

Terms of Reference for a Proposed Study of the Establishment of National clothing company

Introduction:

The efforts aim at assigning a qualified consultant capable of conducting an economical feasibility study to establish a national clothing factory, based on identifying ideal production capacity, depending on analyzing demand and display of all products in the local market. The study should include all data, information, necessary hypothesis, and risk analysis, to determine an investment decision based on sufficient information. Themes of the required study and conditions are as follows:

Areas of study

The study should cover market, technical, and financial aspects of the proposed project, and at minimum, the following points:

First: Market

- 1- Analyzing the local markets, it should include the following points:
 - Local market size.
 - Production demand size.
 - Average of current size production supply.
 - Project proportion within the market.
 - Future expectation of the market and project's proportion.
- 2- Analyzing current and expected local competitors and their prices, in addition to proposing appropriate pricing policy and products prices.
- 3- Identifying raw materials and their availability in UAE and the region.
- 4- Identifying the laws, restrictions and governmental requirements regarding establishing such a project, and marketing its products locally and regionally, in addition to export and import policies, etc.
- 5- It should include evaluation and assessment of the market, data history (value and quantities) for the past five years and current/expected data (value and quantities) for the next five years.

Second: Technical study

- 1- Analyzing Technical requirements, a report covers products specifications, manufacturing technology, equipments specifications, technology resources, and production capacities.
- 2- A proposed table to meet market needs.
- 3- Estimating capital expenditures, costs, active capital, total investment cost, land and building requirements, plan of implementation and documenting hypothesis based on the estimation.
- 4- Identifying an appropriate management system, skilled workers, and introducing recommendations on the ideal administrative structure.
- 5- Identifying the best products lines yielders, engines and equipments specifications needed to maintain the required designed capacities, according to the proposed production timetable, putting into consideration expanding policies and increasing production in the future.
- 6- Studying the possibility of products variation to match expanding plans, and entering Gulf States markets' and others.

Third: Financial assessment

- 1- The feasibility study must provide a financial analysis which includes percentages such as (Internal revenue average, investment revenue, property rights revenue, redemption period, net financial value of the investment and profit margin... etc) and expected financial list of working period "10 years" and during establishing process such as (general budget list, profits & losses list and currency flow list ...etc)
- 2- Providing balance point analysis (no profits no losses) and the ideal financing system, loans table and settlement process.
- 3- All scenarios of sensitive analysis for variables should be included such as (rate of interests, revenues, raw materials, total investment cost, administrative and general expenditures ...etc).
- 4-

Fourth: Result and conclusions

The consultant identifies strategic partners who have experience in production fields, international sales and distribution, in addition to technical and functioning works. The consultant also has to provide a report on strategic working plan clarifying the steps the investor should take to start the project and move to the next step.

Reports:

The consultant company should provide a report on the study which includes:

- 1- Final project study
- 2- An executive summary, to include a summary of the final version of the study, its findings and recommendations
- 3- Executive plan clarifying the next steps and required phases for execution.
- 4- appendices, supplementary for market study, technical and financial studies.
- 5- Offers of industrial companies which are yielder of technical production lines and engines specifications.

Requirements:

The Consultant shall submit a proposal within a maximum of **one (1) week**, stating the commitment to provide the following:

- 1- Achieving areas of study with high professionalism.
- 2- Introducing the required outcomes carefully and without any mistakes.
- 3- Introducing reports on different stages and study's draft on time due to the plan of implementation.
- 4- Two hard copies of the final study, along with a soft copy.
- 5- Qualified experts capable to execute the study professionally.

The offer should include details of the following:

- 1- Explanation and clarification of consultant's methodology on how to implement the study, in addition to any proposed suggestions.
- 2- Cost of study in details according to the required areas.
- 3- Implementation period of study according to timetable linked with the themes and required reports.

Duration of Study:

Should there be agreement on the provision of the consultative study, the consultant will deliver the final report of the study within **ten (10) weeks** from the date of signing the contract.

Responsibilities:

The Consultant's responsibilities include:

1. Providing a comprehensive study to cover, at minimum, all requested areas based on the terms of reference.
2. providing a qualified working team with sufficient experience.
3. The head of the team will be responsible for the meetings and their contents in addition to correspondence, submit regular reports, and organise the team's tasks and responsibilities.

For more information please contact: Mr/

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