



**the dtic**

Department:  
Trade, Industry and Competition  
**REPUBLIC OF SOUTH AFRICA**

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# **PROGRAMME GUIDELINES**

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**SECTOR SPECIFIC ASSISTANCE SCHEME (SSAS)**

**PROJECT FUNDING**

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## Contents

1.	PREAMBLE .....	3
2.	SERVICES DELIVERED BY the dtic .....	3
3.	DEFINITION OF THE SECTOR SPECIFIC PROJECT FUNDING .....	3
4.	OBJECTIVES OF SSAS PROJECT FUNDING .....	4
5.	QUALIFYING SSAS PROJECTS .....	4
6.	CATEGORIES OF QUALIFYING APPLICANTS .....	4
7.	ELIGIBLE INDUSTRIES AND SECTORS .....	5
8.	QUALIFYING EXPENDITURE .....	5
9.	NON-ELIGIBLE EXPENDITURE .....	5
10.	APPLICATIONS PROCESSING .....	6
11.	CLAIMS PROCESSING .....	6
12.	APPLICATION DOCUMENTATION AND OTHER REQUIREMENTS .....	7
13.	CLAIMS DOCUMENTATION AND OTHER REQUIREMENTS .....	7
14.	MONITORING, REPORTING AND IMPACT ASSESSMENT .....	8
15.	DECISION REVIEW PROCESS .....	9
16.	CRIMINAL, MISLEADING, DISHONEST AND/OR IRREGULAR ACTIVITIES .....	9
17.	CONTACT DETAILS .....	10

## 1. PREAMBLE

- 1.1 The purpose of this document is to provide the guidelines for **SSAS project funding**, a sub-programme for the **Sector Specific Assistance Scheme (SSAS)** of the 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 to **the dtic** and for **the dtic** to evaluate such applications.
- 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.
- 1.5 Approval of applications and payment of claims will be subject to compliance with the programme guidelines, the relevant provision of the Public Finance Management Act (PFMA), 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 SSAS applications or claims.
- 2.2 Applicants are welcome to contact **the dtic** directly and officials will provide guidance on EMIA/SSAS processes and requirements.
- 2.3 It is the responsibility of the applicant (coordinator), to ensure that the application submitted to **the dtic**, is accurate, timely and complete.

## 3. DEFINITION OF THE SECTOR SPECIFIC PROJECT FUNDING

The Sector Specific Project Funding Assistance is a reimbursable 80:20 cost-sharing grant to provide financial support to Export Councils, Joint Action Groups and Industry Associations.

## 4. OBJECTIVES OF SSAS PROJECT FUNDING

- 4.1 Develop an industry sector as a whole;
- 4.2 Develop new export markets;
- 4.3 Stimulate job creation through increased export sales;
- 4.4 Broaden the export base of local product and service suppliers;
- 4.5 Develop and/or implement solutions to factors inhibiting sector specific export growth;
- 4.6 Promote broader participation of black owned and SMME enterprises in exports.

## 5. QUALIFYING SSAS PROJECTS

- 5.1 A project is a collection of specific tasks to achieve measurable outcomes and milestones, with a defined short-term period and its associated costs.
- 5.2 The project must be focused on improving sector export focus, performance and/or emerging exporter capabilities and be developmental and/or promotional in nature.
- 5.3 The project should benefit the sector as a whole or specific value chains within sectors, in terms of the SSAS objectives.

**Note:** Any research/studies undertaken or databases obtained, will become the property of **the dtic**.

## 6. CATEGORIES OF QUALIFYING APPLICANTS

- 6.1 Export Councils established through application to **the dtic**: 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.
- 6.2 Industry Associations: Representative of sectors or sub-sectors of industry prioritised for development and promotion by **the dtic**, as determined by the relevant Sector Desk and Export Development Unit.
- 6.3 Joint Action Groups (JAG'S): This group seek to co-operate on a project in a particular sector or sub-sector of industry prioritised for development and promotion by **the dtic** as determined by the relevant Sector Desk and Export Development unit.
- 6.4 An eligible applicant must be a registered tax paying entity and/or non-profit organization.

## 7. ELIGIBLE INDUSTRIES AND SECTORS

- 7.1 Activities of entities applying for the SSAS incentive, should fall within the South African industry sectors or sub-sectors prioritised for development and promotion by **the dtic**.
- 7.2 The eligible applicant applying for the incentive should be distinct and independent with regard to their operations and ownership.
- 7.3 The sectors include those manufacturing and services sectors as approved by **the dtic** in the National Industrial Policy Framework (NIPF) and the Reimagined Industrial Strategy.

