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Alfred Nzo Development Agency SOC Ltd
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TERMS OF REFERENCE

THE APPOINTMENT OF SERVICE PROVIDER FOR THE DEVELOPMENT OF FEASIBILITY STUDY FOR TARO(AMADUMBE)AND SWEET POTATO

Issued and prepared by:

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1. Background and Context

Winnie Madikizela Mandela Local Municipality, located within the Alfred Nzo District in the Eastern Cape, is endowed with fertile soil, adequate rainfall, and a strong tradition of subsistence and small-scale agriculture. Despite this, the area suffers from underdevelopment, high unemployment, and food insecurity.

There is growing recognition of the potential for high-value root and tuber crops—particularly sweet potatoes and taro roots (Amadumbe)—to stimulate rural livelihoods, promote food security, and support agri-enterprise development in the region. These crops are climate-resilient, have good market potential both locally and nationally, are suitable for smallholder and cooperative farming systems.

To this end, Alfred Nzo Development Agency (ANDA) seeks to commission a feasibility study to evaluate the potential for developing a viable sweet potato and taro industry in the region.

2. Purpose of the Feasibility Study

The purpose of the study is to assess the technical, economic, environmental, institutional, and market feasibility of establishing a sweet potato and taro value chain in Alfred Nzo district among areas where conditions to grow the commodities are favourable. The findings will inform strategic interventions, guide investment planning, and support funding applications to public and private sector entities.

3. Objectives

The key objectives of the feasibility study are

- To assess agro-climatic suitability and production potential of sweet potato and taro in the region.
- To identify and evaluate potential production sites, including communal and underutilised land.
- To determine current and projected market demand, value chain dynamics, and potential off-take agreements.

- To analyse local, national and export market opportunities for sweet potatoes and taro.
- To estimate infrastructure and investment requirements across the value chain (production, processing, storage, transport).
- To propose suitable business models for smallholders, cooperatives, and agribusiness partnerships.
- To assess environmental and social impacts of the proposed industry.
- To identify potential risks and mitigation strategies.
- To recommend a phased implementation plan and financing strategy.

4. Scope of Work

The service provider will be expected to:

- Conduct desktop research and literature review.
- Perform stakeholder consultations with local farmers, traditional leaders, municipal officials, agri-businesses, input suppliers, and markets.
- Undertake field visits and soil/climate assessments (with geospatial data if necessary).
- Conduct financial and economic modelling, including cost-benefit analysis.
- Map existing and potential infrastructure (e.g., access roads, water sources, processing facilities).
- Recommend organisational and institutional models (e.g., cooperatives, PPPs, agri-hubs).
- Identify sources of funding and support (IDC, DRDLR, DALRRD, DBSA, EU, private equity, etc.).
- Produce a detailed and practical implementation roadmap.

5. Expected Deliverables

- The following deliverables are expected:
Inception Report – detailing methodology, work plan, and stakeholder engagement strategy.
- Situational Analysis Report – covering baseline data, production potential, and stakeholder mapping.

- Market and Value Chain Report – with demand analysis and value chain mapping.
- Business and Financial Models – with sensitivity analysis, breakeven points, and ROI.
- Environmental and Social Considerations Report.
- Feasibility Study Final Report – comprehensive report with clear recommendations and implementation roadmap.
- Presentation of Findings – to ANDA Management and key stakeholders.

6. Minimum Compliance Requirements

- To complete the project successfully and ensure quality in the output. The following minimum submissions and competencies will be required from service providers submitting bids.
- Formal methodology or implementation plan from the service provider with project initiation, project management, project milestones, and clear outcomes with specific time frames and project costs
- Submission of Clear financial breakdown with the proposal.
- Team Leader with South African Qualification Association (SAQA) accredited NQF Level 7 qualification in Agricultural Economics or Business Management or Community development (Attach CVs and qualifications)
- One team member must be registered with South African Council for Natural Scientific Profession (SACNSP)
- The team must consist of a minimum of 1 member with at least bachelor's degree (NQF Level 7) in the following fields: - Plant sciences/Botany or Agricultural sciences (Attach CVs and qualification)
- Detailed information of project team such as their CVs and qualifications, ID copies and their positions in the business (all attachments enclosed must be certified with the certification not older than three months).
- The company must have previously undertaken a minimum of 3 feasibility study projects on any agricultural projects (Reference letters must be attached for each job completed)

- Company profiles with traceable references must be attached where the service provider undertook similar work in the past. Provide and attach a copy of the company registration certificate.
- Valid SARS pin number confirmation certificate to be included as well as Letter of good standing from the Bank
- All bidders should complete MBD 1, MBD 4, MBD 6.1, MBD 8, MBD9
- Municipal clearance certificate certifying that no municipal rates and service charges are owed by the bidder and any of its directors to Alfred Nzo District Municipality or to any other municipality where the bidder's business operations are located, are in arrears for more than three months/Lease Agreement/Proof of Residence.
- Copies of Director's ID Documents and all submitted certificates must be certified with a certification that is not older than 3 months.
- All bids submitted should remain valid for a period of 90 days after the bid closing date
- Expertise in root and tuber crop value chains, especially sweet potato and taro.
- Multidisciplinary team including agronomist, agricultural economist, GIS/remote sensing expert, and rural development specialist.
- Familiarity with Eastern Cape's local government and agricultural landscape.
- Strong stakeholder facilitation and report writing skills.

