

Synthesis of Recommendations and Improvement Plan Objectives for the Implementation Evaluation of the Export Marketing and Investment Assistance (EMIA) Incentive Programme

A. Policy and Programme Design

| | |
|--------------------------------|--|
| Recommendation 2.3 | Firms wasting EMIA resources should be prohibited from utilising incentives in future or penalised financially (e.g. firms that cancel attendance after event has been paid for) |
| Recommendation 3.2 | Agencies and units within and outside of the dti [such as the Small Enterprise Development Agency (SEDA) and the National Export Development Programme Unit (NEDP in TISA)] should develop a pool of export-ready emerging firms which meet EMIA's export ready criteria |
| Recommendation 4.1 | Little-used incentives should be removed with resources directed to other incentives |
| Recommendation 4.2 | Unify the definitions for firms qualifying as emerging exporters and firms that are owned by historically disadvantaged individuals (HDI) - only export-ready and HDI firms should qualify for incentives |
| Recommendation 5.1 | Choose between single administration system under the Incentive Development and Administration Division (IDAD), or single export development and promotion unit under the Trade and Investment South Africa (TISA). |
| Recommendation 5.2 | Re-organise the Sector Specific Assistance Scheme (SSAS) under single administration |
| Improvement objective 1 | Improve the effectiveness and efficiency of EMIA through revising or redefining the emerging exporters and HDI firms and select a single administration for EMIA. |

B. Monitoring and Evaluation (M&E)

| | |
|--------------------------------|--|
| Recommendation 7 | Link data on feedback provided by firms to individual firms within electronic system |
| Recommendation 8 | Targets should be set in line with the dti's policy objectives. Achievement of these targets should not compromise EMIA's own export promotion objectives or criteria used to select firms. Clarity in the reporting of investment must be obtained. |
| Recommendation 9 | Impact evaluations are required periodically to better assess how the various incentives can be refined to better assist firms in increasing exports and inward investment on actual foreign direct investment and jobs created. |
| Improvement Objective 2 | Implement an Integrated M&E system based on the Integrated Electronic Management System (IEMS) for incentive programmes inclusive of empirical evidence to set baselines and targets and conduct periodic impact evaluations. |

C. Administration

| | |
|--------------------------------|---|
| Recommendation 1.1 | Increase use of electronic systems to capture firm information, applications and disbursement |
| Recommendation 1.2 | Ensure system uses unique identifier (e.g. South African Revenue Service (SARS) tax number) for each firm applying |
| Recommendation 1.3 | Ensure system captures the same information across all incentives |
| Recommendation 1.4 | Ensure administrative staff for different incentives have access to single system database |
| Recommendation 2.1 | Administrative staff should reject applications if outside of stipulated timeframes or do not have required documentation |
| Recommendation 2.2 | Firms should not be allowed to access incentives more than stipulated guidelines provide for |
| Recommendation 3.1 | EMIA staff and adjudication committee should fully adhere to criteria around export readiness for ALL firms |
| Recommendation 3.3 | Firms that do not meet export ready criteria should be directed to other assistance e.g. NEDP |
| Recommendation 6.2 | Prohibit non-compliant firms from making use of EMIA incentives |
| Improvement objective 3 | Develop a single electronic administration system that has a unique identifier for all firms to capture all information for all firms and ensure that EMIA guidelines are strictly adhere to. |

IMPROVEMENT PLAN AND REPORTING TEMPLATE FOR IMPLEMENTATION EVALUATION OF EXPORT MARKETING INVESTMENT ASSISTANCE (EMIA) INCENTIVE PROGRAMME

| | | | | |
|--------------------------------|--|--|---|--|
| Title of Evaluation | Implementation Evaluation of the Export Marketing Investment Assistance Incentive Scheme Programme | | Date of Publication of Evaluation Report | 12 June 2014 |
| Name of Lead Department | Department of Trade and Industry (the dti) | | Date of Approval of Improvement Plan | |
| Contact Person | Dr N. Mashalaba | | Position | Chief Director: M&E |
| Telephone/Cell No | 0123941219 / 0828012704 | | Email | NMashalaba@thedti.gov.za |

| | | |
|---|----------------|----------------|
| Date of Report | | |
| Reporting Cycle (Mark with an X) | January – June | July- December |

