



## **Terms of Reference**

### **FOR THE APPOINTMENT OF A SERVICE PROVIDER TO DESIGN AN SMME INCUBATOR, DEVELOP TRAINING TOOLS, AND OFFER TRAINING IN KEY AREAS OF SMME SUPPORT AND SUPPLIER DEVELOPMENT**

**Application Deadline:** 20 September 2019

**Type of Contract:** Institutional / Professional Services Contract

**Languages Required:** English

**Starting Date:** 15 October 2019

**Expected Duration of Assignment:** 18 months

## **I. INTRODUCTION AND BACKGROUND**

Under the remit of the UNDP- GEF5 Project, *Improving Management Effectiveness of the Protected Area Network* that is currently being implemented by the South African National Parks (SANParks), we seek to identify and pursue forms of technical assistance to address the financial sustainability of protected areas. Of concern in South Africa's protected areas is the need for capacity building of land claimants and post-settlement beneficiation support. A case in point is the Kruger National Park (KNP) where almost quarter of the total park has been claimed successfully.

In December 2008, Cabinet approved equitable redress as the only means of settling land claims within the Kruger National Park. This decision was based on the following principles:

- That a beneficiation scheme must form part of the equitable redress model in order to ensure fair and equitable compensation for the claimant communities,
- Beneficiation should be tangible, realistic and optimal,
- Settlement should uphold the principles of economic viability, financial sustainability and holistic management of protected areas (conservation),
- Post settlement phase should be compatible with conservation and protected areas legislation; and
- Broad Based Black Economic Empowerment is essential.

In 2016, the Kruger National Park settlement agreements signed with the land claimants comprised of 1) financial compensation and 2) Beneficiation Scheme aimed at creating economic development opportunities for the claimants and stimulating much needed economic activities for the affected municipal areas in which they reside. Following the signing of a settlement agreement, the Minister of Environmental Affairs tasked SANParks to develop the Beneficiation Scheme to be informed by potential opportunities available within and outside the Kruger National Park as part of the Restitution Award. This was to be done in consultation with the Minister of Rural Development and Land Reform and the land claim beneficiaries. A Beneficiation Scheme has now been developed. It is envisaged that the Beneficiation Scheme will address the following objectives:

- Synthesis and planning to develop integrated land claimant programmes as part of the Greater Kruger Integrated Development Plan (IDP), and in support of the implementation programmes.
- Establish Beneficiation Scheme Agreements to facilitate the acquisition of direct and indirect benefits to be derived by the land and restitution beneficiaries from the potential opportunities inside and adjacent to KNP to improve their livelihoods and facilitate contractual agreements.
- Governance and capacity building for community leadership and building appropriate institutional arrangements for proper governance and for commercial business engagements.
- Inform, develop and implement biodiversity economy and socio-economic programmes in land claimant areas outside KNP.
- Communication and awareness Campaigns using appropriate tools, such as exchange visits, theatre, toolkit, newsletter etc.
- Enterprise and Supplier Development (ESD) to facilitate SMME training and development, market accesses, contractual arrangements and resource mobilisation.

SANParks through the Kruger National Park Project Management Unit (hereinafter referred to 'KNP-PMU') has been assisting the Kruger National Parks land claim beneficiaries to form the respective legal entities (Trusts) in order to actively participate and implement the elements of the Settlement Agreements and the Beneficiation Scheme. Through this process, it has become clear that the assistance required for them goes beyond social facilitation, and includes a need for capacity building, skills development and mentorship. Equally, enterprise and supplier development has also emerged as a necessary vehicle for realising sustainable and inclusive economic growth and development in Kruger National Park.

It is estimated that the failure rate of SMMEs in South Africa is between 70-80%. This happens whether the entrepreneur had a good idea or not. Similarly, whether start-ups are established, the SMMEs around the KNP are not immune to these challenges which in many cases are avoidable. Even when commercial opportunities inside the KNP are readily available, there are no robust community-owned businesses with the necessary experience and capacity to engage. Specifically, their challenges include lack of appropriate skills, insufficient managerial capacity, low productivity levels, poor or lack of access to technology and market, bad business decision-making, lack of understanding of business principles etc.

The focus of this assignment will be on the following six (6) Land Claims Beneficiary Communities: Ngirivani/Mathebula, Gobondwane, Mahashi and Mhanganisweni are located in Mpumalanga Province; and Madonsi/Nwazekudzeku, Muyexe and Ndindani located in Limpopo Province. Each community has formed a Trust with an average of 11 executive members including traditional council representatives.

The ESD process will be implemented through the KNP-PMU which is responsible for the day to day running of the programme.

