

## **Terms Of Reference (ToR)**

### **THE APPOINTMENT OF A SERVICE PROVIDER TO DESIGN AN SMME INCUBATION PROGRAMME, DEVELOP TOOLS & OFFER COACHING AND MENTORING IN THE KEY AREAS OF SMME SUPPORT AND SUPPLIER DEVELOPMENT IN THE GREATER ADDO-AMATHOLE BIODIVERSITY ECONOMY NODE FOR A PERIOD OF 18 MONTHS.**

#### **1. BACKGROUND:**

The Department of Fisheries, Forestry and the Environment has recently launched a project titled “Catalyzing Financing and Capacity for the Biodiversity Economy around Protected Areas”, which seeks to establish three Biodiversity Economy Nodes across the country that will contribute to improved well-being through inclusive, conservation-compatible rural economic development, while protecting natural capital. The project is funded by the Global Environment Facility (GEF 7) and SANParks is leading the project implementation in the Eastern Cape wherein the Greater Addo-Amathole Biodiversity Economy Node (Node) is being established.

The project aims “to leverage financial resources and improve capacity to implement the Biodiversity Economy and increase benefits from selected Protected Area landscapes to local communities”. The project will help to transform South Africa’s wildlife economy to become inclusive and sustainable, supporting land reform beneficiaries and other communities to enter the wildlife ranching, game-processing, hunting and ecotourism sectors, and to set aside land for habitat conservation.

The Greater Addo-Amathole Biodiversity Economy node is loosely delineated as the area between the Addo Elephant National Park in the Sarah Baartman District Municipality and the Kei River in the Amathole District Municipality as depicted in (Figure 1).

