



## CENTRAL SUPPLIER DATABASE FOR GOVERNMENT



## INTRODUCTION

Currently no single consolidated comprehensive supplier database exists for national, provincial or local government causing duplication and fragmentation of supplier information across spheres of government. In addition, information related to the compliance requirements are duplicated during procurement processes, processing of payments and audit procedures, which are all examples of financial management activities dependent on supplier information.

The establishment of a Central Supplier Database will result in one single database to serve as the source of all supplier information for all spheres of government. The purpose of centralising government's supplier database is to reduce duplication of effort and cost for both supplier and government while enabling electronic procurement processes.

### WHAT HAPPENS ON 1 SEPTEMBER 2015



From 1 September 2015 prospective suppliers will be able to self-register on the CSD website [www.csd.gov.za](http://www.csd.gov.za). Suppliers can capture and update their information on the CSD at any time, in preparation for the utilisation of supplier data through procurement and financial systems used by all organs of state from 1 April 2016. The period from 1 September 2015 to 31 March 2016, will be referred to as the Interim Period.

Once information has been verified with external data sources, a unique supplier number and security code will be allocated and communicated to the supplier. Suppliers will be required to keep their data updated regularly and should confirm at least once a year that their data is still current and updated. Automatic re-verification of relevant supplier data against SARS, CIPC etc. will be done regularly (daily, weekly, monthly, etc.) as required.

Suppliers will be required to select their industry classification as well as the commodities they supply per locations. Automated distribution of supplier information to organs of state will be done based on supplier type, supplier location, B-BBEE and commodities information.

### WHAT CATEGORY OF SUPPLIERS SHOULD REGISTER?



The following supplier suppliers should register on the CSD:

- Individuals;
- Sole Proprietors;
- Foreign Companies;
- Trusts;
- Public Companies (LTD);



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- Private companies (PTY LTDs);
- Non Profit Companies;
- Personal Liability Companies (INC).
- Closed Corporations;
- Co-operatives;
- State Owned Companies (SOC LTD);
- Non Profit External Companies;
- State Owned Entities (e.g. PFMA schedule entities);
- Government Entities (e.g. National departments, Provincial Administration, Metropolitan municipalities, District municipalities, Local municipalities);
- Partnerships;
- Statutory Bodies;
- Joint Ventures;
- Consortiums;
- Section Companies;
- Voluntary Associations; and
- Retirement Funds.

### WHAT WILL BE REQUIRED FOR SUPPLIERS TO REGISTER



All suppliers will be required to complete required information on the CSD website and must ensure it is complete, accurate and comprehensive. The following would be amongst the required information:

- Supplier identification information e.g. supplier type, identification number, supplier name, trading name and country of origin;
- Supplier contact information e.g. preferred contact name, preferred communication method, email address, cell phone number, telephone number, etc.;
- Supplier address information e.g. country, province, municipality, city, suburb, ward and postal code;
- Bank account information;
- Supplier tax information, e.g. valid tax number;
- Ownership information, e.g. name and identification number of directors, members etc.;
- Association to any other suppliers e.g. branch, consortium member etc.; and
- Commodities the supplier can supply;

Note that a valid email address, identity number, cell phone number and bank account details are mandatory in order to register on the CSD.

Apart from the above, it is foreseen that B-BBEE information will be included in the CSD.

### WHAT IF I DON'T HAVE INTERNET ACCESS OR I AM COMPUTER ILLITERATE?



Suppliers who are unable to make use of the web based self-registration function will be able to liaise with any organ of state for assistance with self-registration. It is foreseen that the Thusong, Seda and Post Offices in the provinces will also be used to assist with supplier self-registration.

### WHAT IF I AM ALREADY ON AN EXISTING SUPPLIER DATABASE?



Existing supplier databases will stay in force until supplier data have been migrated to the CSD.

Supplier databases currently maintained by organs of state will be migrated to the CSD from 1 September 2015. Communication will be provided to a supplier requesting validation of information once migration is complete.

### HOW WILL THE INTERIM PERIOD WORK?



Apart from registering and capturing supplier information on the CSD, suppliers currently on any database of organs of state need to maintain their records through the current supplier systems for the period 1 September 2015 to 31 March 2016.

During the interim period, suppliers must provide their CSD supplier number and unique security code as well as any other relevant documentation (not yet electronically verified by the CSD) to the organs of state.

