



Custodian of Good Governance

**PUBLIC SERVICE COMMISSION  
REPUBLIC OF SOUTH AFRICA**

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*Dear Mr Godi*

**SCOPA REVIEW OF THE JOINT INVESTIGATION TASK TEAM (JIT) RESOLUTIONS  
ON THE STRATEGIC DEFENCE PROCUREMENT PACKAGES**

Thank you for your letter dated 1 December 2008, directed to the Director-General of my Office, in which an update regarding the implementation of certain aspects of the resolutions of the Joint Investigation Team (JIT) on the Strategic Defence Procurement Packages is requested.

Kindly be informed that the Public Service Commission (PSC) has since the financial year 1999/2000 prioritized the management of conflicts of interest. It has pursued this primarily by administering the Financial Disclosure Framework for senior managers in the Public Service. This Framework was initially limited to officials at levels 15 and 16 (Deputy Directors-General and Directors-General). Since 2000/2001 this Framework applies to all senior managers in the Public Service, including those practicing in the area of Supply Chain Management. The purpose of this Framework is primarily to prevent conflicts of interests by requiring senior managers to disclose their financial interests and thereby promoting integrity in the Public Service. Since its inception, the PSC has reported continuously on the Framework and recently made extensive recommendations to the Minister for Public Service and Administration on proposed amendments to the Regulations on the Financial Disclosure Framework with a view to improving the application of the Framework.

The PSC, based on its management of the Financial Disclosure Framework, became increasingly aware of the importance of managing conflicts of interest of public servants. It therefore commissioned research into the matter which culminated in a report on *"The Management of Conflicts of Interest in the Public Service"*, published in 2006. The report is available at [www.psc.gov.za](http://www.psc.gov.za). In this report the PSC made recommendations regarding the establishment of a comprehensive conflicts of interest policy framework which has been submitted to the Department of Public Service and Administration



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(DPSA) as custodian of the policy framework. It should be noted that the PSC is not a policy making institution but makes recommendations that informs policy formulation.

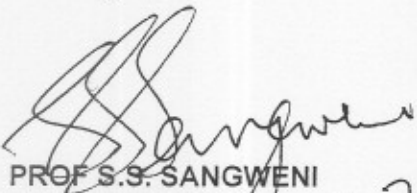
The PSC has been informed that its recommendations are currently being considered as part of the policy formulation process on conflicts of interest for incorporation in the Public Service Regulations. The DPSA as custodian of the policy framework would be best placed to comment in this regard.

In terms of managing conflicts of interest in area of Supply Chain Management, the PSC is aware that a Code of Conduct for Supply Chain Management Practitioners was issued by National Treasury in terms of Treasury practice Note SCM4 of 2003. In terms of this Code of Conduct, Supply Chain Management Practitioners must –

- declare any business, commercial and financial interests or activities undertaken for financial gain that may raise a possible conflict of interest;
- not place themselves under any financial or other obligation to outside individuals or organizations that might seek to influence them in the performance of their official duties; and
- not take improper advantage of their previous office after leaving their official position.

I trust the information provided will be of assistance.

Kind regards

  
PROF. S.S. SANGWENI  
CHAIRPERSON  
DATE: December 5, 2008