



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA

PROGRAMME GUIDELINES

TOURISM INCENTIVE PROGRAMME (TIP)

**GUIDELINES FOR THE INTERNATIONAL MARKET ACCESS SUPPORT PROGRAMME
AUGUST 2015**

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1. INTRODUCTION

- 1.1. The tourism sector continues to play an important role in the growth and development of the South African economy. The National Department of Tourism is introducing the Tourism Incentive Programme (TIP) in April 2015, with the aim of stimulating the development and growth of small and medium-sized enterprises (SMEs). The programme is designed to contribute towards achieving the objectives of the National Development Plan (NDP), the National Tourism Sector Strategy (NTSS) and other government policy documents.
- 1.2. One of the focus areas of the TIP is to improve international market access for tourism enterprises. Under the **International Market Access Support Programme (IMASP)**, the Department will subsidise the costs related to accessing new and existing markets through international trade platforms. This document serves as a guide for applicants and outlines the conditions for the International Market Access Support Programme.
- 1.3. Should you wish to apply for participation in this programme, please read this document carefully to familiarise yourself with all the conditions of the programme. The Department reserves the right to amend or update the guidelines from time to time. You are advised to visit the Department's website, www.tourism.gov.za to ensure that you have the latest version of the guidelines.

2. PURPOSE

- 2.1. The purpose of the International Market Access Support Programme is to broaden and facilitate strategic and coordinated access to specific new and strategic tourism export markets for eligible and qualifying tourism enterprises. Improved access to such markets will ultimately allow tourism enterprises to accelerate growth, expand operational capacity and stimulate job creation.
- 2.2. The programme will reduce the cost burden on small and medium - sized inbound tourism enterprises (i.e. accommodation providers, tour operators, attractions and experience providers) when participating in predetermined international trade and consumer exhibitions and international marketing roadshows.

3. NATURE OF SUPPORT OFFERED

3.1. Under the International Marketing Access Support Programme qualifying tourism enterprises will be partially reimbursed for certain costs incurred during their participation in predetermined international exhibitions and roadshows. The Department will publish, on an annual basis, a list of predetermined international exhibitions and roadshows for which applications for support will be invited during a particular financial year.

3.2. The following expenses for one representative per qualifying enterprise will be considered for reimbursement:

3.2.1. a capped amount on the cost of economy class return airfare;

3.2.2. a capped amount on the cost of accommodation linked to the duration of the exhibition or roadshow including the day before exhibition or roadshow; and

3.2.3. a capped amount towards certain pre-determined exhibition and participation costs.

3.3. The amount of reimbursement and applicable caps will be determined by the Department for each international exhibition or roadshow to be supported.

3.4. All other additional expenses (e.g. shipping of marketing materials, meals, visa, travel insurance, communications, vaccinations, etc) not be covered by the Department, will be for the enterprise's own account.

3.5. Assistance to qualifying enterprises to participate in this programme (IMASP) will be limited to a maximum of three occasions in a five-year period with the reimbursement of cost for the air fare and accommodation on second and third participation (i.e first occasion 100% of agreed airfare and accommodation reimbursed diminishing to 75% and 50% respectively for the second and third occasion in a five year period).

4. ELIGIBILITY CRITERIA

4.1. Small and medium sized inbound tourism enterprises that offer integrated and packaged experiences inclusive of a range of products across the tourism value chain are eligible to apply.

- 4.2. In addition, eligible enterprises will need to be:
 - 4.2.1. a majority South African and privately owned (i.e. non-government) tourism enterprise;
 - 4.2.2. a formally registered enterprise in terms of the Companies Act, Co-operative Act and the Trust Property Control Act.
 - 4.2.3. an established small to medium sized enterprise with an annual turnover not exceeding R 45 million;
 - 4.2.4. able to demonstrate experience in selling local packages and experiences to international inbound markets;
 - 4.2.5. tax compliant in accordance with the regulations of the South African Revenue Service (SARS);
 - 4.2.6. compliant with the Tourism B-BBEE code; and
 - 4.2.7. insured with regard to public liability cover for clients.
- 4.3. Applications from eligible enterprises will be assessed against specific qualifying criteria, which will relate to experience and market readiness, relevance of the product offering, developmental aspects in line with government objectives and specific regulatory compliance. It should be noted that criteria will vary and be tailored to each exhibition or roadshow to be supported.

5. APPLICATION PROCESS AND REQUIREMENTS

- 5.1. From October every year, the Department will publish a list of predetermined international exhibitions and roadshows identified for the following financial year (April to March). After publishing the list, the Department will issue Calls for Applications for support to participate in a particular exhibition or roadshow. A Call for Applications will be issued well ahead of a particular exhibition or roadshow.
- 5.2. The Application form, which is in fillable PDF format, should be completed on screen, saved and submitted by email to tipapplications@tourism.gov.za. Only correct and completed application forms will be considered.
- 5.3. All applications received by the Department will be acknowledged through email correspondence. A unique client number will be allocated and communicated to the applicant and will be used in all correspondence between the applicant and the Department.