A. Policy and Programme Design

| Improvement Objective | | Improve the effectiveness and efficiency of EMIA through revising or redefining the emerging exporters and HDI firms and select a single administration for EMIA. | | | | | |
|--|----------------|--|-----------------------------------|---------------------|-------------------------------|---|--|
| Outputs to achieve the objective | Priority L/M/H | Activity to achieve output | By who? (Institution responsible) | By when? (Deadline) | Embedded where | Current situation/ Progress Report | |
| 1. Reduction in fruitless and wasteful expenditure | H | Revise EMIA guidelines to include 24 months penalty if firms are identified as wasting the resources. | the dti (Product Development) | September 2015 | IDAD strategic plan | Currently the guidelines only have a 12-months penalty however, the 24-month penalty has been included in draft revised Guidelines that will be finalised in September 2015. | |
| | M | Communicate revisions made on the Guidelines. This entails: 1) Publishing the revised Guidelines on the dti website 2) Writing individual letters to the export councils and relevant stakeholders | the dti (TISA and IDAD) | September 2015 | IDAD and TISA Strategic Plans | Once guidelines are finalised, revised EMIA Guidelines will be uploaded on the dti website and letters will be sent to the relevant export councils and stakeholders. | |
| | M | Revise current Booklet on EMIA offerings | the dti (TISA and IDAD) | September 2015 | IDAD and TISA Strategic Plans | The current Booklet on EMIA offerings will be revised within a month after the publication of the revised Guidelines | |
| | H | Publish revised Booklet on EMIA offerings | the dti (TISA and IDAD) | November 2015 | IDAD and TISA Strategic Plans | The revised Booklet on EMIA offerings will be published in 2015, two months after the approval of the revised Booklet. | |
| | H | Put in place an electronic system to monitor firm's application and cancellation trends. | the dti (IDAD) | September 2015 | IDAD Strategic Plans | Development work on the electronic pilot system is ongoing and once the pilot is finalised, EMIA will be rolled-out. However, the roll-out dates have not been finalised yet. | |

[Handwritten signature]

| Outputs to achieve the objective | Priority L/M/H | Activity to achieve output | By who? (Institution responsible) | By when? (Deadline) | Embedded where | Current situation/ Progress Report |
|--|----------------|---|--|---------------------|-------------------------------------|---|
| 2. Improved coordination between the dti and export formations | H | Consult stakeholders on the establishment of an export ready database | the dti (TISA - Export Development and Export Promotion) | April 2015 | TISA Operational and Strategic Plan | The export ready database has been updated and Office of the Chief Information Officer the administrator is refining it to include other key fields/information in order to generate the reports. |
| | H | Establish database of export ready entities | the dti (TISA - Export Development and Export Promotion) | June 2015 | TISA Operational and Strategic Plan | The Global Exporter Passport Programme is in place |
| | H | Consult stakeholders on drafting of SLAs/MOAs | the dti (TISA - Export Development) | April 2015 | TISA Operational and Strategic Plan | MOAs and SLAs with export councils are in place and renewable annually. |
| 3. Optimised use of current incentives | H | Signing of SLAs/MOAs between the dti and the different export formations on roles and responsibility in developing and growing export ready firms | the dti (TISA - Export Development) | August 2015 | TISA Operational and Strategic Plan | SLAs with export councils have been concluded, premised on pyramid model, outlining the export vision, defining the projects and export led activities. |
| | H | Develop a marketing strategy to market the incentives that are not optimally used | the dti (IDAD and TISA) | September 2015 | IDAD and TISA Operational Plans | TISA/IDAD conducted Export Awareness Workshops to the following provinces during the 2015/16 financial year: <ul style="list-style-type: none"> • Northern Cape (Kimberley 3/4/2015) • (Upington 24/4/2015) • Free State (Bloemfontein 29/5/2015) • Mpumalanga (Mbombela 25/6/2015) (Emalaheni 26/6/2015) |