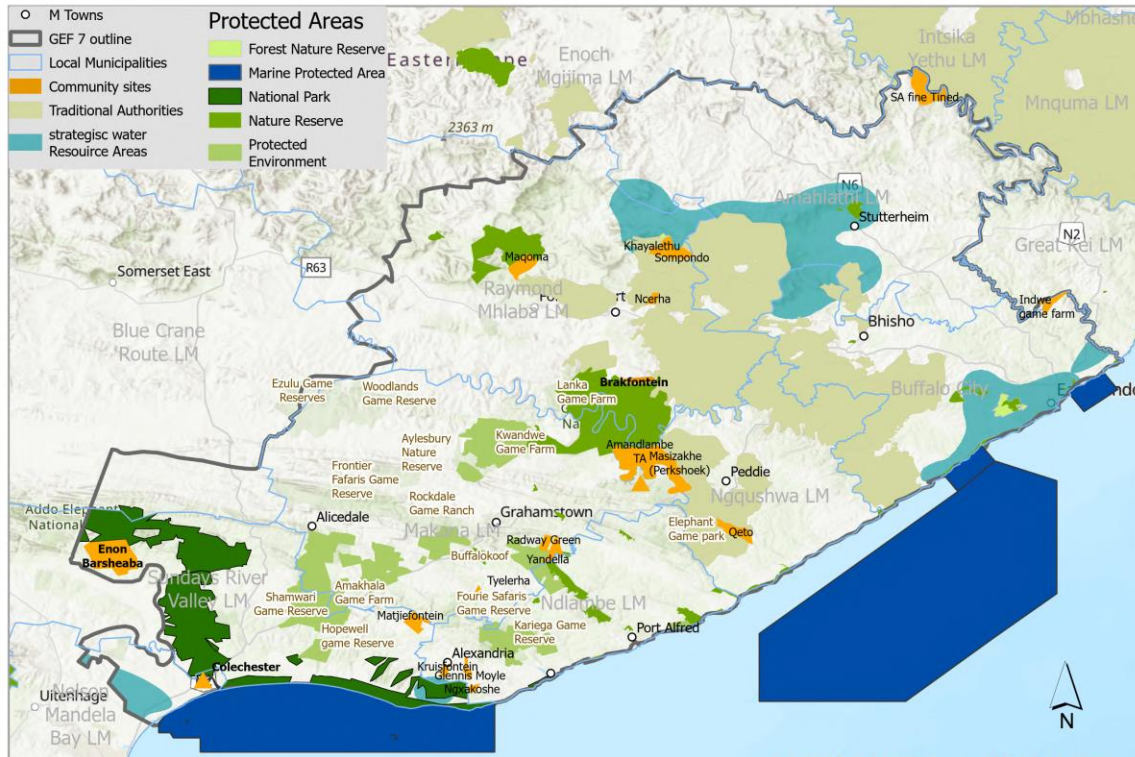


Figure 1: Greater Addo-Amathole Biodiversity Economy Node Map

## 2. OBJECTIVES OF ASSIGNMENT

**2.1** To promote rural prosperity by supporting small businesses and building rural supply chains in the biodiversity economy and developing capacity for equitable benefit sharing from public-private-community partnerships. The Project also seeks to provide financial and technical support to SMMEs across the Node, specifically business in the biodiversity economy.

**2.2** To provide SMME support, to be divided as follows: approximately 70 percent will go to strengthen existing, viable businesses to help existing SMMEs grow through facilitating increased market linkages, coaching and mentorship; and 30 percent will be invested in the identification and incubation of new start-ups. Special focus will be placed on supporting women and youth led SMMEs and expanding job opportunities to woman and youth.

**Specific activities to be financed include the following:**

- Design an incubation program which is geared towards establishing new and supporting existing 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 further job creation and poverty alleviation.
- Develop & offer coaching and mentoring tools in the key areas of SMME support and supplier development.
- Develop selection criteria and methods for small grants disbursement for qualifying SMMEs in the incubation programme. Focus will be on assisting new businesses to integrate into existing value chains.

**3. SCOPE AND EXTENT OF WORK**

SANParks as an implementing agent requires the assistance of a suitably qualified and experienced service provider to;

**3.1 Design and implement an SMME incubation programme:**

The incubation programme is to be delivered to approximately 20 enterprises operating in Biodiversity Economy Node, and it should entail the following;

- Coaching and mentoring support to participants
  - o To better understand biodiversity economy and related value chain products
  - o Hands-on support to improve business operations and growing the balance sheet

- Development of market and competitor analysis as well as business growth wheels and sustainability models.
- Emphasis should be placed on practical skills such as market research, business planning, marketing, advertising, cash flow management, stock control and security, supply chain agreements, access to finance, and employee management. Participants may be individuals running small or micro businesses, or cooperatives whose ambitions include going into business, e.g., youth organizations, women’s groups, farmer cooperatives, or “stokvel” savings associations.
- Provision of coaching clinics to leverage existing knowledge hubs in the Node, to build on existing capacity and to help ensure long-term sustainability.
- Develop and profile SMMEs in the incubation.
- Offer ad-hoc advisory support to the identified SMMEs

**Key Activities will include:**

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

- To identify and quantify business and procurement opportunities.
- Source potential SMMEs in the Node to participate in incubation (eg. expression of interest)
- Develop a criterion for SMME selection for the incubation programme
- Conduct screening exercises and recommend qualifying SMMEs for incubation
- Develop business improvement plans for each selected SMME

***Establish and implement incubation programme***

- Develop detailed improvement/incubation plans in line with support needs of the individual SMMEs
- Provide business and incubation support to at least 20 SMMEs
- Identify and facilitate linkage of a suitable mentor for each SMME
- Develop a report on non-compliance on the various SMMEs for procurement opportunities

- Assist the incubates (20 SMMEs) in developing of the individual business plans
- Facilitate with the packaging of business profiles & signing of supplier contracts for the SMMEs
- Set up management and monitoring mechanisms for the SMMEs

### ***Start-Ups***

- Develop curriculum and incubation programme for Start Ups
- Expose aspiring entrepreneurs to models of entrepreneurship in the biodiversity economy in line with entrepreneurial opportunities in the node
- Provide technical support to start ups to reach proof of concept stage/ Virtual Incubation programme
- Expose Start-ups in strategies for financial resource mobilization, financial management as well as share information on access to start-up funding.

### ***Growth Phase***

- Identify, support and promote growth phase 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 the node
- 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 20 SMMEs
- Offer ongoing mentorship and coaching to the 20 SMMEs
- Where necessary facilitate the setting-up of operating facilities and related communicating services for the SMMEs
- Develop a M&E plan for the SMMEs to monitor performance for SMME self-assessment and business performance

### 3.2 Disbursing of Small Grants:

Targeted support in the form of small grant funding will be provided to shortlisted businesses in the mentorship programme.

