



LEJWELEPUTSWA DISTRICT MUNICIPALITY

RFP NO.: 113/02/2022 - APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR THE DEVELOPMENT OF A LOCAL ECONOMIC DEVELOPMENT STRATEGY AND IMPLEMENTATION PLAN FOR LEJWELEPUTSWA DISTRICT MUNICIPALITY.

CLOSING DATE: _____

COMPANY NAME: _____

CSD SUPPLIER NO MAAA _____

SPECIAL CONDITIONS OF THE BID

1. SUBMISSION OF TENDERS

Tenders will be opened in public immediately after the closing date and time. All submissions must be put in a sealed envelope. Failure to adhere to this will lead to immediate disqualification.

2. TENDER DEPOSIT

It is compulsory that service providers download a copy of the bid document that will ONLY be available as from 21 February 2022 on the National e-Tender Portal: www.etenders.gov.za and www.mylejweleputswa.co.za, free of charge.

3. ADJUDICATION OF TENDER

The Lejweleputswa District Municipality will not be bound to accept the lowest or any tender and also reserves the right to cancel the tender when deemed necessary.

The tender will be adjudicated by Lejweleputswa District Municipality in terms of the Preferential Procurement Policy Framework Act, no. 5 of 2000 and as defined in the conditions of bid in the bid document, read in conjunction with the preferential procurement regulations, 2017, where 80 points will be allocated in respect of price and 20 points in respect of B-BBEE status level of contribution.

Prospective service providers may not make any alterations or additions to the Bid document, except to comply with instructions issued by the employer, or necessary to correct errors made by the service provider. All signatories to the Bid offer shall initial all such alterations. Erasures and the use of masking fluid are prohibited and failure to adhere to this condition will render your submission non responsive.

All certified copies as required from functionality MUST be not older than three months to be regarded as valid in order to claim points. The threshold for functionality will be 70/30. Copies of certified copies will not be regarded as valid. All certified copies of required document, i.e. qualifications, proof of registration with professional bodies, IDs of business directors, appointment letters/purchase orders, B-BBEE/sworn affidavit, etc. must be originally certified.

Certified copy of B-BBEE Certificate Original Sworn Affidavit for B-BBEE / original certified copy of a Sworn Affidavit for B-BBEE. Failure to adhere will lead in non-claiming on preferential points.

A bid not complying with the mandatory requirements stated hereunder will be regarded as not being an "Acceptable bid", and as such will be rejected. If a Bid has not been properly signed by a party having the authority to do so, according to the example of "Authority for Signatory" will be rejected.

If No authority for signatory submitted – See example, where it is stated that a duly signed and dated original or certified copy of the company's relevant resolution (for each specific bid) of their members or their board of directors. Failure to attach a resolution will render the bid non responsive.

A bid will be rejected if any municipal rates and taxes or municipal service charges owed by the bidder or any of its directors to the municipality, or to any other municipality or municipal entity, are in arrears for more than three months.

Bids will be rejected if the bidders or any of the directors is listed on the Register of Bid Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector. Bids will be rejected if the bidder has abused the CoM's Supply Chain Management System or SCM Processes of any state institutions.

MBD 1 will be regarded as a FORM OF OFFER and if the forms are not completed and signed by the authorized signatory it will be regarded as non-responsive.

4. COMPLETION OF TENDER DOCUMENTS

Tenders will only be considered on receipt of this tender document correctly completed with all insertions in black ink and signed.

The following compulsory documentation must be attached in order for the bid to be considered:

- Tax Compliance Status (TCS) from SARS.
- Company Registration Certificate.
- Current Municipal Account/Valid lease Agreement.
- Original Certified ID Copies of business owners.
- Company profile with CVs of key personnel.
- Full CSD report (Summary report is NOT acceptable). The CSD must not be older than 10 day.
- Usage of pencil or Erasable ink is prohibited.
- Usage of Tippex is prohibited.

5. BRIEFING SESSION

None.

6. TAXES AND DUTIES PAYABLE

Bidders shall allow in their tender for the payment and recovery of all taxes and other duties. No claims for additional payment in this respect will be considered. Prices and rates quoted shall be inclusive of Value Added Tax (VAT). VAT shall be recorded as a lump sum in the tender summary and the total inclusive of VAT carried to the Form of Tender.

