



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

PROGRAMME GUIDELINES

EXPORT MARKETING AND INVESTMENT ASSISTANCE

PRIMARY MARKET RESEARCH/ FOREIGN DIRECT INVESTMENT

AND

PRODUCT REGISTRATION IN A FOREIGN MARKET

EMIA Secretariat

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1. PREAMBLE

- 1.1 The purpose of this document is to provide the guidelines of the Primary Market Research (PMR), Foreign Direct Investment Research (FDI) and Product Registration (PR), a sub-programme of Export Marketing and Investment Assistance (EMIA) Programme.
- 1.2 The guidelines set out in this document are intended to provide a framework for applicants to present their applications and claims to **the dtic** and for **the dtic** to evaluate such applications and claims.
- 1.3 The guidelines may be amended from time to time, as and when required. These amendments will be published on **the dtic** website and will be effective immediately upon publication.
- 1.4 Where the guidelines lend themselves to varying interpretations or do not deal with a specific subject matter, the interpretation of **the dtic** must be requested and such interpretation will be decisive and final, excluding interpretations of timeframes.
- 1.5 Approval of applications and claims will be subject to compliance with the programme guidelines, the relevant provision of the Public Finance Management Act (PFMA) such as Section 38 (1) (j), National Treasury regulations and availability of funds.

2. SERVICES DELIVERED BY the dtic

- 2.1 No fees or charges are levied for the processing or evaluation of any Export Marketing and Investment Assistance (EMIA) Individual Participation applications or claims.
- 2.2 EMIA application forms, claim forms, relevant information and documentation can be located on **the dtic** website by following the link below:
<http://www.thedtic.gov.za/financial-and-non-financial-support/incentives/export-marketing-and-investment-assistance>
- 2.3 Applicants are welcome to contact **the dtic** directly and officials will provide guidance on EMIA processes.
- 2.4 It is the responsibility of the applicant to ensure that the applications or claims submitted to **the dtic** are accurate, authentic and complete.

3. PROGRAMME DESCRIPTION

- 3.1 The Export Marketing and Investment Assistance (EMIA) Programme is designed to partially compensate existing and potential individual exporters for the qualifying costs incurred in respect of activities aimed at developing export markets for South African products and services and to recruit new foreign direct investment into South Africa.
- 3.2 The EMIA programme comprises the following Individual Participation Incentive Schemes:
- Individual Exhibitions (IE) and In-Store Promotions (IP);
 - Primary Market Research (PMR), Foreign Direct Investment (FDI) and Product Registration in a Foreign Market (PR);
 - Individual Inward Bound Mission (IIBM).
- 3.3 Primary Market Research (PMR) and Foreign Direct Investment (FDI) Assistance is provided to partially compensate entities for costs incurred in researching and defining new export markets and/or to recruit new foreign direct investment into South Africa through personal contact, by visiting potential buyers or investors in foreign countries.
- 3.4 Product Registration in Foreign Markets is provided to partially compensate International patent, quality and trade mark registration, copyright and product certification and or product packaging and labelling.

4. ELIGIBLE ENTITIES

- 4.1 Entities manufacturing products or providing services within South Africa that supports **the dtic** priority sectors.
- 4.2 Entities that outsource their manufacturing process within South Africa that supports **the dtic** priority sectors.
- 4.3 South African export trading houses and commission agents representing at least three local manufacturing and/or service entities that supports **the dtic** priority sectors.
- 4.4 South African Export Councils, Industry Associations and Joint Action Groups representing at least five of its members within the local manufacturing and/or service sectors that supports **the dtic** priority sectors.

5. MANDATORY CONDITIONS

The applying entity must be:

- 5.1 A registered legal entity in South Africa in terms of the Companies Act, 2008 (as amended); the Close Corporations Act, 1984 (as amended) or the Co-operatives Act, 2005 (as amended).
- 5.2 A going concern that has traded for at least one financial year.
- 5.3 A taxpayer in good standing and must provide a Tax Compliance Status (TCS) Pin document issued by South African Revenue Service (SARS) at the time of submitting an application and at claim stage.
- 5.4 In compliance with the requirement for Broad-Based Black Economic Empowerment (B-BBEE) and must achieve a level one (1) to eight (8) B-BBEE contributor status in terms of the B-BBEE Codes of Good Practice.
- 5.6 A completed application must be submitted to **the dtic** three (3) to six (6) months before the commencement date of the event.