## **2. OBJECTIVE OF ASSIGNMENT**

As part of the implementation of the Beneficiation Scheme of KNP emanating from the settlement agreement, which communities signed with government in 2016, SANParks as an implementing agent to the beneficiation scheme identified a need to assist with the upskilling of SMMEs in order to accelerate their development and ensure sustainability and ultimate financial and operational independence.

On behalf of SANParks, UNDP would like to appoint a service provider to conduct a value chain analysis study to identify and quantify business and procurement opportunities and design a project to assist SMME in and around KNP to leverage those business opportunities and markets. Specifically, UNDP requires the assistance of a suitably qualified and experienced service provider for the following:

- To guide KNP-PMU to design an ESD incubation programme which is geared towards establishing and supporting SMMEs, reducing their transaction costs, increasing their confidence and capacity while linking them to resources, networks and markets for successful business venturing in order to achieve sustainable results, overcome obstacles and increase

their competitiveness in the market with the end result being job creation and poverty alleviation.

- Develop and package a simple user-friendly guideline/toolkit with a high quality of learning content while maintaining a realistic ambition level with regard to both scope and content and expressing a balance between the identified needs and the capacity of the users.
- Offer training and technical support to at least 50% of the initial 60 SMMEs for continued learning, coaching and mentorship.

### **3. SCOPE AND EXTENT OF WORK**

The toolkit and the project should respond to the needs of the Beneficiation Scheme and shall be developed to assist in improving the planning and implementation and reduce implementation constraints of the Programme. The Toolkit should enhance availability and quality of support from KNP- PMU and other concerned stakeholders for implementation of the Beneficiation Scheme and strengthened operational decision-making at local level. Furthermore, it should be geared to bring the beneficiation scheme to the implementation level and contribute to an efficient use of resources and skills available.

It will need to accommodate the new KNP expansion policy, regularisation, monitoring and technical support role of the KNP planning. It will also serve as a mechanism that ensures that information derived from experience on the ground informs practice throughout the KNP. The appointed service providers will therefore be expected to implement and coordinate various enterprise support and development in

line with opportunities provided by the KNP and surrounding tourism and procurement opportunities. Among others, the service provider is expected to implement the following:

#### ***Conduct supply and value chain analysis***

- To identify and quantify business and procurement opportunities;
- Develop a criteria for SMME selection;
- Identify, assess and select SMMEs in and around KNP to leverage those business opportunities; and
- Develop business improvement for each selected SMME.

#### ***Establish and implement incubation program***

- Develop a detailed business incubation plan in line with support needs identified;
- Provide business and incubation support to the qualifying 50% of the 60 SMMEs;

- Develop a report on non-compliance on the various SMMEs for procurement opportunities;
- Develop detailed improvement/incubation plans in line with support needs of the individual SMMEs;
- Conduct evaluation of the business plan of the qualifying SMMEs; and
- Facilitate signing of supplier contracts for the SMMEs and put management and monitoring mechanisms in place.

#### ***Material re-packaging and updating***

- Develop a curriculum and training programme for Start Ups;
- Expose aspiring entrepreneurs to models of entrepreneurship in the green economy in line with entrepreneurial opportunities in and around the KNP;
- Expose aspiring entrepreneurs to replicable models that can be copied and adapted in the KNP area;
- Provide technical support and mentorship to start ups to reach proof of concept stage/ Virtual Incubation programme;
- Training Start up in strategies for financial resources mobilisation as well as financial management; and
- Assist enterprise to access start-up funding for their concepts and ideas.

#### ***Growth Phase***

- Identify, support and promote growth stage enterprises (enterprises with a Proof of Concept) to expand through a custom designed programme;
- Identify and promote enterprises that demonstrate triple bottom impact;
- Custom design technical support programmes for growth in line with sector opportunities for sustainable entrepreneurship in and around the park; and
- Provide business management training course focusing on the core areas of planning, financial management, marketing, operations etc.

#### **Enterprise management development support**

- Provide access to business related information for SMMEs;
- Offer ongoing mentorship and coaching to the entrepreneurs;
- Where necessary facilitate the setting-up of operating facilities and related communicating; and services for the community development Trusts.

**Upon appointment the successful service provider shall produce the following:**

- a) Project Implementation plan (PIP) with milestones;

- b) Monitoring and Evaluation plan;
- c) Value chain analysis plan.

The KNP-PMU and SANParks will:

- ✓ Select the legal entities and identify members to participate in the training;
- ✓ Provide accommodation and catering (breakfast, lunch and dinner) for the trainees;
- ✓ Provide the training venue/facility; and
- ✓ Provide transport for the trainees to (training venue) and from (training venue to) their homes.

