

## THE TERMS OF REFERENCE

To invite bids to establish future-proof approaches to job creation in the primary agricultural sector in line with the National Development Plan targets.

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## Acronyms and Abbreviations

Acronym	Description
IGP	Inclusive Growth Programme
OECD	Organisation of Economic Cooperation and Development
PSC	Project Steering Committee
SLA	Service Level Agreement
the dti	The Department of Trade and Industry
WTO	World Trade Organisation

**REQUEST FOR PROPOSALS (RFQ):**

The IGP invites interested service providers to submit proposals to establish future-proof approaches to job creation in the primary agricultural sector in line with the National Development Plan targets.

**Title of the BID:** Job creation in the primary agricultural sector

**Bid number:** IGP\_RFP\_03

**NOTE:** Should a vendor have reason to believe that the Terms of Reference are not open to promote competition or that it is written based on a particular brand / product / entity; the vendor shall notify the Bid Office of the IGP within ten (10) calendar days after publication of the bid.

## **1 PURPOSE**

1.1 The purpose of the study is to identify future-proof approaches to job creation in the primary agricultural sector. This would include identifying what the future of work in agriculture will look like, establish the skills gap between the current workforce with the view of absorbing current workers in to future job opportunities, and to study labour migration patterns within South Africa to establish the geographical area where future job opportunities should be created in order to have maximum impact on the alleviation of poverty.

## **2 BACKGROUND**

- 2.1 The agricultural sector needs to create 1 000 000 jobs in accordance with the National Development Plan. Current employment within the agricultural sector is below 900 000 jobs and employment growth within the agricultural sector remains stagnant.
- 2.2 At least two-thirds of jobs in the agricultural sector are found in the fruit industry, which is also export commodities. The primary agricultural sector in South Africa is not subsidised and is subject to global competition in terms of export commodities.
- 2.3 It is anticipated that the fourth industrial revolution and the accompanying mechanisation might have a further negative influence on employment levels, and there is a need to be informed of the potential scale of these disruptions while establishing new opportunities.
- 1.4 Lastly, labour migration patterns need to be studied and understood in order to see where in the country development in terms of labour-intensive agricultural activity would have the most impact in terms of job creation.

## **3 OBJECTIVES**

The objectives of this study are:

- 3.1 Establish what the future of work will be in the agricultural sector;

3.2 Identify if and how labour migration patterns are impacting and will impact on employment in the agricultural sector.

3.3 Once the future of work in the agricultural sector is established, identify the skills required to do the future jobs in agricultural, and the likelihood of existing workers being absorbed into future jobs;

3.4 Identify barriers to employment creation in the agricultural sector in terms of the following factors –

- Political;
- Economic;
- Social;
- Technological;
- Environmental;
- Legal.

3.5 Identify employment creation opportunities in the sector; then develop recommendation and actions plans on how these opportunities can be pursued.

#### **4 SCOPE OF WORK**

Specifically, the assessment should focus on the following issues:

- 4.1 Identification of the future work opportunities that will be available in the primary agricultural sector:
  - a) Focus should be on export commodities as well as commodities produced for the local market.
- 4.2 Study labour migration patterns and the impact of labour migration in the primary agricultural sector, in order to establish where (geographically) job creation would have the biggest impact.
- 4.3 Identify the skills gap between the current workforce in the agricultural sector and the skills need in terms of future job opportunities in the agricultural sector, and to make recommendations on how the skills gap can be closed.
- 4.4 Policy recommendations
  - a) Study the impact of identified potential barriers to employment creation, in order to make policy recommendations to break down these barriers.

#### **5 METHODOLOGY**

- 5.1. Bidders must clearly stipulate the methodological approach that will be followed to conduct this analysis and clearly stipulate what research methods and techniques will be used, why the specific methods and techniques are proposed, what advantage, disadvantage and risk factors there are.
- 5.2 It is expected that the study will employ mixed research methods. It is anticipated that data will dominantly be collected from secondary sources and that a significant amount of time will be

spend on analysis and modelling to show the potential impact of the proposed frameworks or interventions. Secondary information should be sourced from a diverse list of documents including ILO reports, Stats SA documents etc.

- 5.3 In addition, a detailed project implementation plan outlining key activities, timelines and outputs must be submitted with the bid.

