



Zulu Kingdom. Exceptional

TERMS OF REFERENCE (TORs) FOR BUSINESS NEEDS ANALYSIS FOR THE TKZN's ENTERPRISE DEVELOPMENT PROGRAMME

1. BACKGROUND

- 1.1 The KwaZulu-Natal Tourism Authority, which operates under the name Tourism KwaZulu-Natal, is responsible for the development, promotion, and marketing of tourism into and within the province. The Authority's statement of intent and direction is drawn from the mandate vested in the organization by the KwaZulu-Natal Tourism Act, 1996 (as amended, including No. 2 of 2002). The vision of Tourism KwaZulu-Natal is to position the province of KwaZulu-Natal as Africa's leading tourism destination, nationally and internationally.
- 1.2 Tourism KwaZulu-Natal have various departments within it, Tourism Development department role is to facilitate responsible and demand-driven product development, accessibility, and the transformation of tourism in KwaZulu-Natal. The strategic objectives of the unit are to facilitate tourism destination development, promote tourism investment; and to champion the transformation of the tourism sector.
- 1.3 Over the past few years, it has been identified that tourism practitioners and businesses particularly small tourism businesses are not upraised on what TKZN can offer to support their initiatives.
- 1.4 To this end, Tourism KZN has over the years driven an SMME development through its SMME support programme to help small and emerging tourism businesses through a coordinated capacity building and market access initiatives. However, the programme was revamped in 2022/23 financial year in order to enhance and reconfigure the existing interventions while contributing to the transformation of the tourism sector. The program includes the following areas of intervention:
 - 1.4.1 Business Needs Assessment
 - 1.4.2 Skills Development & Training
 - 1.4.3 Mentorship & Coaching

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- 1.4.4 Entrepreneurship Development
- 1.4.5 Socio-economic Development (Rural Community Tourism)
- 1.4.6 Market Access & Business Linkages
- 1.4.7 Supplier Development Support
- 1.4.8 Business Aftercare Support

1.5 Tourism Transformation Business Case

- a) To achieve transformation objectives, the tourism BBBEE Sector Codes provides the blueprint by which to facilitate and measure progress. The BBBEE elements provide the basis for advocating transformation in the sector.
- b) Transformation should not be approached as a 'tick box' exercise. It is a moral and fiduciary obligation to all those who participate in the sector. If properly implemented, in the spirit of BEE, transformation makes good business sense. As new players enter the sector, they will introduce innovation, this in turn, will attract new markets and stimulate new demand driven product development.
- c) Therefore, each initiative and project undertaken in the transformation of the sector must be based on sound business principles that incorporate real opportunities that are approached in a structured and focused manner and deliver on the Sustainable Development Goals (SDGs) objectives.

2. OBJECTIVES

- 2.1 The purpose of the needs analysis is to, in addition to the TKZN's internal capacity; source the services and skills of the service provider with experience in business analysis in the SMME sector. Therefore, the objective of these Terms of Reference is to appoint a service provider with expertise, that will assist the Tourism Development Department to identify key areas of intervention for an efficient enterprise development support programme.
- 2.2 To establish challenges faced by small and emerging tourism enterprises in the business environment, thus helping TKZN respond to clear challenges with informed interventions.

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2.3 To respond to the demands of the 4IR and other digital transformation realities in the business world that are faced by SMMEs in the tourism sector.

2.4 Establish an efficient and transformative enterprise development plan with clear deliverables aimed at addressing outcomes and recommendations of the business assessment exercise.

3. SCOPE OF WORK

The appointed service provider will be expected to have an array of skills relevant to fulfil the following:

3.1 The appointed service provider will be expected to identify and establish interventions necessary to respond to the identified gaps and challenges faced by SMMEs in the sector.

3.2 Profiling and assessment of the business needs analysis for 40 tourism SMMEs in the TKZN Enterprise Support programme focusing on following areas of assessment:

3.2.1 Business operations

3.2.2 Financial management and business profitability status

3.2.3 Marketing needs

3.2.4 Digital Transformation status

3.2.5 Investment needs

3.2.6 Market access needs

3.2.7 Human Resource needs

3.3 Provide a detailed implementation plan with timelines and cost estimates per intervention once appointed.

3.4 Propose specific interventions with costing according to the outcomes of the business needs assessment in a report format with phased approach.

3.5 The ED beneficiaries would include the following enterprises in the value chain:

a) Travel & related services

b) Accommodation provider

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c) Hospitality & related service.

