



# KwaZulu Natal Provincial Treasury

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## ACCOUNTING OFFICERS/ CHIEF FINANCIAL OFFICERS/ SCM HEADS

### CODE OF CONDUCT FOR SUPPLY CHAIN MANAGEMENT PRACTITIONERS Practice Note Number: SCM-04 of 2007

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#### 1. Introduction

In accordance with Treasury Regulations 16A, National Treasury's Code of Conduct for Supply Chain Management Practitioners must be adhered to by all officials and other role players involved in supply chain management.

#### 2. General Code of Conduct Principles

- 2.1 The Government of South Africa commits itself to a policy of fair dealing and integrity in the conducting of its business. The position of a supply chain management (SCM) practitioner is, therefore, a position of trust, implying a duty to act in public interest. Practitioners should therefore not perform their duties to unlawfully gain any form of compensation, payment or gratuities from any person, or supplier/contractor, for themselves, their family or their friends.
- 2.2 Practitioners should ensure that they perform their duties efficiently, effectively and with integrity, in accordance with the relevant legislation and regulations, including the Public Service Regulations issued by the Department of Public Service and Administration, National Treasury Regulations and Practice Notes and directives issued by Accounting Officers / Authorities. They should ensure that public resources are administered responsibly.
- 2.3 Practitioners should be fair and impartial in the performance of their functions. They should at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual. They should not abuse the power and authority vested in them.
- 2.4 Practitioners should comply with the Code of Conduct for the Public Service as contained in Chapter 2 of the Public Service Regulations, 2001 especially items C4.5 to C4.12 and C5.3 to C5.4 thereof.

### **3. Conflict of interest**

- 3.1 SCM practitioners, to the extent required by their position, should declare any business, commercial and financial interests or activities undertaken for financial gain that may raise a possible conflict of interest.
- 3.2 They should not place themselves under any financial or other obligation to outside individuals or organizations that might seek to influence them in the performance of their official duties.
- 3.3 Practitioners should not take improper advantage of their previous office after leaving their official position.

### **4. Accountability**

- 4.1 Practitioners are accountable for their decisions and actions to the public.
- 4.2 Practitioners should use public property scrupulously.
- 4.3 Only Accounting Officers / Authorities or their delegates have the authority to commit the government to any transaction for the procurement of goods and/or services.
- 4.4 All transactions conducted by a practitioner should be recorded and accounted for in an appropriate accounting system. Practitioners should not make any false or misleading entries into such a system for any reason whatsoever.

### **5. Openness**

Practitioners should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only if it is in the public interest to do so.

### **6. Confidentiality**

- 6.1 Any information that is the property of the government or its suppliers should be protected at all times. No information regarding any bid / contract / bidder / contractor may be revealed if such an action will infringe on the relevant bidder's / contractor's personal rights.
- 6.2 Matters of confidential nature in the possession of supply chain practitioners should be kept confidential unless legislation, the performance of duty or the provisions of law requires otherwise. Such restrictions should also apply after separation from service.

### **7. Bid Evaluation / Adjudication Teams**

- 7.1 Bid evaluation / adjudication teams should regulate supply chain management on behalf of the institution in an honest, fair, impartial, transparent, cost-effective and accountable manner in accordance with the Accounting Officer's / Authority's directives/delegated powers.

- 7.2 The evaluation / adjudication team may be authorized to deal with all supply chain management matters and finalize bids/price quotations in accordance with the directives/delegated powers of the Accounting Officer / Authority.
- 7.3 Bid evaluation / adjudication teams should be familiar with and adhere to the prescribed legislation, directives and procedures in respect of supply chain management in order to perform effectively and efficiently.
- 7.4 All members of bid adjudication teams should be cleared at the level of "CONFIDENTIAL" and should be required to declare their financial interest annually.
- 7.5 No person should-
- 7.5.1 interfere with the supply chain management system of an institution;  
or
  - 7.5.2 amend or tamper with any bid after its submission.

## **8. Combative Practices**

- 8.1 Combative practices are unethical and illegal and should be avoided at all costs. They include but are not limited to:
- (i) Cover-quoting;
  - (ii) Supply of information for lower quotations;
  - (iii) Reference to non-existent competition;
  - (iv) Exploiting errors in bids;
  - (v) Soliciting bids from bidders whose names appear on the list of restricted bidders/suppliers/persons.

## **9. Effective Date**

This practice note takes effect from 2<sup>nd</sup> JULY 2007.



**MRS P. ZULU**  
**ACCOUNTANT GENERAL**