#### 4. DELIVERABLES AND PAYMENT SCHEDULES

- 4.1 Supply and value chain analysis report;
- 4.2 Robust and fully fledged SMME incubation programme;
- 4.3 Training manual and toolkits (electronic and hard copies and DVDs) before commencement of the training. The training material should be written in English;
- 4.4 Supply-demand matrix;
- 4.5 An analysis/report of market access/opportunities.
- 4.7 Provide training attendance registers;
- 4.8 Report with regard to: - Training: Indicating numbers trained, race/gender trained, disability, type of training and material used. Training report to also include recommendations from evaluation made by the trainees (self-assessment report); and
- 4.9 The Service Provider will be required to issue certificate of attendance to all trainees that have successfully completed the training.

**Table I: Payment Schedule against deliverables**

Deliverable	Payment	Timeframe
Deliverable 1: Project charter with implementation Plan (Inception Report)	20%	Within 3 weeks of contract signing
Deliverable 2: Supply and value chain analysis and selected SMME database Report	15%	Within 3 months
Deliverable 3: Toolkit	20%	Within 5 months after the signing of contract
Deliverable 4: Incubation Programme outline/workplan		
Deliverable 5: First Training Report	15%	Within 6 months after signing of the contract
Deliverable 6: Final Report.	30%	Within 18 months after the signing of contract

## **5. EDUCATIONAL AND EXPERIENCE REQUIREMENTS**

The Service Provider (Team Leader) should have a minimum of 10 years of progressively responsible experience; and in addition, a Master's Degree or a recognised equivalent qualification in tourism, environmental management, land use and spatial planning, market analyses/development, business development, environmental education, cooperative governance or political economy.

The Team Leader and other individual(s) of the consultancy team should have a proven track record of projects; in addition to instances of a comparable nature to the requirement of this TOR.

**Individual team members should be in possession of the following:**

- Knowledge and Skills: learning material development, conflict resolution, social facilitation, stakeholder engagement, incubation support and business development
- Experience: land reform, eco-tourism, conservation, legal background and business development
- Language(s): English. Knowledge of Xitsonga is an added advantage.

## **6. IMPLEMENTATION AND REPORTING**

- The Service Provider will be appointed through UNDP processes. The KNP-PMU will provide via the GEF-5 PMU that oversees the project on *Improving Management Effectiveness of the Protected Area Network*, to UNDP written approval on the content, quality and time-frame of deliverables against which payments will be rendered and the GEF-5 PMU needs to endorse to UNDP with an authorisation for payment. UNDP will be responsible only for the administration associated with contract management and payments. KNP-PMU shall be responsible for supervising the technical quality of the deliverables, calling and convening technical meetings with the Service Provider, making logistical arrangements, the overall day-to-day interaction directly with the Service Provider.
- The KNP-PMU, with SANParks support shall arrange for and cover the costs of necessary venues, local transport, accommodation and catering aspects in the geographic location associated with this work.
- The Service Provider shall submit the deliverables to the KNP-PMU which clearly presents work undertaken, outlining activities and outputs thereof. Any proposed deviations from the original project implementation plan shall be explained to the GEF-5 PMU and UNDP in writing.
- The project report (s) must be submitted in electronic format in English.

## **7. CONFIDENTIALITY**

All information, discussions, documents, learning material and reports that arise from this project must be regarded as confidential by the Service Provider. All such materials shall become the property of UNDP and its partners, and no document may be reproduced, copied or distributed. Only UNDP as a contracting partner and SANParks, shall have the right to make public the findings of this project.

## **8. CONTRACT PERIOD**

The work should be completed within 18 months of signing of the contract.

## **9. CRITERIA FOR SELECTION**

Selection will be based on a combined scoring method, where the approach to the work, qualifications and experience (Technical proposal) will be weighted a maximum of 70%, and combined with the price offer (Financial proposal) which will be weighted a maximum of 30% using UNDP's procurement rules.

## **10. RESPONSE FORMAT**

To facilitate the analysis of responses, all interested parties are required to prepare their response in accordance with the instructions outlined in this section. All proposals should be electronically generated.

Applicants are required to submit the following:

- A Technical Proposal: (i) Letter of Interest, stating why you consider your service suitable for the assignment and (ii) a brief methodology on the approach and implementation of the assignment, including broad time-frame (phases), and well-defined deliverables in relation to the scope of work, the costs per deliverable(s);
- Personal CVs of team members. CVs must highlight required experience as indicated above;
- All-inclusive financial proposal indicating consultancy fee (South African Rand) and a breakdown of expenses (unit price together with any other expenses) related to the assignment. The proposal must incorporate all travel costs anticipated for the company to achieve the required deliverables.

Applicants are required to submit the above documents to **procurement.za@undp.org** on or before the 20 September 2019 with the subject line: **Job Title and Reference Number.**