to fit into a rectangular box with the following dimensions:

- a) **Length 458 mm; width 324 mm; thickness 100 mm.**
- b) **Cylinders (also regarded as letters) of mass up to one kilogram with a maximum length 458 mm and 100 mm thickness.**

3.3. Accounting officers and authorities are required to acquire these services from SAPO as prescribed. Should SAPO indicate in writing that it is unable to provide the services itself, the prescribed Supply Chain Management processes may be applied in the procurement of the reserved postal items and services.

4. EXEMPTED SERVICES FROM THE LICENCED RESERVED CATEGORY

4.1 The following exemptions from letter mail apply to:

- a) Delivery by an employee of the sender exclusively for the private affairs of the sender;
- b) Unaddressed mail;
- c) The exchange or service of legal process, proceedings, pleadings, affidavits or depositions;

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- d) Letters exceeding the stipulated dimensions or mass;
- e) Occasional letters delivered by an individual not in the business of delivering letters;
- f) Trade announcements, circulars, printed extracts from newspapers, or advertisement which are not addressed to any person;
- g) Newspapers and periodicals.

5. CONTACT DETAILS FOR SAPO OFFICES

- 5.1 The different types of products and services available for reserved postal services as per paragraph 3 of this circular may be viewed on SAPO's website at www.postoffice.co.za or alternatively by contacting the following sales centers:

Sales Offices	Contact Number
Head Office	012 649 6673
Wits (Gauteng)	011 495 0703
Northern Region (Limpopo and Mpumalanga)	012 339 8102
Central Region (Free State, North West & Northern Cape)	051 402 4121
Western Cape	021 590 5553
Kwazulu Natal	031 336 3587
Eastern Cape	041 508 4223

- 5.2 Any enquiry in respect of Reserved Postal items and service may be directed to SAPO as follows:

Mr. Andrew Nongogo
Acting Group Executive: Mail Business
Tel: (012) 649 7012
E-mail: Andrew.Nongogo@postoffice.co.za

6. DISSEMINATION OF INFORMATION CONTAINED IN THIS TREASURY CIRCULAR

- 6.1 Head officials of provincial treasuries are requested to bring the contents of this circular to the attention of all accounting officers and supply chain management officials in their respective provincial departments.

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- 6.2 Accounting officers of departments and constitutional institutions must bring the contents of this circular to the attention of:
- (a) chief financial officers and supply chain management officials of their respective departments; and
 - (b) all accounting authorities of public entities reporting to the executive authority of their respective departments, if applicable.
- 6.3 Accounting authorities of public entities must bring the contents of this circular to the attention of chief financial officers and supply chain management officials of their respective public entities:
- 6.4 Accounting officers of municipalities and municipal entities are requested to bring the contents of this circular to the attention of the supply chain management officials of their municipalities and municipal entities.

7. APPLICABILITY

This circular applies to all national and provincial departments, constitutional institutions, public entities listed in Schedules 2 and 3 to the PFMA, and, municipalities and municipal entities to which the MFMA apply.

8 CONTACT INFORMATION

Enquiries related to this Treasury Circular may be directed to:

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CHIEF PROCUREMENT OFFICER

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