



Province of the
EASTERN CAPE

DEPARTMENT OF RURAL DEVELOPMENT AND AGRARIAN REFORM

Annexure 1 EXPRESSION OF INTEREST SUBMISSION FORM

EXPRESSION OF INTEREST FOR BLACK AGRO-ENTERPRISE DEVELOPMENT:

(ENTER TITLE OF THE EXPRESSION OF INTEREST)

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SUBMITTED TO:

**THE DEPARTMENT OF RURAL
DEVELOPMENT AND AGRARIAN REFORM**

Ref No	
Date Received	

(for internal use only)

SECTION A: APPLICANT INFORMATION

SECTION A1: DETAILS OF THE APPLICANT

Full legal name (business name):	
Acronym (where applicable):	
Legal status & Registration Number	
VAT registration number (where applicable):	
Business address:	
Income Tax No	
Postal address:	
Contact person:	
Telephone no	
Fax no	
Cell Phone No	
E-mail address:	
Website:	

DECLARATION

I, the undersigned, hereby certify that:

- The information provided in this expression of interest is factually correct in all material respects
- I am duly authorized by the

.....
(State the management structure of the entity/organisation) to submit this expression of interest

on behalf of:

_____ (name of submitting entity/organization)

Name:	
Position:	
Signature:	
Date and Place:	

SECTION A2: PARTNERSHIP STATEMENT

This annexure (Annexure 1 to the submission) must be completed for each partner involved in the project. You may duplicate the columns as necessary to create entries for more than two partners.

Annexure 1

	Partner1	Partner 2
Full legal/statutory name (e.g. GEDA)		
Legal status (Schedule 3,Section 21)		

Business address (physical)		
Contact person		
Telephone No		
Fax no		
Cell Phone no		
E-mail address		
Role and involvement in implementing the proposed project		
Signatures of partners		
Designation		
Date		

Please ensure **SECTION A2** is completed and signed by all partners.

SECTION A3: APPLICATION CHECK LIST

Before sending your expression of interest, please check that your submission is complete:

- The proposal is complete and in accordance with the submission format.
- One original and one copy of the submission to be submitted
- The declaration by the applicant is signed
- Partnership statement if applicable has been included & signed
- The budget is presented in word or excel format of the submission form
- Valid tax clearance certificate or tax exemption certificate/letter to be attached

SECTION B: EXPRESSION OF INTEREST SUMMARY

1.1 Title of the Submission: _____

1.2 Project Location (District(s)): _____

1.3 Project Location: (Local Municipality):

1.4 Project sites: (Farm / Village name(2):

COMPLETION OF INFORMATION TABLES 1.5 TO 1.16 BELOW MUST BE EXTRACTED FROM THAT STATED IN THE EXPRESSION OF INTEREST PROJECT PROPOSAL . (In completing Tables 1.5 to 1.16 enter N/A [not applicable] in those tables that may not be relevant to your project)

1.5 farmer partners /participants

Totals: Adult and Youth

Site	Black		White		Disabled		Total
	Male	Female	Male	Femal e	Male	Female	

Site	Black		White		Disabled		Total
	Male	Female	Male	Female	Male	Female	
Grand Total							

Totals: Youth alone

Site	Black		White		Disabled		Total
	Male	Female	Male	Female	Male	Female	
Grand Total							

1.6 Project Budget (Vat inclusive):

Fund source	TOTAL BUDGET & FUNDING SOURCE (R 000's)			
	Year 1	Year 2	Year 3	Total cumulative Budget at point of positive cumulative balance sheet. (enter number of years)
1.Operating business entity				

2. Partner 1				
3. Partner2				
4. Partner 3				
Other sources (state)				
DRDAR (Incentive Grant)				
Total Project Budget				

1.7 Infrastructure Development

ITEM	INFRASTRUCTURE DEVELOPMENT BUDGET (R 000's)			
	Year 1	Year 2	Year 3	Total at point of positive cummulative balance sheet. (specify number of years)
Total				

1.8 EXPANSION OF PRODUCTION

ITEM	PRODUCTION OF PRODUCT (STATE UNITS)			
	Year 1	Year 2	Year 3	Total at point of positive cummulative balance sheet. (specify number of years)
Total				