7. WITHDRAWAL OF TENDER

In the event of the successful tender failing to execute the service in terms of this tender, the Municipality shall be entitled to cancel the contract summarily, in which event the Bidder shall be liable for any additional expense incurred by reason of the Municipality having to call for fresh tenders or having to accept any less favorable tender.

8. PERIOD OF VALIDITY OF TENDERS

The period of validity of tenders shall be 90 days as stated in the tender form and be calculated from the closing date for submission of tenders.

9. NOTICE OF BIDDERS

Should any additions or alterations to the document as issued to Bidders be deemed necessary prior to the date for submission of tenders, they will be issued to Bidders in the form of Notices and will form part of the tender document.

The Notices to Bidders shall be completed where applicable by Bidders, signed, dated and returned with the tender documents.

10. PRICE

Bid prices will be regarded fixed and no additional cost will be added.

Bid prices must be stated in South African currency.

Bid prices must include supply, delivery, off-loading and Vat. (if applicable)

TERMS OF REFERENCE

Introduction

The LED strategy is purely designed to provide clear strategic guidelines to all relevant role players and agencies to ensure co-ordinated economic development initiatives that contribute towards the economic goals of Lejweleputswa District Municipality. The strategy should provide a rapid but rigorous evaluation of the district economy per sector, identification of potential economic opportunities, including identification of economic potential and the formulation of an overall economic development framework and strategy involving district stakeholders. The strategy is also critical towards consolidating existing and identified opportunities in the district municipality and aid in implementation, monitoring and evaluation.

Background to the project

The current LED strategy was developed in 2015. Since then, the municipality has experienced significant growth and a number of new development opportunities have arisen. Accordingly, the Municipality has identified the need to review the existing strategy, solely with the intention of producing a plan that is credible, implementable and which identifies projects of a catalytic nature and to rebuilt the economy from the impact caused by the Covid-19 pandemic which has affected the entire world. That is, projects that will have a meaningful impact on the district economy of Lejweleputswa and subsequently address the nation-wide triple challenges of unemployment, inequalities and poverty.

It is noted with concern that, the municipality has not yet managed to package and implement high impact programmes with a capacity to create to attract strategic investments thereby creating local employment and empower local entrepreneurs. To this end, it is our intention to draft a strategy that will reflect our challenges and present associated interventions to regenerate our economy through the District Development Model. In the main, we seek to draft a strategy which provides a clear path for urban development, rural industrialization, tourism promotion, agricultural development, services sector improvement as well as trade and industry growth.

As the municipality we take cognizance of our immediate economic challenges ranging from the lack of ownership of suitable land for town and urban expansion, lack of packaged industrial oriented projects, minimal agro-processing of local produced vegetables as well as our failure to take advantage of local natural resources. Hence, we are not attracting any incentives and/or support schemes earmarked for small business development and community empowerment due to the dire lack of readiness on our side. Undoubtedly, as we embark of this assignment, we will be willing to partner with a knowledgeable service provider who will undertake detailed research on our situational stand points and direct us to the correct path of economic emancipation.

Finally, the municipality is cognizance and appreciative of other developments and initiatives from various departments that are concerned about socio-economic challenges of Lejweleputswa. Hence, the compilation of this strategy is meant to serve as a tool of strategic integration and alignment of programmes and resources between the stakeholders thereby improve both public and private investments impact in Lejweleputswa. The appointed Service Provider will be expected to facilitate this integration and ensure our document harmonies and strengthens the synergies between the municipality and its strategic development partners in the spirit of the District Development Model.

1. Purpose of Terms of Reference

The purpose of this project is to develop the Local Economic Development Strategy for the Lejweleputswa District Municipality. The plan is envisaged to serve as a mechanism of intervention in addressing the economic development challenges within the District Municipality. It will serve to guide and direct the implementation of development initiatives, which are currently occurring in an ad-hoc manner. The strategy should also integrate with other key sector reports and existing local municipalities LED strategies and programmes already developed by locals within District Municipality. The strategy must also integrate with the District and Provincial Growth and Development Strategy.

2. Project Objectives

The LED Strategy play a major role in allowing Lejweleputswa District Municipality to meet its constitutional obligations, to promote and drive economic development in the district community as well as open new economic and employment opportunities.

