

**EMIA  
EXPORT MARKETING & INVESTMENT ASSISTANCE**

**Guidelines  
Sector Specific Assistance Scheme (SSAS)  
Project Funding**



**Effective : 01 January 2009**

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## 1. DEFINITION OF THE SECTOR SPECIFIC ASSISTANCE SCHEME

The Sector Specific Assistance is a reimbursable 80:20 cost-sharing grant scheme whereby financial support is granted to Export Councils, Joint Action Groups and Industry Associations. The Sector Specific Assistance Scheme comprises of Project Funding and Generic Funding.

## 2. THE AIM OF A SSAS IS TO ACHIEVE the dti's OVERALL OBJECTIVE IN TERMS OF

- Developing an industry sector as a whole
- Developing new export markets
- Stimulate job creation
- Broadening the export base
- Proposing solutions to factors inhibiting export growth
- Promote broader participation of black owned and SMME's to the economy.

## 3. NATURE OF SSAS PROJECTS

- A project is a task with a pre-determined outcome, a defined or short-term time frame and measurable milestones.
- The Project must be essentially developmental or promotional in nature.  
Note: Any research/studies undertaken or databases obtained will become the property of **the dti**.

## 4. CATEGORIES OF QUALIFYING APPLICANTS

**Export Councils** established through application to the dti. An Export Council is a Section 21 (non-profit) company that represents the developmental and promotional objectives of a particular industry/industries on a national level.

**Industry Associations:** Representative of sectors or sub-sectors of industry prioritised for development and promotion by **the dti**, as determined by the relevant Customised Sector Desk and Export Promotion.

**Joint Action Groups (JAGS) :** Groups of three or more entities. These groups seek to co-operate on a project in a particular sector or sub-sector of industry prioritised for development and promotion by the dti.

- Project should benefit the sector as a whole in terms of the SSAS objectives
- Has no Formal structure
- Must provide cession letters from other members where payment is made to one member

## **5. ELIGIBLE INDUSTRIES AND SECTORS**

The applicant who receives funding from the dti cannot apply for funding/ financial assistance scheme, neither from the dti, nor from any government (national, provincial and municipal or its agencies).

An eligible industry must be a registered tax paying entity or non –profit organisation. Activities of entities seeking SSAS incentive should fall within the South African industry sectors or sub-sectors prioritised for development and promotion by the dti.

The industries applying for the incentive should be distinct and independent with regard to their operations and ownership.

**The Qualifying Sectors include:** Aerospace Rail and Marine

Agro-processing; Automotive; Business Process Outsourcing services; Capital Equipment and Allied Services; Chemical Allied Industries; Creative Industries; Electrotechnical; Film production; Metals and Allied Industries; Pre-qualified ICT services; Pre-qualified Tourism services, only for investment purposes excluding real estate agents; Textile and Clothing

## **6. QUALIFYING EXPENDITURE**

- Export development costs such as market research, consultancy fees and other expenses
- Export promotion costs such as consultancy fees and other expenses
- Product development costs such as consultancy fees and other expenses
- Company development costs such as consultancy fees and expenses towards installing or improving Quality Management Systems
- Service development such as consultancy fees and other expenses
- Advertising and publicity (international)

## **7. NON-ELIGIBLE EXPENDITURE**

- Acquisition of assets of a capital or working capital in nature to be used in the production process
- Activities under Generic Funding
- Any activity that is partially supported by another government scheme and quasi government
- Employment of staff
- Foreign Vat
- Magazine subscription
- Motor vehicle fuel when renting a car
- Routine and administrative activities of the applicant's organisations are not considered projects.
- South African Value Added Tax
- Travel insurance

## **8. APPLICATIONS PROCEDURE**

- All application forms are submitted to the EMIA Application Section.
- Submit the application form two months prior to the commencement of the project.
- The applicant will receive an acknowledgement letter within four (4) working days.
- Outstanding documentation will be requested and the applicant would be allowed five (5) working days to submit the documents.
- The adjudication committee will consider only complete applications.
- An approval/rejection letter will be send to the industry within 20 working days from submission of a complete application.
- The application should ensure that written confirmation of approval is received prior commencing the project. The dti will not be held liable for any expenses incurred by applicants in respect of projects prior to receiving the letter of approval.
- The dti has a right to reject application based on the availability of funding and priorities of **the dti**.
- The dti will not be held responsible for delays resulting from the provision by the applicant of inadequate documentation or unclear cost breakdown structures.