1.9 Gross Project Income

ITEM	INCOME (R 000's)			
	Year 1	Year 2	Year 3	Total at point of positive cummulative balance sheet. (specify number of years)

Total				

1.10 Nett Farm/Project income

ITEM	Nett Farm/Project income (R 000's)			
	Year 1	Year 2	Year 3	Total at point of positive cummulative balance sheet. (specify number of years)
Total				

1.11 MARKET ASSURANCE

PRODUCT ITEM	NATURE OF MARKET ASSURANCE: PORTION (%) OF PRODUCT PER MARKET CATEGORY			
	Contracted off-take agreement (s) (State buyer and % of product)	Single channel Market (State buyer and % of product)	Offer to Purchase (State buyer and % of product)	Other: specify (state nature of market & % of product) e. g. Public auction [state agent or market place], spot sales, informal sales

1.12 VALUE ADDITION OF PRODUCT

Product item	VALUE AND NATURE OF VALUE ADDITION			
	A: Base Value: before value addition. (State base value [R] per unit of product)	B: Increase in product value (State the increase in value [R] per unit of product)	Value of value addition as a % of base value.(B / A X 100) (%)	Describe the Nature of the value addition . (e. g. washing, packaging, processing etc.)

Total				

1.13 TARGETED EXPANSION OF SSME (Small, Medium & Micro Enterprise) BUSINESS

ITEM	TARGETED VALUE OF SMME BUSINESS OPPORTUNITY			
	Year 1 (State value [R] and units/service)	Year 2 (State value [R] and units/service)	Year 3 (State value [R] and units/service)	Total at point of positive cumulative balance sheet (enter number of years). (State value [R] and units/service)
Other (state)				
Total				

1.14 Project Employment creation

ACTIVITY	EMPLOYMENT (Number of jobs)			
	Year 1	Year 2	Year 3	Total at point of positive cummulative balance sheet. (specify number of years)
Total				

1.15 Skills Development and Training (including mentorship)

Nature of Training	SKILLS DEVELOPMENT AND TRAINING (Number of persons)			
	Year 1	Year 2	Year 3	Total at point of positive cummulative balance sheet. (enter number of years)

Total				
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1.16 Project Duration with respect to Partnership (e.g. 36 months, 60 months)

Expected Start Date:

Expected End Date:

Include brief description in the case of end date being phased in or not applicable.

SECTION C: EXPRESSION OF INTEREST PROJECT PROPOSAL GUIDELINE

This section C. is intended to provide a framework for submitting the expression of interest proposal to the Department of Rural Development and Agrarian Reform (“the DRDAR”) for participation in the Agricultural Economic Transformation Strategy programmes on Commercialisation of Black Agro-Enterprises. The expression of interest project proposal must accompany the application form set out in sections A and B above.

This framework provides details on what is to be included in the project proposal. The Proposal must give full coverage of the heading set out below but is not limited to these as the nature of projects may require the inclusion of additional headings to document and communicate, more fully, certain aspects of the proposal that may fall outside the headings set out below. Such additional heading may be included in the proposal. The narrative in this guideline does not need to be specifically included as it serves only as a guideline for project proposal labelled as Section C.

1. BACKGROUND

Please provide a brief background and sector context of the proposal including key social and economic challenges the proposal relates to. Indicate how the project is relevant to any socio-economic challenges faced by the targeted beneficiaries, rural communities and/or youth in particular. Indicate the extent to which the proposal supports or complements any of the key strategies of government.

2. PROJECT BENEFICIARIES

Please describe intended beneficiaries of the project in terms of economic or social category (adult, youth, black, white, gender, disabled). Provide a paragraph describing the current constraints facing the targeted beneficiaries and reason for these constraints.

Provide a breakdown of the total intended number of beneficiaries in terms of the type of economic and social categories and what the what developmental and social transformation imperatives does the proposal seek to address.