7. Budget and Payment Schedule

A detailed budget should be submitted with the proposal, including professional fees, travel, stakeholder consultations, and reporting. Payments will be made against deliverables as follows:

- 20% on submission and approval of Inception Report
- 30% on submission of Interim Reports
- 30% on submission of Draft Final Report
- 20% on acceptance of Final Report and Presentation

8. Reporting and Oversight

The service provider will report to the Programmes Department of Alfred Nzo Development Agency. Oversight will be provided by a project steering committee composed of representatives from the Alfred Nzo Development Agency, Winnie Madikizela Mandela Local Municipality, Alfred Nzo District Municipality, DALRRD, ECDC, ECRDA and other stakeholders. It is expected that the Service Provider will submit regular progress reports to ANDA and present them to the Project Steering Committee (PSC) upon completion of each project phase. The Project Manager retains the authority to modify the reporting frequency as deemed necessary. Progress reports will be submitted in documented form and presented at PSC meetings. The Service Provider will be accountable to and report directly to the Project Steering Committee.

9. Project Deliverables and Duration

The final project deliverables are to be undertaken on a phased basis over a stipulated period. In accordance with the relevant standards and procedures for professional practice, and scope of work, the professional service provider will submit and make oral presentations on the progress of the project. The duration of the project will be limited to 4 months from the date of appointment.

No.	Deliverables	Due date
1.	Inception report	week 2
2.	Submission of implementation report	week 6
3.	Submission draft report	week 10
4.	Submission of final products	week 13

10. Selection and Evaluation Criteria

ANDA subscribes to the Preferential Procurement Regulations 2022, pertaining to the Preferential Procurement Policy 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 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 bid will be evaluated in two stages, namely:

- **Stage 1- Capacity to Execute Work**
- **Stage 2 - Price and Preference Point system (Goals)**

Proposal will be evaluated in terms of the SCM Policy of Alfred Nzo Development Agency and shall be applied as follows: -

ITEM	Weight
STAGE 1 OF EVALUATION – CAPACITY TO EXECUTE THE WORK	100
· Capacity And Expertise	60
· Previous Experience	40
STAGE 2 OF EVALUATION – PRICE AND PREFERENCE POINT SYSTEM (GOALS)	100
· Specific Goals	20
· Price	80

The following criteria will be considered for the appointment of a successful Service provider(s).

ITEM	WEIGHT
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<u>CAPACITY TO EXECUTE WORK</u>	60
<ul style="list-style-type: none"> Comprehensive Proposal with Implementation Plan, Project team, activities and Time Frames 	20
<ul style="list-style-type: none"> Team Leader with South African Qualification Association (SAQA) accredited NQF Level 7 qualification in Agricultural economics or business management or Community development or any related study (Attach CVs and qualifications) 	10
<ul style="list-style-type: none"> The team must consist of a least 1 member with bachelor's Degree (NQF Level 7) in the following fields, Plant Sciences / Botany or Agricultural Sciences or Community Development, - Plant sciences/Botany or Agricultural sciences 	10
<ul style="list-style-type: none"> One team member must be registered with South African Council for Natural Scientific Profession (SACNSP) 	20
<u>PREVIOUS EXPERIENCE</u>	
<ul style="list-style-type: none"> Traceable record for successful completion of a minimum of 04 Feasibility study on agricultural projects 	40
<ul style="list-style-type: none"> Traceable record for successful completion of a minimum of 03 Feasibility study on agricultural projects 	30
<ul style="list-style-type: none"> Traceable record for successful completion of a minimum of 02 Feasibility Study on agricultural projects 	20
<ul style="list-style-type: none"> Traceable record for successful completion of a minimum of 01 Feasibility study on agricultural projects 	10
<p><i>NB: If 4 projects were done, 4 Reference letters must be completed and attached.</i></p> <p>NB: Bidders need to score 70% or more to proceed to the following evaluation stage</p>	
<u>STAGE: PRICE & PREFERENCE GOAL POINTS</u>	
Price	80
Specific Goal - COMBINATION OF ANY GOALS	20

SPECIFIC GOALS: COMBINATION OF GOALS	Attachment to claim maximum points	Criteria Points
Business owned more than 50% by Priority population groups (Black/Indian etc.)	CIPC certificate, Certified ID, detailed CS	10
Business located in rural areas	Proof of residences	5
Business owned more than 50% by Youth	CIPC certificate, Certified ID, detailed CS	5
TOTAL WEIGHT		20

12. Submission Of Bids

Proposals must be placed in a sealed envelope and clearly marked: **“DEVELOPMENT FEASIBILITY STUDY FOR TARO PLANT AND SWEET POTATO”** and placed in the tender box in the Alfred Nzo Development Agency not later than 12H00 on the 08 September 2025. Bidders are requested to ensure that their proposals include Company Registration and all other necessary documentation.

Enquiries should be directed to the Office of the Programmes Department: Mr S. Tshonga 039 492 0011/060 551 6068 or email: Tshongas@anda.org.za and SCM related enquiries should be directed to SCM Manager: Ms Olona Sompao on 0394920011 / 066 440 7301 or email: Sompao@anda.org.za.

Approved by:



Lumko . Mtimde

CHIEF EXECUTIVE OFFICER