## 8. QUALIFYING EXPENDITURE

- 8.1 Sector focussed Export development costs such as market research expenses;
- 8.2 Sector focussed Export promotion costs such as International advertising, promotional material and publicity and or publicity platforms, not covered by the Export Development and promotion unit or Export Council grants;
- 8.3 Sector focussed export product and or service development costs;
- 8.4 Sector focussed export development costs towards installing or improving sector specific Quality Management Systems, sector wide data and information management systems, exporter or sector export competitiveness improvement, sector export competitiveness benchmarking, supplier capability assessment;
- 8.5 The applicant who receives funding from **the dtic** cannot benefit from other funding/financial assistance, neither from **the dtic**, nor from any government (national, provincial and municipal authorities or its agencies or development finance institutions, for the same scope of work applied for.

## 9. NON-ELIGIBLE EXPENDITURE

- 9.1 Acquisition of assets or working capital to be used in a production process;
- 9.2 Activities covered under Generic SSAS Funding and or funding provided by the Export Development unit at **the dtic**;
- 9.3 Any activity that is partially supported by another government scheme and or quasi government institution;
- 9.4 Employment of staff and operational costs of the applicant;
- 9.5 Foreign and South African VAT;
- 9.6 Magazine or any similar subscription and or licenses;

- 9.7 Motor vehicle fuel when renting a car;
- 9.8 Routine and administrative activities of the applicant's organization;
- 9.9 Travel insurance;
- 9.10 Costs incurred by service providers that were not approved or for which no agreement was in place, prior to the commencement of the project or that were not contracted by the applicant, through a transparent and PFMA compliant procurement process.

## 10. APPLICATIONS PROCESSING

- 10.1 All application forms must be submitted to the SSAS Industrial Financing Branch (IFB) Application Section.
- 10.2 Submit the application form at least three (3) months prior to the commencement of the project.
- 10.3 Incomplete applications will be rejected and only complete, compliant and valid applications will be processed for adjudication.
- 10.4 An approval/rejection letter will be sent to the client within 30 working days from submission of a complete application.
- 10.5 The applicant should ensure that written confirmation of an approval is received prior to commencing the project. **the dtic** will not be held liable for any expenses incurred by applicants in respect of projects, prior to receiving the letter of approval.
- 10.6 **the dtic** will not be held responsible for delays resulting from incomplete or inadequate documentation, B-BBEE non-compliant service providers or unclear cost breakdown and project schedules by the applicant.

## 11. CLAIMS PROCESSING

- 11.1 A signed claim form together with the supporting documents including, the approval letter.
- 11.2 No late claims will be considered for payments.
- 11.3 If a claim is complete with all the necessary supporting documentation as required on the claim form and the checklist, the claim will be processed for payment within 30 working days.
- 11.4 Extensions should be requested and motivated in writing to the Incentive Manager, **before** the termination date of the project. Extensions when approved, may be granted for a maximum period of three months, from the original termination date.
- 11.5 Only one official request for project timeline extensions will be allowed.

11.6 Claims received after an extension, will automatically be cancelled.

11.7 Claims will only be considered after verification of the proof of contributions by the applicant.

## 12. APPLICATION DOCUMENTATION AND OTHER REQUIREMENTS

12.1 The applicant must provide three quotations from B-BBEE and Tax Compliance Certificate (TCC) Pin from compliant service providers, using a clear project description and terms of reference with very clear outputs and outcomes. This is used to source service providers and to evaluate their responses.

12.2 A clear activity-cost schedule must be provided. Failure to provide a detailed cost breakdown, will result in unnecessary delays and the possibility of the application being rejected. **the dtic** reserves the right to reject any application where it is found that the rates requested are not in line with National Treasury requirements or DPSA rates.

12.3 A detailed project schedule indicating the key milestones, work activities, activity costs, outputs, outcomes and timelines for each activity, must be submitted with the application from each of the service providers. It must clearly indicate the choice of service provider and the reasons for selecting a particular service provider, substantiated by the signed minutes of the evaluation committee.

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

## 13. CLAIMS DOCUMENTATION AND OTHER REQUIREMENTS

13.1 Fully completed and signed claim forms must be submitted to **the dtic** after receiving an approval letter.

13.2 All invoices and proofs of payment must be in the name of the approved entity.

13.3 Invoices without verifiable VAT registration numbers (where applicable), entity registration numbers, contact numbers, and without addresses will not be considered for the claim, as they cannot be authenticated.