[Handwritten signature]

| Outputs to achieve the objective | Priority L/M/H | Activity to achieve output | By who? (Institution responsible) | By when? (Deadline) | Embedded where | Current situation/ Progress Report |
|--|----------------|---|--------------------------------------|---------------------|-------------------------------------|---|
| 4. Rationalised offerings and categories of firms | H | Request additional human and financial resources for the EMIA scheme | the dti (IDAD and TISA) | September 2015 | IDAD and TISA Operational Plans | <p>Additional Human resource: 4 contract positions were created and will be converted into permanent positions by 30 September 2015.</p> <p>Additional Financial resources: Financial resources were sorted internally through re-prioritisation (July 2015). This was done for the MTEF; Baseline has been maintained.</p> |
| | H | Define the different offerings for exporters and different segments of exporters (small, medium and large firms) | the dti (IDAD and TISA) and industry | September 2015 | Integrated National Export Strategy | <p>The different offerings and segments for exporters (small, medium and large firms) respectively, are defined in all EMIA Guidelines under the Definitions and Terminology Section and the Foreign, Domestic and Emerging exporters assistance Sections</p> |
| 5. Optimise management of the export management programmes | H | Re-define emerging exporters and HDI firms to improve how the schemes reflect the needs of segments of exporters. | the dti (IDAD and TISA) and industry | September 2015 | IDAD and TISA Operational Plans | <p>The differences in the terminology and definitions of emerging exporters and HDI firms utilised across all guidelines have been re-defined as follows: National Pavilion Guidelines Section 9 Outward Trade Mission Guidelines Section 8 SSAS Emerging Exporters Guidelines Section 1 and 13 (13.5)</p> |
| | H | Approval of TORs for a feasibility study on the viability of a single administration of EMIA. | the dti (TISA and IDAD) | April 2015 | Operational Plan of the divisions | <p>An executive decision has been taken to administer and manage EMIA programme in IDAD.</p> |
| | H | Consult stakeholders on emerging findings | the dti (TISA and IDAD) | July 2015 | Operational Plan of the divisions | <p>The activity is no longer required as the executive decision to administer EMIA in IDAD has been taken</p> |
| | H | Approval of the report | the dti (TISA and IDAD) | September 2015 | Operational Plan of the divisions | <p>The activity is no longer required as the executive decision to administer EMIA in IDAD has been taken</p> |

B. Monitoring and Evaluation (M&E)

| Improvement Objective | | Implement an Integrated M&E system based on the Integrated Electronic Management System (IEMS) inclusive of empirical evidence to set baselines and targets and conduct periodic impact evaluations. | | | | | | |
|---|----------|--|--|---------------------|------------------------------------|--|--|--|
| Outputs to achieve the objective | Priority | Activity to achieve output | By who? (Person/Institution responsible) | By when? (Deadline) | Embedded where | Current situation/ Progress Report | | |
| 6. A fully integrated M&E on-line System based on the Integrated Electronic Management System | H | Implement a fully integrated M&E system incorporating a clear logic framework | IDAD/TISA | September 2015 | IDAD/TISA strategic plan | Development work on the electronic pilot system is currently being done, as planned. EMIA will be incorporated after the completion of the pilot. Thereafter a fully integrated M&E system will be implemented | | |
| | M | Conduct an impact evaluation | IDAD/TISA | November 2015 | IDAD/TISA strategic plan | EMIA impact evaluation will be conducted once the integrated M&E system has been implemented. | | |
| | H | Revise current report back questionnaires to include: 1) a sector based approach; 2) separation between emerging and established businesses; 3) more outcome and impact indicators Review frequency of reporting beyond six months | IDAD/TISA | September 2015 | IDAD/TISA strategic plan | The report back questionnaires have been revised to include Sectors and different sizes and types of exporters. The reporting period has been extended to 3 years with the 6 months frequency retained. | | |
| | H | Upload all individual firm data for application, claims and report back questionnaires to obtain real time data; ensure that monitored data is based on verified information. | IDAD/TISA and GSSSD | September 2015 | IDAD/TISA and GSSSD strategic plan | This activity will be done after the incorporation of EMIA into the Electronic system which is still at pilot stages. | | |

