

MANUFACTURING SUPPORT PROGRAMME (MSP) GUIDELINES - INTERPRETATION NOTE 01/2025

SUBJECT: INTERPRETATION OF PROGRAMME GUIDELINES

1. PURPOSE

1.1 This Interpretation note serves to provide clarity on the provisions of the Manufacturing Support Programme (MSP) guidelines.

2. INTERPRETATION

Relevant provisions of the MSP Guidelines		Interpretation Note
3.	Objectives of the Manufacturing Support Programme (MSP)	
3.3	The MSP is available to South African registered entities engaged in manufacturing Standard Industrial Classification (SIC 3).	The MSP is available to South African registered entities engaged in Manufacturing Division 10 to Division 32 of the Standard Industrial Classification of all Activities (Seventh Edition).
4.	Mandatory Conditions	
4.1.6	Demonstrate that at least 50% of the inputs will be sourced from South African producers and at least 10% of the inputs will be sourced from Black South African producers in particular and/or Government Departments, State Owned Entities (SOEs) or similar Government Institutions.	the dtic will consider projects that can provide indisputable evidence supported by a dtic sector desk and a relevant industry body that there are no South African producers to supply 50% of inputs and/or that there are no Black South African producers to supply 10% of inputs.
4.1.6.1	Where inputs cannot be produced locally, applicants may source from suppliers outside of South Africa. In this regard, full details of establishment points and details of suppliers as well as indisputable evidence of no local supplier must be provided.	



5. Eligibility Criteria

5.2 The application must be submitted within the designated application window period, prior to the start of processing/beneficiation or undertaking activities being applied for. Any assets bought and taken into commercial use or competitiveness improvement costs incurred before applying for the incentive will be considered as non-qualifying. the dtic retains the sole discretion to consider as qualifying, assets which have been secured by means of payment of a deposit, however, such assets may not have been taken into commercial use prior to receipt or submission of the application of the incentive by the dtic.

The application must be submitted within the designated application window period, prior to the purchase of any assets or the start of processing/beneficiation or undertaking activities being applied for.

Any assets purchased and / or assets taken into commercial use or competitiveness improvement costs incurred before applying for the incentive will be considered as non-qualifying.

the dtic retains the sole discretion to consider as qualifying, only up to a particular percentage, assets which have been secured by means of payment of a deposit. For the assets to be considered as qualifying under this provision, the following conditions must be met:

- a. the deposit paid must be 40% or less the value of the secured assets or cost applied for;
- such secured assets may not have been taken into commercial use prior to submission of the application of the incentive to the dtic; and
- the date of payment of the deposit may not be more than three 3 months prior to submission of the application to the dtic.



6. Grant Offering

6.3 For applicants requiring competitiveness improvements, the grant related to consultant fees/costs may not exceed R1 million.

For applicants requiring competitiveness improvements, the total grant amount for all related costs, including but not limited to consultant fees, may not exceed R1 million.

8. Non-Qualifying

8.1.9 Increase in investment cost as a result of exchange rate fluctuations and submitted after acknowledgement of the application or claim. Increase in investment costs submitted after approval of the application or claim.

8.1.13 Applicants that are already receiving support from other **dtic** grants, do not qualify for support under the MSP. Applicants who are currently receiving funding from other **dtic** incentive programmes that support similar qualifying assets and investment costs under the MSP will not be eligible for assistance under the MSP.