



NOTICE NO .SCM01-2807-22

Kindly furnish us with a written quotation for the supply of goods and services as detailed below.

Request for quotation documents may be obtained from Ray Nkonyeni Municipality – Supply Chain Management Office at 1000 Dan Pienaar Square, Margate from **28 JULY 2022** during offices hours (7h30 to 16h00) to closing date. However, you are encouraged to download the document at

<https://www.rnm.gov.za/index.php/opportunities/tenders/mini-tenders>

ECONOMIC SECTOR

DESCRIPTION/SPECIFICATION	QTY	RATE	AMOUNT (EXCL VAT)
<ul style="list-style-type: none">Appointment of the Service Provider to conduct research into key economic sectors within Ray Nkonyeni Municipality. Terms of Reference (TORs) meant to guide prospective Service Providers are available upon request from Supply Chain Management Unit or Local Economic Development Unit Technical enquiries: Philani.khambule@rnm.gov.za	1		
NB : FORMORE INFORMATION PLEASE CONTACT PHILANI KHAMBULE AT 039 688 2272			
SUB-TOTAL			
ADD 15% VAT			
TOTAL			

Sealed quotations must be marked: TENDER **NO.SCM01-2807-22 ECONOMIC SECTOR** must be deposited into a Tender box at the Supply Chain Management Office (Margate) by no later than **12pm 4 AUGUST 2022**. Telegraphic faxed, emailed and late quotations will not be accepted. A valid tax clearance certificate from SARS reflecting your tax pin code must be furnished. Mini Tender documents (available on our website and at the Supply Chain Management Office) must be attached. It is mandatory that all service providers are registered on the Central Supplier Database (CSD) and proof of your registration reflecting your CSD Number must be furnished with every tender submission. Failure to attach all mandatory documents as is requested on the tender documents will result in your tender not being further evaluated.

FAILURE TO COMPLY WITH THESE CONDITIONS MAY INVALIDATE YOUR OFFER.

All queries in respect of the above should be addressed to the Supply Chain Management Office – 039-3128378

The Municipality does not bind itself to accept the lowest or any quotation and reserves the right to accept the whole or any part of the quote.

Ray Nkonyeni Municipality
P O Box 5
PORT SHEPSTONE
4240

COMPANY FULL NAME

AUTHORISED PERSON FULL NAME & SIGNATURE

DATE

COMPANY STAMP



RAY NKONYENI MUNICIPALITY

Subject:	Terms of Reference – Analysis of the economic sectors in Ray Nkonyeni Municipality
Date:	JULY 2022

Definitions of acronyms

- RNM: Ray Nkonyeni Municipality
- DPS: Development Planning Services
- IDP: Integrated Development Plan

KZN: KwaZulu-Natal

LED: Local Economic Development

PSC: Project Steering Committee

SMME: Small, Medium and Micro enterprise

SDBIP: Service Delivery and Budget Implementation Plan

TORs: Terms of Reference

POE: Portfolio of Evidence

1. **BACKGROUND INFORMATION**

Locating the LED Unit and LED Programme

The Local Economic Development (LED) Unit is located within Development Planning Services department. In line with its mandate, the Unit was established to stimulate and support sustainable economic development. Its programme is designed to support local stakeholders in addressing market failures, human and institutional capacity limitations that act to exclude general citizens from the mainstream economy and thus perpetuate unemployment and poverty. In summary, the focus of the LED Unit is thus to create an enabling environment for growth of existing businesses and establishment of new businesses whilst at the same time empowering rest of local stakeholders in their quest to create employment opportunities and local economic stability.

Problem statement & project rationale

In Ray Nkonyeni Municipality local economic development facilitation is mainly guided by the IDP, Local Economic Development Strategy and the recently adopted municipality's 20-year Strategic Growth and Development Plan. There are, however, other supporting plans and policies that seek to aid the implementation of the afore-indicated core strategies, such as investment attraction policy & investment incentives, just to mention the two. In line with one of the eight (08) LED Strategic Focus Areas, namely Policy Development & Implementation a need has arisen to review and analyse the key economic sectors within Ray Nkonyeni Municipality. Reviewing & analysing economic sectors is not an end in itself, however, such economic data is intended to better equip policy makers to make informed decisions.

Purpose of the Terms of Reference

The purpose of the Terms of Reference is to specify to the prospective Service Providers the technical and methodological requirements for the execution of this project. The Terms of Reference specifies the objectives of the project and the activities to be undertaken in the course of project implementation; and further tabulates the milestones and the methods of verification against the desired outputs.

