LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

NOTICE TO ALL SUPPLIERS OF GOVERNMENT IN LIMPOPO

The National Treasury has released the revised Preferential Procurement Regulations on the 8th June 2011, which have been aligned with the aims of the Broad-based Black Economic Empowerment Act and its associated Codes of Good Practice. The revised regulations are also in line with government's Industrial Policy Action Plan.

These regulations can be found on the Limpopo Provincial Treasury website on this link: http://www.limtreasury.gov.za or National Treasury website at http://www.treasury.gov.za/divisions/sf/sc/PPPFA/1-34350%208-6%20NatTreas.pdf

The main changes contained in the revised regulations are as follows:

a) Previously bidders scored a maximum of 80 or 90 points for price, and 20 or 10 points for black ownership and for promoting specified RDP goals. The points for price will remain unchanged, while bidders will now score up to 20 or 10 points for their *B-BBEE status level of contribution*.

b) **All bidders will have to submit BEE rating certificates**, issued by either verification agencies accredited by the South African Accreditation System (SANAS), registered auditors approved by the Independent Regulatory Board for Auditors (IRBA), or approved Accountants.

c) Previously, the threshold value for the distinction between the 80/20 and 90/10 preference point system was R500 000. This has now been increased to R1 million to stimulate the development of small enterprises. It is worth noting that the National Treasury threshold values for both quotations and competitive bidding remain unchanged until further notice.

d) To promote uniformity throughout the public sector procurement system, the revised regulations will also be applicable to schedule 2, 3B and 3D public entities, which were previously exempted.

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NB: **The new regulations become effective from 7 December 2011** to allow enterprises to become BEE rated. All suppliers are therefore requested to comply before December 2011 to be considered for business with government. They should submit such certificates to the government institutions that they are doing business with before the 7 December 2011.

- For information on the BEE Codes of Good Practice and assessment of bidders for B-BBEE compliance please visit http://bee.thedti.gov.za/
- For information on existing BBBEE verification agencies visit http://www.sanas.co.za/directory/bbee_default.php

For information on awareness campaigns on this contact Ms Malope @ 015 291 8715.

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HEAD OF DEPARTMENT