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Alfred Nzo Development Agency SOC Ltd
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TERMS OF REFERENCE

APPOINTMENT OF SERVICE PROVIDER TO CONDUCT SOCIAL FACILITATION AND PRE- FEASIBILITY STUDY FOR MACADAMIA NUTS PLANTATION

Issued and prepared by:

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1. BACKGROUND AND OVERVIEW OF THE PROJECT

The South African macadamia industry only started in the late 1960's with the establishment of commercial orchards in Levubu and Tzaneen in the Limpopo province. Globally the demand for Macadamias far exceeds the global supply, with only 1.5% of Global demand for Macadamias currently being serviced and the remaining 98.5% of demand un-serviced. The current Global market is grossly undersupplied therefore there is vast potential for growth in the industry. Winnie Madikizela Mandela Local Municipality has the most favorable climatic conditions for the growth of macadamia and is highly endowed in the availability of arable land suitable for the development of the agricultural sector with multi crop production. As such the agricultural sector in has been identified as a priority sector for rural economic revitalization and development by government.

2. INTRODUCTION

Macadamia farming presents potential to turn the villages' economic fortunes by capturing the whole value chain which include the processing. It is anticipated that the introduction of commercial farming will contribute to infrastructure development, massive job creation and enterprise development of some of these service within 5 years of rolling out of the project. The final selection of the exact participating villages will be guided by the results of the feasibility which will cover soil testing, water supply, electricity supply and environmental requirements.

The macadamia farming project is aligned with provincial and national priorities aimed at radical transformation of the Agricultural sector. Alfred Nzo District Municipality has been targeted as one of the areas for implementation of the Agri -Park programme. The programme aims to bring about rural transformation and sustainable economic growth in the district

To exploit the proceeds of the above opportunity in the District, Alfred Nzo Development Agency (ANDA) is forging ahead with plans to tap into the macadamia industry to get the district's ailing economy moving and create much-needed jobs. Considering South Africa's stagnant economic growth and record unemployment, tapping into the macadamia industry could reap rich rewards. Covid-18 aftermath and the Russia/Ukraine was has had an impact on Macadamia markets, this has resulted on reduced and increased standards for good quality nuts in the industry despite current difficulties the industry has remained profitable even at reduced prices thus showing the resilience of the industry, hence the need to build community based macadamia nuts plantations for sustainable rural jobs and community wealth creation.

3. PROJECT OBJECTIVES

The agency is intending to establish the feasibility of developing Community based macadamia nuts plantations along the coastal belt of the Winnie Madikizela Mandela Municipality where conditions to grow Macadamias prevail e.g.

Where there is zero occurrence of frost

- There is higher annual average rainfall e.g., rainfall average of above 800mm
- There is reasonable wind speed to suit Macadamia plantations.
- There are accessible perennial sources of irrigation water.
- There are deep soils with no high salt content and heavy clay
- There willing communities and households to convert land use on their land parcels into Macadamia plantations.

The agency seeks to contract the services of a company with Macadamia nuts plantations, development expertise and knowledge of socio-economic development of no less than 7 years.

4. SCOPE OF WORK

The scope of work entails the following:

Phase one

- Communicate with the leaders and people with land use rights about the detailed study to be done.
- Determine the qualification criteria for growing Macadamias in the Coast belt of Winnie Madikizela Mandela
- In consultation with the Municipality and the Agency, identify communities within a 13km to 30km radius along the coastal belt who fall within the target macadamia belt.
- Engage the community leaders and critical stakeholders about the pending preliminary feasibility and its qualification criterion for each village or ward.
- Obtain a general consensus that the preliminary feasibility should go ahead on a broad scale which will end up with the identification of suitable land parcels.