## **6 DELIVERABLES**

- 6.2 Regular project progress reports and meetings as will be agreed to between the service provider and the IGP Project Manager.
- 6.3 A detailed draft report covering the scope of work as outlined in section 4 above. The service provider will submit the report to the Project Manager. This report must be submitted within 3 months of commencement of the project
- 6.4 Final report should be submitted as follows:
- a) Electronic final report in word and pdf formats.
  - b) The final report should be submitted within 6 months of the project start date.

## **7 QUALIFICATIONS, EXPERIENCE AND EXPERTISE**

The successful consultants must meet the following minimum qualifications and experience requirements:

- 7.1 The Project Leader
- a) Postgraduate qualification in Social Sciences, Economics, Agriculture, Business Management, International trade or development studies.
  - b) 10 years' practical experience in applied social science research. Furthermore, he/she must have knowledge and understanding of South African economic needs and priorities and the agricultural sector.
  - c) Two (2) case studies of similar assignments undertaken in the past 10 years should be provided as evidence of experience.
- 7.2 Other proposed core team members. In order to facilitate comparability and ease of evaluating bids, it is proposed that bidders propose a core team of no more than four experts.
- a) Degree in Social Sciences, Economics, Agriculture, Business Management, International trade or development studies.
  - b) 5 years' practical experience in applied social science research and project management and experience. Information on at least one (1) relevant project/assignment of completed in the past 5 years should be provided per team member.
- 7.3 Bidders must submit comprehensive CVs of all proposed key staff. A table summarising the qualifications and experience of the proposed team must be provided as indicated in below table.

7.4 Where proposed team members hold foreign qualifications, certified copies of South African Qualifications Authority *certificates of evaluation* must be submitted

Name and role of proposed team member	Relevant qualification(s) and courses successfully completed	Relevant experience the project	Year and client contact details

7.4 The bidding company must have 5 years' relevant experience in delivering the required service. Proof of relevant experience should be provided by means of 2 cases studies detailing similar work done in the past 10 years. Executive summaries of these studies and contact details of clients should be attached to the bids

7.5 **NB: The IGP** reserves the right to vet all documentation and information provided by bidders to prove their relevant experience and ability to perform the service.

## 8 CONDITIONS

8.1 A Service Level Agreement (SLA) will be signed with the successful bidder.

8.2 Proposed key staff members must participate actively and be available to perform services in accordance with the SLA and the project implementation plan. In instances where a proposed key staff member is not available to perform services at a specific period in time, the bidder will be responsible to provide a replacement with similar qualifications and experience in order to guarantee the same standard of work to **the IGP**.

8.3 The IGP reserves the right to vet all qualifications and other documentation provided by bidders to prove relevant qualifications, experience and expertise prior to appointment.

8.4 Copyright and intellectual property rights to all documentation, reports etc. that emanate from assignments commissioned to Strategic Partners will vest with **the IGP**.

8.6 Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where possible, be returned unopened to the bidder.

8.7 Bidders' attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by bidders may result in the invalidation of such bids.

8.8 **The IGP** reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits.

8.9 The Bid Office Officials of **the IGP** may communicate with bidders where clarity is sought after the closing date of the bid and prior to the award of the contract, or to extend the validity period of the bid, if necessary.

8.10 All communication between the bidder and the Bid Office Officials of **the IGP** must be done in writing.

## 9 PRICE

- 9.1 Bidders must submit a detailed budget which indicates professional hourly fee rates of the proposed key staff.
- 9.2 The hourly and daily rates quoted must be quoted in RSA currency.

## 10 THE IGP OBLIGATIONS

- 10.1 **The IGP** Project Manager will serve as the contact person on all matters relating to the project;
- 10.2 **The IGP** Project Manager will review, evaluate and approve the services provided by the Service Provider against the Service Level Agreement on an ongoing basis and prior to payment is made;
- 10.3 **The IGP** will supply all reasonable, relevant, available data and information required and requested by the Service Provider for the proper execution of the services and such assistance as shall reasonably be required by Service Provider in carrying out their duties under this contract.