## **9. CLAIMS PROCEDURE**

- Claim form together with the supporting documents should accompany the approval.
- No late claims will be considered for payments.
- The claimant will receive a letter of acknowledgement within four (4) working days.
- If a claim is complete with all the necessary supporting documentation as required on the claim form and the checklist, the claim will be paid in 30 working days.
- Extensions should be requested in writing to the Senior Manager before the termination date and when approved, will be granted for a period of three months from the termination date. Claims not received after the extension will be automatically cancelled.

## 10. DESCRIPTION OF APPLICATION DOCUMENTATION AND OTHER REQUIREMENTS

### **Air Ticket and Freight Quotations**

- Customers must obtain three (3) quotations from a service provider of choice
- Only the lowest quotation will be considered for reimbursement
- SSAS will not be responsible for any cancellation fees, or any additional costs, which are incurred due to travel deviations
- It is the responsibility of the customer to make the necessary arrangements regarding the booking and collecting of the air ticket and to arrange freight forwarding for the sample
- SSAS does not accept any liability relating to the non-performance or service delivery of the appointed Service Providers pertaining to air and freight arrangements.

**Funds** requested by applicants are likely to be used to pay third party service providers would be the ultimate recipients terms of a fair and transparent process, using a system of three quotes

The applicant must therefore provide three quotations for every service provider used, with a clear cost breakdown structure from the service, together with a motivation of the reasons for the selection of the selected third party service providers of **the dti** funding.

## 11. DESCRIPTION OF CLAIMS DOCUMENTATION AND OTHER REQUIREMENTS

- Upfront payments are not allowed. Successful applicants must make all necessary payments and subsequently submit claims to the Export Council Secretariat but however payments can be made directly to the Service provider if there is a need from the industry.
- All invoices and proofs of payment must be in the name of the approved entity.
- Invoices without verifiable VAT registration numbers, entity registration numbers, telephone and fax numbers, and without addresses will not be considered for the claim as they cannot be authenticated.
- Original or certified copy of the bank statement showing the beneficiary in a case where the beneficiary does not show a copy of a cheque is required.
- Internet bank statements are not acceptable.
- Applicants will not be reimbursed for air tickets where Voyager miles were utilised.
- Original or certified copies of air ticket or e-ticket (e-ticket from the Travel Agent should be accepted in case where the project coordinator pays directly the service provider), which must be accompanied by an invoice and a proof of payment
- Certified copies of the passport, departure date stamp from S.A, re-entry date stamp into S.A
- In case where the passport has not been scanned , a claimant will have to submit boarding passes as proof of entry/exit into or out of South Africa
- In respect of Project Funding, claimants may either claim according to budgeted amounts in respect of milestones achieved on a project, or otherwise on completion of the entire project. Any deviations/variances require a written explanation from the applicant to the Secretariat.
- Payments to claimants are effected electronically into bona-fide bank accounts. The only acceptable means of payment are: cheque, credit card, bank draft and electronic banking transfer. Offset payments, cash payments, third party payments are not permissible.
- A fully completed original credit order instruction form with a bank stamp. An original or certified copy of a cancelled
- An original current/valid tax clearance certificate must accompany all claims and a certified copy will not be accepted. The tax clearance must be valid at the date of payment of the claim.

## Cost breakdown structure

A clear cost breakdown structure must be provided. Failure to provide clarity in this regard results in unnecessary delays and the possibility of the application being rejected. If a third party service provider is being used, a cost breakdown structure in respect of each service being procured must be provided.

**the dti** reserves the right to reject any claims where it is found that the rates requested are clearly not market-related.

**the dti** reserves the right of ownership with respect to electronic databases/market research etc.

## 12. Project monitoring

Commitments made by the dti to fund projects that have not commenced within 3 months of the stated starting date will be withdrawn.

Should the applicant not achieve the project's stated objectives, the applicant may be required to reimburse TISA for the amount/s, directly proportional to milestones and outcomes not achieved.

## 10. How to Contact the EMIA Administrators

Description	Contact Numbers
<b><u>the dti Call Center</u></b> <input type="checkbox"/> For general EMIA information	<b>0861 843 384</b>
<b><u>Claims Customer Care Line/ Claims helpdesk</u></b> <input type="checkbox"/> Enquiries related to status of claims <input type="checkbox"/> Request for claim forms	<b>012 – 394 1044/ 012 – 394 1244/ 012 - 394 1016</b>
<b>Visit our website</b> <a href="http://www.thedti.gov.za">http://www.thedti.gov.za</a>	