- 5.4. Should you wish to hand deliver or courier your application, please inform the Department of your intention by email at tipapplications@tourism.gov.za . Hand delivered or couriered documents should be addressed to the Director: Tourism Incentive Programme and sent to the address noted in paragraph 7.4.
- 5.5. All applications will be subject to a technical assessment to confirm eligibility, verify compliance, review the information and documentation provided in relation to a particular exhibition or roadshow. The Department may correspond with applicants to obtain outstanding documentation or to clarify information, but it is the responsibility of the applicant to submit all required documentation.
- 5.6. The Department may, at any time, request additional documentation and information regarding the assessment of an application.
- 5.7. Based on the outcome of the technical assessment, qualifying applications will be recommended to an adjudication panel. The adjudication panel will assess, qualify, score and rank recommended applications for suitability. Based on the outcome of the adjudication process, the panel will make recommendations to the Director-General or delegated authority for final approval.
- 5.8. Factors that will be considered for assessment and scoring by the adjudication panel will include the market readiness of the enterprise (operational track record, marketing and promotion initiatives, capacity, integrated nature of package or service offered), transformation status (B-BBEE levels), and developmental impact (supporting rural development, responsible tourism practices, business linkages, quality assurance systems), amongst others.
- 5.9. Applicants will be ranked according to the qualifying score obtained. Depending on participation limits for an exhibition or roadshow, the adjudication committee will make recommendations on the final list of tourism enterprises to be supported.
- 5.10. Once an application has been approved, the successful applicant will be notified by an approval letter, which will indicate the unique client number, the specific cost elements and

amounts to be covered for the particular exhibition or roadshow supported and details of the reimbursement process.

- 5.11. The Department will not be held liable for any cost incurred by applicants prior to approval and receiving of the approval letter.
- 5.12. The Department must be notified in writing of any material changes related to the application before the commencement of the event, and the changes must be approved by the Department.
- 5.13. Assistance is subject to the applying enterprise signing a contract with the Department in which the enterprise declares, amongst others, to disclose information pertaining to its ownership, operating capacity, staff complement, B-BBEE status, and operational performance before and after the exhibition or roadshow supported.

5.14 Supporting documentation required from all enterprises:

5.14.1 International Market Access Support Programme application form

Application forms for the International Market Support Programme are available at the reception desk of the Department and the website, www.tourism.gov.za. From the landing page, follow the link to the Tourism Incentive Programme, where you will find the guidelines and application form.

5.14.2 Company Profile

The company profile should provide a description of the applying entity (e.g. ownership, date established, GPS co-ordinates, official website (URL), location, facilities and services offered, tourist handling capacity, number of rooms or seats, etc). The Department reserves the right to conduct site visits to any applying enterprise to verify information.

5.14.3 A copy of a valid Tax Clearance Certificate

The tax clearance certificate should be current and valid at the time of approval and reimbursement. The Department will verify the validity of the submitted certificate with SARS.

5.14.4 Certificate of Incorporation

In the case of a registered Company (e.g Ltd, Pty Ltd,CC), Co-operative and Trust, a copy of the Certificate of Incorporation must be submitted. The documentation should include a copy of the original Certificate of Incorporation, a documentary proof of the formation of a trust, co-operative registration certificate and certificates of all effected name changes pertaining to the company.

5.14.5 Turnover

A letter from an auditor or accounting officer confirming turnover category as stated in the application.

5.14.6 Certified copy of the B-BBEE certificate

Proof of compliance with the Tourism B-BBEE code is compulsory. In the case of:

- **Exempted Micro Enterprise (EME)**, which has an annual turnover of less than R 5 million, a sworn affidavit or certificate issued by the Companies and Intellectual Property Commission on an annual basis, confirming **i) Total annual revenue of R 5 Million or less, and ii) Level of Black ownership.** This provision is also applicable to start-up enterprises.
- **Qualifying Small Enterprise (QSE)**, which have a total annual revenue of more than R 5 million but less than 45 million, are required to submit a verification certificate from an accredited verification agency to substantiate their B-BBEE status. A **QSE that is majority black owned(51% and above)** is only required to obtain a sworn affidavit on an annual basis confirming **i) the total annual revenue of more than R 5 million but less than R 45 million, ii) level of black ownership, and iii) empowering supplier status.**

5.14.7 Passport

A copy of a valid passport of the nominated enterprise representative (International events).

5.14.8 Public liability insurance cover

Proof of public liability insurance cover for enterprise.

6 LIMITATIONS AND EXCLUSIONS

- 6.1. Only international tourism exhibitions and / or roadshows published on the website by the Department will be supported.

