



## **Supply Chain Management Policy**

### **1 Scope**

This establishes the Airports Company South Africa SOC Limited's (hereinafter "ACSA") policy for Supply Chain Management (hereinafter "**SCM**") as a public entity listed in Schedule 2 of the Public Finance Management Act, Act 1 of 1999. ACSA performs its operations within the parameters of both private commercial law and public laws applicable to Schedule 2 public entities.

### **2 Objectives**

The policy aims to ensure that SCM activities meet the following key objectives:

- To give effect to Section 217 and 33 of the Constitution of the Republic of South Africa by implementing a SCM system that gives due consideration to the principles of just administrative action, fairness, equity, transparency, competitiveness and cost-effectiveness;
- To comply, to the extent required by law, with the legislative and regulatory procurement framework for Schedule 2 public entities;
- To promote administrative justice to the extent required by SCM for a Schedule 2 public entity by the Promotion of Administrative Justice Act;
- To promote the transformational goals, to the extent required by law, within the legislative and regulatory procurement framework for Schedule 2 public entities;
- To implement procurement practices and systems in an integrated, uniform manner and in line with ACSA's strategic goals;
- To abide by the Ethics and Compliance Department [Code of Ethics - J060MAN](#) and the Ethics and Compliance Department [Whistleblowing Policy - J060 001P](#); and
- To prevent any irregularities in the procurement process.

### **3 Definitions**

#### **ACSA**

Airports Company of South Africa SOC Ltd

#### **Agent**

Anyone other than an ACSA employee who is acting on behalf of ACSA with the relevant authority

#### **B-BBEE**

Broad-Based Black Economic Empowerment as defined in the Black Economic Empowerment (B-BBEE) Act

#### **BEE**

Black Economic Empowerment

#### **Contract**

A written agreement duly signed and witnessed by relevant parties, which results from a SCM process, which is a mutually binding legal relationship obligating the seller to furnish the goods and/or services and the buyer to pay for it.

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### **Contractor**

Any natural or juristic person whose bid has been accepted by ACSA

### **CFO**

Chief Financial Officer

### **Day**

Unless otherwise specified, a calendar day

### **Delegated Authority**

This is when authority is delegated to an ACSA executive, delegated ACSA employee, delegated ACSA committee or Board of Directors

### **DLA**

Delegated Level of Authority

### **Group Manager SCM**

The head of Supply Chain Management division

### **In Writing or "Written"**

Any worded or numbered expression that can be read, reproduced and later communicated, and includes electronically transmitted and stored information

### **PFMA**

Public Finance Management Act

### **Procurement**

All of the actions required to obtain goods, services and/or infrastructure delivery for ACSA in the course of SCM

### **Regulatory procurement framework**

All laws applicable to Schedule 2 State Owned Companies procurement

### **SCM**

Supply Chain Management

### **SCM Activities**

All of those activities required to procure goods, services and infrastructure during the SCM process

### **Shall**

Denotes the imperative

### **Signature or "Signed"**

The discrete and verifiable symbol of an individual which, when affixed to a writing with the knowledge and consent of the individual, indicates a present intention to authenticate the writing.

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This includes electronic symbols

### ToR

Terms of Reference

### Work

All ACSA work

## 4 Policy General

This policy document sets out the minimum standards that shall be adhered to by those involved in SCM activities and is specifically binding on all employees, including, but not limited to, temporary staff, contractors, service providers and/or consultants at ACSA. This shall also include entities in which ACSA has fifty (50) plus one (1) percent (%) shareholding and their employees, including, but not limited to, temporary staff, contractors, service providers and/or consultants; and SCM activities that specifically include the procurement of goods and services for ACSA and any related items.

