

General Procurement Guidelines

By Werner van Rooyen, Director of HowToTender (Pty) Ltd which specializes in tender consulting and tender training.

Government issued the General Procurement Guidelines not only as a prescription of standards of behaviour, ethics and accountability which it requires of its public service, but also as a statement of Government's commitment to a procurement system which enables the emergence of sustainable small, medium and micro businesses which will add to the common wealth of South Africa and the achievement of enhanced economic and social well-being of all South Africans.

Proper and successful government procurement rests upon certain core principles of behaviour - the Five Pillars of Procurement. They are best described as pillars because if any one of them is broken the procurement system falls. The Five Pillars are:

1. Value for Money

This is an essential test against which a department must justify a procurement outcome. Price alone is often not a reliable indicator and departments will not necessarily obtain the best value for money by accepting the lowest price offer that meets mandatory requirements. Best value for money means the best available outcome when all relevant costs and benefits over the procurement cycle are considered.

2. Open and Effective Competition

This requires a framework of procurement laws, policies, practices, and procedures that is transparent, i.e. it must be readily accessible to all parties;

3. Ethics and Fair Dealing

In procurement, if all parties comply with ethical standards, they can deal with each other on a basis of mutual trust and respect; and conduct their business in a fair and reasonable manner and with integrity.

4. Accountability and Reporting

This involves ensuring that individuals and organisations are answerable for their plans, actions, and outcomes. Openness and transparency in administration, by external scrutiny through public reporting, is an essential element of accountability.

5. Equity

This fifth pillar is vital to public sector procurement in South Africa. It ensures that government is committed to economic growth by implementing measures to support industry and specially to advance the development of Small, Medium and Micro Enterprises and Historically Disadvantaged Individuals.

The General Procurement Guidelines address these Five Pillars and prescribe a minimum set of standards that are to be observed.

To learn more about this and many other tender conditions attend our "Become a Tender Expert" 2-Day workshops presented in Johannesburg, Pretoria, Durban, Port Elizabeth, and Cape Town. Book and pay online at <https://howtotender.co.za/tender-expert-form/>

Contact us at estelle@howtotender.co.za should you require more information.

You can also purchase a Tender Manual (Handbook) on our website <https://howtotender.co.za/> which is a step by step guide how to respond to a South African Tender. It includes examples of completed SBD forms.