

=aer

Request for Expression of Interest for commercialization of ARC Cannabis varieties.

EOI number: ARC/43/10/2025

This Request for Expression of Interest is issued by the Agricultural Research Council (ARC) to invite interested parties to participate in the commercialization of ARC Cannabis varieties. The ARC seeks to identify a company/service provider interested in the mass seed multiplication and marketing of ARC Cannabis varieties. The ARC reserves the right to appoint, or not appoint, any service provider/s through this Request for Expression of Interest.

Date of issue	22 October 2025	
Compulsory briefing session	27 October 2025	
Ms Teams link for the briefing session	Join the meeting now	
	Meeting ID: 372 622 042 286 6 Passcode: 82Wu3pJ3	
Closing date and time	14 November 2025	
EOI Number	ARC/43/10/2025	
Submissions to be emailed to:	Mlindin@arc.agric.za	
Enquiries SCM	Ms N Mlindi	Mlindin@arc.agric.za Contact no: 060 536 5622
Technical Enquiries	Dr. Willem Jansen Van Rensburg	Contact no: 082 821 5375

Introduction

The ARC, as one of the leading scientific organizations in agricultural research and development, has partnerships with various government departments, scientific organizations and institutions of higher education to undertake directed and multidisciplinary research, development, and technology transfer that contributes to crop improvement and availability of propagation material for commercialization and economic development. The ARC maintains germplasm of medicinal cannabis and hemp, including new varieties submitted for cultivar registration. The ARC would like to invite interested parties to participate in mass seed multiplication under controlled conditions and commercialization of ARC hemp varieties.

Background

The South African cabinet took a decision in July 2019 that South Africa needs a national strategy for industrialization and commercialization of Cannabis in order to increase economic growth, create jobs. This request for an Expression of Interest (EOI) is to identify potential partners for participation in mass seed multiplication of locally developed and adapted ARC hemp varieties under controlled conditions to enable all year-round seed production and ensure zero contamination from other pollen sources. The EOI furthermore include the marketing and commercialization of above-mentioned varieties, nationally and internationally.

Administrative requirements.

The following documents need to accompany the proposal:

- A valid Tax PIN Number from SARS
- Current Central Supplier Database (CSD) Report. Farmers must be registered on CSD before signing of the contract agreement.
- Completed and Signed Standard Bidding Documents (SBD 4)

Compulsory requirements

The following documents need to accompany the proposal:

- Company or service provider should submit a relevant hemp permit or evidence of application.
- 2. Proof of attendance of the compulsory briefing session. This will be confirmed through an attendance register kept by the ARC.

Failure to comply with the above requirements will lead to disqualification.

VETTING CRITERIA FOR COMPANIES/SERVICE PROVIDERS TO PARTICIPATE IN THE PROGRAM

- 1) The company/service provider must be prepared to enter into a valid Material Transfer Agreement (MTA) with the ARC.
- 2) The company/service provider must be prepared to enter into a non-exclusive Agreement with the ARC to multiply, market and sell propagation material of hemp varieties for commercialization. The ARC will receive a royalty share on all sold material to a value ranging from 10% - 15%.
- 3) The contract period will be for five (5) years, with an option to renew every year based on performance.
- 4) The company/service provider must have an appropriate level of knowledge and minimum of three (3) years of experience that allows them to do mass seed multiplication and commercialization. **Or**
- 5) The company/ service provider must have an appropriate level of knowledge and minimum of two years of experience in cannabis production.
- 6) Mass seed multiplication to be conducted under controlled conditions to enable all year-round seed production and ensure zero contamination from other pollen sources.
- 7)
- 8) Minimum of one site with controlled environment to prevent cross contamination of genetics of the other cultivars should be available for mass seed multiplication, maintenance, and storage of seed. Adherence of international standard to prevent contamination is a requirement.
- 9) If two sites are available, the second cultivar can be produced if cross contamination of pollen can be prevented.
- 10) The company/ service provider should submit a proposal to include business overview, value chain and marketing plan, marketing infrastructure, target market, sales and distribution plan as well as marketing campaigns.
- 11) Seed must be certified by the relevant certification authority.
- 12) The following information is required for the proposed site:
 - a. GPS coordinates of the facility and size (m²) of the area to be utilized.
 - b. Type of growth medium to be utilised – free from soil-borne pathogens
 - c. Specifications of the production system to be utilised (hydroponic/fertigation, trellising, etc.)
 - d. Availability of suitable storage capacity for seed.
 - e. Access to suitable equipment for effective mass seed multiplication, harvesting and storage.
- 13) The ARC will supply the company/service provider with at least 20 kg mother seed (about 10 000 seed) of each variety ~~free of charge~~ to be multiplied under controlled conditions / the ARC will supply the company/service provider with the seed at a prescribed price (3 times the commercial selling price) and ARC/ and DOA.
- 14) The company/service provider should be willing to make some seed available to ARC and DOA.
- 15) The ARC researcher(s) must have access to the multiplication facilities. Visits will be communicated with the site manager in advance and no other unauthorized individuals should be allowed to access the multiplication site without the consent and/or presence of the ARC researcher.

