

# **GREATER TZANEEN DEVELOPMENT AGENCY (GTDA)**

## **TERMS OF REFERENCE**

### **RFP 002/1**

## **FEASIBILITY STUDIES FOR LIVESTOCK IMPROVEMENT ON COMMUNAL GRAZING LANDS**

### **1.0 INTRODUCTION:** *Extract from Concept Document*

Similar to many rural communities in South Africa, communal livestock production is the system is the main system among smallholder livestock farmers in the greater Tzaneen Municipality (GLM). The GLM intends to assist smallholder cattle farmers by improving their productivity and sustainability on communal lands. Cattle herd size on communal land in the municipality is currently estimated to be 20,000 with a composition of 43% cows. With proper management, the proportion of cows as well as that of calves is expected to increase. The Limpopo Department of Agriculture, with donor assistance from the Finnish Government, has already established a cattle improvement scheme through micro-crediting on Farm Bonn in the GTM area. This micro-credit scheme can be adjusted and extended to the entire municipal area and the Mopani District as a whole.

The stakeholders involved in livestock improvement in the GLM include the cattle owners, the Limpopo Department of Agriculture in Mopani District, the Finnish Government Donor Assistance Programme in Limpopo and the GTM Municipality. A project team has been established from among these stakeholders and actions plan regarding project design, communication with cattle owners, and the appointment of mentors, farmer support and relationships between emergent and commercial livestock owners. Preliminary work carried out in 2007 revealed that the establishment of abattoir, production of milk from dairy cows and goat production are among the feasible

enterprises that could be carried out.

## **2.0 PURPOSE OF STUDY**

The purpose of this proposed project is to assist livestock owners on communal land to increase the commercial value of their cattle through a feasibility study.

## **3.0 EXPECTED RESULTS**

The feasibility report must either justify the following:

- 1) Identification of viable livestock enterprises in the Greater Tzaneen Municipality through a feasibility study
- 2) Development of business plans for identified enterprises

## **4.0 COMPONENTS OF FEASIBILITY STUDIES AND BUSINESS PLANS**

- 1) Listed enterprises to be developed and justification for choice of enterprises
- 2) Business description
- 3) Technical feasibility
- 4) Operational description
- 5) Financial analysis and projections
- 6) Strategic partnership and management
- 7) Market analysis and marketing strategies
- 8) Availability of technical and management expertise
- 9) Environmental and legal compliance
- 10) Personnel requirements and development

## **5.0 REQUIREMENTS**

- 1) Proven track record in feasibility studies, research and business plan development
- 2) Company profile

## **6.0 TIME FRAME**

The expected time from an appointed service provider completion for the task is 12 Weeks