



# forestry, fisheries & the environment

Department:  
Forestry, Fisheries and the Environment  
REPUBLIC OF SOUTH AFRICA

## MINUTES FOR DFFE-RFP002 23-24 COMPULSARY INFORMATION SESSION

**DATE:** 14 NOVEMBER 2023 **VENUE:** MICROSOFT TEAMS **TIME:** 10:00 – 11:05

**CHAIRPERSON:**  
Mr Matodzi Luvhimbi

### MINUTES OF COMPULSORY INFORMATION SESSION INTERESTED BIDDERS –

**CALL FOR PROPOSALS (CFP) FOR INVITING PROPOSALS FROM INVESTORS WILLING TO FORM STRATEGIC PARTNERSHIP WITH COMMUNITIES IN MANAGING THE STATE FOREST PLANTATIONS IN EASTERN CAPE, KWAZULU- NATAL, LIMPOPO AND MPUMALANGA AND NORTH-WEST PROVINCES FOR A PERIOD OF THIRTY- FIVE (35) YEARS WITH THE OPTION TO RENEW AT THE END OF THE TERM TO SEVENTY (70) YEARS.**

NO	ITEM	DISCUSION	DECISION	COMMENTS
1.	<b>OPENING AND WELCOME</b>	The chairperson officially opened the meeting and welcomed all members in attendance.  Everyone introduced themselves.	Noted	None
2.	<b>PRESENT/ ATTENDEES AND APOLOGIES</b>	Information provided by attendees via MS Teams chat function were as follows: <ul style="list-style-type: none"><li>• Mr. Matodzi Luvhimbi - (Chairperson)</li><li>• Ms. Onica Zikhali (Forest Enterprise Development)</li><li>• Ms. Thembile Dlungwana (State Forest Land</li></ul>	Noted	None



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NO	ITEM	DISCUSION	DECISION	COMMENTS
		Administration) <ul style="list-style-type: none"> <li>• Ms. Doreen Gadebe (SCM Support)</li> <li>• Ms. Mmamotshela Seema (SCM Support)</li> <li>• Attendance Register for bidders is attached.</li> </ul>		

NO	ITEM	DISCUSION	DECISION	COMMENTS
3.	<b>PURPOSE OF THE MEETING</b>	The purpose of the meeting is to provide clarity in so far, the scope and extent of work to be conducted by prospecting bidders as it relates to a call for proposal by inviting investors to submit investment proposals to enter strategic partnership with communities for the management of DFFE (cat B & C) plantations in Eastern Cape, KwaZulu-Natal, Limpopo, Mpumalanga, and North-West provinces in terms of the advertised bid document.	Noted	None
4.	<b>INTRODUCTION AND BACKGROUND OF THE PROJECT</b>	The chairperson gave a technical member of the project to give an overview in so far: <ol style="list-style-type: none"> <li><b>1. Introduction and Background on scope of work</b> <ul style="list-style-type: none"> <li>• Purpose for the call of proposal to invite investors to submit a proposal to enter strategic partnership in communities.</li> <li>• The DFFE is responsible for managing 110 745.28 ha of which 64 445.12 is effective areas and 46 289.16 is non-</li> </ul> </li> </ol>	Noted	None



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NO	ITEM	DISCUSION	DECISION	COMMENTS
		<p>effective areas.</p> <ul style="list-style-type: none"> <li>• Areas are scattered in the Eastern Cape, KwaZulu-Natal, Limpopo, Mpumalanga, and North-West provinces.</li> <li>• Restructuring of category B and C Plantations is a management strategy to improve productivity, competitiveness and ensure inclusivity in the sector.</li> <li>• It is in line with the Commercial Forestry Masterplan and National Forest Act.</li> </ul> <p><b>Principles guiding restructuring</b></p> <ul style="list-style-type: none"> <li>• Enhance transformation in the industry.</li> <li>• Benefit local communities (local communities benefiting from transaction e.g. equity, CSI).</li> <li>• Enhance South Africa's competitiveness.</li> <li>• Accommodate underlying land rights.</li> <li>• Support the local timber processing sector.</li> <li>• The guiding principle in designing proposal.</li> </ul> <p><b>Component of proposal</b></p> <ul style="list-style-type: none"> <li>• Section 3 outline what is required in the proposal:</li> <li>• Introduction</li> <li>• Financial Information</li> <li>• Technical Information</li> </ul>		



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NO	ITEM	DISCUSION	DECISION	COMMENTS
		<ul style="list-style-type: none"><li>• Legal Information</li><li>• Cooperate Social Investment</li><li>• Human Capital Management</li><li>• Assets</li><li>• General Information</li></ul> <p><b>2. Evaluation of Bid</b></p> <p>Bid evaluation will be done in line with the three phases:</p> <ul style="list-style-type: none"><li>• Pre-compliance</li><li>• Functionality criteria</li><li>• Price and investment amount and specific goals.</li></ul> <p><b>Functionality Criteria</b></p> <ul style="list-style-type: none"><li>• Investors are required to provide a business case or business plan for improving production and sustainability of plantation.</li><li>• Company's experience and track record in forestry value chain</li><li>• Financial Capability- evidence of investor overall financial capacity to the required working capital.</li><li>• Experience of the company in stakeholder engagement and provide reference letters.</li><li>• Shareholding/Equity to submit letter of commitment</li></ul>		