3. PROJECT GOAL

Describe the Goal or **Overall objective** of the project. The overall objective should describe the long-term social and economic benefits to which the project will contribute. The overall objective should highlight the importance of the project to society e.g. increased income/employment, social or community benefit. The proposal should therefore demonstrate a strategic contribution to identified government's (or sector) economic and employment growth and social development action plans. It should further demonstrate relevance to needs and constraints of the target groups (e.g. unemployed youth) and to objectives of the Rural Development Support programme

4. SPECIFIC OBJECTIVES

Describe the specific objectives of the project. Indicate specific outcomes and outputs the project and benefits the project will deliver to beneficiaries indicating respective projected time lines and quantification for these.

The objectives should include reference to interventions consistent with the objectives of the schemes stated in the guideline for proposals (Section 2 refers):

- expand production,
- Increase market access and secure off-take agreements,
- Include the training and skills development of the smallholder farmers,
- Add value to the basic agricultural produce,
- Increase employment,
- Increase net farm income,
- increase opportunity and business for SMME's and local beneficiation,
- increase total investment in the industry and
- increase transformation within the industry

5. PROJECT METHODOLOGY

Provide detailed but short descriptive paragraphs in respect of the following

- (a) Methods of implementation
- (b) Reasons for the proposed methodology
- (c) Previous project activities that support this proposed project (where applicable)
- (d) Procedures for internal evaluation /quality assurance

(e) Involvement and activity of other organisations (partners or others) in the project (where applicable)

6. DETAILED DESCRIPTION OF AVAILABLE AGRICULTURAL RESOURCES AND DEVELOPMENTS REQUIRED AND INCLUDED IN THE BUDGET FOR THE PROJECT.

6.1 Land Rights / Use.

Describe all land use tenure arrangements/lease agreements with respect to security of land use applicable to the nature of the enterprise.

Provide a map clearly demarcating the specific area(s) intended to be used, specifying the different owners/users if applicable.

- In the case of ownership: farm/land portion name & title deed reference number to be specified ,and,
- in the case of lease attach certified copy of lease agreement(s) that clearly show details of the lessee, lessor, time frames/duration and rental to be paid.
- In the case of communal land attach copy of agreement with the Traditional authority or community property association /Trust together with a land use rights register of the allocated land listing the names and ID number of the persons, the extent of individual portion in ha, as well as a portion/allotment number cross-referenced on an attached map delineating the location and extent of each portion/allotment.

6.2 Natural Agricultural Resources

Describe the extent and nature/features of the natural agricultural resources available on each unit of land (attach a map (farm map) of the of each land unit showing the distribution/location of natural agricultural resources).

6.3 Water

Describe the water use requirements, and current sources, management and risk for each water use area managed separately (in the case of irrigation , attach certified copy of irrigation allocations referred to). Describe the development of water resources that are included in the budget with regard to respective enterprises (infrastructure current and developments are to be included in the section below on infrastructure).

6.4 Infrastructure

Describe the extent and condition of current infrastructure, and infrastructure development required for each unit of land with regard to enterprises included in the plan and budget (attach a map (farm map) showing current and planned infrastructure).

7. DETAILED DESCRIPTION OF PROJECT ACTIVITIES

Provide a detailed description of project activities (inclusive of the production plan) in the order that they will be executed including estimated implementation timeframes and costs. Include objectively verifiable indicators (OVI's) against which progress can be measured and monitored. Where necessary this can be broken into periods/months/ years consistent with the duration of the projects (The narrative can be supported with a Gantt chart).

8. MARKETING ARRANGEMENTS

Provide details of the marketing arrangements of product from the project for respective items and production sites. This should cover details on contracted off-take agreements, offers to purchase, use of auction sales, sales agents, spot sales, informal sales. Issues of market security and assurances must also be addressed and supported with documentation where relevant (copy to be attached to proposal).

9. PROJECT GOVERNANCE AND ADMINISTRATION

Describe intended measures for the governance and administration of the project. This should include an indication of systems for internal control and monitoring that will be availed to the project as well as areas of administration support (e.g. payment of accounts, procurement, financial reports, auditing etc) the project will receive. The proposal should indicate proposed structures (including membership details) to undertake such governance and administration functions.

