

NKANGALA ECONOMIC DEVELOPMENT AGENCY



APPOINTMENT OF A PANEL OF SERVICE PROVIDERS TO SOURCE FUNDING FOR LOCAL ECONOMIC DEVELOPMENT (LED) PROJECTS AND PROJECT MANAGEMENT SERVICES IN RESPECT OF PROJECTS WITH SECURED FUNDS FOR A PERIOD OF THREE YEARS (36 MONTHS) DEVELOPMENT AGENCY FOR A PERIOD OF 3 YEARS

SCOPE OF WORK

1. BACKGROUND

By making sure that it discovers sustainable solutions to address the needs of local communities and enhance their quality of life, NEDA is constantly conscious of its constitutional and legislative mission to be developmental in nature. According to the White Paper on Local Government (1998), the Municipality and its entities must make every effort to maximize social and economic development, integrate and coordinate planned activities, democratize development, empower and redistribute, including learning and leadership. The goal to reduce poverty, protect fundamental human rights, and enhance people's quality of life so they can live free from loneliness and want is at the core of most development initiatives.

Access to basic services and economic opportunities, mobility, safety, lack of pollution and traffic, and accessibility to social and recreational facilities are some of the developmental outcomes of local government that municipalities can influence.

The obligation of the municipality therefore resides in the supply of domestic infrastructure and services (roads, refuse collection, electricity, etc) which are vital components of social and economic growth. In addition to being a constitutional right, access to quality basic services is necessary for people to support their families, find work, advance their skills, or start small businesses.

Given that NEDA has a small rate base and is grant dependent, it recognizes the enormous task of providing an acceptable level of service delivery in order to eliminate infrastructure backlogs and encourage the creation and provision of a favourable environment for socioeconomic development. Through this call for proposals, NEDA hopes to address this issue by encouraging cross-subsidization

and enlisting the assistance of donors, the business sector, and other sources of funding for the proposed local economic development initiatives.

The NEDA Funds Programme Sourcing contract which will be concluded between NEDA hereinafter referred to as the “NEDA” and the preferred Service Provider/s hereinafter referred to as the “Service Provider” is intended to identify and source funding to respond to the local economic development priorities of the Municipality. The objectives and priorities are outlined in the Integrated Development Plan 2025-2028, Local Economic Development Strategy 2025-2028 and associated Sector Plans.

2. OBJECTIVE

Proposals are hereby invited from suitably qualified service providers (Specialist in Local Economic Development, Development Consultants and other relevant service providers – with no limit or exclusion, provided that prospective service provider/s meet requirements) for the development of project business plans and sourcing of funds at risk for LED Projects, on behalf of the NEDA, from government, non-governmental, parastatals, funding agencies/donors, FDI's (foreign direct investment), etc.

This panel will be listed on NEDA's Panel of service providers for a period of three (3) years.

The main activities in respect of the above request for proposals are as follows:

- a) Business Plan formulation together with compliance and completion of the requirements of the funding applications
- b) Project feasibility study, EIA, Project Scoping Assessment, Analysis of Financial Viability, Sustainability, etc. – where necessary
- c) Only Sourcing of Projects' Funds and Project Management and Work Supervision will be done by the consultant if the Municipality has been appointed as an implementing agent by the donor.

Priority is given to all LED projects as included in the Integrated Development Plan and the Local Economic Development Strategy 2025-2028 (current and projected) together with associated Sector Plans.

3. TERMS AND CONDITIONS OF ENGAGEMENT

The Service Provider/s is engaged by NEDA on a contractual basis subject to the following terms and conditions which remain enforceable throughout the duration of the contract:

The preferred Service Provider/'s:

Will be engaged by on a contractual basis for a period of three (3) years commencing on the date of appointment.

Ensure that all activities and processes are undertaken in compliance with legislative prescripts as well as the NEDA's policies and bylaws, which include but not limited to NEDA Supply Chain Management Policy etc.

Provide the NEDA with:

All documentation (electronic and hard copy) of all processes undertaken in the application of identified projects (inclusive of studies undertaken, analysis, cost comparison, business and marketing plans, financial projections, etc.). The intellectual property remains and must revert to the ownership of NEDA who reserves its rights in respect to the unauthorized usage of information without prior consent.

Quarterly reports on the funding agencies (government, non-governmental, private etc) that have been approached and the status of the application process or any other process being undertaken related thereto.

