



MAIZE TRUST

NORMS, PROCEDURES AND CONDITIONS FOR FUNDING



LAST REVISED – MAY 2023

Submission dates

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

Format of Application

2. Researchers who wish to submit a proposal to the Trust are kindly requested to complete and electronically submit the relevant Application form(s) to the Administrators of the Trust before the relevant closing date. Kindly note that only proposals which are submitted before or on the stipulated closing date, will be considered.
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 executive summary:
 - 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 of the project over the full period applied for, specifically indicating the annual amounts applied for as funding from the Trust, as well as the overhead costs included in the budget. **(All amounts have to be motivated and substantiated)**. **NB. Please note that according to the policy of the Trust a maximum of 15% will be considered for overhead costs.**
 - An indication of the sectors in the maize industry that may 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 there are to be multiple donors, in which case the manner and extent of each contribution is to be specifically declared.
 - An explicit identification, explanation and motivation of any overseas travel or intended acquisition of capital items that are included in the application for funding by the Trust.
 - Comprehensive asset register in respect of all assets for which depreciation is included in the application. The value of each asset, as well as the term and percentage of the depreciation applied for, is to be stipulated.
 - 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 previous project funded by the Maize Trust has been successfully finalised or has not been finalised within the timeframe and within the amount of funding granted for that project by the 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 BBBEE status – equity, ownership and skills development plans may be provided.
 - 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.



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4. There is no restriction to the type or number of applications that could be submitted to the Trust, as long as the applications are 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 from legal entities and not from individuals.

Consideration Process

5. In terms of the Trust Deed all applications are referred to the Maize Forum Steering Committee for consideration and for making recommendations to the Trust. Presentations by applicants may be required by the Steering Committee and will be arranged directly with an applicant. Any expenses in relation to such a presentation will be for the account of the applicant concerned. The Trust reserves the right to request detailed information with regard to any application, if deemed necessary.
6. The Trustees will endeavour to evaluate and consider applications for funding by May and November of every year, but in any event 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 to be treated as urgent, it could be motivated by the applicant for consideration by the Trust.
7. Although each application will be considered on own merit, the Trustees will, *inter alia*, take the following into consideration:
 - the requirements or priorities of the 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;
 - the capital items and overseas travel expenses included in the application;
 - any other matters that the Trustees may deem appropriate.
8. Each funded project will be subject to periodic evaluation and monitoring by the Trust. The Trust requires interim and annual reports to be provided by all beneficiaries. The Trust also reserves the right to visit any premises of the applicant (or where the funded project is being conducted) at any given time, either by the Trustees themselves, or by the Administrators of the Trust, or by agents, auditors or other persons appointed by the Trust.
9. The Trust reserves the right to use the services of a panel of technical or research advisers or experts to assist with the consideration and monitoring of projects that are submitted to the Trust or are being funded by the Trust.
10. All funded projects will be subject to the standard conditions of the Trust as set out in this document, but the Trust reserves the right to impose such additional conditions or to lay down such rules relating to the funding as may be deemed necessary by the Trustees.
11. It is specifically recorded that an applicant, by submitting an application to the Maize Trust for financial assistance, accepts the Funding Norms and the Conditions of the Trust as set out in this document.



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Standard Conditions of Funding

- (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 after approval by the Trust.
20% of the amount once the Trust is satisfied with the interim progress report.
20% of the amount once the Trust is satisfied with the annual 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 found that funding of a particular beneficiary is subject to VAT at a rate other than zero, all funding amounts paid by the Trust will be regarded as being inclusive of VAT.
- (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 may be retained by the beneficiary or will vest in the beneficiary or any other person or entity involved in the project for which funding was granted. **[NB: 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 or prior to accepting funding from the Trust].**
- (4) Each beneficiary, at the finalisation of a project, will be required to indicate to the Trust where, when and how an interested party will be able to acquire the results of that project.
- (5) All financial contributions by the Trust are to be clearly acknowledged by beneficiaries in all publications relating to funded projects and in the results of all such projects.
- (6) **Eight printed copies and an electronic copy of interim and annual progress reports** have to be submitted to the Trust by all beneficiaries, but the Trust reserves the right to request additional reports at any time during the funding period. Any payment by the Trust to a beneficiary, based on a progress report, will be made once the Trustees have considered and declared themselves satisfied with that report.

[Please note that progress reports in respect of existing funded projects have to be submitted separately to new funding applications or applications for continuation of such projects in order to avoid delays in payments to be made by the Trust].

Interim progress reports have to be submitted before or on 30 September and 30 March of every year, for the duration of a project, and must contain at least the following information:

- (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. This has to be done in the form of an expenditure statement.*
- (i) *The estimated duration of the project until completion.*



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Annual progress reports 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 expenditure statement of the utilisation of the funds granted by the Trust for each project, **which budget and statement have to be certified by the Chief Financial Officer of the beneficiary or by a registered accountant.**
- (c) The manner envisaged for the distribution of the project results to parties in the maize industry.
- (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, the report should provide 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) a list of the emerging farmers who have joined or left the project during the period covered by the report, which is to include the full names, identity numbers and location of the farmers concerned; and
 - (iii) the farmers in the project who have progressed to commercial farmer status.

- (7) The Trust will **monitor all projects** that are funded, which includes the economic and financial position and expenditures of projects.

- (8) 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 declare and pay the funding amount or the remaining balance of the funding back to the Trust, whichever the case may be;
 - (b) if the Trust should suspect malice by a beneficiary, interest will be claimed from the date of payment by the Trust to the beneficiary up to the date of repayment thereof to the Trust, at a 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 either the above paragraph (a) or (b), the Trust will not consider the funding of any other project of that beneficiary for a period deemed to be appropriate by the Trust.

