



**NATIONAL TREASURY
REPUBLIC OF SOUTH AFRICA**

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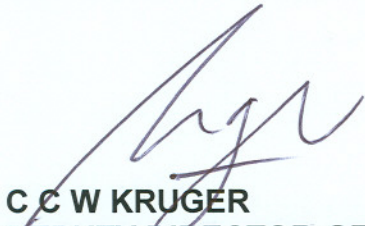
**TO ALL : ACCOUNTING OFFICERS OF ALL NATIONAL DEPARTMENTS
HEAD OFFICIALS OF ALL PROVINCIAL TREASURIES
PROVINCIAL ACCOUNTANTS-GENERAL**

TREASURY PRACTICE NOTE 7 OF 2006

APPLICATIONS IN RESPECT OF NEW IT SYSTEMS

1. On 14 September 2005 Cabinet formally approved Phases I and II of the Integrated Financial Management Systems (IFMS) Project. In terms of this approval, all financial (including payroll), supply chain and human resource management systems are to be replaced by a centrally provided integrated application.
2. Phase II of the project will be completed over a period of about eighteen to twenty four months. This phase of the project will see to completion of the detailed overall systems specification and organizational preparation that will be needed for implementation of the new integrated solutions.
3. Phase III will be completed over a period of about five years. During this phase different releases of the new systems will be rolled out.
4. To avoid unnecessary duplication of IT systems in government, Cabinet resolved that a moratorium be placed on the acquisition of all IT systems that will be provided through the IFMS project.
5. For this reason, the National Treasury will not grant any approvals for the acquisition of any new IT systems in terms of section 17.3.1 of the Treasury Regulations, unless written confirmation has been obtained from the IFMS Steering Committee that the intended system would not constitute a duplication of solutions that would be provided through the IFMS project.

6. Your cooperation in this regard would be appreciated.



C C W KRUGER
DEPUTY DIRECTOR-GENERAL: SPECIALIST FUNCTIONS

DATE: 18/3/2006.