The intention of the municipality is to develop LED Strategy with the implementation plan which will result in stimulation of economic growth and development and sustainability of substantial economic sectors. The objective of the project is to provide a broader context for local economy and undertake an analysis of the current demographic, social and economic characteristics for the Lejweleputswa area. This analysis must include an in-depth look into the implications that these characteristics may have for the future development of the area.

The specific study objectives and project deliverables are as contained in the following table:

Specific Objectives
<ul style="list-style-type: none">• To undertake a detailed economic analysis so as to enable identification of appropriate interventions that will lead to economic development of the area.• To formulate an implementable LED Strategic framework to guide the promotion and support of sustainable economic development within Lejweleputswa District Municipality.• Improve coordination of economic development planning and implementation across government and between government and non-governmental actors using the District Development Model.• Identify needs and gaps in enterprise support and business infrastructure in Lejweleputswa region.• Explore incentives that the municipality can provide or source to support existing businesses to grow their operations and create more jobs within the municipality.• Identify ways to attract and promote inward investment.• Identify approaches to support SMME development and regulation of informal trading.
To undertake a detailed economic analysis so as to enable identification of appropriate market interventions that will lead to economic development of the area.
To formulate an implementable LED Strategic Framework to guide the promotion and support of sustainable economic development
To formulate a matrix to guide the Municipality in terms of identification and prioritizing strategic projects for investigation and implementation.
To optimize the creation of new economic and business opportunities that will translate into meaningful economic growth, job creation and poverty alleviation in the study area

3. Scope of Work

The following activities are expected to meet the objectives of this exercise:

4.1 Inception Report

- Project set-up and preparation of the inception report detailing all deliverables including a work plan of the activities to be achieved during the contract period.
- Service provider is required to commence by drafting the inception report detailing the overall approach, methodology and expected time frame in which each phase of the project activities will be completed including associated costs of each phase.
- The inception report will serve as a discussion document and will be the basis upon which the detailed approach of the project will be agreed.
- The inception report is an interim deliverable that is expected to be completed in two (2) weeks from the date of appointment of the service provider.
- This report will further serve as the basis of the Service Level Agreement between the Municipality and the Appointed Service Provider

4.2 Situational Analysis

- Analysis of the municipality's economy using desktop data as base line information.
- Consolidation of existing information using reports and strategies such as the municipal IDP, Local Agricultural Development Strategy, Local Tourism Management Plan, etc. Any documents available from the municipality will be provided to the service provider. This exercise should:
 - Ascertain present local economic development climate of the municipality. This analysis should provide a PESTLE analysis of the environment affecting the area; a competitor analysis, and an analysis of the marketing environment.
 - A standard SWOT analysis of the area. Based on the SWOT analysis highlight the key success factors for LED in this environment.
 - Analyse business model that would be most appropriate to promote LED in the municipality.
 - Ascertain key economic sectors and growth sectors within the municipality including the areas of growth potential, comparative and competitive advantages, needs, challenges and opportunities.
- Research on current investment incentives, initiatives and policies as well as investigate future plans and strategies for the municipality.
- Stakeholder consultation. Identify and hold consultations with relevant stakeholders and industry players to gather information related to their strategies and plans.
- Assess the municipality's existing capacity (financial, infrastructure, and human capital), economic thrusts and determine needs based on identified opportunities and sustainability criteria.

4.3 Draft the Economic Development Framework

Taking into account the findings of the situational analysis the service provider should draft the LED strategy making sure it is aligned to the national and provincial strategies and plans such as the National Development Plan, Provincial Growth and Development Strategy, Provincial Investment Strategy, Industrial Development Zones, Small Business Development Act, etc. The Lejweleputswa

District Municipality LED Strategy should be developed to pay particular attention to the needs as well as the competitive and comparative advantages of the local municipality. In the main, the strategy should be radical and inclusive in nature thereby ensure that all the economic players are catered for and have an influence over the future direction of their economy. It should clearly detail and explore the following among others:

- Identification and packaging of sound strategic thrusts that reads from the challenges on the situational analysis and further consider the future economic direction of the country. Again, the thrusts should be linked to all the national ideas and programmes for rural and urban economic development
- Identification and prioritization of projects.
- Analysis of business trends in the local municipality.
- Identification of approaches necessary to grow and attract and retain investments within the district municipality.
- Organizing and conducting stakeholder engagements on the LED Strategy review.
- Specify the municipality's target sectors and the relevant municipality's comparative and competitive advantages.
- Develop enterprise development and investment model.
- Identify investment opportunities within the main and growth sectors within the Lejweleputswa District Municipality.
- The strategy should provide advice on possible institutional arrangements that will be deemed appropriate for integration and implementation of key programmes and projects. This should further assess the possible linkages with district development agency (Lejwe Le Putswa Development Agency) and areas of cooperation.