Organs of state will use the CSD supplier number and unique security code to view/print the verified supplier information from the CSD in order to maintain their current supplier databases.



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## CENTRAL SUPPLIER DATABASE FOR GOVERNMENT

### WHY SHOULD A SUPPLIER REGISTER ON THE CSD?



- Suppliers will only be required to register once when they do business with the state;
- A supplier will be able to ensure their data is up-to-date, complete and accurate;
- Standardised and electronic verification of supplier information leading to reduced fraud with paper copies and manual processes:
  - Tax clearance status;
  - Business registration and business ownership;
  - Bank account and bank account holder (available 01 April 2016);
  - Citizen identity number (available 01 April 2016);
  - Government employee verification (available 01 April 2016);
  - Register for tender defaulters and database of restricted suppliers; and
  - BBBEE (in future).
- Reduction in duplicate effort and costs reduction for both business and government;
- Significant reduction of the administrative burden for business, especially small and medium-sized enterprises; and
- Single source of supplier information to all organs of state.
- Supplier will not be required to submit physical tax clearance and business registration certificate to organs of state.

### WHO CAN BE CONTACTED FOR FURTHER INFORMATION ON THE CSD?



Contact National Treasury for further clarity on the process:

[csd@treasury.gov.za](mailto:csd@treasury.gov.za)

012 315 5509



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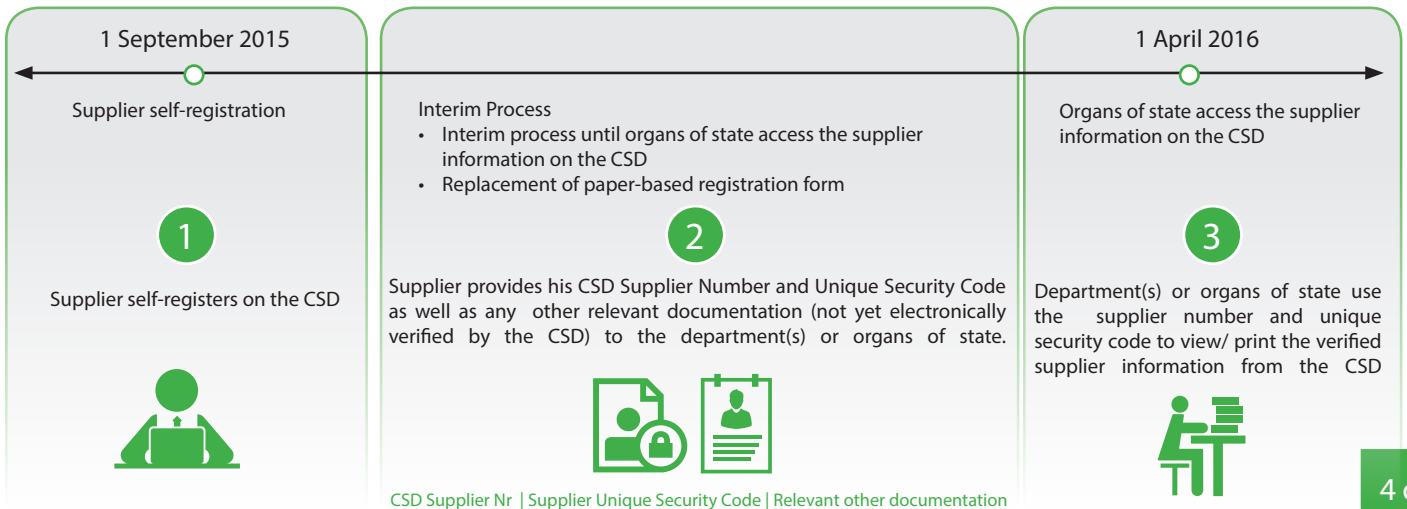


## CENTRAL SUPPLIER DATABASE FOR GOVERNMENT

### CSD Registration Process



### Interim Registration Process



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#### Interim Benefits/ Reduced administrative burden

- Supplier only captures registration information once (quality measures applied to ensure complete, accurate and up-to-date information) accessible by all spheres of government
- In-process electronic verification (i.e. tax, business registration and bank account check-digit and branch information) and in-process member/ director detail obtainment - no paper copies required = reduced fraud