6. GENERAL CONDITIONS

- 6.1 Goods and services to be exported must have a local content value of at least forty percent (40%), to qualify for assistance.
- 6.2 Approval is at the discretion of **the dtic**, subject to the availability of funds, compliance with the guidelines, the Public Finance Management Act (PFMA) and relevant National Treasury regulations.
- 6.3 **the dtic** shall recoup all payments made including interest if it was based on false or misleading information.
- 6.4 Entities applying for financial assistance will be subjected to site visits and information validation at any time during application and claim stages.
- 6.5 Material changes¹ related to the application must be communicated in writing to **the dtic** before the commencement of the event.
- 6.6 Approved entities must submit a report back questionnaire in a format prescribed by **the dtic** every six (6) months and failure to comply will result in the exclusion of the applicant from future participation in any EMIA incentive for a period of 6 months.

¹ Material change refers to either a change in company registration, event, change in date(s), and cancellation of planned activities, changes of products to be registered etc.

7. LIMITATIONS AND EXCLUSIONS

- 7.1 Assistance per entity and its related entities for Individual Participation (IE, IP, PMR, FDI, PR and IIBM) is limited to a cumulative total of four (4) successful applications per calendar year. An additional two (2) successful applications per calendar year for events within the African Continent, will be allowed.
- 7.2 Related entities shall be limited to financial assistance for one entity at a specific event.
- 7.3 **the dtic** will use its discretion to consider the number of times assistance will be provided for the duration of the programme based on historical export sales growth.
- 7.4 Assistance is not available for *physical* events occurring during the period **15 December** up to and including **05 January** of each year.
- 7.5 Only one representative of the entity will qualify for financial support per event. The representative should travel from South Africa, have the knowledge to conclude contracts on behalf of the entity.
- 7.6 No incentives considered in the case where the exporter is represented by its official foreign agent or distributor.
- 7.7 Invoices/receipts for cash payments, set off payments and third party payments are not allowed and will not be reimbursed.
- 7.8 Reimbursements will only be considered in cases where the approved costs are incurred directly by the approved entity, traveller, the Director/Member of the entity or the responsible person stipulated on the application form. All other third party payments such as payments to co-ordinators, facilitators and consultants, are excluded and will not be considered for reimbursement.
- 7.9 The entity will be responsible for the following expenses: insurance expenses, domestic value added tax, bank charges, storage of samples expenses and any other expenses that were not approved.
- 7.10 Assistance will be confined to market research aimed at establishment of new markets and no follow-up visits to the same market and for the same product/service, will be supported by **the dtic**.
- 7.11 Entities may attend a relevant exhibition under PMR in the same market. Two days of subsistence allowance for the exhibition will be considered on condition that a minimum of at least two (2) days of appointments outside the visiting days to the exhibition is scheduled.
- 7.12 Assistance is extended towards attending conferences as a speaker focusing on exploring or accessing new markets. The attendee should be a confirmed speaker at the conference to qualify for assistance.

7.13 Testing as part of the registration of a product in a foreign market would only be considered if this clearly forms part of the required activities to register the product in a foreign market.

7.14 Only invoices dated six months prior to and twelve months after the date of approval for registration of a product in a foreign market will be considered for reimbursement.

8. FINANCIAL ASSISTANCE

Qualifying Entities	Item Description	Maximum Amount
HDI & SMME	100% Economy class return airfare <ul style="list-style-type: none"> One hundred percent (100 %) 	R 20 000
HDI & SMME	Subsistence allowance <ul style="list-style-type: none"> A minimum of 2 confirmed appointments per day to a maximum of ten (10) days must be scheduled to qualify for the subsistence allowance. If appointments are missed during the visit, the allowance does not apply. A Speaker at a conference will qualify for subsistence allowance for the duration of event to maximum 10 days Two (2) days of subsistence allowance for attendance of an exhibition will be considered 	R 3 000 per day
HDI and SMME	Additional financial support for a traveller living with disabilities <ul style="list-style-type: none"> Including but not limited to travel, sign language interpreter, subsistence allowance, assistant etc. 	R 35 000
HDI & SMME	Transport of samples or Promotional materials (Also available for virtual contact with potential buyers/Investors)	R 1 500
HDI & SMME	Design and print cost of marketing materials (Also available for virtual contact with potential buyers/Investors)	R 5 000
HDI, SMME & Other sized	Product registration in a foreign market <ul style="list-style-type: none"> International patent, quality and/or trade mark registration, copyright and product certification. Limited to 50% of the actual costs. 	R 300 000 per annum

9. APPLICATION SUPPORTING DOCUMENTATION

The following documents must be submitted with the application:

- 9.1 Fully completed and signed Individual Participation application form.
- 9.2 Valid Level one (1) to eight (8) B-BBEE Certificate of compliance or an affidavit in terms of the B-BBEE Codes of Good Practice.
- 9.3 A Compliant and valid Tax Compliance Status (TCS) Pin document issued by SARS in the name of the applicant.
- 9.4 Certificate of Incorporation.
- 9.5 Latest audited or independently reviewed/compiled financial statements. The financial statements of the previous year end will only be accepted for a maximum period of six-months from the recent financial year-end of the entity.
- 9.6 Product brochure/s and/or website printout displaying the products and/or services to be exported.
- 9.7 Registration certificate as an exporter (not applicable for service-oriented entities, Export Councils, Industry Associations and Joint Action Groups).
- 9.8 Export Marketing Plan to demonstrate the entity's export growth focus and how the entity intends to generate sustainable export sales in its selected target markets. It is recommended that the plan should contain but is not limited to the following:
 - **Executive Summary:** which includes the core business focus, key current products and/or services portfolio, reasons for choice of global target markets, reasons for attending a specific event, compliance with relevant statutory regulations and minimum environmental standards, health and safety regulations domestically and in targeted markets where applicable;
 - **Marketing Analysis:** An analysis of the current marketing situation, analysis of the product, price, promotion strategies and distribution channels; viability of the product, expected competition and trade barriers;
 - **Marketing Objectives and Strategies:** which focuses sales objectives in volume and Rand terms for the designated products and services over the next two (2) years and the marketing strategies to access, develop, sustain and supply the targeted export markets.
- 9.9 HDI and SMME entities: Three (3) comparable valid quotations for design and printing costs of marketing material from service providers of choice.
- 9.10 HDI and SMME entities: Three (3) comparable valid quotations for air travel from service providers of choice.

- 9.11 HDI and SMME entities: Three (3) comparable valid quotations for the transportation of samples from service providers of choice.
- 9.12 Entities that outsource their manufacturing process or parts thereof: Valid formal outsourcing/manufacturing agreement/s. The agreement should be signed, dated and stipulate the outsourced activities and the expiry date of the agreement.
- 9.13 Commission Agent: Three (3) agency agreements with entities to be represented at the specific event.
- 9.14 Export Trading House: Three (3) signed letters of permission from entities to be represented at the specific event.
- 9.15 South African Export Councils, Industry Associations and Joint Action Groups: Five (5) signed letters of permission from entities to be represented at the specific event.
- 9.16 Entities applying for additional financial support in terms of a traveller living with disabilities: A motivation and three quotations; **the dtic** can at any time request additional documentation or information for this assistance to be considered.
- 9.17 A detailed confirmed work itinerary including names, addresses, contact details of entities to be visited and daily planned activities.
- 9.18 Electronic mails (e-mail) or confirmation letters from businesses abroad confirming two scheduled appointments must be submitted to EMIA. Only appointments confirmed earlier or 30 days prior to the date of departure will qualify for the assistance. Not applicable if applied for a speaker at a conference or registration of a products in a foreign market.
- 9.19 Conference Speaker: Program clearly indicating the nature and the status of the conference, speakers, main and sub-themes.
- 9.20 PMR linked to Exhibition: Brochure/website printout regarding the details of the exhibition.
- 9.21 Registration of a product in foreign market: Summary Overview of assistance required in terms of the type of registration, the testing required, the registration body, timeframe.

10. CLAIMS PROCESS AND REQUIRED DOCUMENTS

The following documents must be submitted with the claim within two months after the end date of the event:

- 10.1 Fully completed and signed claim form.
- 10.2 Signed standard terms and conditions.
- 10.3 Invoices in the name of the entity for all approved activities as per the approval letter.

- 10.4 Bank Statements of the approved entity (originals or original certified copies must be stamped), for all approved activity costs (excluding subsistence allowance), as per the approval letter.
- 10.5 Customer or swift advice or the bank draft will be required if the currency paid or the beneficiary does not reflect in the bank statement.
- 10.6 A reconciliation of payment should be included where a number of invoices were combined for payment.
- 10.7 Original or original certified copies of the air tickets/electronic ticket and boarding passes specifying the routes, dates, traveller name, time, agent and the value. An invoice is required where the e-ticket is not indicating the value.
- 10.8 Original certified copies of the **passport** with **personal particulars** (passport photo); departure date stamp from SA and re-entry date stamp into SA.
- 10.9 Original or original certified copies of freight related documents to confirm the destination and details of goods transported; for instance, Airway bill or Bill of Lading, Customs Declaration Form etc.
- 10.10 Tax Compliance Status (TCS) Pin document issued by SARS in the name of the approved entity.
- 10.11 Valid level one (1) to eight (8) B-BBEE certificate of compliance or an affidavit in terms of the B-BBEE Codes of Good Practice.
- 10.12 Fully completed, signed and bank stamped supplier maintenance form and a bank statement or cancelled cheque, to confirm the entity's banking details, should a bank not stamp credit form a confirmation letter must be submitted.
- 10.13 Fully completed and signed event feedback report indicating the results achieved at the approved event.
- 10.14 **the dtic** can at any time request additional documentation or information regarding the processing of a claim. Such documents can include copies of bank statements, delivery notes, order notes, bank deposit slips, swift transaction receipts and other documents regarded as being material for claim purposes.