2. **OBJECTIVES**

Overall objective

The overall objective of this exercise is to broadly conduct analysis into all key economic sectors within Ray Nkonyeni Municipality.

Specific objectives & output

- Baseline data to be used – February 2020
- As an output, to produce the RNM Economic Sector Analysis Report that addresses the below key matters:
 - Profiling of economic contributors, per each sector that is dominant within Ray Nkonyeni Municipality, using SARS and Department of Labour statistics where possible.
 - Profile the overall economic contribution of each economic sector in the GDP of Ray Nkonyeni Municipality to ascertain and confirm key economic sectors within RNM.
 - Total number of jobs created / shed by each economic sector / economic contributor per sector, in the period in question;
 - In sectors where contraction has been experienced, identify causes and other conditions that led to contraction, and further propose mechanisms and specific support required to resuscitate the sector;
 - In sectors where expansion has been experienced, identify causal links and other conditions that led to such expansion & how such could be replicated in other struggling sectors;

3. SCOPE OF WORK & ACITIVITIES TO BE EXECUTED

Project Inception

- (a) The Service Provider is required to meet the department as soon as possible following notification that the tender was successful to refine and finalise all matters that need to be addressed.
- (b) The Service Provider is required to provide a detailed inception report, covering methodology, activities, effective stakeholder participation process and timeframes and associated resource allocations to successfully complete the project for incorporation in the Service Level Agreement between the parties.

Situational Analysis

- (a) Conduct a desktop study of the relevant legislation, policies, strategies and plans from all spheres of government that may guide the formulation & finalisation of the enquiry;
- (b) Identify and package baseline data that is relevant for all the key economic sectors that shall be the subject of the economic sector enquiry;
- (c) Using a baseline data, prepare a pre-enquiry situational report, providing the state of economic sectors & their contributions to the local economy as at February 2020

RNM Economic Sectors Analysis Report

Produce the RNM Economic Sector Analysis Report that addresses the below key matters:

- Profile of the economic contributors, per each sector that is dominant within Ray Nkonyeni Municipality, using SARS and Department of Labour statistics where possible.
- Profile of the overall economic contribution of each economic sector in the GDP of Ray Nkonyeni Municipality to ascertain and confirm key economic sectors within RNM.
- Total number of jobs created / shed by each economic sector in the period in question;

- In sectors where contraction has been experienced, identify causes and other conditions that led to contraction, and further propose mechanisms and specific support required to resuscitate the sector;
- In sectors where expansion has been experienced, identify causal links and other conditions that led to such expansion & how such could be replicated in other struggling sectors;

4. OUTPUTS & DELIVERABLES

- Inception Report that details how the service provider intends to execute the entire project;
- Situational Analysis that provides a detailed economic sector analysis as at February 2020 in line with baseline information requirements.
- RNM Economic Sector Analysis Report that will provide information on the key sectors as per specific objectives indicated in section 2 above.

5. ANTICIPATED TIME FRAMES

The maximum timeframe allowed for the execution of the project is six (06) months.

6. TEAM REQUIREMENTS

Personnel

The Service Provider must comprise a team that includes experts & staff as per below, with also the requisite skills to fulfil the requirements of the Terms of Reference.

Key Expert 1: Team Leader

The Team Leader must have an officially recognized qualification (Honours, Masters or PhD) in one of the following fields Economics, Econometrics, Commerce or Business Administration and 5 to 10 years relevant experience in economic analysis & research. The Team Leader should further have knowledge of project and contract management; feasibility studies, sector studies, business plans, IDPs (integrated development plans), project financing, SWOT and LED Plans; partnerships for economic development;

legislation, policy and strategy affecting economic development; and research methodologies.

In addition, the Team Leader should have extensive experience of managing multi-disciplinary teams and professional facilitation and participation management. Knowledge of the South African and KwaZulu-Natal legislative and policy framework, as well as institutional development and organization, would be essential to ensure informed input into the content of the study. Further, the Key Expert or Consultancy firm must also be accredited by Institute for Business Advisors of South Africa – Ibas.

Key Expert 2: Economic Researcher

The Sector Specialist must have an officially recognized qualification in one of the following fields Economics, Development Studies, Commerce or Business Administration with 3-5 years relevant experience within local economic development. Experience in analysing economic sector performances, modelling, and impact assessments will be advantageous. The Specialist should have a sound knowledge of economic analysis (analysis and interpretation of data), market research and experience in project management. The Specialist should also have extensive experience in report writing and possess presentation skills.