## 11 OBLIGATIONS OF APPOINTED SERVICE PROVIDER

- 11.1 The appointed service provider undertakes to act as an independent contractor in respect of the work;
- 11.2 Work closely with the Project Manager of **the IGP**.
- 11.3 Attend meetings when required by the Project Manager for the purposes of obtaining information or advice with regard to the work and assignments or any matters arising from or in connection therewith;
- 11.4 Be responsible for its own computers and technical literature to adequately perform all the functions;
- 11.5 Exercise all reasonable skill, care and diligence in the execution of the work and shall carry out their obligation in accordance with professional standards;
- 11.6 In all professional matters act as a faithful partner and advisor to **the IGP**, as well as respecting the laws and customs of any country and provinces in which any business in relation to the project is conducted;
- 11.7 Keep all information availed in the course of the project confidential and as the property of **the IGP**;
- 11.9 Not disseminate any information gathered during the conduct of the project, publicize or release media statements in relation to the assignment;
- 11.10 Not distribute without prior written approval of **the IGP**, any information gathered during the conduct of the assignment as such information will remain the property of **the IGP**
- 11.11 Deemed to have been satisfied as to the correctness and sufficiency of the rates and prices set out in their bid for the services to be rendered;

11.12 Must plan and provide for all possible risks that may affect the delivery of the project on time and indicate what mechanisms are in place to manage such risks.

## 12 BID SUBMISSION AND EVALUATION PROCESS

12.1 The **80/20** principle and **two envelope / file system** will apply in evaluating the proposals in accordance with the amended PPP Regulations pertaining to the Preferential Procurement Policy Framework Act; Act no 5 of 2000 that came into effect on 7 December 2011. The reason for applying the **two envelope / file system** is to ensure that price does not influence the evaluation of the functional proposals.

12.2 **Two envelope system** is based on the submission of the functional and financial proposals in two separate envelopes / files. **NO** financial / pricing information may be contained in the functional envelope as this will lead to automatic disqualification. Submission must be done as follows:

12.2.1 **Functional proposal:** Bidders must submit their functional proposal in word or PDF format indicating the following details on the cover page:

- (a) Name of the bidder.
- (b) Bid Number.
- (c) Closing date and time.

This document should *only* contain the functional proposal **NO** financial / pricing information.

**Financial / pricing information in a functional proposal will lead to automatic disqualification of that specific proposal.**

12.2.2 **Financial proposal:** Bidders must submit their financial proposal in a separate file indicating the following details:

- (a) Name of the bidder.
- (b) The name of the **Theme** the bidder is applying for.
- (c) Bid Number.
- (d) Closing date and time.

12.3 **FAILURE TO COMPLY WITH THE TWO ENVELOPE / FILE REQUIREMENT WILL AUTOMATICALLY INVALIDATE A BID.**

12.4 All bids will be evaluated in terms of the two phase process once the pre-qualifying of bids received is done. All bids received will be subjected to a pre-qualification process to determine compliance with compulsory requirements / conditions. All bids that pass the pre-qualification process will then be evaluated as follows:

12.4.1 **First phase: Functional evaluation.** This evaluation is based on the functional proposal submitted in envelope one (functional envelope). For this phase there is a cut-off score of 70% and only the proposals that score 70% and above during the functional evaluation will be considered during the second phase of evaluation.

12.4.3 **Second phase: Price and B-BBEE status level.** During the second phase all bids that scored 70% and above during the interview phase will be considered for the third phase where



points will be calculated for price and B-BBEE scores in accordance with the amended PPP Regulations pertaining to the Preferential Procurement Policy Framework Act, Act no. 5 of 2000 that came into effect on 7 December 2011.

#### Key scores

Score	Description
0 – Non-compliant	No evidence provided to substantiate compliance
1 – Poor	Unacceptable, does not meet set requirements
2 – Average	Reasonable but not sufficient to fully satisfy the set requirements
3 – Good	Fully complies to the set minimum requirements
4 – Very Good	Above average compliance to the set requirements
5 – Excellent	Meets and exceeds the set requirements

#### PHASE 1: FUNCTIONAL EVALUATION

No.	Criteria	Weight	Rate (0-5)	Total Score
<b>1.</b>	<b>Team's Qualifications &amp; Relevant Experience</b>			
1.1	Team's Qualifications	20		
1.2	Team's relevant experience	20		
1.3	Knowledge of and understanding of the South African and global agricultural and agribusiness sectors, and how the systems of subsidies work in these sectors.	30		
1.4	Proposed methodological approach	30		
	<b>TOTAL</b>	<b>100</b>		

#### PHASE 2: PRICE AND PREFERENCE POINTS

	<u>80/20 PRINCIPLE</u>	POINTS
1	<u>Price</u>	80
2	<u>B-BBEE status level of contribution</u>	20
	<b>MAXIMUM POINTS</b>	<b>100</b>

### 13 CONTRACTUAL PERIOD

13.1 The study should be completed within 6 months. The commencement and end date will be indicated in the Service Level Agreement.

