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Better District, Better Life and Growth for all.

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Alfred Nzo Development Agency SOC Ltd
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TERMS OF REFERENCE

APPOINTMENT OF SERVICE PROVIDER TO CONDUCT GEO-TECH OF THE PRE-FEASIBILITY STUDY FOR MACADEMIA 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 war 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
- They're 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 3 years.

4. SCOPE OF WORK

The scope of work entails the following:

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

- Determine the qualification criteria for growing Macadamias in the Coast belt of Winnie Madikizela Mandela
- Determine existing sources of perennial water e.g. dams and rivers and establish the existence or need of a water use licence
- 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).
- 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 needs requirements must be done.

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.

6. PROJECT DELIVERABLES AND DURATION

The duration of the social facilitation project will be limited to 3 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.	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

ANDA subscribes to the Preferential Procurement Regulations 2022, pertaining to the Preferential Procurement Policy Framework Act (PPPFA) 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 specific goals 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

The proposals will be evaluated in two stages, namely:

- Stage 1- Minimum compliance and mandatory responsiveness criteria
- Stage 2- 80/20 Price and Preference Point system (Goal 3)

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><u>STAGE 1</u></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 and 10. Service Providers who comply with the 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%
<u>STAGE 2 : PRICE & PREFERENCE SPECIFIC GOAL 3</u>	
Price	80
Preference Goal 3 - Combination of any Goals	20

SPECIFIC GOAL 3: COMBINATION OF ANY GOALS	Attachment to claim maximum points	Criteria Points
Priority population groups (Black owned)	CIPC certificate, Certified ID, detailed CSD	12
Women	CIPC certificate, Certified ID, detailed CSD	3
Youth	CIPC certificate, Certified ID, detailed CSD	3
Disabled	Attach signed letter from Health practitioner	2
TOTAL WEIGHT		20

9. COMPLIANCE REQUIREMENTS

Note to Prospective Bidders: Compulsory submissions

- Valid SARS pin number confirmation certificate to be included.
- Municipal clearance certificate certifying that no municipal rates and service charges are owed by the bidder (company) where the bidder's business operations are located, are in arrears for more than three months/ Proof of residence/Lease agreement. Where the bidder operates in a rural area where rates are not paid, an affidavit to that effect and proof of address should be attached.
- Copies of ID Documents and all submitted certificates must be certified with a certification that is not older than 3 months.
- The bid will be evaluated according to the Preferential Procurement Regulations 2022
- Company profile with traceable references
- Joint Venture agreement should be in JV agreement format (If applicable)
- All bidders should complete MBD 4, MBD 8, MBD9
- All prospective service providers of goods and services and infrastructure procurement are to be registered on Central Database in order to do business with all organs of state in the Republic of South Africa.

10. MINIMUM COMPLIANCE REQUIREMENTS - 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.

- The team must consist a minimum of 2 members with at least Diploma (NQF Level 6) in the following field: - community development, agriculture. (Attach CV and qualification)
- Submission of quotation on a company letterhead.
- Must be registered with Central Supplier Database
- Attach company profile with traceable references
- Service provider must have a minimum 2 projects completed in conducting feasibility studies and setting up Macadamia nuts plantations particularly in the agricultural field. (**Attach reference letters signed by previous clients as proof of previous work experience**).

11. SUBMISSION OF QUOTATION

The completed proposal must be submitted in a sealed envelope endorsed and clearly marked: **“PROJECT PROPOSAL – APPOINTMENT OF SERVICE PROVIDER TO CONDUCT GEO-TECH OF THE PRE-FEASIBILITY STUDY FOR MACADEMIA NUTS PLANTATION”** and placed in the tender box in the Alfred Nzo Development Agency not later than 12H00 on the **June 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.

Approved/Not Approved

Mr. S. Tshonga
BSC Chairperson

Comments by Chairperson:

AUTHORISED BY:



MR N R XOLO

ACTING CHIEF EXECUTIVE OFFICER