- 6.2. The number of enterprises to be supported for participation in a particular exhibition or roadshow will be limited.
- 6.3. Only one senior representative per approved enterprise (including subsidiaries) will qualify. The representative should have the necessary experience, decision – making capacity and hold the necessary authority to conclude contracts on behalf of the enterprise.
- 6.4. Where applicable, the status and validity of supporting documents will be verified with relevant authorities.
- 6.5. Ownership and shareholding information must confirm that there is no shareholding by national, provincial or local government or any government entity in the applying enterprise.
- 6.6. Any assistance provided under the International Market Access Support Programme is at the discretion of the Director-General and subject to the availability of funds. No appeals will be entered into.
- 6.7. The Department reserves the right, in its sole discretion, to provide rulings on the interpretation of these guidelines, in instances where the guidelines appear not to be specific.
- 6.8. The Department will communicate application outcomes to all applicants.
- 6.9. Should it be found that any information in the application form or supporting documents submitted is deliberately misleading for any reason whatsoever (e.g. deliberate circumvention of rules, fraud, etc) or that the process to obtain assistance from the Department under this programme has deliberately been abused in any way, the application will be cancelled and such applicants may be excluded or disqualified from applying for any future assistance from the Department. The Department may also consider legal action against such applicants.
- 6.10. All logistical arrangements will be the responsibility of the qualifying enterprise, unless otherwise stated in the Call for Applications. These arrangements would typically include:
 - flights and travel to and from the country in which a supported exhibition or roadshow takes place;

- accommodation and other logistical aspects (meals, portorage, transfers/taxis, etc.) all other necessary arrangements that are not specified in the Call for Applications (e.g. visas, commissions, taxes, travel insurance, vaccinations, etc.).
- 6.11. All supported exhibitions or roadshows will be led by a senior official of the Department and / or South African Tourism, who will be responsible for the coordination and management of the exhibition or roadshow itinerary.
- 6.12. Qualifying enterprises are to conduct themselves in a professional manner during participation at the exhibitions or roadshows.

7. SUBMISSION OF A CLAIM

7.1. Following participation in a particular exhibition or roadshow, qualifying enterprises must submit within 60 days, a fully completed post-trip report. The post-trip report is a PDF form that should be completed on screen, saved and submitted together with the claim form and the following documents:

- Certified copies of the invoices;
 - Copy of the e-ticket. where an amount is not indicated, a copy of a tax invoice will be required from the travel agent or airline;
 - Certified copies of passport photo, departure date stamp from South Africa, re-entry date stamp into South Africa. In instances where the passport was scanned, boarding passes are required;
 - BAS Entity maintenance form completed, signed and stamp by the bank;
 - Original valid Tax Clearance Certificate;
 - Proof of payments (i.e. original or certified copies of bank statement, credit card statement, cheque, deposit slip only in case of an air ticket). Failure to submit correct and complete documentation will delay the reimbursement of the claim
 - An invoice from the enterprise billing the Department.
- 7.2. All invoices and proof of payments must be in the name of the approved entity.
- 7.3. Incomplete claims and claim items submitted after 60days will be rejected without exception. The approval granted by the Department will be forfeited and cancelled.
- 7.4. Completed post-trip reports and supporting documentation received by the Department will be acknowledged through email correspondence.

7.5. The Department will verify the banking details of the qualifying enterprise and will make reimburse by electronic banking transfer.

7.6. The Department will endeavour to process post-trip reports and qualifying claims timeously and will make approved payments within 30 days from the date of receipt, provided all required information is received.

7.7. Third party payments will be considered for re-imbusement based on the following:

- The applicant should submit the invoice from the service provider and the invoice from the third party.
- The enterprise should submit the proof of payment of the amount paid to the third party and the proof of payment from the third party to the service provider.
- Management fees or any other administrative costs incurred by the enterprise will not be reimbursed by the Department.

8. MONITORING

8.1 It is imperative for the Department to evaluate the impact of the programme, the enterprise will be issued with a six-month post event report questionnaire to complete and return to the Department within the stipulated timeline.

8.2 Failure to submit the six-month post event report within the stipulated time will be excluded from TIP funding for a period of 12months from the date of receiving the exclusion letter.

9. ENQUIRIES AND CORRESPONDENCE WITH THE DEPARTMENT

9.1 Should you require any additional information regarding the International Market Access Support Programme, you are welcome to contact the Department. To streamline correspondence, it is recommended that all

queries be submitted to the Department by email.

9.2 With respect to the above, the following contact details should be used:

- tipapplications@tourism.gov.za – to submit application forms and supporting documentation for the International Market Access Support Programme.

- tipenquiries@tourism.gov.za – for any enquiries related to any assistance offered by the Department under the broader Tourism Incentive Programme.
 - tipadministrator@tourism.gov.za – for submission of post-trip reports, checking application status and claim status.
- 9.3. If receipt of applications has already been acknowledged, please quote the unique client number in the subject line.
- 9.4. Claim documents in respect of the Tourism Incentive Programme to be couriered to the Department should be addressed to the Director: Tourism Incentive Programme, Tourism House, 17 Trevenna Street, Sunnyside, Pretoria, 0002.
- 9.5. Alternative to email correspondence, contact the Call Centre. Queries will be directed to relevant officials in the directorates responsible for administering all programmes under the Tourism Incentive Programme.

DEPARTMENT OF TOURISM

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Call Centre: 086 111 2468

www.tourism.gov.za