



## **Request for Quotation**

**Terms of reference:**

**Project Manager / Facilitator of the Western Cape Taxi Cluster**

**Deadline for submission of quotations: Tuesday 15 October 2024**

**Please submit quotations to: [jenifer@capechamber.co.za](mailto:jenifer@capechamber.co.za)**

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## Purpose

The Cape Chamber of Commerce and Industry seeks to appoint a project manager / facilitator for the Taxi cluster initiative.

## Need Context

The taxi industry plays a critical role in South Africa's transport landscape for millions of passengers every day. It has created jobs for hundreds of thousands of people, including as drivers, marshals, vehicle washers, mechanics, body shop personnel, vehicle parts and accessory sellers, and informal traders, many of whom would otherwise have had few opportunities for gainful employment. The entrepreneurial spirit of taxi operators and drivers has been the driving force in creating a thriving industry that is deeply embedded in South African communities.

Nationwide, there are approximately 250,000 minibus taxis. In the Western Cape, there are approximately 15,000 taxis operating, of which approximately 12,000 have legal operating permits and the industry is responsible for about 75% of public transport in the province transporting one million passengers daily. At an average of retail price of R600,000 per taxi (12,000) this represents a private sector investment of R7,2 billion into the Western Cape's public transport sector. Despite these impressive numbers, the taxi industry does not enjoy a positive reputation or attract low interest rates for the large number of taxis it purchases, between 600 to 900 per year in the Western Cape alone.

The reasons for the poor image of the taxi industry are many. They include bad driving seen daily on the roads, a perception of dangerous driving and excessive fatal accidents, a reputation for violence, leading to taxi wars and strikes such as the 2023 strike which caused billions of rands of damage to property in Cape Town. When the number of fatal accidents is measured against the people hours of transport, the fatalities are actually very low. Excluding the 40% of road fatalities made up by pedestrians or cyclists, and considering the number of people who take cars to work compared to the number commuting by taxi, being a minibus taxi passenger is 4.3 times safer than being a driver or passenger in a private motor vehicle.

## Strategic Intent

The aim is to establish a Western Cape taxi cluster that will unlock new opportunities for the industry as a collective. The objectives include realising discounts on bulk purchasing of vehicles, more affordable insurance and financing options, and partnerships with key stakeholders to reduce business risks through the adoption of smarter tracking systems and cashless ticketing. With the support of the Cape Chamber, in collaboration with SANTACO, these initiatives will be pursued in a structured and coordinated way.

## Who is involved?

Cape Chamber of Commerce and Industry and SANTACO / UTS have jointly conceived a cluster solution that would be beneficial to the Taxi Industry, Commuters, Communities, and participating partners. SANTACO / UTS mobilised their regional subsidiaries to participate. The Chamber mobilised strategic partners including MTN, Vodacom, ABSA, Standard Bank, the Retail Motor Industry Association, Astron Energy amongst others to provide solutions as service providers to the Taxi Industry. The Taxi Industry functions as a market demand for services to be provided by the other strategic partners, applying the willing buyer, willing seller principle. Pegasys and RACS with experience of working on the Blue Dot Taxi Scheme are technical partners funded by the Department of Transport,.

## Scope of Work

This terms of reference describes the requirements of the Chamber for appointment of a project manager who will be responsible for facilitating stakeholder cooperation to realise the objectives of the taxi cluster. This requires a person that is capable of working with all the key stakeholders to mobilise their capabilities, resources and commitment to find mutually beneficial solutions. Solutions that make business sense for the Taxi Industry on the demand side and solution partners on the supply side, will ensure self-sustainability.

The project manager will be appointed on a part-time basis, for an initial six months. The appointment will be extended based on satisfactory progress and performance.

The project manager will facilitate the process of solution development by the various strategic partners, to meet the needs of the taxi industry. Thereafter they will facilitate the solution roll-out, for large scale industry adoption. Progress reporting will be required to keep all stakeholders informed.

