

## 8. RESOURCES

### 8.1. SOUTHERN AFRICAN HEI TTOs

[http://www.sarima.co.za/portfolios/innovation-and-technology-transfer/resources.html#resource\\_satto](http://www.sarima.co.za/portfolios/innovation-and-technology-transfer/resources.html#resource_satto)

UNIVERSITY	WEBSITE	TELEPHONE
University of Cape Town	<a href="http://www.rcips.uct.ac.za/">http://www.rcips.uct.ac.za/</a>	021 650 4015
University of Stellenbosch	<a href="http://www.innovus.co.za">http://www.innovus.co.za</a>	021 808 3079
North-West University	<a href="http://www.nwu.ac.za/i-tt/index.html">http://www.nwu.ac.za/i-tt/index.html</a>	018 2994964
University of KwaZulu-Natal	<a href="http://research.ukzn.ac.za/IntellectualPropertyTechnologyTransfer.aspx">http://research.ukzn.ac.za/IntellectualPropertyTechnologyTransfer.aspx</a>	031 260 3326
Nelson Mandela Metropolitan University	<a href="http://techtransfer.nmmu.ac.za/">http://techtransfer.nmmu.ac.za/</a>	041 504 4216
Eastern Cape Regional Technology Transfer Office	<a href="http://techtransfer.nmmu.ac.za/Regional-Technology-Transfer-Office">http://techtransfer.nmmu.ac.za/Regional-Technology-Transfer-Office</a>	041 504 2688
University of Witwatersrand	<a href="http://hermes.wits.ac.za/Enterprise/">http://hermes.wits.ac.za/Enterprise/</a>	011 717 9370
University of Johannesburg	<a href="http://www.uj.ac.za/EN/CorporateServices/Commercialisation/Pages/home.aspx">http://www.uj.ac.za/EN/CorporateServices/Commercialisation/Pages/home.aspx</a>	011 559 3747
University of Pretoria	<a href="http://web.up.ac.za/default.asp?ipkCategoryID=12840">http://web.up.ac.za/default.asp?ipkCategoryID=12840</a>	012 420 4568
University of the Western Cape	<a href="http://www.uwc.ac.za/Research/Pages/default.aspx">http://www.uwc.ac.za/Research/Pages/default.aspx</a>	tto@uwc.ac.za.
Tshwane University of Technology	<a href="http://www.tut.ac.za/Other/rnnew/Innovation/Pages/default.aspx">http://www.tut.ac.za/Other/rnnew/Innovation/Pages/default.aspx</a>	(+27) 12 382 4985
Cape Peninsula University of Technology	<a href="http://www.cput.ac.za/research/tto">http://www.cput.ac.za/research/tto</a>	021 959 6431

**8.2. SEDA CENTRES**<http://www.seda.co.za>

	<b>CENTRE</b>	<b>SECTOR</b>	<b>PROVINCE</b>
1	Chemin	Chemicals Industry	Port Elizabeth, Eastern Cape
2	Chemin	Chemical Industry	East London, Eastern Cape
3	Chemin	Chemical Industry	Durban, KwaZulu-Natal
4	Downstream Aluminium Centre for Technology (DACT)	Aluminium fabrication & casting	Richard's Bay, KwaZulu Natal
5	EgoliBio	Bio & Life Sciences	Pretoria, Gauteng
6	Furntech Durban	Furniture manufacturing	Durban, KwaZulu-Natal
7	Furntech George	Furniture manufacturing	George, Western Cape
8	Furntech Head office	Furniture manufacturing	Cape Town, Western Cape
9	Furntech Johannesburg	Furniture manufacturing	Johannesburg, Gauteng
10	Furntech Mthatha	Furniture manufacturing	Mthatha, Eastern Cape
11	Furntech Umzimkhulu	Furniture manufacturing	Umzimkhulu, KwaZulu-Natal
12	Furntech White River	Furniture manufacturing	White River, Mpumalanga
13	Lepharo	Copper, Zinc and Base Metals	Springs, Gauteng
14	Mapfura Makhura Incubator (MMI)	Bio-fuels plant production & processing	Marble Hall, Limpopo

