



Province of the
EASTERN CAPE
EDUCATION

SCM MANAGEMENT

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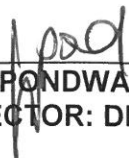
TO : OFFICE OF THE MEC
OFFICE OF THE SG
ALL DDGs
ALL CHIEF DIRECTORS
ALL DIRECTORS AT H/O AND DISTRICTS
ALL SCHOOL PRINCIPALS AND TEACHERS
ALL GOVERNMENT EMPLOYEES

FROM : SCM PERFORMANCE

SUBJECT : REMINDER TO IMPLEMENT CIRCULAR NO EIM 1/2016-
CONDUCTING BUSINESS WITH AN ORGAN OF STATE

DATE : 13nd DECEMBER 2018

1. The above matter bears reference.
2. The Minister for Public Service and Administration issued Public Service Regulation 2016(PSR,2016) with effect from 1 August 2016 where the Regulation 13©: states clearly that an employee shall not conduct business with any organ of state or be a director of a public or private company conducting business with an organ of state. Furthermore, section 30(1) of the Public Service Act of 1994 states " No employee shall perform or engage himself or herself to perform remunerative work outside his or her employment in the relevant department , except with the written permission from the executive authority of the department." A form for applying is attached hereto.
3. This is a repetitive audit finding over the past years. This Directorate is hereby reminding all government employees not to transact with the state as this is tantamount to financial misconduct. These findings amount to contravention of the Public Service Code of Conduct, which will be investigated and action will be taken in accordance with the provisions of the Public Service Act. Attached hereto please find DPSA Circular No EIM 1/2016 that strengthens the prohibition of employees doing business with the state. Any Company found to have directors or members that are government employees will be restricted from doing business with the State and officials of those companies will be subjected to the disciplinary process.
4. You are hereby requested to comply with the attached Circular


L LUFONDWANA
DIRECTOR: DEMAND AND ACQUISITIONS MANAGEMENT

13. 12. 2018
DATE





the dpsa

Department:
Public Service and Administration
REPUBLIC OF SOUTH AFRICA

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CIRCULAR NO. EIM 1/2016

TO: ALL HEADS OF NATIONAL DEPARTMENTS, OFFICES OF PREMIER, PROVINCIAL DEPARTMENTS AND GOVERNMENT COMPONENTS

TRANSITIONAL ARRANGEMENTS IN THE PUBLIC SERVICE REGULATIONS, 2016: CONDUCTING BUSINESS WITH AN ORGAN OF STATE

1. The Minister for Public Service and Administration issued Public Service Regulations, 2016 (PSR, 2016) with effect from 1 August 2016.
2. In terms of transitional arrangements prescribed in Annexure 1 (2) of the PSR, 2016: "(2) An employee, who at the time of the coming into effect of these Regulations, conducts business with an organ of state or is a director of a company which conducts business with an organ of state, other than an employee who is in his or her official capacity a director of company listed in schedule 2 or 3 of the Public Finance Management Act, shall—
 - (a) within one month, disclose that the employee is conducting business with an organ of state or is a director of a company that conducts business with the organ of state;
 - (b) within six months—
 - (i) cease conducting business with the organ of the state or resign as an employee;
 - (ii) resign as a director of a company that conducts business with an organ of state or resign as an employee;
 - (b) if the employee does not resign within the six month period, the employee must submit proof that the employee has ceased conducting business or has resigned as a director of a company that conducts business with an organ of the state within a month of doing so."

3. The purpose of this circular is to draw the attention of Heads of Department (HOD) to these transitional arrangements and request the HOD to ensure that:
 - 3.1. By 31 August 2016 all employees who are conducting business with an organ of the state disclose such to the HOD. If the employee is an HOD, the disclosure should be made to the Executive Authority (EA). Attached is an example of a disclosure form;
 - 3.2. By 31 January 2017, all employees who are conducting business with an organ of state either resign as employees; or submit to the HOD (or in the case of an HOD, to the EA) proof that the employee has ceased conducting business; or has resigned as a director of a company that conducts business with an organ of the state; and
 - 3.3. This circular is brought to the attention of all employees.
4. Employees are encouraged to disclose in full, as the DPSA will perform an analysis thereof, which will guide the process further. Reporting measures in this regard will follow.
5. Your co-operation is appreciated.

J. French

DIRECTOR-GENERAL

DATE: 23/08/2016