Monthly progress reports on projects for which funds have been sourced. It is also necessary that the reports are presented at which all preferred Service Providers will be requested to report monthly or as determined by the NEDA.

The office of the CEO of NEDA will provide identified Service Provider/s with the contact details of a NEDA official/s who has/have been delegated by the mentioned office to represent the interest of the Municipality. The official/s will be led by a Project Champion who, together with the Service Provider, will be required to establish and maintain a successful working relationship.

Correspond via the office of the CFO with all external organizations or funders (regional, national and international).

Deliver the determined deliverables, services and performance outcomes within the approved timeframe for the identified project / programme. Gross delays, outside the control of the Service Provider and NEDA, which amount to more than 30% of the approved timeframe, will result in the automatic termination of the contract unless valid reasons are provided to and accepted by the CEO.

Deploy adequately qualified, experienced and competent personnel to work on the identified projects / programmes for the duration of this contract. The deployed personnel will need to be approved by the CEO, in writing as part of the acceptance.

The Service Provider/s will thus provide NEDA with a comprehensive curriculum vitae indicating the qualifications, experience and job description of the deployed personnel.

Shall be paid for work undertaken (together with Professional services in accordance with the five percent (5%) or as determined by legislation of the total project value secured.

It is the onus of the Service Provider/s to indicate the activities required under each of the projects prior to undertaking the actual activities so as to receive the endorsement of NEDA. Any activity undertaken outside the agreed-to-do activities may result in the Municipality not authorizing the reimbursement of costs.

It is emphasised that all sanctioned work / activities undertaken by the Service Provider are done at risk and will only be subject to reimbursement on the receipt of funds sourced by the service provider and approved for the implementation of the project/programme.

Must comply with the given institutional arrangements for undertaking works under the concluded contract.

Ensure that there is a programme in place which addresses the transfer of skills to identified NEDA employees for specified works relating to the relevant nature of the project.

Is responsible for and must provide comprehensive insurance as a risk retention / mitigating measure should any assignment/task, technical methodology or advice provided by the Service Provider results in damage and loss to NEDA's, Service Provider's and or Third Party's property, reputation or employees.

Proof of insurance as a risk retention / mitigating measure must be provided to NEDA, for record purposes, within 60 (sixty) days from appointment. The Service Provider will indemnify the NEDA in all aspects in the above regard.

Shall not be entitled to cede, assign, sub-contract, delegate or make over in any way any of its rights of obligation acquired in terms of this contract, without prior written consent of NEDA, which consent shall not be unreasonably withheld.

NEDA shall:

Where possible, assist the Service Provider in lobbying for funding and or relevant specialized assistance from identified institutions, organizations and private companies.

Approve all business plans and all associated documentation / concepts prior to implementation and or submission for the consideration and approval of responsible institutions, organizations and private companies.

All equipment, buildings, vehicles, licenses, copyrights, etc. that is procured under the auspices of the concluded contract between the two parties and any other party shall remain the property of NEDA and will be listed on the NEDA Asset Register.

This excludes property or assets purchased by the Service Provider using funds paid to the Service Provider as payment of services rendered and which are for the benefit of the Service Provider and not the implementation of the concluded contract.

Any misleading information or documentation to NEDA by the Service Provider may result in the termination of the concluded contract.

All Funds that are sourced under the current terms of reference, as may be amended, shall be deposited into NEDA Primary Bank Account. The details of which will be provided accordingly.

Funds sources cannot be in the form of loans and or attract any repayment amount or higher purchase value.

Any other related South African and International regulations and legislation applicable inclusive of export/import, trading regulations, exchange rate, etc which are applicable or will become applicable to this contract are acknowledged as part of the rules governing this contract.

Should the Service Provider commit a breach of any term of this contract and fail to rectify it within 14 (fourteen) days of being called upon to do so, or effect or endeavour to effect a composition of the claims of any of its creditors, or suffer default judgement to be taken against it and fail to satisfy same within 14 (fourteen) days thereof, or be placed under sequestration, whether voluntary or compulsory, provisionally or finally (unless such liquidation is for the purpose of immediate reconstruction), then NEDA shall have the right to forthwith terminate this agreement without prejudice to any other rights which it may have in terms of this agreement or the law.

