

## THE MAIZE TRUST

### NORMS, PROCEDURES AND CONDITIONS FOR FUNDING

#### Submission dates

1. Applications for financial assistance can be made to the Maize Trust bi-annually. The closing dates for applications are **30 March** and **30 September** of every year.

#### Format of Application

2. **8 (Eight) typed copies and an electronic version** of each application must reach the Administrators of the Trust before the relevant closing date.
3. All applications for funding must contain an **executive summary** in the format as prescribed by the Trust. The following information must be provided in the application:
  - A comprehensive and detailed **explanation of each project** for which funding is required.
  - **Well-defined processes** in which the aim, the timeframe (duration) and goal of the project, as well as the financial impact thereof, are clearly indicated.
  - A clear indication of the envisaged and estimated cost over the full term of the project. (**All figures** contained in the application **have to be motivated and substantiated**).
  - An indication of the **sectors** in the maize industry that will **benefit** from the project and how this will be achieved.
  - An indication whether the Maize Trust is to be the **sole contributor** to the project or if not, who else is to make a contribution, in what manner and to what extent.
  - An explicit identification, explanation and motivation of any **overseas travel** or purchase of **capital items** that is included in the application for funding.
  - A comprehensive **asset register** in respect of all assets for which depreciation is included in the application. The register has to stipulate the **value** of each asset, as well as the **term** and **percentage** of the depreciation applied for.
  - The extent of and availability to the applicant of the **necessary infrastructure** and other support measures to execute the project.
  - The extent to which any **previously funded project** has been successfully finalised or has not been finalised within the timeframe and within the amount of funding granted for that project by the Maize Trust, including any **surplus funding** still available.
  - A statement of the **applicant's capacity** and involvement in the South African maize industry (contributions and performances in the past).
  - A statement of the applicant's own **internal involvement in BEE** – equity, ownership and skills development plans (present and future).
  - An indication of the manner and costs involved in **distributing the final results** of the project to the Trust and to directly affected groups in the maize industry.
  - A proper **communication plan** for conveying any market access or transformation initiatives in terms of the project to maize industry stakeholders.
  - An indication whether the applicant is a registered **Public Benefit Organisation** with the SA Revenue Services or is **exempt from Income Tax**.
4. No restriction is placed on the **type of application** that could be submitted to the Trust, as long as it falls within the ambit of the objectives of the Trust's Deed and conforms to the Norms and Conditions of the Trust. The Trust, however, will only give consideration to applications made by organisations and not by individuals.

### Consideration Process

5. In terms of the Trust Deed all **research applications** are referred to a Maize Technical Advisory Committee for initial evaluation. **All applications** are also referred to the Maize Forum Steering Committee for **recommendations** to the Trust. **Presentations** by applicants of research projects may be required by the Technical Advisory Committee and will be arranged directly with each applicant. Any **costs** or **expenses** in relation to such presentations will be for the **account of the applicant** concerned.
6. The Trustees will endeavour to evaluate and consider applications for funding by **May** and **November** of every year, but in any case not later than three months from the relevant closing date. If an applicant is of the opinion that his or her application for funding is **urgent**, it could be motivated as such by the applicant for consideration by the Trust.
7. The Trust will normally not act pro-actively by initiating funding applications, except if the need thereto arises in the maize industry.
8. The Trustees, in their sole discretion, could decide to attach a **priority to each different application** that is received by the Trust.
9. Although each application will be considered on own merit, the Trustees will, *inter alia*, take the following into consideration:
  - the requirements of the South African maize industry at that point in time;
  - the availability of funds and the cost factor of the specific application;
  - the benefit that an application may have to the maize industry as a whole;
  - any other matters that the Trustees may deem appropriate.
10. The Trustees, in their own discretion, will give consideration to the merit of any **capital items** and **overseas travel**.
11. The Trustees reserve the right to request **detailed information** with regard to any application when deemed necessary.
12. Each project that is to be funded by the Trust will be subject to periodic **evaluation and monitoring** by the Trust. The Trust requests interim and final reports and reserves the right to visit any premises of the applicant (or the project) at any given time, either by the Trustees themselves, or by the Administrators of the Trust, or by agents or auditors appointed by the Trust.
13. All funded projects will be subject to the standard conditions of the Trust as set out further in this document. The Trust also reserves the right to impose such **additional conditions** or to lay down such rules relating to the funding as they in their sole discretion may deem necessary with regard to any particular project.
14. **It is specifically recorded that the submission of an application for financial assistance to the Trust constitutes acceptance by the applicant of the Norms and the Conditions imposed by the Maize Trust, as set out in this document.**

### Standard Conditions for funded projects

- (1) If an application for funding is approved by the Maize Trust, payment to that beneficiary will be made as follows:
  - 60% of the funded amount upon approval being granted by the Trust.**
  - 20% of the amount once the Trust is satisfied with the first progress report.**
  - 20% of the amount once the Trust is satisfied with the final progress report.**