9.1 Financial Management

Describe the financial management system of the business entity in terms reporting, payments, procurement with regard to capacity, resources, oversight, accountability and auditing.

9.2 Operating company/entity, business and farm management.

Provide a description of the nature and functions of the operating company/institution as well as that for the business oversight and/or farm management structures. This must include an organogram and details of the functions that include the status of transformation of these structures.

9.3 Employment plan

In addition to the details of the organogram referred above a detailed description is required of the extent to which the project is planning and has budgeted for increases in employment, including that for designated groups such as women, youth and uptake of unemployed graduates.

10. CAPACITY OF THE APPLICANT AND BUSINESS INSTITUTIONAL STRUCTURE AND SHAREHOLDING

Describe the current profile of the applicant (and their partners) including past and current programmes/menu of services (include a marketing pamphlet where possible), previous projects implemented including results and successes

achieved. Describe the human resources (by function) proposed for the implementation of the project (no names are required) Provide an organogram indicating the implementing structure(s) by function as well as number of personnel available. Where it is envisaged that external service providers, partners or associate organisations will be part of the project, describe what services they will deliver and how their performance will be managed by the applicant.

10.1 Institutional structure and shareholding.

Describe the business institutional structure and shareholding arrangement the nature and conditions of change over time should this be applicable. Where the land/land use is represented in the business by an entity describe the entity and how it relates to the business and benefits.

10.2 Skills base line and development plan.

Provide details of the skills base line relative to the requirement of the project, inclusive of each production unit and describe the nature and timing of the development of skills to advance the business and transformation.

11. PROJECT MONITORING AND EVALUATION

Please describe intended measures/ activities for monitoring and evaluation of the project. This should include details of how progress and quality of delivery will be systematically monitored to ensure deliverables/outcomes are met.

12. PROJECT RISK AND CONSTRAINTS

Provide an analysis of any perceived risks and constraints to the project as well as mechanisms to mitigate the identified risks and constraints. Project risks are those events that, should they materialize, can delay or kill a project. Planning for project risks formally addresses identification, analysis and assessment of potential problem areas before implementing a project. It is a proactive approach, designed to ensure that surprises are reduced and that negative consequences associated with undesirable events are minimized.

Successful management of project risks can substantially improve chances of achieving the project objectives on time and within budget. The risk management process includes:

- Identifying sources of risk;
- Analyzing and assessing risk;
- Mitigation of risk; and
- Contingency planning.

13. EXPECTED RESULTS, PROJECT SUSTAINABILITY AND MULTIPLIER EFFECTS

Indicate how the implementation of the project will improve the situation of the target beneficiaries. Proposals must be specific and quantify the extent of the change (results) as much as possible.

Describe the key measures that will lead to the possibility for outcomes/results to be sustained beyond the project.

What other indirect spin-offs/benefits might be achieved as a result of the programme? This may include possibilities for replication (extension) or strengthening existing initiatives/investments.

14. DETAILED PROJECT BUDGET AND FINANCIAL FORECAST AND EVALUATION.

(Hard copy and electronic spreadsheet version to be submitted on memory stick/or CD)

- a) Provide a detailed annual activity-based budget and for the project. Include details of variable, fixed and capital costs. This must be provided to span 1.5 times as long as the project is projected to reach a positive cumulative balance sheet or 5 years, whichever the greater.

- b) Provide a detailed annual yield, production and income projection over the period that is 1.5 times as long as the project is projected to reach a positive cumulative balance sheet or 5 years, whichever the greater..
- c) Provide a detailed income, expenditure and cash flow projections over the period that that is 1.5 times as long as the project is projected to reach a positive cumulative balance sheet or 5 years, whichever the greater..
- d) Provide details of the proposed annual funding arrangements with respect to annual respective amounts and their sources.
- e) Provide detailed notes justifying/explaining project budget items.
- f) Present an evaluation of the projected project budget in terms of standard economic investment criteria (NPV, PI, IRR).

15. FUNDING MODEL / PLAN

The funding model/plan must indicate exactly the intended financing of the development.

- Expected grant funding
- Short-, medium- and long- term loans.
- Collateral to be provided for loans.