



THE GREEN TOURISM INCENTIVE PROGRAMME

AN INITIATIVE BY



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA

IN PARTNERSHIP WITH



Industrial Development Corporation



PROMOTING RESOURCE EFFICIENCIES IN THE TOURISM INDUSTRY



The National Department of Tourism (NDT) has established a R142.5 million Green Tourism Incentive Programme (GTIP) over a three-year period (FY 2017/18 to FY 2019/20), with a key objective of encouraging privately-owned tourism enterprises to implement responsible tourism practices utilising cleaner and renewable energy sources and the efficient utilisation of water. The programme is part of the department's broader initiative to assist the South African tourism sector to adopt practices for the sustainable management and usage of water and electricity resources whilst adhering to responsible tourism principles.

GTIP provides grant funding of up to R1 million to qualifying small and micro tourism enterprises to reduce their energy and water consumption and costs.

The programme is managed by the Industrial Development Corporation (IDC) on behalf of the NDT.





SOLUTIONS SUPPORTED



FOCUS IS ON SUSTAINABLE WATER AND ENERGY EFFICIENCY SOLUTIONS, INCLUDING:

- Renewable energy generating systems (solar and wind where appropriate);
- Energy and water efficient equipment (including solar-based water heaters and heat pumps HVAC);
- Lighting (solar & LED);
- Water and energy efficient appliances (washing machines and dishwashers, where warranted);
- Water efficiency systems (dual flush toilets systems; urinals; shower heads; aerated taps);
- Water sourcing systems (rainwater harvesting and greywater recycling);
- Development and implementation of resource management policies (including linen and towel reuse, and guest and staff awareness programmes); and
- Other efficient solutions (gas stoves, solar cookers, pool pumps, efficiency devices, etc.)

BOREHOLES AND DESALINATION PLANTS ARE EXCLUDED

In addition, the National Cleaner Production Centre of South Africa (NCPC-SA) will conduct resource efficiency audits to determine the best possible solutions to be implemented. NCPC-SA will also review existing audits where applicable.



PROGRAMME APPROACH



90%

The programme covers 90% of the cost for a new resource efficiency audit or the full cost for reviewing an existing audit

FUNDING UP TO R1 MILL

The programme offers grant funding on a sliding scale from 30% to 90% - capped at R1 million



The balance is to be covered by the applicant (either through own resources or from other reputable funding institutions including the IDC and sefa, a wholly-owned subsidiary of the IDC)



Grant funding will be paid directly to service providers



A photograph of a wind farm with several wind turbines in a green field, overlaid with a semi-transparent green filter. The text 'ELIGIBILITY CRITERIA' is written in large, white, bold, sans-serif capital letters across the center of the image.

ELIGIBILITY CRITERIA

TO BE ELIGIBLE FOR GRANT FUNDING, ALL APPLICANTS MUST MEET THE FOLLOWING CRITERIA:

- Be an existing or a new privately-owned tourism-specific establishment (accommodation, facilities and attractions) that provide services to tourists as its direct clients. Suppliers and intermediaries are not eligible;
- New establishments to be at least at advanced stages of development where delay and completion risk is minimal (minimum requirements include detailed business plan that is fully funded, implementation plan – completion date of the project should be no longer than 9 months from the date of applying for funding, approved building plans and relevant clearance certificates, where applicable);
- In the case of accommodation and conference venues, an official star grading by the Tourism Grading Council of South Africa (TGCSA) is required. Upfront discounts of up to 90% on grading fees are offered by TGCSA through the Tourism Grading Support Programme. Visit www.tourismgrading.co.za for more information;
- Ungraded establishments are required to provide proof of having at least applied for a star grading by TGCSA;
- New establishments must commit to obtaining an official star grading by TGCSA no longer than 3 months from completion of the development.



- Be an Exempt Micro Enterprise or a Qualifying Small Enterprises in line with the size categorisation of the Tourism Broad-Based Black Economic Empowerment Scorecard (obtainable at www.tourism.gov.za) as follows:

| ENTERPRISE SIZE CATEGORY | ANNUAL TURNOVER |
|-------------------------------------|---|
| Exempt Micro Enterprises (EMEs) | Total annual revenue below R5 million |
| Qualifying Small Enterprises (QSEs) | Total annual revenue between R5 million and R45 million |

- Applicants must commit to a resource efficiency audit or review of an existing audit by NCPC-SA;
- Must be able to fund the balance of the total funding required which should be injected first before grant funding can be utilised.
- All applicants are required to submit supporting documentation to prove eligibility for funding under the programme (business registration documents, valid tax clearance certificate, star grading certificate (where applicable), a Tourism B-BBEE certificate or sworn affidavit (if exempted micro enterprises), copy of valid lease agreement or proof of ownership of premises, audited/ reviewed annual financial statements (min. 3 years, where applicable) and latest management accounts.