Phase two (Broad scanning and determination of suitable land parcels)

Conduct preliminary feasibility studies on identified villages and wards mainly to determine the following:

- Physical factors of the areas e.g., rainfall pattern, temperature, frost occurrence etc
- Determine existing sources of perennial water e.g., dams and rivers.
- Identify suitable land parcels of no less than 100-300ha which are in close proximity to the water sources identified.
- Establish tenure arrangements on those land parcels for direct communication

- Describe each land parcel in broad terms and give an expert opinion on whether the land parcel qualifies for a detailed investigation in terms of feasibility and general suitability to grow Macadamias.
- Establish if there will be a need for an Environmental Impact Assessment (EIA).
- Establish the existence or need of a water use licence
- Recommend a priority list of land parcels deemed suitable using the general Macadamia qualification criterion.
- Feedback to the stakeholders on the outcomes of the broad scanning and compile a report
- The report must also outline next steps for Land parcels that qualify.

Phase three (detailed investigation of land parcels that passed the broad scanning phase)

The aim of this phase is to secure specific feasibility information that qualifies the land parcels to proceed into business planning phase, for each of the identified land parcels which passed the broad scanning phase the following must be determined:

- Soil analysis must be done to determine soil quality, soil structure, soil depth and clay content and general land capability must be done.
- Slope analysis
- Water analysis and water availability / quantity analysis must be done.
- The micro climate for each area must be determined
- Description of available infrastructure and need requirements must be done.
- Do a desk top socio-economic profile for each of the target wards or villages using Government data bases.
- Compile a report with specific recommendations for each area investigated and recommend appropriate institutional arrangements that could apply
- Present the report to the ANDA Project Steering Committee and Management.

5. PROJECT METHODOLOGY

The service provider must provide a detailed outline of the methodology to be used detailing how each of the deliverables is to be achieved. This must include:

- A statement on how the service provider understands the requirements of this assignment
- Indicate areas of preference within ward 25 and ward 26 of Winnie Madikizela Mandela Local Municipality for executing the community social facilitation activities
- Describe in detail exactly how they propose to carry out activities to achieve the outputs identified in the scope of work.
- They should identify any possible problems that might hinder delivery and indicate how they will avoid or overcome such problems

- Describe how the work will be managed. Provide an organization chart clearly indicating the lines of reporting and supervision within the contractor's team
- Provide a work plan of activities. In addition to providing details of the estimated number of work days for each activity, bidders are to supply a detailed timetable that identifies when certain activities will be undertaken and over what period they will be spread. The timing of activities, the time needed to complete them, and the order in which they will be undertaken must be explained and justified
- A clear statement of available expertise and capacity to match the requirements of this assignment as highlighted in the key roles.
- An indication of any innovative approaches and 'value-add' that the service provider may think appropriate.

6. PROJECT DELIVERABLES AND DURATION

The duration of the social facilitation project will be limited to 4 MONTHS from the date of appointment. On conclusion of the project a final report is to be delivered in hard copy and in USB format containing outline of consultation process elicit input from key and effected stakeholders;

Number	MILESTONES
1.	Submission of Inception report with implementation plan
2.	Submission of Phase one report
3.	Submission of Phase two report
4.	Submission of Phase three report
5.	Final consolidated closeout report with clear recommendations

7. REPORTING PROCEDURE

It is expected that regular progress reports will be submitted to ANDA and further presented to the PSC on a monthly basis. The Project Manager has the right to change the frequency of reporting as and when necessary. Progress reporting will be undertaken in terms of documented reporting and in a presentation format at PSC meetings. The Service Provider will report to the Project Steering Committee. Progress report will be required for every milestone or deliverable of the project as per proposal.

8. SELECTION AND EVALUATION CRITERIA

The proposals will be evaluated in two stages, namely:

- Stage 1- Minimum compliance and mandatory responsiveness criteria
- Stage 2- 80/20 Preferential point system

Only service provider(s) that can demonstrate the required experience and skills relating to the execution of this project will be considered. The following criteria will be taken into account for the appointment of a successful Service provider(s).

