

THE DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION
77 Meintjies Road
Sunnyside
Pretoria
Gauteng
0001

12 February 2021

Dear Ms M. Mabitje-Thompson & Mr Morolo

RE: SUPPORT PROGRAM FOR INDUSTRIAL INNOVATION (SPII) - DISCUSSION ON CHALLENGES FACED BY APPLICANTS

As incentives consultants, it is our role to work together with clients and guide them through the application processes as set out by the DTIC. During the financial year 2019/2020 applicants for DTIC incentive programmes, particularly the Support Program for Industrial Innovation ("SPII"), have been experiencing several challenges. These include slow turnaround time on applications and payments, lack of technical consultants, a lack of sufficient communication with applicants, extremely out-dated and non-user-friendly guidelines, and a lack of an open process and appeal process.

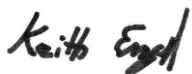
We do understand that the covid-19 ("corona") pandemic has created a truly unprecedented situation which has now added another layer of complexity to the application process with most staff working from home. However, other government departments seem to have embraced this challenge and are managing to work together with us to ensure that applicants are not impacted significantly.

We understand from our clients that a survey has been sent out requesting information on the application process and we applaud this initiative.

South African Institute of Tax (SAIT) incentives working group was instrumental in establishing a joint industry / government task team to assist and support the Department of Science and Innovation in addressing and finding solutions on issues surrounding the processing of section 11D (Research & Development Tax Incentive) applications. We would like to offer our services again to work together in finding collective solutions with the DTIC on the above challenges issues faced by the industry.

We hereby request a meeting with the department to discuss issues faced by the industry.

Kind regards

A handwritten signature in black ink, which appears to read "Keith Engel".

CEO
South African Institute of Tax Professionals