4.4 Implementation Plan and Monitoring & Evaluation Framework

- Devise the LED Strategy Implementation Framework and Monitoring & Evaluation Framework for the municipality.
- Implementation plan should be clear, practical and outline steps to be followed to grow the local economy.
- Implementation plan should further breakdown the interventions/ projects into a comprehensive plan of action, outlining steps to be taken for each intervention/ project with the envisaged dates and detail the roles of government, private sector and other relevant stakeholders as well as the anticipated financial requirements.
- The monitoring and Evaluation Framework should outline the specific timelines/timeframes for the interventions and indicators to measure performance against objectives.
- The implementation framework should detail the level of involvement of LED role-players in the area.

5. Anticipated Timeframe

The envisaged timeframe for the project is three (3) months, however, the final arrangements will be entered into with a preferred Service Provider.

6. Reporting Procedure

The Service Provider will report to the Project Steering Committee. Progress report will be required for every milestone of the project as per proposal.

7. Competency and expertise required

The successful service provider will have to meet the following requirements:

- The Service Provider (SP) must be a company with personnel who have recognized qualifications in Economics, Development Studies, Development Planning, Strategic Planning or Business Administration with 10 years or more relevant experience in Local Economic Development.
- Should be suitably qualified to respond to the terms of reference
- Should possess knowledge in formulating strategies of similar nature
- Report writing and presentation skills
- A sound approach and methodology towards delivering on this assignment
- Accessibility and dedication for the duration of this project
- Project Management skills
- Ability to engage with varied nature of private and government stakeholders.
- Expertise and thorough understanding of LED;
- Good understanding of the policies and strategies related to LED.

8. Fixed Price Contract

The bid price shall be fixed price inclusive of all expenses and value added Tax (VAT) and shall be priced per stage.

9. Evaluation Criteria

Proposals will be evaluated in terms of the Lejweleputswa District Municipality Supply Chain Management Policy, which conforms to the PPPFA provisions. The evaluation process will be conducted in two phases, namely functionality and price. The value of this project is below R50 000 000 and therefore 80/20 preference point system will be used as prescribed by the Preferential Procurement Policy Framework Act (Act No.5 of 2000) and the Preferential Procurement Regulations of 2017.

Value Scale: 1=POOR 2=BELOW AVERAGE 3=AVERAGE 4=GOOD 5=EXCELLENT

EVALUATION CRITERIA	WEIGHT	VALUE	SCORE
Company Information with relevant experience in economic sectors programme development	30		
• 5 projects and above	30		
• 3 – 4 projects	20		

• 1 – 2 projects	10		
Human resource capacity (List of contactable references) Qualifications of personnel which is related to the project e.g., Economics, Development Studies or other relevant qualifications. (Attach certified copies)	30		
• 5 CV's on relevant NQF Level 8 and above	30		
• 3 CV's on relevant NQF Level 7	20		
• 2 CV's on relevant NQF Level 6	10		
Programme Manager Experience (attach CV with contactable references)	20		
• 5 projects and above	20		
• 3-4 projects	15		
• 1-2 projects	05		
Technical Approach and understanding of the task	20		
Detailed proposal with indicative timelines for all the defined economic sectors a. Tourism, Arts, Culture and Heritage development sector b. Agriculture development and Agro-processing c. Industrial development for Engineering, Mining and Manufacturing d. Educational and skills development, including vocational, artisanal and other skills training			
Proposal with indicative timelines for all defined economic sectors	20		
Proposal with indicative timelines for 4 of the defined economic sectors	15		
Proposal not responding to the requirements, without methodology and indicative timelines	05		
GRAND TOTAL	100		

NB: Any bidder who scores below the minimum of 70 threshold on functionality will be eliminated and not considered further second phase.

10. Pricing Schedule

DESCRIPTION	UNIT PRICE	15 % OF VAT	TOTAL BID PRICE INCL VAT
Development of LED Strategy and Implementation Plan for Lejweleputswa District Municipality			