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		<p>confirming shareholding structure.</p> <ul style="list-style-type: none"> <li>Prospective investor to demonstrate and commit the beneficiation of the product.</li> </ul> <p>Upon completion of the overview session an opportunity for comments / questions and or project clarification was provided.</p>		
5.	<b>INTRODUCTION AND EXPLANATION OF TENDER PROCESS AND EVALUATION</b>	<p>Ms Doreen Gadebe (SCM)</p> <ul style="list-style-type: none"> <li>Proceeded with presentation in so far, the bid documents and bidding process.</li> <li>Presentation displayed and interpreted bid submission requirements, returnable documents and elaborated on the three phases of Evaluation Criteria.</li> <li>Upon completion of the explanation session an opportunity for comments / questions and or clarification was provided.</li> </ul>	Noted	None
7	<b>QUESTIONS FOR CLARIFICATION.</b>	<p><b>Q-</b> The SDB 3.1 for price breakdown attached on the tender document does not give provision for the total amount and the SBD 6.1 does not indicate all the formulas?</p> <p><b>A-</b> An addendum with the correct SBD 3.1 will be published in the Department Website within seven working days after this meeting. The SBD 6.1 was amended before the briefing session which the prospective bidder has uploaded. It was indicated to re-visit the bidding documents which the correct SBD 6.1 is attached addressing both preferential points system (80/20 or 90/10).</p>		



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		<p>Q-. In terms of the reference stakeholder's engagement, where should the authorized reference letters be coming from?</p> <p><b>A-Bidders should review page 13 of the where it is stated that Community Structures, Communal Property Association and/or Community Trusts must provide reference letters of their previous experience with the bidder and their engagement with the company. The Project Manager further explained that in stakeholders' engagement, companies operating in areas or communities which have structures that they liaise with in terms of Land Restitution or reference letters from the Commission if affected by the Land Claims that were engaging with the Land Claimants, the Department will be expecting the reference letters from those structures.</b></p> <p>Q- Should separate bidding documents be attached per package they are bidding for?</p> <p><b>A- In terms of the bid submission, one master bid document may be submitted in terms of technical aspect, however a separate pricing should be attached per package.</b></p> <p>Q- If a bidder wants to conduct plantation investigation, how do they organize site visit?</p> <p><b>A-Technical member indicated that the potential bidder should contact the Department by sending a request through</b></p>		



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		<p>the e-mail address provided in the bid document to arrange how to get access for compartment lists and maps. The Regional Directors will avail themselves to accompany the bidder to the sites. The Project Manager further elaborated that any information regarding physical or biological assets, bidders may contact the Department for all the plantations that are currently managed. The employees of DFFE will be transferred to other institutes.</p> <p>Q. If a company has various directors, should all the directors or a percentage of directors submit their ID copies?</p> <p><b>A-All the Directors should submit their ID copies for due diligence of the requirements however we will run a Central Supplier Database report that will indicate all the directors of the company.</b></p> <p>Q- How will the DFFE protect the successful bidder from conflict with the communities or groups where proposal do not correspond with the structures?</p> <p><b>A-As a department, future management has been developed for category B and C plantations where the communities and all affected stakeholders were consulted regarding the models. Communities were advised on strategic partnership for future management of plantations as they are faced with challenges of skills or resources required to manage in a sustainable and viable manner. The government will ensure</b></p>		



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		<p>that conflict resolution is addressed if conflict arise and does not expect the bidder to resolve such issues.</p> <p>Q- How will the water use license be compelled for stream fold reduction in future?</p> <p>A-The department has been engaging with Department of Water and Sanitation for water use license in the department's plantation to check compliance and verification in different provinces mentioned in the CFP. Verification has been completed for Mpumalanga and Limpopo plantations. When the successful bidder takes over, the water use license will be resolved in accordance with the Water Act for section 35 letters. The verification will be completed for all portions of plantations.</p> <p>Q.- How will the lease fee of the bidder and the government be calculated in terms of the turnover investment?</p> <p>A- The department has not explored other methods regarding the lease, and you use the rent system. The expectation regarding this bid relates to rental when it comes to land use for state forest plantation.</p> <p>Q- Do you need all the support documents to be certified?</p> <p>A – Bidders are to certify all the directors ID copies.</p>		





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NO	ITEM	DISCUSSION	DECISION	COMMENTS
6.	CLOSURE	The chairperson thanked all attendees their time and presence and for their contribution and SCM will publish minutes and presentation within seven working days, meeting adjourned at 11:05 AM	Meeting was adjourned	None