The conditions, once concluded, contain the entire agreement between the parties and no variation thereof shall be valid, unless it has been reduced to writing and has been signed by both parties.

Preferred Service Provider/s in the panel are not permitted to bid as implementers (Contractors) of projects for which they have formulated the necessary documents and sourced funding as this is tantamount to a conflict of interest.

4. DELIVERABLES

NEDA wishes to appoint a panel of professional service provider(s) to source funding and project management for various local economic development-oriented disciplines for a period of 3 years.

The scope of the contract is cantered on sourcing funding for programmes of Local Economic Development 2025-2028 strategies and plans inclusive of the social aspect of development and not limited to the listed thrusts in the table below:

The bidders shall tick the relevant box in the table below of the programme/s in line with their area expertise. The bidder failing to tick the relevant box in the table below shall be deemed unresponsive.

In cases of multi-disciplinary services, the bidders are eligible to submit supporting documents for each discipline on the functionality criteria.

However, notwithstanding preferences, NEDA shall at own discretion decide on which programme category the Firm will be appointed. This will be based on the credible profile and strength of the Firm.

Relevant Programme offered by the Bidder <i>(tick applicable box)</i>	THRUST	ED FUNDS OBJECTIVE	KEY SOURCE DOCUMENTS
	Industrial and Beneficiation Development	To stimulate value-adding activities relating to the Primary sectors, i.e. mining and agriculture. In more detail it encompasses the establishment of local manufacturing and processing plants, which utilise the local raw materials and resources as primary inputs	NDM IDP 2025-2028 & LED Strategy 2025-2028, NEDA Strategic Plan 2025-2028 documents are accessible from NEDA
	Rural Economic Base and Transport Development	Promoting the development of rural economies and inhabitants To improve accessibility between NEDA and surrounding areas (urban and rural) through the development of transport and communication linkages	
	Tourism and Cultural Development	Promoting the development of local culture and tourism activities	
	SMME Development	To stimulate the establishment, support and expansion of small local businesses.	
	Green Economy Initiatives	To stimulate the establishment, development and participation of small and medium local businesses in Green Economy Initiatives	

The preferred or successful Service Provider/s will be expected to produce the following deliverables for each of the preferred thrust ticked in the above table :

- a) Conducting, where necessary, basic feasibility studies inclusive of financial viability, sustainability analysis, project scoping assessment, basic environmental impact assessments (where applicable)etc. These activities should be conducted at their own cost and to recover costs incurred within the 5 % of the funding successfully secured for the programme.
- b) Formulation of Project Business Plan, inclusive of financial projections, any marketing plans, securing supplier commitment (relative to economic development projects), at own cost with costs incurred to be drawn from approved funding for programme implementation.

c) Apply for funding after obtaining NEDA's approval of the Business Plan and associated documentation to be developed by the service provider for submission to potential funding agencies except for the any that has already been allocated to the Municipality e.g. stipulated in the Division of Revenue Act of the relevant or subsequent financial year (MTEF period).

*Important Note: When considering funding options, Service Provider/s are encouraged to consider identifying possible "cash-backed" Strategic Partners who may be interested in financially contributing to the implementation of the project and in addition where feasible advise on the possibility of Public Private Partnership

d) As part of Professional Services on project management, following successful securing of funds:

Formulation of comprehensive Bid Documentation with detailed scope of work and standard conditions of contract for consideration by NEDA in compliance with the Supply Chain Management Policy.

Provision of Project Management Services (all inclusive –supervision, technical advice, monthly, quarterly and project closing/completion reports to the Municipality and the funding institution, value for money assessments, reporting, attending Project Management Committee meetings, etc.)

5. CONTRACT PERIOD

The duration of this project in thirty-six (36) months after the signing of a contract by the successful service providers.

6. CONFIDENTIALITY OF INFORMATION

The service provider is expected to safeguard the confidential information disclosed pursuant to content shared with the service provider.

7. CONCLUSION

- Any false information given by the service providers, late submission of quotations and not meeting the minimum qualifying requirements will lead to automatic disqualifications of the service providers.
- All conditions and requirements included in the terms of reference shall serve as a contract between the Agency and the successful service provider. Moreover, the appointment letter will also include conditions and requirements in addition to all included herein the terms of reference. Conditions and requirements in both the terms of reference and appointment letter shall remain fixed and binding for the period of the assignment and unless where stated otherwise