ITEM	WEIGHT
<p>STAGE 1</p> <p>In this stage all proposals received will be verified for compliance and completeness of the submitted proposal per the set of the minimum requirements as listed under paragraph 9 & 10. Service Providers who comply with listed requirements progresses to the next stage of bidder(s) price and preference evaluation requirements.</p> <p>NB: Only bidders who fully comply with minimum requirements progress to the next stage (2)</p>	100%
STAGE 2 : PRICE & PREFERENCE SPECIFIC GOAL	
Price	80%
Preference Goal - Ownership	20%

ANDA subscribes to the Preferential Procurement Regulations 2022, pertaining to the Preferential Procurement Policy Framework Act (PPFA) principles whereby a bidder's submission will be evaluated according to the sum of the award of points in respect of the tender value and Specific Goals.

Price and Preference will be used for evaluation. The 80/20 preferential point system will be applicable, with 80 points for price and 20 points for Specific Goals (See below table),

9. MINIMUM REQUIREMENTS COMPLIANCE RESPONSIVENESS CRITERIA (COMPLIANCE TO LEGISLATIVE AND TREASURY REQUIREMENTS) - MANDATORY RETURNABLE DOCUMENTS

In this phase all bids received will be verified for compliance and completeness of the submitted proposal per the below set of minimum requirements. Bidders who fail to comply with the below requirements may be eliminated and not progress to the next evaluation phase.

Bidders who comply the below requirements will progress to the next phase of the evaluation, (Stage (2): Price and Preference Point system):

- Invitation to bid (MBD1) must be fully completed.
- Submission of quotation on a company letterhead.
- Submission of fully completed pricing schedule (Firm Price)
- Submission of a fully completed MBD 4 (Declaration of Interest)
- Submission of a fully completed MBD 1
- Submission of a fully completed MBD 8 (Declaration of Bidder's Past SCM Practice)
- Declaration of a fully completed MDB 9 (Certificate of Independent Bid Determination)

- Must be registered with Central Supplier Database
- Service provider must have a minimum 7 years of relevant experience in conducting feasibility studies and setting up Macadamia nuts plantations particularly in the following fields. Plant sciences/Botany, Horticultural sciences
- . Proof of experience must be submitted in the form reference letters signed by previous clients. Supplier to provide seven reference letters of previous work or contracts on similar service.
- The team must consist a minimum of 2 members with at least Diploma (NQF Level 6) in the following fields: - community development, public management
- In addition, the core team must possess experience in community development facilitation
- Proven ability in effective written and oral communication
- Strong inter-personal skills and ability to work with people from diverse backgrounds

10. EVALUATION OF BID RESPONSES USING THE PRICE AND PREFERENCE POINT SYSTEM

Bidders who meet the minimum and mandatory requirements will progress to this final phase of Price and Preference (B-BBEE Score) points allocation systems.

EVALUATION CRITERIA AND WEIGHTING:

The submitted proposals are to be evaluated using the 80/20 preference points system in accordance with the PPPFA guidelines. Based on this system the points will be allocated as follows:

- Price – 80%
- Specific Goals – 20%

SPECIFIC GOAL: OWNESHIP CATEGORY	Criteria Points
BBBEE Level 1	20
BBBEE Level 2	12
BBBEE Level 3 to 8	6
TOTAL WEIGHT	100%

ANDA reserves the right not to appoint service providers for this project.

11. SUBMISSION OF BIDS

The completed proposal must be submitted in a sealed envelope endorsed with the Bid No: **ANDA 08/2022/2023** and clearly marked: “**Project proposal – Appointment of Service Provider to undertake Feasibility Study and Social Facilitation for Macadamia Nuts Plantation**” and placed in the tender box in the Alfred Nzo Development

Agency not later than 12H00 on the **10 April 2023**. Bidders are requested to ensure that their proposals include Company Registration and all other necessary documentation.

For any queries regarding this tender, please contact Ms Maloi at telephone number 039 492 0011/082 824 4396 during office hours.

AUTHORISED BY:

A handwritten signature in black ink, appearing to be 'N R XOLO', is written over a solid horizontal line.

MR N R XOLO

ACTING CHIEF EXECUTIVE OFFICER