The required activities are detailed in the work breakdown structure below.

## 6 Implement project

[illegible]

## Organisation and reporting

The cluster is structured as a project within the Cape Chamber to incubate, until it can operate as an independent entity. The Chamber has governance structures and processes in place. This Cluster will in addition, have its own Cluster oversight committee, for stakeholders to advise and steer direction of the cluster.

Partners	Cluster oversight: Advisory structure	Accountable: EXCO	Responsible: Cluster manager	Cluster project team members
SANTACO WC/ UTS		Chairperson SANTACO/UTS (representing demand side)	Project Manager / Facilitator	
Regional Taxi Association 1	Oversight representative			Project representative
Regional Taxi Association	Oversight representative			Project representative
Regional Taxi Association	Oversight representative			Project representative
Regional Taxi Association	Oversight representative			Project representative
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CCCI				
Strategic / Solution partner	Oversight representative	Chamber CEO (representing supply side)		Project representative
Strategic / Solution partner	Oversight representative			Project representative
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Strategic / Solution partner	Oversight representative		Project representative	
		Procurement expert		
		Contract expert		
		Accountant		
		Legal adviser		

The project manager will report to the CEO of the Cape Chamber. Financial approvals and key strategic decisions will require approvals from both Chamber CEO and SANTACO/UTS Chairperson.

The Chamber CEO and SANTACO t.a. UTS Chairperson will make up the EXCO and will take guidance from the cluster oversight committee, consisting of nominated representatives of all founding partners.

The Taxi cluster has a separate bank account. The Chamber Financial Manager will manage the finances and prepare separate cluster financial reports to keep all informed. The cluster will be audited as part of the Chamber annual audit.

## Timelines

The project manager in consultation with the advisory structure will determine priorities for solution development. Quick wins are required to build confidence. The rate of solution development and market roll out, will be determined in consultation with the solution providers.

## Requisite capabilities

The preferred service provider will be selected based on the following competencies:

1. Understanding of this clustering opportunity and what is required to succeed.
2. Project management
3. Understanding of viable business models and viable supply and demand solutions.
4. Facilitate development projects / market solution development.
5. Facilitate establishment of procurement processes, legal frameworks and contract documentation.
6. Facilitation of change management processes.
7. Stakeholder relationship management, preferably with existing relationships/credentials with key stakeholders.
8. Corporate governance and reporting requirements.

## Technical proposal

Bidders need to provide a succinct description of their:

- Technical approach for delivering the solution.
- Plan of output and outcomes (results) they expect to achieve in the first six months, and the following 18 months.
- Map out how the actual project manager's capabilities match the requisite capabilities (7 above).

In addition, bidders need to provide:

- A comprehensive CV for the actual person that will be deployed, highlighting the competencies relevant to this assignment.
- A supporting letter signed by this person, confirming that they are available and willing to execute this entire assignment.

## Financial proposal

The cluster has an initial budget in the order of R600 000 for the first six months. The contract will be awarded to the bidder that will add the most value, within budget. Bidders are therefore required in the technical proposal, to map out the quantum of value to be added (output and outcomes) and provide the matching capability credentials. The financial proposal should match these technical proposal activities, output and outcomes (for the first 6 months). The financial proposal should specify the number of consultant days planned and the associated daily rate. The **daily rate** for the proposed project manager (as per CV shared), will be multiplied by the **number of consulting days quoted** to determine total cost.

## Adjudication criteria

Weighting	Criteria	Scoring
10%	Technical approach	Weak: 0%, Sound: 50%, Excellent 100%
20%	Planned Achievement in 1 <sup>st</sup> 6 months and following	Unrealistic and/or inadequate: 0% Realistic and good progress (meets s/h expectation): 50% Pragmatic and rapid progress (exceeds s/h expectation): 100%
20%	Project Manager's capability match to requisite	Weak: 0%, Sound: 50%, Excellent 100%
50%	Price competitiveness	Not affordable: 0% Affordable: 100%