ALL APPLICANTS THAT PASS THE ELIGIBILITY ASSESSMENT WILL BE REQUIRED TO SUBMIT FICA DOCUMENTATION (INCLUDING A VALID TAX CLEARANCE CERTIFICATE, PROOF OF IDENTITY AND PHYSICAL ADDRESS FOR SHAREHOLDERS OR MEMBERS AND COMPANY REPRESENTATIVE).

QUALIFYING CRITERIA

ELIGIBLE ESTABLISHMENTS ARE REQUIRED TO DEMONSTRATE ECONOMIC VIABILITY. THE EXTENT OF THE GRANT IS DETERMINED USING A WEIGHTED SCORING MATRIX AGAINST THREE KEY ASPECTS, WITH EMPHASIS ON THE SAVINGS AND TRANSFORMATION ASPECTS AS THE MAIN FOCUS OF THE PROGRAMME:

| INDICATOR | SCORING METHODOLOGY |
|---|--|
| Impact of proposed resource efficiency solution/s (extent of savings) | Enterprises with high projected energy and/or water savings (above 80%) in relation to the baseline consumption achieves the highest score, with scores progressively decreasing as the percentage projected savings decrease. |
| Transformation and ownership | Enterprises with high levels of compliance against the Tourism B-BBEE Scorecard (Level 1) achieves the highest score, with scores progressively decreasing as levels of compliance decrease. |
| Size of the enterprise | Enterprises with lower annual turnover (below R5 million) achieve a higher score, with a lower score given for higher turnover (between R5 million and R45 million). |

ADDITIONAL INFORMATION AND/OR DOCUMENTATION WILL BE REQUIRED WHERE NECESSARY.

CONDITIONS OF THE GRANT

QUALIFYING APPLICANTS WILL BE REQUIRED TO MEET THESE CONDITIONS:

- Provide proof that funding of the balance has been secured, within 6 months from date of approval of grant funding;
- Commit to a set minimum savings requirement/s, based on the recommendations of the resource efficiency audit or review conducted by the NCPC-SA;
- Fully utilise the balance of the funding from other sources before the approved grant funding can be disbursed. Invoices must be submitted to the IDC as proof of utilisation of funds; and
- Only use service providers who meet the programme's requirements in terms of promoting local economic growth, job creation/ sustainability, transformation and small enterprise development.



A close-up photograph of a showerhead with water dripping from the nozzles. The background is a soft, out-of-focus green, and the water droplets are in sharp focus, creating a rhythmic pattern of vertical lines.

