

19 July 2024

**To: The Department of Trade, Industry and Competition**

The DTIC Campus  
77 Meintjies Street  
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Via email: DTIC: [rjeewan@thedtic.gov.za](mailto:rjeewan@thedtic.gov.za)

**RE: SUBMISSION PERTAINING TO THE MANUFACTURING SUPPORT PROGRAMME (MSP) GUIDLEINES**

We refer to the Manufacturing Support Programme (MSP) guidelines issued by the Department of Trade, Industry and Competition (DTIC).

We understand the purpose of this document is to detail the guidelines for the MSP which are intended to enable enterprises to present their applications to the DTIC and further provide a framework for the DTIC to evaluate such applications.

We have studied the MSP guidelines and have set out our comments in a tabular format below for ease of reference:

Applicable Guideline Section	Issue	Interpretation/Question/ Commentary
<b>Mandatory Condition</b>		
4.1.6	<i>...50% of the inputs will be sourced from South African producers...</i>	We request clarification on whether products sourced from local suppliers but produced outside of South Africa (SA) would meet this requirement.
Footnote (page 6)	<i>Raw material from a manufacturing industry into another manufacturing industry...</i>	Is only raw material from manufacturing considered in the raw material inputs i.e. can we exclude raw material from agriculture?
<b>Eligibility Criteria</b>		
5.2	<i>The application must be submitted with the designated application window period...</i>	Is the intention of the programme to open for applications at particular periods of the year?
<b>Grant offering</b>		
6.3	<i>...the grant related to consultant fees/costs may not exceed R1 million..</i>	Assuming the consultant fees do not exceed R1 million, will the DTIC accept an application with competitiveness improvement activities only?
<b>Non-qualifying Costs</b>		

8.1.13	<i>Applicants that are already receiving support from other DTIC grants, do not qualify for support under MSP</i>	If an applicant is undertaking an investment in two different plants, would the DTIC consider two separate applications for this applicant?
<b>Legal Conditions</b>		
10.1.3	Circumvention: Applicants receiving financial grant support from other government source(s) for the same assets and competitive improvement costs as those for which assistance is sought from the MSP.	On the basis that the DTIC grant is used to reduce interest on an Manufacturing Competitiveness Enhancement Programme (MCEP) loan, can these assets still receive MSP support given MCEP is a loan?

We would be grateful for an opportunity to engage further and remain at your disposal.

**SAIT Business Tax Incentive and Grants Technical Workgroup**

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