## 14 DEADLINE AND ENQUIRIES

14.1 Proposals must be submitted by email to [mira.blumbergpahad@uct.ac.za](mailto:mira.blumbergpahad@uct.ac.za). The deadline for the submission of proposals is **05 January 2020 no later than 16.00**. Please use the email subject line "IGP RFP 03 Proposal: Job creation in the primary agricultural sector"

14.2 All bid-related questions should be directed in writing to the following official:

Ms. Kezia Lilenstein

Project Manager: Inclusive Growth Programme

Development policy Research Unit

University of Cape Town

Email: [kezia.lilenstein@uct.ac.za](mailto:kezia.lilenstein@uct.ac.za)

## 15 ANNEXURE A: FORMAT AND CONTENT OF PROPOSALS

In order to facilitate ease of evaluating submitted bids, bidders are encouraged to submit their technical proposals in the following format.

### PROPOSAL COVER/TITLE PAGE:

- **Title of the BID:** (as written on the tender documents)
- **Bid number:** (as written on the tender documents)
- **Name of Bidder:** (Name of the bidding organisation)
- **Contact details:** (Physical address, telephone numbers and email address)
- **Date:** (Closing date as specified on the tender document)

### SECTION 1: INTRODUCTION & BACKGROUND

- Purpose of the proposal
- Brief description of the bidding organisation (e.g. type of business, core business, services, areas of specialisation, achievements etc.).
- Understanding/interpretation of the terms of reference and the scope of work
- The structure of the proposal.

### SECTION 2: ECONOMIC AND SECTORAL CONTEXT

The purpose of this section is for the bidder to demonstrate that they have the knowledge and understanding of the SA's and global economic environments and of the technical areas of this study including sectoral dynamics, subsidies, trade relations etc. The bidder must provide a brief discussion of following:

- The SA's and global latest key economic trends;
- SA's and global agricultural sectors performance, challenges, support programmes, opportunities etc.
- Key highlights and latest development pertaining to SA's trade agreements with its major agricultural trading partners, support in terms of subsidies and similar instruments available in both SA and its trading partners; and any other relevant information

### SECTION 3: PROPOSED METHODOLOGY

Bidders must clearly stipulate the methodological approach that will be followed to conduct this analysis and clearly stipulate what research methods and techniques will be used, why the specific methods and techniques are proposed, what advantage, disadvantage and risk factors there are.

### SECTION 4: QUALIFICATIONS AND RELEVANT EXPERIENCE OF THE PROPOSED TEAM

This section should outline relevant qualifications and experience of the proposed team as per the example in the table below:

Name and role of proposed team member	Relevant qualification(s) and courses successfully completed	Relevant experience the project	Year and client contact details
Thabo Modise – Team Leader	Masters in Development agricultural Economics - 1999 Post graduate diploma in research methods - 2005	<ul style="list-style-type: none"> <li>▪ Led a project that investigated the impact of subsidies on the agricultural sector</li> <li>▪ Was part of the team that conducted value-chain analysis in the agro-processing analysis</li> </ul>	2009, Department of agriculture, Ms Jabu Jones 012 394 8891  2010, USAID Agri. Support programme. Mr. S Smith. 012 983 7391
Nirashne Naidoo – Agricultural specialist	Degree in Economics, 2011 Post graduate diploma in M&E	<ul style="list-style-type: none"> <li>▪ Conducted a literature review and wrote a position paper on bilateral trade agreements</li> </ul>	2011, Department of Trade and Industry, Dr. R Zwane. 012 394 0000

The above summary table should be followed by a detailed description of the relevant experience of each proposed key team member in line with the requirements outlined in section 7 of the RFP.

#### SECTION 5: PROJECT IMPLEMENTATION PLAN

A comprehensive project implementation outlining key activities, timelines, outputs and proposed dates for presentations and submission of progress reports must be provided.

#### SECTION 6: ANNEXURES TO BE ATTACHED

- a) CVs of all proposed team members.
- b) Executive summaries of relevant assignments completed.
- c) BEE Certificate