the dti
Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

MEDIUM AND HEAVY COMMERCIAL VEHICLES AUTOMOTIVE INCENTIVE SCHEME (MHCV-AIS) AND;

PEOPLE- CARRIER AUTOMOTIVE INCENTIVE SCHEME (P-AIS) –

IMPORTANT NOTICE

SUBJECT **BASE YEAR EMPLOYMENT AND BROAD BASED BLACK ECONOMIC EMPOWERNMENT (B-BBEE)**

REFERENCE : MHCV-AIS AND P-AIS NOTICE 01/2018

EFFECTIVE DATE : 22 AUGUST 2017

---

1. The Automotive Incentive Scheme (AIS) amendments that were approved by Minister on 22 August 2017 regarding the-base year employment and Broad Based Black Economic Empowerment (B-BBEE) are also applicable to the two sub-programmes of AIS, namely the MHCV-AIS and the P-AIS programme guidelines.

1.1 The following condition have been made mandatory for all projects:

The applicants must retain base year employment levels during the entire incentive period from application stage until claim periods.

This will apply to applications that will serve in the adjudication committee from date of Minister's approval of the AIS amendments on 22 August 2017. Applications that have been approved under the old guidelines before Minister's approval will not be affected by this.

1.2 On the 4th of December 2015 an addendum to the AIS guidelines and its sub programmes was effected in the form of Interpretation Note (01/2015) in order to implement the provisions of section 10 of the B-BBEE Act, 2013 (ACT No. 46 of 2013) section 10 (1). This Intepretation Note will, with this notice form part of the mandatory conditions for the AIS and all its sub-programme guidelines, namely the MHCV-AIS and the P-AIS. This condition is therefore also effective from the date of the Interpretation Note (i.e. 4 December 2015).

The applicant must submit a valid B-BBEE certificate of compliance (i.e. B-BBEE levels 1 to 8).