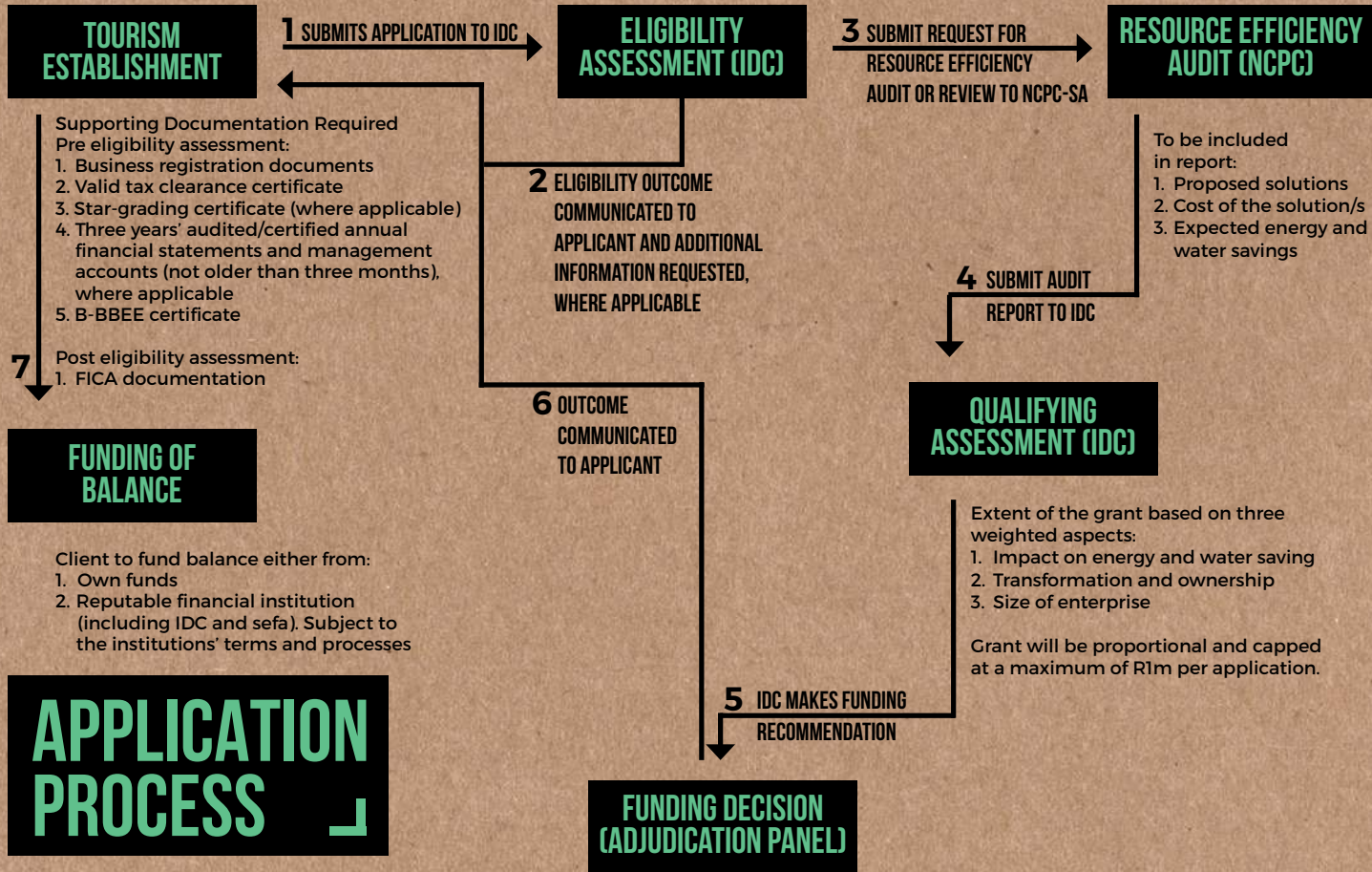
「SERVICE PROVIDERS/INSTALLERS」



THE PROGRAMME SEEKS TO PROMOTE LOCAL ECONOMIC GROWTH, JOB CREATION/ SUSTAINABILITY, TRANSFORMATION AND SMALL ENTERPRISE DEVELOPMENT BY REQUIRING THAT SUCCESSFUL APPLICANTS UTILISE SERVICE PROVIDERS THAT MEET THE FOLLOWING MINIMUM CRITERIA:

- Be a registered entity
- Be tax compliant
- Be a small enterprise: defined as an independently owned and operated company with an annual turnover not exceeding R50 million
- Have a minimum of Level 4 B-BBEE compliance
- Be located in the province of the applicant. Where not possible, be in a neighbouring province
- Be suitably qualified to perform the work required, with a minimum of 2 years experience and at least 3 satisfactory references
- Utilise locally manufactured products/components to the extent possible, with an exception of such products/components that cannot be manufactured locally
- Utilise SABS certified products/components
- Offer adequate insurance and guarantees/ warranties/ certification for work performed
- Be accredited by a relevant statutory body to perform the work required
- Conduct work in accordance with the NCP-C-SA resource efficiency recommendations
- Additional requirements may be enforced based on the complexity of work to be performed





APPLYING FOR FUNDING

AN APPLICATION FORM IS OBTAINABLE ON THE IDC WEBSITE AT

www.idc.co.za

TO APPLY FOR FUNDING, APPLICANTS ARE REQUIRED TO FOLLOW THE INSTRUCTIONS BELOW:

- Download, complete and submit the application form in soft copy (original excel format)
- The application form, including annexure A (shareholding and employment details), must be completed in full accompanied by the relevant supporting documents as provided in the application form

ALL APPLICATIONS FOR FUNDING AND ENQUIRIES SHOULD BE SENT TO:

gtip@idc.co.za

NOTE: INCOMPLETE APPLICATIONS WILL NOT BE CONSIDERED FOR FUNDING.

DISCLAIMER

Tourism establishments and prospective applicants to the Green Tourism Incentive Programme are advised to be wary of people purporting to be representatives or agents of the Programme. Please note that the IDC and NDT have not appointed agents or consultants to assist enterprises with the preparation of applications. The use and payment of any fees to consultants is at the discretion of the applicants.

PROGRAMME MANAGER CONTACT DETAILS:

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Tel: 011 269 3086

PHYSICAL ADDRESS:

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RELATED LINKS:

www.tourism.gov.za

www.ncpc.co.za

www.sefa.org.za

www.tourismgrading.co.za



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