- (2) Funding by the Trust is regarded as **donations** and **Value Added Tax** is therefore calculated at a **zero rate**, except where specifically stated otherwise. Should it be deemed that funding of a particular beneficiary is subject to another VAT rate, all funding amounts will be regarded as being **inclusive of Value Added Tax**.
- (3) Except where the Trustees decide otherwise, it is an **explicit provision** of every financial distribution made by the Trust that the **results** of a funded project will be **public knowledge**. **No trade or intellectual property rights** regarding such project or its results can be retained by the beneficiary or any other person or entity involved in the project for which funding was granted. [**Nota Bene: If this condition is contrary to any legislation or other provisions regarding intellectual property rights in respect of the receiver of the funding, the onus will be on the beneficiary to negotiate alternative arrangements with the Trust prior to making an application to the Trust, but in any event prior to acceptance of the funding**].
- (4) Each beneficiary is at the finalisation of a project required to issue a **press statement** to the agricultural media which states where, when and how an interested party can **acquire the results** of that research project. A copy of the press statement and the distribution list used for its release are to be submitted to the Trust on demand.
- (5) The **financial contribution by the Trust** is to be **acknowledged** by beneficiaries in all publications relating to a funded project and in the results of all such projects.
- (6) **Interim and final progress reports** have to be submitted to the Trust by all beneficiaries, but **additional reports could be requested** by the Trust at any time during the duration of the funding period. Any payment by the Trust to the beneficiary, based on a progress report, will be made once the Trustees have considered and declared themselves satisfied with that report.

**[Please note that any progress reports have to be separate from new funding applications in order to avoid possible delays in the payment of approved funding by the Trust – Eight (8) typed or printed copies of the progress reports need to be submitted to the Trust, together with an electronic copy in PDF, Adobe or Microsoft Word/Excel format].**

*The standard progress reports required by the Trust are as follows:*

- (A) **Interim progress reports** on each project that is funded by the Trust. These interim reports have to be submitted before or on 15 September and 15 March of every year for the duration of a project and must contain the information as set out hereunder:
- (a) *Acknowledgement of the Trust's funding on the cover page of the report.*
  - (b) *Identification of the project and the project leader.*
  - (c) *The actions that have been taken with regard to the project.*
  - (d) *The progress that has been made with the project.*
  - (e) *The results that have been achieved.*
  - (f) *Any problems that have been encountered with the project.*
  - (g) *Milestones that have not been achieved and the reasons for that.*
  - (h) *An assessment of the adequacy of the funding to complete the execution of the project in the form of an expenditure statement.*
  - (i) *The estimated duration of the project until completion.*

- (B) A **final progress report** on completion of each project, which contains the information required for interim progress reports together with the following additional information:
- (a) A comprehensive explanation of all the results that were achieved, in easily understandable terms.
  - (b) A detailed budget and expenditure statement of the allocation of the funds that were granted by the Trust for the finalisation of each project, **which budget and statement have to be certified by a registered auditor.**
  - (c) The manner envisaged in which each project and its results will be published and distributed to parties in the maize industry. Particular emphasis has to be placed on the communication of any development initiatives for the emerging sector to the National Department of Agriculture and the National Agricultural Marketing Council.
  - (d) The possible utilisation of the project results within the South African maize industry.
  - (e) In the case of projects related to the development of emerging farmers a final progress report should also provide an overall picture of the achievements in terms of the project, for instance:
    - (i) the achievements relating to improved production practices and maize yields by the emerging farmers themselves;
    - (ii) an identification list of the emerging farmers who have joined or left the project during the period covered by the report;
    - (iii) an identification of the farmers in the project who have progressed to commercial farmer status.

**Please remember that acknowledgement of the funding provided by the Trust has to be stated on the cover page of all progress reports, irrespective whether the Trust is the sole funder or a co-funder of the project or programme in question.**

- (7) The Trustees will **monitor all projects** that are funded, as well as the economic and financial implications of such projects.
- (8) The Trust reserves the right to use the services of a panel of technical or research advisers to assist it with the consideration and monitoring of research or market access projects that are submitted to or funded by the Trust.
- (9) If a funded project is terminated or delayed for whatever reason, or if there is a surplus of funds in relation to a project –
  - (a) the beneficiary must immediately declare and pay the funding or balance thereof back to the Trust, whatever the case may be;
  - (b) if the Trust finds malice to be present on the side of the beneficiary, he or she will be required to pay interest from the date of payment by the Trust up to the date of repayment, at an interest rate of 5% above the prime rate as charged by ABSA Bank at the time of the interest being calculated by the Trust: Provided that if a beneficiary fails to comply with (a) or (b), the Trust will not for a period of at least three years consider the funding of any other project of that beneficiary.
- (10) All beneficiaries have to declare to the Trust any interest that they have earned on the funding that was paid to them by the Trust and the Trustees reserve the right to claim such interest from the beneficiary or to set that off against future funding payable to that beneficiary.