C. Administration

| Improvement Objective 2 | | Develop a single electronic administration system that has a unique identifier for each firm to capture detailed and accurate information for all firms and ensure that EMIA guidelines are strictly adhered to. | | | | | | |
|--|----------|--|------------------------------------|-------------------------------------|---------------------------------|--|--|--|
| Outputs to achieve the objective | Priority | Activity to achieve output | By who? (Institution responsible) | By when? (Deadline) | Embedded where | Current situation/ Progress Report | | |
| 7. Move the programme administration into a single structure | H | (i) Meeting between the DDGs from IDAD and TISA and guide the movement of the programme meet (ii) Establish a project team lead the divisional COOs (iii) Transfer the whole EMIA programme to TISA | the dti (IDAD and TISA) | April 2015 May 2015 Sept 2015 | IDAD and TISA Operational Plan | An executive decision has been taken to administer and manage EMIA incentive in IDAD. Submission to move EMIA administration into a single structure has been drafted and is awaiting approval by both DDG's from IDAD and TISA | | |
| 8. Approved electronic management system for EMIA | H | Incorporate EMIA Guidelines into the Electronic System (before it is finalised) to improve compliance with the guidelines | the dti (IDAD) | July 2015 | the dti annual performance plan | EMIA is already included in the roll-out plan for all incentive programmes into the development of the electronic system once the pilot has been completed. | | |
| | H | Test the system regularly in accordance with set milestones by the IEMS project manager | the dti (IDAD) | June 2015 | the dti annual performance plan | The system will be tested regularly once EMIA is part of the electronic system that is being piloted. The EMIA electronic system will be launched once EMIA has been rolled out | | |
| | H | Launch the EMIA electronic system | the dti (IDAD) | September 2015 | the dti annual performance plan | | | |

| Outputs to achieve the objective | Priority L/M/H | Activity to achieve output | By who? (Institution responsible) | By when? (Deadline) | Embedded where | Current situation/ Progress Report |
|---|----------------|---|------------------------------------|---------------------|-----------------------|---|
| 9. An approved Standard Operating Plan (SOP) for the best practice of approvals | H | Develop/draft SOP | the dti (IDAD) | May 2015 | IDAD operational plan | SOP has been developed jointly by IDAD/TISA in May 2015 |
| | H | Test SOP with the dti operational staff | the dti (IDAD) | June 2015 | IDAD operational plan | Standardisation of the SOP for both IDAD/ TISA started in June 2015 |
| | H | Consult Stakeholders on the draft SOP | the dti (IDAD) | June 2015 | IDAD operational plan | Input from EMIA stakeholders was obtained in June 2015 |
| | H | Approval of the SOP by the DDG (IDAD) | the dti (IDAD) | July 2015 | IDAD operational plan | EMIA SOP was forwarded for DDG for approval in July 2015 |
| | H | Publish the SOP on the dti website | the dti (IDAD) | July 2015 | IDAD operational plan | EMIA Guidelines for standardised Operating Plan will be published on the dti website by August 2015 |

Endorsed by


 P.....

Mr Lionel October

Director-General: the dti

Date: 03 August 2015