

BLACK INDUSTRIALISTS SCHEME – INTERPRETATION NOTE 1/2017

SUBJECT : CLARIFICATION OF PROGRAMME GUIDELINES

EFFECTIVE DATE : 1 FEBRUARY 2017

1. PURPOSE

This interpretation serves to address the below mention provisions (number 2 below) of the Black Industrialists Scheme (BIS).

2. INTERPRETATION

- 2.1 Section 3.4 m: Manufacturing-related logistics to be supported will be based on the consideration of **the dti**.
- 2.2 Section 5.3: Working capital support will be offered by a relevant Development Finance Institution and will not be part of the cost-sharing grant offered by **the dti**.
- 2.3 Section 7.1.1: The applicant must submit a quotation from the Service Providers for the machinery and equipment.
- 2.4 Section 7.1.2: The cost of buildings to be supported will be limited to R5 million whether buying or leasing. In addition, the cost of leasing a building will be limited to a maximum of R1 million per year for the duration of the capitalised lease.
- 2.5 Section 7.1.3: The applicant must submit a quotation from the Service Providers for the commercial vehicles.
- 2.6 Section 7.1.4: Assets purchased from a connected party that is a Technical Partner that has shareholding in the proposed investment will be considered to be included in qualifying costs.
- 2.7 Section 6: If an applicant is still in the process of claiming for grant assistance from a **dti** incentive, they are not eligible to apply for the BIS.
- 2.8 Section 8: Second hand machinery, second hand vehicles and land do not qualify for support under the BIS.