11. DECISION REVIEW PROCESS

- 11.1 Any dispute relating to a decision (including the rejection of an application and/or claim and/or cancellation of an approved project) by **the dtic** may be subjected to an internal appeal.
- 11.2 An appeal must be lodged within thirty (30) days of the date of issue as set out in the notification letter.
- 11.3 An applicant (hereinafter referred to as "the appellant) who is aggrieved by any decision taken by **the dtic** is limited to one (1) appeal in respect of that decision as the

same matter may not be referred back for appeal unless the matter has been referred back for further information/investigation.

- 11.4 The appeal must be accompanied by a written explanation setting out the decision appealed against and the issues to be considered and any documentary evidence upon which the appeal is based.
- 11.5 Although there is no prescribed format for the submission for an appeal, the appeal must:
 - 11.5.1 Be submitted in duplicate, if submitted physically.
 - 11.5.2 Attach a letter communicating the decision appealed against.
 - 11.5.3 If longer than 15 typed pages (excluding annexures), contain an executive summary of no more than two pages, be indexed and paginated.
 - 11.5.4 Be signed by and provide full details of the Appellant or his/her/its representative and, in the latter instance, include proof of mandate to lodge the appeal on behalf of the applicant.
- 11.6 An appeal must be lodged with the Director: Legal Services: Industrial Financing Branch at the following email address: Appeals@thedtic.gov.za or hand delivered at:

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

the dtic Campus, 77 Meintjies Street

Block A

Sunnyside, Pretoria, 0002

Attention: Director: Legal Services

INDUSTRIAL FINANCING BRANCH

- 11.7 Receipt of the appeal will be acknowledged in writing within five (5) working days of such receipt.
- 11.8 The outcome of the appeal will be communicated to the Appellant.

12. CRIMINAL, MISLEADING, DISHONEST AND/OR IRREGULAR ACTIVITIES

- 12.1 **the dtic** may, upon the committing of an actual offence or reasonable suspicion of the contravention of any applicable act or upon the initiation of an investigation or the initiation of litigation as a result of criminal, misleading, dishonest and/or irregular activities, suspend payments that may be due or become due to an applicant. In such event, **the dtic** shall not be liable for any damages occasioned by the suspension of such payments or interest, pending the finalisation of any forensic investigation and any criminal proceedings brought as a result of the investigation.

- 12.2 In the event that a forensic investigation was initiated, the findings of such forensic investigation which confirms such criminal, misleading, dishonest and/or irregular activities, shall be sufficient to allow **the dtic** to cease and cancel all payments and reclaim any payments already made, with interest.
- 12.3 **the dtic** subscribes to the principles set out in the Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004) (PRECCA). Applicants are required to contact **the dtic** fraud hotline on 0800 701 701 in order to report any suspicious behaviour.
- 12.4 Responsibility rests on the applicant and/any other person that may benefit from the scheme to disclose everything that may have an influence on the adjudication of the application and/or claim. Failure to do so, may lead to termination or cancellation or suspension of the application/claim and the initiation of criminal prosecution and/or civil action.

13. MONITORING, EVALUATION AND REPORTING

- 13.1 Approved applicants may be required to submit performance reports during the period of the incentive as well as post the incentive period, as and when required by the department.
- 13.2 **the dtic** may conduct site visits as and when required. A site visit report will be completed as part of this process.
- 13.3 In order to evaluate the impact of the programme, **the dtic** may require the company to submit performance information up to a period of three (3) years from the last claim payment. Supporting documentation as verification of the information may be required.

14. GLOSSARY OF TERMS

- 14.1 **Export Trading House (representing at least three entities):** A business, which focuses on the promotion of export-trade through the marketing of products/services from different entities.
- 14.2 **Commission Agent (representing at least three entities):** A commission agent must have agency agreements with local entities for the promotion of their products/services.
- 14.3 **South African Export Councils, Industry Associations and Joint Action Groups (representing at least five members):** These entities represent a group of companies within an economic sector with the objective of promoting the industry in global markets.

- 14.4 **Related Entity:** An entity that has significant shareholding (interest) and/ or influence in decision making over another entity in making financial and/or operating decision or controlling shareholding in another entity.
- 14.5 **Small, Medium and Micro-Sized Entities (SMMEs):** SMMEs must be privately, independently or co-operatively owned and managed, and must not exceed the turnover thresholds as defined in the latest Department of Small Business Development gazette or Act.
- 14.6 **Historically Disadvantaged Individuals – HDIs:** For a business to qualify as a historically disadvantaged business, it must: be a SMME where at least 51% of the business must be owned by black person(s), women or disabled person(s) of South African nationality.
- 14.7 **Other/Larger Size Entities:** Entities which do not qualify under the definition of an SMME as stipulated above