Administrative Support

The Administrative Assistant should possess administrative or secretarial related qualification. He/she should possess the following skills and competencies: Microsoft Office and report writing. The Administrative Assistant will be responsible for coordinating the PSC meetings and minute writing.

7. REPORTING

Reporting Requirements

The service provider is expected to present an inception report within one (01) month from the commencement of the contract. The draft reports thereafter will be submitted to the LED Manager or nominated representative in line with agreed-upon time frames as per inception report.

Reporting Procedures

Key Expert 1 shall report to the municipality's Local Economic Development Manager (or nominated representative). All reports with their accompanying invoices for payment must be submitted to the Manager: Local Economic Development, who shall thereafter recommend to the Head of Department pertaining to approval for payment purposes.

Project Steering Committee

The Municipality will be responsible for setting up the Project Steering Committee (PSC) and its Terms of Reference. The Service Provider will be expected to provide PSC secretariat, and the minutes of the PSC meetings will be prepared by the Service Provider and circulated to all PSC members at least seven (7) days after the meeting. PSC will compose of LED, KZN EDTEA, Trade & Investment KZN, Ugu Development Agency & KZN COGTA. Other internal and external members will be invited on needs basis.

8. TECHNICAL PROPOSALS

Understanding of the project context and the assignment

Prospective service providers are required to describe in detail their understanding of the brief and terms of reference.

Organisation and methodology

Bidders should clearly state the approach, methodology and organisation for achieving the contract objectives. They should also explain why their preferred approach is appropriate for achieving the TORs. Methodology should also detail how the bidder will organise itself to deliver on the TOR and the support that will be offered to the Key Expert. This section should also set out variables and risks associated with the achievement of the assignment.

Curriculum vitae: Key Expert 1, Key Expert 2 and Administrative Support

Concise CVs with technical qualifications, experience, and competency in relation to achieving the respective project objectives and associated activities of the work plan must be provided.

9. EVALUATION CRITERIA & BREAKDOWN OF TOTAL SCORES

Service Providers will be assessed according to the criteria as indicated below. The procedure for evaluation of responsive tenders will be: Functionality and Financial Offer. Evaluations of tenders will be done in two stages. Firstly, eligibility and quality (functionality) will be assessed; whereafter tenders with a minimum of 60 percent of points will be evaluated further for Financial Offer and Preference. The Preferential Procurement Policy Framework (PPPPFA) (as amended) applies.

Criteria	Possible Full Points
Proposal & Methodology	10
Key Expert: Qualifications and experience	10
Researcher: Qualifications	10

Criteria	Weighting	Scoring measurement	POE to be submitted
Proposal & Methodology	10	<ul style="list-style-type: none"> ▪ Submission of a Proposal, with detailed methodology = 10 points ▪ Non-submission of a detailed proposal detailing methodology = 0 points 	1. Submission of proposal, with detailed methodology, detailing how the exercise is to be executed in response to the Terms of Reference

Key Expert : qualifications & experience	20	<ul style="list-style-type: none"> ▪ 0-3 years' experience (Development related plans, policies, economic analysis & statistics or strategies = 0 ▪ 3-5 years' experience (Development related plans, policies, economic analysis & statistics or strategies = 5 ▪ 5 -10 years' experience in (Development related plans, policies, economic analysis & statistics or strategies = 10 ▪ Undergraduate degree = 5 ▪ Post-graduate degree = 10 	<ol style="list-style-type: none"> 1. Letters of appointment from previous clients, summing up experience in either strategy development or project development. 2. Copies of relevant qualifications in Economics, Econometrics, Statistics, Development Studies, Commerce, Project Management or Business Administration)
Researcher: qualifications	10	<ul style="list-style-type: none"> ▪ Undergraduate degree = 5 ▪ Post-graduate degree = 10 	<ol style="list-style-type: none"> 1. Copies of relevant qualifications in Economics, Econometrics, Statistics, Development Studies, Commerce, Project Management or Business Administration)

Financial evaluation:

Financial evaluation will be conducted by the municipality's Supply Chain Management, which shall consider the Technical Evaluation Report as provided by Development Planning Services Department.

10. TECHNICAL ENQUIRIES

Technical enquires can be submitted to the Manager: Local Economic Development:

Philani C. Khambule
Manager: Local Economic Development
Ray Nkonyeni Local Municipality
10 Connor Street
Port Shepstone
4240

Tel.: (039) 688 2272

Cell: 072 3284315

Email: Philani.khambule@rnm.gov.za