The company/service provider will submit audited statements every year to ensure transparency on how much commercial seed was sold.

Submission specifications

The proposal from interested parties should not exceed 20 pages and, where relevant, supporting documents should be attached as appendices. The following should be included (but not limited to) in the proposal:

- Company/service provider profile with a proposal to include business overview, value chain and marketing plan, marketing infrastructure, target market , sales and distribution plan as well as marketing campaigns.
- Compliance with all legal regulations as published by DOA and amended from time to time with granted permit for seed multiplication and license for selling (at the costs of the interested party)
- Proof of a strong and long-standing presence within the cannabis industry with international footprint.
- Proof of financial stability and fully disclosed financial standing that confirms available resources and expertise.
- Proven track record for multiplication and marketing of cannabis seed
- Control over the multiplication facilities (proof of ownership, lease agreement, permission to occupy, etc.). The facilities must be secure with all necessary security controls in place in order to restrict access of unauthorized individuals.
- Information on technical capabilities and available resources to enable successful mass seed multiplication and commercialization of ARC cannabis varieties.

Costs of submission

Parties submitting an Expression of Interest assume all risks for resource commitment and expenses, direct or indirect, of proposal preparation and participation throughout the EoI process. The ARC is not responsible directly or indirectly for any costs incurred by the parties.

Site visits

The ARC may decide/request to visit the shortlisted producers to further conduct suitability assessments. Arrangements for the visits will be co-ordinated well in advance.

Process for shortlisted applicant/s

- The shortlisted applicant/s will proceed to the application phase where further assessments will be completed.
- The successful applicant will be subject to the parties agreeing to mutually acceptable terms and conditions. In the event of the parties failing to reach such agreement within a mutually agreed date after the provisional appointment date, the ARC reserves the right to appoint or not appoint.

Disclaimers

The request for Expression of Interest by the ARC, is advertised in good faith. However, the ARC, its agents, employees and collaborators/partners do not warrant its accuracy or completeness. To the extent that the law permits, the ARC will not be liable for any claim whatsoever and howsoever arising (including, without limitation, any claim in contract, negligence or otherwise) from any incorrect or misleading information contained in this request due to any misinterpretation. This request is not an offer document; answers to it must not be construed as acceptance of an offer or imply the existence of a contract between the parties. By submission of its information, organisations shall be deemed to have satisfied themselves with and to have accepted all Terms and Conditions of this request. The ARC makes no representation, warranty, assurance, guarantee or endorsements to any party concerning the request, whether regarding its accuracy, completeness or otherwise and the ARC shall have no liability towards any party in connection therewith.

SBD 4

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise,
employed by the state?

YES/NO

- 2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

2.2 Do

Full Name	Identity Number	Name of State institution

you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution?

YES/NO

2.2.1 If so, furnish particulars:

.....
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?

YES/NO

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

I, _____ the _____ undersigned,
(name)..... in submitting the
accompanying bid, do hereby make the following statements that I certify to be true
and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect.
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor.

However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.

- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.5 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.7 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....	
Signature	Date
.....	
Position	Name of bidder

² Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.