The service provider should provide the following:

- Develop a grant funding template and selection criteria for funding eligibility.
- Identification of eligible SMMEs for funding during the incubation.
- Establish project advisory committee to approve shortlisted SMMEs
- Develop a small grant disbursement method and monitoring tool of grant spending
- Develop a funding letter of approval template.
- Support small grant implementation.

## 4. DELIVERABLES AND SCHEDULE FOR COMPLETION OF TASKS

The service provider will be expected to deliver for following:

<b>Activity</b>	<b>Expected output</b>	<b>Timeframe</b>
<i>Appointment of consultant</i>	<i>Signed contract</i>	<i>Contract signed by April 2024</i>
<i>Inception meeting with Advisory committee and PMU</i>	<i>Inception meeting to confirm approach and deliverables</i>	<i>Inception report and Project Implementation plan with milestone by mid-May 2024</i>
1. Conduct an environmental scan of local SMMEs and economic opportunities	Supply demand matrix	Approximately 1 months after signing of contract - <b>Supply and demand analysis Report</b>
2. Develop criteria for SMME selection and Baseline Assessment of shortlisted SMMEs	Report recommending criteria for SMMEs selection  Baseline Assessment of status of selected SMMEs	Approximately 2 months after signing contract - <b>Detailed report on SMME selection criteria</b> - <b>Baseline Assessment of status of selected SMMEs</b>

3. Design incubation programme	Detailed improvement/incubation plans in line with support needs of the individual SMMEs (new & existing)	Approximately 4 months after the signing of contract  - <b>Incubation Programme outline/workplan</b>
4. Implement incubation programme	Incubation manual and toolkits (electronic and hard copies)  Robust and fully fledged SMME incubation program	Approximately 6 months after signing of the contract. - <b>First Incubation Report</b>  Approximately 12 months after signing of the contract - <b>Mid-Review Incubation programme report</b>  Approximately 18 months after the signing of contract - <b>Final Report.</b>
5. Small grant disbursement	Criteria for small grant disbursement  Method of grant disbursement  Monitoring tool for grant spending	Approximately 6 months after signing contract.  - <b>Small Grant disbursement plan</b>

## 5. SERVICES AND FACILITIES TO BE PROVIDED BY THE CLIENT:

The project management unit will provide oversight functions to this process and will also pack of key reference material. Existing reports and key reference materials will be provided.

SANParks will also provide the following in terms of logistical arrangements:

- Provide a database of potential SMMEs to be considered for the incubation
- Provide accommodation and catering (breakfast, lunch and dinner) for the participants.
- Provide the incubation venue/facility.
- Provide transport for the participants to (venue) and from (venue to) their homes

**6. CONSULTANT’S QUALIFICATIONS, EXPERIENCE REQUIREMENTS and CONSULTANT’S TEAM COMPOSITION WITH ESTIMATE OF KEY EXPERTS INPUT.**

The Service provider should demonstrate competencies in the following;

**Knowledge and Skills:** Learning material development expertise, enterprise support and development, marketing and coaching.

**Education:** Company team to undertake this assignment must have relevant three- or four-year tertiary qualification in business development, development economics or related.

**Accreditation:** The mentors should be registered with COMENSA (Coaching and Mentoring South Africa).

**Experience:** Team members should have over 3 years’ experience in biodiversity economy, eco-tourism, conservation, coaching and mentoring, legal background as well as enterprise and business support. Experiences in successful completion of at least two (3) similar nature and complex assignments, preferably within similar client country economic and social context, within the last ten (10) years.

**Management:** High institutional, managerial, and technical competence and capability in terms of financial strength, institutional quality management system and good track records in the industry.

**Language:** Team must have people who are conversant in English.

**7. CLIENT’S ASSIGNMENT MANAGEMENT ARRANGEMENT: INCLUDING PROCEDURES FOR REVIEW OF PROGRESS REPORTS, INCEPTION, STATUS, FINAL DRAFT AND FINAL REPORTS AND APPROVAL procedures.**

- The Service Provider will be required to provide brief progress reports on bi-monthly basis for the duration of the project as agreed or when it is required based on the agreement with Project Manager.

