



## national treasury

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**

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**FROM: Ms. Rachel Sehabetla, Tel: 012 315 5683, Email: [rachel.sehabetla@treasury.gov.za](mailto:rachel.sehabetla@treasury.gov.za)**

Mr. Sandile Malimela  
Acting Chief Financial Officer  
National Treasury  
Private Bag x115  
**PRETORIA**  
0001

Dear Mr. Malimela

### **DEVIATION FROM THE NORMAL COMPETITIVE BIDDING PROCESS: APPOINTMENT OF OPENUP**

1. National Treasury (Office of the Chief Procurement Officer) acknowledges receipt of your letter dated 14 January 2022 and received on 19 January 2022.
2. Your Department is requesting approval to deviate from normal competitive bidding process and appoint OpenUp on a single source basis for the hosting and maintenance of the Vulekamali data portal for a period of four (4) months at an estimated cost of R 46 383,30 (Incl. VAT).
3. The deviation was recommended by the Acting Chief Financial Officer on 14 January 2022.
4. The reasons provided for the deviation are that in 2020 the Budget Office contracted OpenUp for the hosting and maintenance of the Vulekamali data portal, for twelve months ending on 12 October 2021. When the one-year contract was signed, the intention was to do a tender for phase two of the project in the first quarter of the 2021/22 financial year. However, the process has taken longer than anticipated due to a lengthy negotiation of the Terms of Reference and the procurement requirements. The second deliberation of the TORs with the bid committee took place on the 15th of December 2021 and were resubmitted for approval on the 17th. We anticipate that the tender advertisement will go out in the first quarter of 2022. Meanwhile, the hosting and maintenance contract lapsed in October 2021.

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5. The National Treasury requested contract extension approval for a period of four (04) months from 13 October 2021 to January 2022 and the National Treasury (OCPO) responded with a letter dated 11 October 2021. However, there were delays and by the time the request reached the Director General's office the existing contract had lapsed and therefore could not be approved without a valid contract in place. The service provider had to switch off the portal.
6. The reasons provided for this request for deviation are justifiable for continuity of services. The National Treasury anticipate that the tender advertisement will go out in the first quarter of 2022/2023 financial year. The Department must conclude the tender process within this period
7. National Treasury (OCPO) supports the request to deviate on condition that price charged is market related and reasonable.
8. The Department has an obligation to ensure that any contract for goods and services is in accordance with a system of procurement which is fair, equitable, transparent, competitive and cost effective.
9. This award must be published on e-tender portal

Kind regards,

**MOLEFE-ISAAC FANI**  
**ACTING CHIEF PROCUREMENT OFFICER**  
**DATE:**