4.1 ACSA SCM activities specifically include the procurement of goods, services and infrastructure for ACSA and any related:

- Contract Management;
- Supplier Management; and
- Performance Management

This Policy shall be read with the corresponding Supply Chain Management Department [Supply Chain Management Procedures Manual](#) and [Delegated Level of Authority Procedures Manual - F010MAN](#)

4.2 Legislative Framework

4.2.1 ACSA's SCM activities shall comply, to the extent required by law for Schedule 2 public entities, with the following legislation and related regulations (as amended):

- Constitution of the Republic of South Africa, 1996 ("the Constitution");
- Public Finance Management Act, Act 1 of 1999 ("PFMA");
- Preferential Procurement Policy Framework Act 5 of 2000 ("PPPFA");
- Broad Based- Black Economic Empowerment Act 53 of 2003 ("B-BBEE");
- Competition Act 89 of 1998;
- The National Small Business Act 102 of 1996;
- State Information Technology Agency Act No. 88 of 1998 ("SITA");
- Occupational Health and Safety Act 85 of 1993 ("OHS");
- Promotion of Administrative Justice Act 3 of 2000 ("PAJA");
- Prevention and Combating of Corrupt Activities Act 12 of 2004;
- The Promotion of Access to Information Act 2 of 2000;
- Protection of Personal Information Act 4 of 2013(POPIA);
- The Protected Disclosures Act, Act 26 of 2000;

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- Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000;
- Construction Industry Development Board Act (CIDB);
- Standard for Infrastructure Procurement and Delivery Management (SIPDM); and
- Any other legislation applicable to ACSA SCM Activities.

4.2.2 ACSA's SCM activities shall also comply, to the extent required by law for Schedule 2 public entities, with the latest:

- King Report on Corporate Governance (Latest Version);
- National Treasury Instructions, Circulars, and Practice Notes; and
- Any applicable common law provisions relating to procurement.

4.2.3 All ACSA SCM staff shall be vetted by the State Security Agency in the prescribed manner in line with the 2014 cabinet memo and National Key Points Act 102 of 1980.

4.2.4 Where any conflicts exist between the laws of South Africa and this policy and related documents, the legal rules on subsidiarity shall apply.

### 4.3 General SCM Principles

- ACSA SCM activities shall comply with a procurement system that is fair, equitable, transparent, competitive, and cost-effective;
- ACSA SCM activities, where considered administrative action, shall comply with the principles of rationality and reasonableness;
- All ACSA SCM activities covered by this policy shall only be conducted by the SCM function;
- The Supply Chain Management Department [Supply Chain Management Procedures Manual](#) shall include detailed procedures which provide for all ACSA SCM activities;
- The Supply Chain Management Department [Supply Chain Management Procedures Manual](#) shall comply with this policy and where any conflict exists, the policy shall prevail.

### 4.4 Ethics

4.4.1 In addition to Ethics and Compliance Department [Code of Ethics Policy - J060MAN](#), all employees and agents of ACSA engaged in ACSA's SCM activities shall:

- Behave equitably, honestly and transparently;
- Discharge duties and obligations timeously and with integrity;
- Comply with all applicable legislation and related regulations;
- Satisfy all requirements established in this policy and the Supply Chain Management Department [Supply Chain Management Procedures Manual](#);
- Furnish information in the course of their duties that is complete, true and fair worded and not intended to mislead;
- Ensure that resources are administered responsibly and cost-effectively;
- Be fair and impartial in the performance of their functions;
- At no time afford any undue preferential treatment to any group or individual

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or unfairly discriminate against any group or individual;

- Keep matters of a confidential nature in their possession confidential unless a provision of the law requires otherwise, and only through the Legal Services Department;
- Avoid Conflicts of Interest according to the Ethics and Compliance Department [Conflict of Interest Policy - J060 004P](#);
- Not unlawfully gain any form of compensation, payment or gratification from any person for either themselves, a family member or an associate, directly or indirectly;
- Not make false or misleading entries in reports or accounting systems;
- Not place themselves under any financial or other obligation to external individuals or firms that might seek to influence them in the performance of their duties;
- Not abuse the power vested in them;
- Not maliciously or recklessly injure or attempt to injure the reputation of ACSA or an associated 3rd party;
- Not use their position for private gain or to improperly benefit another person; and; and
- Not amend or tamper with any submission, tender or contract in any manner whatsoever.

4.5 All employees and agents of ACSA shall without delay report to line manager, GM SCM or CFO, depending on the nature of the incident, any incidences of a respondent, tenderer or supplier who directly or indirectly offers a gratification to them or any other person to improperly influence in any way a procurement process, procedure, or decision.