- The Service Provider shall submit project progress reports which clearly present work undertaken outlining activities and outputs thereof. Any proposed deviations from the original project implementation plan shall be explained to the Project Manager in writing and be approved by senior management and partners.
- The project report (s) must be submitted in electronic formats. All such materials shall become the property of the SANParks and its partners, and no document may be reproduced, copied or distributed without prior written consent of SANParks.
- Provide training attendance registers.
- Reports with regard to: - incubation: Indicating numbers, race, gender, youth incubated, disability, type of training and material used. incubation report to also include recommendations from evaluation made by the trainees (self-assessment report).
- The service provider will be required to issue certificate of attendance to all trainees that have successfully completed the programme
- Prepare and deliver presentations for reporting to the PMU as and when required

**8. LIST OF INDICATIVE KEY PROFESSIONAL POSITIONS WHOSE CV AND EXPERIENCE WOULD BE EVALUATED.**

The consultant is to provide a list of key experts required to deliver on the said activities. The table below has been populated to provide guidance on the Key Positions for this assignment, however Consultant's may modify it based on the assignment delivery approaches and methodologies. Therefore, the table is flexible and the Consultant should structure their team (individual with all required expertise OR multiple experts required for the assignment) with the required expertise necessary to complete the project.

S. No.	Key Position	Area of Specific Expertise required	Minimum Qualification and Professional Experience Required	Indicative Key Staff inputs required in person months (can vary based on the methodology)
K-1	Project lead	<ul style="list-style-type: none"> <li>- Economic development and business management</li> <li>- Business case development</li> <li>- Market analysis</li> <li>- Project management</li> </ul>	<ul style="list-style-type: none"> <li>- Relevant tertiary qualification</li> <li>- Experience in business case and feasibility assessments</li> <li>- Experience in value chain &amp; supply chain development for SMME support/incubation.</li> </ul>	Engaged throughout project process (up to 18 months, part time)
K-2	Business development & incubation focal point	<ul style="list-style-type: none"> <li>- Coaching and mentoring</li> <li>- SMME development</li> <li>- business case development</li> </ul>	<ul style="list-style-type: none"> <li>- Relevant tertiary qualification</li> <li>- Clear experience in business incubation related to the conservation projects</li> <li>- Experience in business management, enterprise development, business profiling and marketing support</li> </ul>	To provide more targeted support (up to 12 months part-time)
K-3	Grant Funding focal point	<ul style="list-style-type: none"> <li>- Finance management/ review</li> <li>- Funding agreements</li> </ul>	<ul style="list-style-type: none"> <li>- Relevant tertiary qualification</li> <li>- Clear experience in grant fund allocation, monitoring and ensuring compliance of grant funds allocated and budget management</li> </ul>	To provide more targeted support (up to 6 months part-time)

**9. Contract type and OTHER INFORMATION:**

A Lump-Sum Contract type will be used for the project, wherein, the contractor/Consultant agrees to perform the scope of services for a fixed contract amount. Payment percentages or amounts may be linked to the completion of contractual milestones or determined as a percentage of the value of the work to be done.

The work should be completed within eighteen months from the Inception meeting. Payments will be made once a deliverable has been completed and signed off by the project management unit. **The dates and timeframes are subject to change and will be discussed and agreed on during the inception meeting and Project Management Unit meetings.**

Venues and transport for SMME training and workshops will be paid for by SANParks. However, the Consultant must budget for its own staff travel and other expenditures (printing of reports, accommodation etc.), inclusive of VAT. The estimated cost per deliverable is subject to change, and the applicant could motivate for a reasonable reallocation between deliverables as part of the application, which will be reviewed by the initial Adjudication committee. **Reallocation of deliverable payments during implementation need be approved by the Project Management Unit but may not exceed the allocated bid.**

## **10. CONFIDENTIALITY**

All information, discussions, documents, learning material and reports that arise from this project must be regarded as confidential by the Project Leader. Only SANParks, or its partners, shall have the right to make public the results of this project.

## **11. CONTRACT PERIOD**

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