13.4 Certified copy of the bank statements showing payments to the service provider/s.

13.5 Applicants will not be reimbursed for air tickets where frequent flyer miles were utilised.

13.6 Where a passport has not been scanned, a claimant will have to submit original boarding passes, as proof of entry/exit into or out of South Africa.

- 13.7 In respect of Project Funding, claimants may either claim according to budgeted amounts in respect of milestones achieved on a project, or otherwise upon completion of the entire project. Any deviations/variances from the approved budget and or schedule, require a written explanation and official request in order to consider such variances from the approved milestones and project schedules, within already approved budgets.
- 13.8 Payments to claimants are made electronically into bona-fide bank accounts.
- 13.9 The only acceptable means of payments for services by the approved applicant are: cheque, credit card, bank draft and electronic banking transfer. Offset payments, cash payments, and third party payments, are not permissible.
- 13.10 A fully completed and signed original and signed credit order instruction form with a bank stamp.
- 13.11 An original or certified copy of a cancelled cheque if applicable.
- 13.12 A valid tax clearance pin must accompany all claims. The tax clearance pins must be valid at the date of payment of the claim.
- 13.13 Valid B-BBEE (Level 1 to 6) compliant Certificate or Sworn Affidavit.

#### **14. MONITORING, REPORTING AND IMPACT ASSESSMENT**

- 14.1 All approved projects will be monitored by the relevant monitoring unit or division in order to assess their performance and that of SSAS.
- 14.2 **the dtic**, and/or its appointed accredited auditors may conduct site visits to exporters or service providers at application stage, at any claim stage or within a period of two (2) years after the last claim payment. A set of all financial statements, export orders, invoices and other relevant records must be retained and kept in a fireproof safe place, according to the South African Bureau of Standards (SABS) specifications, for at least five (5) years after submission of the claim to which it relates, or completion/termination of the SSAS grant, whichever is the latest date. Such records must be made available to **the dtic** inspector or auditor upon request, failing which, the SSAS grant automatically terminates.
- 14.3 In order to evaluate the impact of the programme, **the dtic** may require that for a period of two (2) years after completion of the claim period, that the coordinator and or individual exporters, submits an annual project monitoring report.



## 15. DECISION REVIEW PROCESS

- 15.1 Any dispute relating to a decision (including the rejection of an application or claim) taken by **the dtic** is limited to one (1) request for decision review per application lodged, within forty-five (45) days of the date of issue of the notification letter by **the dtic**.
- 15.2 Any request for decision review or request to consider an increase or decrease or any other amendment of approved qualifying activities, service providers or request to change the delivery schedules, should be submitted to **the dtic** prior to incurring relevant costs or submitting claims.

## 16. CRIMINAL, MISLEADING, DISHONEST AND/OR IRREGULAR ACTIVITIES

- 16.1 **the dtic** may, upon suspicion of any such activities, suspend payments that may be due or may become due to an applicant. **the dtic** shall not be liable for any damages or interest, pending the finalisation of any investigation and any criminal proceedings brought as a result of the investigation.
- 16.2 Findings of an investigation indicating such activities will be sufficient to allow **the dtic** to cease all payments and reclaim any payments already made, with mora interest.
- 16.3 **the dtic** subscribes to the principles set out in the Prevention and Combating of Corrupt Activities Act, 12 of 2004 (PRECCA). Applicants are requested to contact the dtic fraud hotline on 0800 701 701 should they wish to report any suspicious behaviour.
- 16.4 A duty 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 thereof will lead to termination, cancellation or suspension of the application or claim.

## 17. CONTACT DETAILS

DESCRIPTION	CONTACT DETAILS
<b>General Enquiries:</b> <b>the dtic</b> Call Centre <b>the dtic</b> website	0861 843 384 www.thedtic.gov.za
<b>General Customer Care Line</b> <ul style="list-style-type: none"> <li>Clarification on issues pertaining to SSAS service levels;</li> <li>SSAS report questionnaires.</li> </ul>	012 394 1773 / 1087 / 3174 (Sector Specific Assistance Scheme for Emerging Exporters, IFB)
<b>Applications and Claim Customer Care Line</b> <ul style="list-style-type: none"> <li>Enquiries related to status of applications and appeals;</li> <li>Clarification on SSAS rules;</li> <li>Request for application forms.</li> </ul>	012 394 1773 / 1087 / 3174 (Sector Specific Assistance Scheme for Emerging Exporters, IFB)
<b>Physical Address</b> <b>the dtic</b> Campus 77 Meintjies Street Sunnyside 0002	<b>Postal Address</b> SSAS: IFB Private Bag X84 Pretoria 0001

### Approved by:

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Designation: \_\_\_\_\_

Date: \_\_\_\_\_