



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

TO: ACCOUNTING OFFICERS OF ALL NATIONAL DEPARTMENTS AND
CONSTITUTIONAL INSTITUTIONS

ACCOUNTING OFFICERS OF MUNICIPALITIES AND MUNICIPAL ENTITIES

ACCOUNTING AUTHORITIES OF ALL SCHEDULE 2 AND 3 PUBLIC ENTITIES

HEAD OFFICIALS OF PROVINCIAL TREASURIES

**NATIONAL TREASURY SCM CIRCULAR 14 OF 2016/2017: AMENDMENT OF
STANDARD BIDDING DOCUMENTS (SBD 6.1 AND 6.2) AND MUNICIPAL BIDDING
DOCUMENTS (MBD 6.1 AND 6.2) IN RESPECT OF PREFERENCE POINTS CLAIM
FORM AND LOCAL CONTENT IN TERMS OF THE PREFERENTIAL PROCUREMENT
REGULATIONS 2017 AND THE IMPLEMENTATION GUIDE.**

1. PURPOSE

The purpose of this circular is to inform relevant institutions of the amended Standard Bidding Documents (SBD 6.1 and SBD 6.2) and Municipal Bidding Documents (MBD 6.1 and MBD 6.2) to give effect to the requirements prescribed in terms of Regulation 6(2) and 7(2) as well as Regulation 8 of the Preferential Procurement Regulations, 2017.

2. BACKGROUND

The Preferential Procurement Regulations 2017 (the Regulations) made in terms of section 5 of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) were promulgated on government gazette No. 40553 dated 20 January 2017 and will come into effect on 1st April 2017. Regulations 6 (2) and 7(2) provide changes to the points allocated for B-BBEE Status level of contributor. This has necessitated changes to the Standard Bidding Documents and Municipal Bidding Documents (SBD 6.1 and MBD 6.1). Changes to SBD 6.2 and MBD 6.2 were effected to align with the provisions in Regulation 8 Preferential Procurement Regulations, 2017.

3. AMENDMENTS TO SBD 6.1 AND MBD 6.1

Regulation 6(2) and Regulation 7(2) provide a table for the award of B-BBEE points per B-BBEE Status level of contributor. This table in the Preferential Procurement Regulations 2011 was amended to align with the new B-BBEE Codes of Good Practice in the 2017 regulations. As a result B-BBEE points allocated in terms of 80/20 preference point system have been reduced for level 3 B-BBEE Status level of

Contributor from 16 to 14. B-BBEE points allocated in terms of 90/10 preference point system have been reduced for level 3 B-BBEE Status level of Contributor from 8 to 6.

In line with the provisions of the Preferential Procurement Regulations, 2017, Institutions are requested to review and update their SBD 6.1 and MBD 6.1 documents.

4. AMENDMENTS TO SBD 6.2 AND MBD 6.2

Changes to SBD 6.2 and MBD 6.2 were effected to align with the provisions in Regulation 8 Preferential Procurement Regulations, 2017.

Word documents will be uploaded on the OCPO website to allow institutions to download and effect minor institutional customization of the documents. The documents can be accessed through the following link: http://ocpo.treasury.gov.za/Buyers_Area/Pages/Standard-Bidding-Forms.aspx

5. IMPLEMENTATION GUIDE

The Office of the Chief Procurement Officer has developed an implementation guide to assist institutions with the implementation of the Preferential Procurement Regulations 2017. The guide can be accessed through the following link: http://ocpo.treasury.gov.za/Buyers_Area/Legislation/Pages/Guidelines.aspx

6. APPLICABILITY

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

7. DISSEMINATION OF INFORMATION CONTAINED IN THIS CIRCULAR

Heads of provincial treasuries are requested to bring the contents of this instruction to the attention of accounting officers and supply chain management officials of their respective provincial departments.

Accounting officers of national and provincial departments are requested to bring the contents of this instruction to the attention of accounting authorities and the supply chain management officials of Schedule 3A and 3C public entities reporting to their respective executive authorities.

Accounting officers of municipalities and municipal entities are requested to bring the contents of this instruction to the attention of the supply chain management officials of their municipalities and municipal entities.

Accounting authorities of Schedule 2, 3B and 3D public entities are requested to bring the contents of this instruction to the attention of the supply chain management officials of their public entities.

8. AUTHORITY FOR THIS CIRCULAR AND EFFECTIVE DATE

This circular is issued in terms of Regulation 15 of the Preferential Procurement Regulations 2017 and takes effect on the 1st April 2017.

CONTACT INFORMATION

Ms Leanda Pietersen
Director: SCM Policy and Legal
Tel No: 012 315 5715
E-mail: Leanda.Pietersen@treasury.gov.za

pp 
SCHALK HUMAN
ACTING CHIEF PROCUREMENT OFFICER
DATE: 3/4/2017