4. SKILLS AND COMPETENCIES

The interested service provider must have the following set of skills, competences, and experiences.

- 4.1 In-depth knowledge of the tourism sector.
- 4.2 Have reasonable experience in working with SMMEs particularly in the tourism sector.
- 4.3 Excellent communication and presentation skills, written and verbal.
- 4.4 Research development skills and ability to interpret data.
- 4.5 Detailed knowledge and use of the Microsoft Office Suit (MS Word, Excel, PowerPoint) as well as MS Project and other relevant software.
- 4.6 Practical experience in working with government and its agencies.
- 4.7 Knowledge and background on SMME development.

5. EVALUATION PROCESS AND CRITERIA

Selection will be conducted over three stages as detailed below:

Stage 1 - Compliance with Minimum Requirements

Stage 2 – Price and Specific Goals

5.1 STAGE 1 – COMPLIANCE WITH MANDATORY REQUIREMENTS

All proposals must be completed and accompanied by:

- 5.1.1 SBD 4, SBD 6.1, SBD 8, SBD 9
- 5.1.2 Company Profile
- 5.1.3 Evidence of registration on the National Treasury Central Supplier Database (or proof of registration);
- 5.1.4 Tax Compliance Status Pin

5.2 STAGE 2 – PRICE AND SPECIFIC GOALS

- 5.2.1 Proposals will be subject to an evaluation based on an 80/20 - 80 points for price and 20 points for specific goals.
- 5.2.2 Fixed price is required; price must be inclusive of VAT and all costs relating to disbursements and accommodation.

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Evaluation	Maximum points to be awarded
Relative competitiveness of the price	80
Specific/ RDP Goals (see the below table)	20
Total Price and B-BBEE Points	100

A. THE PREFERENCE GOALS

- i. contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of **race, gender or disability** as contemplated in section 2(1)(d) of the Preferential Procurement Policy Framework Act, 2000.
- ii. implementing the Reconstruction and Development Programme (**RDP Goals**) as per Gazette No. 16085 dated 23 November 1994;

B. RDP GOALS

The promotion of South Africa owned enterprises;	The promotion of enterprises located in a specific municipal area for work to be done or services to be rendered;
The promotion of export orientated production to create jobs;	The promotion of enterprises located in rural areas;
The promotion of SMMEs;	The empowerment of the work force by standardizing the level of skill and knowledge of workers;
The creation of new jobs or the intensification of labour absorption;	The development of human resources, including by assisting in tertiary and other advanced training programmes, in line with key indicators such as percentage of wage bill spent on education and training and improvement of management skills;
The promotion of enterprises located in a specific province for work to be done or services to be rendered in that province;	The Upliftment of communities through, but not limited to, housing, transport, schools, infrastructure donations, and charity organization.
The promotion of enterprises located in a specific region for work to be done or services to be rendered in that region;	

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The following table will be used to calculate the 20 points for Preference Points:

80/20 Point System (50 million less procurement)	
Race: African, Indian	10 Points
Location: KwaZulu-Natal	10 Points
Total	20 Points

The following may be used as proof for claiming preference points:

- A stamped letter from the local councillor or municipal utility bill
- CSD Full Registration Report

5.2.3 80/20 preference point system for acquisition of goods or services with Rand value equal to or below R50 million.

5.2.4 The following formula must be used to calculate the points out of 80 for price in respect of an invitation for a tender with a Rand value equal to or below R50 million, inclusive of all applicable taxes:

Ps = Points scored for price of tender under consideration;

Pt = Price of tender under consideration; and

Pmin = Price of lowest acceptable tender.

5.2.5 A maximum of 20 points may be awarded to a tenderer for the specific goal specified for the tender.

5.2.6 The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.

5.2.7 Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

6. CONTRACT PERIOD

The contract will be for a period of up to 3 months from the date of the appointment of the service provided.

7. REPORTING

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The service provider appointed shall report directly to the Transformation Manager, Tourism Development, who in turn reports to the GM Tourism Development.

8. AMENDMENT, MODIFICATION OR VARIATION

The Terms of Reference may be amended, varied, or modified in writing after consultation and agreement by affected parties internally.

9. QUOTATION SUBMISSION

Quotation must be emailed to quotes@zulu.org.za.

Digitally Signed by:
Samora Nqweniso
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PREPARED BY:
Samora Nqweniso
Acting General Manager: Tourism Development

DATE: -----

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**APPROVED/
NOT APPROVED**
Phindile Makwakwa
Chief Operating Officer

DATE: -----