4.6 All employees and agents of ACSA shall promptly report to the line manager, GM SCM or CFO, depending on the nature of the incident, any alleged improper conduct which they may become aware of, including any alleged fraud or corruption.

4.7 All employees and agents of ACSA shall have access to the ACSA whistleblowing processes as provided in the Compliance and Ethics Department [Whistleblowing Policy - J060 001P](#)

### 4.8 Non-Compliance

4.8.1 The Supply Chain Management Department [Supply Chain Management Procedures Manual](#) shall provide detailed procedures for all non-conformance and non-compliance of relevant legislation, regulations and this policy including, but not limited to, investigations, warnings, suspensions, and dismissal.

4.8.2 The relevant line manager, GM SCM or CFO, depending on the nature of the incident, shall investigate all serious allegations of corruption, improper conduct or failure to comply with the requirements of this policy against an employee, agent, contractor or any other person and, where relevant:

- Take appropriate steps against the person in line with the relevant legislation and inform National Treasury of those steps.

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- Report to the South African Police Services any conduct that shall constitute a criminal offence.
- Cancel a Contract if:
  - A supplier has made a misrepresentation, submitted falsified documents or has been convicted of a corrupt or fraudulent act in competing for a particular contract or during the execution of that contract; or
  - An employee or other role player committed any corrupt or fraudulent act during the tender process or during the execution of that contract.

### 4.9 Disputes and Remedies

4.9.1 The [Supply Chain Management Procedures Manual](#) shall provide detailed procedures for internal resolution of disputes by persons aggrieved by SCM activities.

### 4.10 Personal Information and Data Storage

All information gathered by SCM shall follow the approved processes and procedures in terms of the Protection of Personal Information Act No.4 of 2013.

## 5 Accountabilities and Responsibilities

Issue	Person Accountable	Alternate
Has overall accountability for adherence to the policy	Chief Financial Officer	Chief Executive Officer
Issue	Person Responsible	Alternate
Has the responsibility for implementation and adherence to the policy	Chief Financial Officer	Group Manager: Supply Chain Management

## 6 Verification

This policy shall be verified in accordance with [Verification Policy Document - Z001 002M](#).

## 7 Non-Conformance

Any deviation from this policy shall be identified and registered with corrective and preventative measures for continuous improvement in accordance with [Non - Conformance Policy Documents Z001 001M](#).

## 8 Related Policy Documents

Document Control Procedure - Z001 006M

Record Keeping Requirements Procedure - Z001 008M

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Supply Chain Management Procedures Manual  
Delegated Level of Authority Procedures Manual - F010MAN.

### 9 Related Legislation

Constitution of the Republic of South Africa, 1996 (“the Constitution”);  
Public Finance Management Act, Act 1 of 1999 (“PFMA”);  
Preferential Procurement Policy Framework Act 5 of 2000 (“PPPFA”);  
Broad Based- Black Economic Empowerment Act 53 of 2003 (“B-BBEE”);  
Competition Act 89 of 1998;  
The National Small Business Act 102 of 1996;  
State Information Technology Agency Act No. 88 of 1998 (“SITA”);  
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Promotion of Administrative Justice Act 3 of 2000 (“PAJA”);  
Prevention and Combating of Corrupt Activities Act 12 of 2004;  
The Promotion of Access to Information Act 2 of 2000;  
Protection of Personal Information Act 4 of 2013 (“POPIE”);  
The Protected Disclosures Act, Act 26 of 2000;  
Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000;  
Construction Industry Development Board Act (CIDB);  
Standard for Infrastructure Procurement and Delivery Management (SIPDM); and  
Any other legislation applicable to ACSA SCM Activities

### 10 Change Control

This policy shall only be changed with the authorisation of the Chief Executive Officer and in accordance with [Change Control Policy Document - Z001 003M](#).

### 11 Records

Record Name	Storage Location	Record Number	Responsible Person	Retention Time
Supply Chain Management Policy	Master in Corporate Policy Document Store	P010 001P	Policy Assurance Officer	Five (5) Years
Confidentiality and Declaration of Interest Form	Supply Chain Management Department	SCM 018	Manager: Governance, Risk, and Compliance	Five (5) Years

### 12 Endorsement (See Master in Corporate Policy Document Store)

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