15	Mpumalanga Agri-skills Development & Training (MASDT)	Agricultural Capacity Building	Nelspruit, Mpumalanga
16	Mpumalanga Stainless Steel Initiative (MSI)	Stainless Steel Processing	Middelburg, Mpumalanga
17	Seda Agricultural & Mining Tooling Incubator (SAMTI)	Mining & Agricultural tooling	Bloemfontein, Free State
18	Seda Automotive Technology Centre (SATEC)	Automotive Industry	Roslyn, Gauteng
19	Seda Construction Incubator (SCI), Dundee	Construction	Dundee, KwaZulu-Natal
20	Seda Construction Incubator (SCI),	Construction	Durban, KwaZulu-Natal
21	Seda Construction Incubator (SCI), Mmthatha	Construction	Mthatha, Eastern Cape
22	Seda Construction Incubator (SCI)	Construction	Port Elizabeth, Eastern Cape
23	Seda Construction Incubator (SCI)	Construction	Kwa-Mashu, KwaZulu-Natal
24	Innovation Technology Business Incubator (Invo Tech)	Mixed use High-Tech	Durban, Kwazulu-Natal
25	Seda Essential Oils Business Incubator (SEOBI)	Essential Oils-plant cultivation & oil distillation	Pretoria, Gauteng
26	Seda Essential Oils Business Incubator (SEOBI)	Essential Oils-plant cultivation & oil distillation	Nkandla, Kwazulu Natal
27	Seda Limpopo Jewellery Incubator (SLJI)	Jewellery manufacturing	Polokwane, Limpopo
28	Seda Nelson Mandela Bay ICT Incubator (SNMBICTI)	ICT	Port Elizabeth, Eastern Cape
29	Seda Platinum Incubator (SPI)	Platinum Jewellery	Rustenburg, North West

30	Seda Sugar Cane Incubator (SESUCI)	Sugar cane -plant cultivation & sales	Nelspruit, Mpumalanga
31	Soshanguve Manufacturing Technology Demonstration Centre (SMTDC)	Low-cost small scale manufacturing	Soshanguve, Gauteng
32	SoftstartBTI (SBTI)	ICT	Midrand, Gauteng
33	Timbali	Floriculture	Nelspruit, Mpumalanga
34	Zenzele Technology Demonstration Centre	Small scale Mining	Randburg, Gauteng
35	Seed Container Park (Secopa)	Mix Manufacturing	Diepkloof, Gauteng
36	Global Jewellery Academy	Jewellery Manufacturing	Lenasia, Gauteng
37	Smartxchange	ICT	Durban, KZN
38	Seda Limpopo Jewellery Incubator (SLJI)	Jewellery manufacturing	Polokwane, Limpopo
39	Seda Alfred Nzo Agro Manufacturing Incubator (SANAMI)	Agro Processing	Mount Ayliff, Eastern Cape
40	Seda Atlantis Renewable Business Incubator (SEREBI)	Renewable Energy	Atlantis, Western Cape
41	Seda Northern Cape Diamond and Jewellery Incubator	Jewellery	Kimberly, Northern Cape
42	Ekurhuleni Jewellery Incubator	Jewellery	East Rand, Gauteng

### 8.3. DST TAX INCENTIVE GUIDE

#### Scientific and Technological Research and Development Tax Incentive in South Africa

Effective 01 October 2012

<http://www.dst.gov.za/index.php/services/the-rad-tax-incentives-programme>

The Taxation Laws Amendment Act 2011 introduced specific enhancements to the existing scientific and or technological research and development (R&D) tax incentive provided under Section 11D of the Income Tax Act. These changes are effective from 1 October 2012.

A company undertaking R&D in the Republic of South Africa qualifies for a 150% tax deduction of its operational R&D expenditure. This incentive is available to businesses of all sizes in all sectors of the economy that are registered in South Africa.

All the eligible R&D expenditure will qualify for an automatic 100% tax deduction. An additional 50% uplift applies to expenditures on R&D activities that have been approved by the Minister of Science and Technology, based on the provisions of Section 11D of the Income Tax Act.

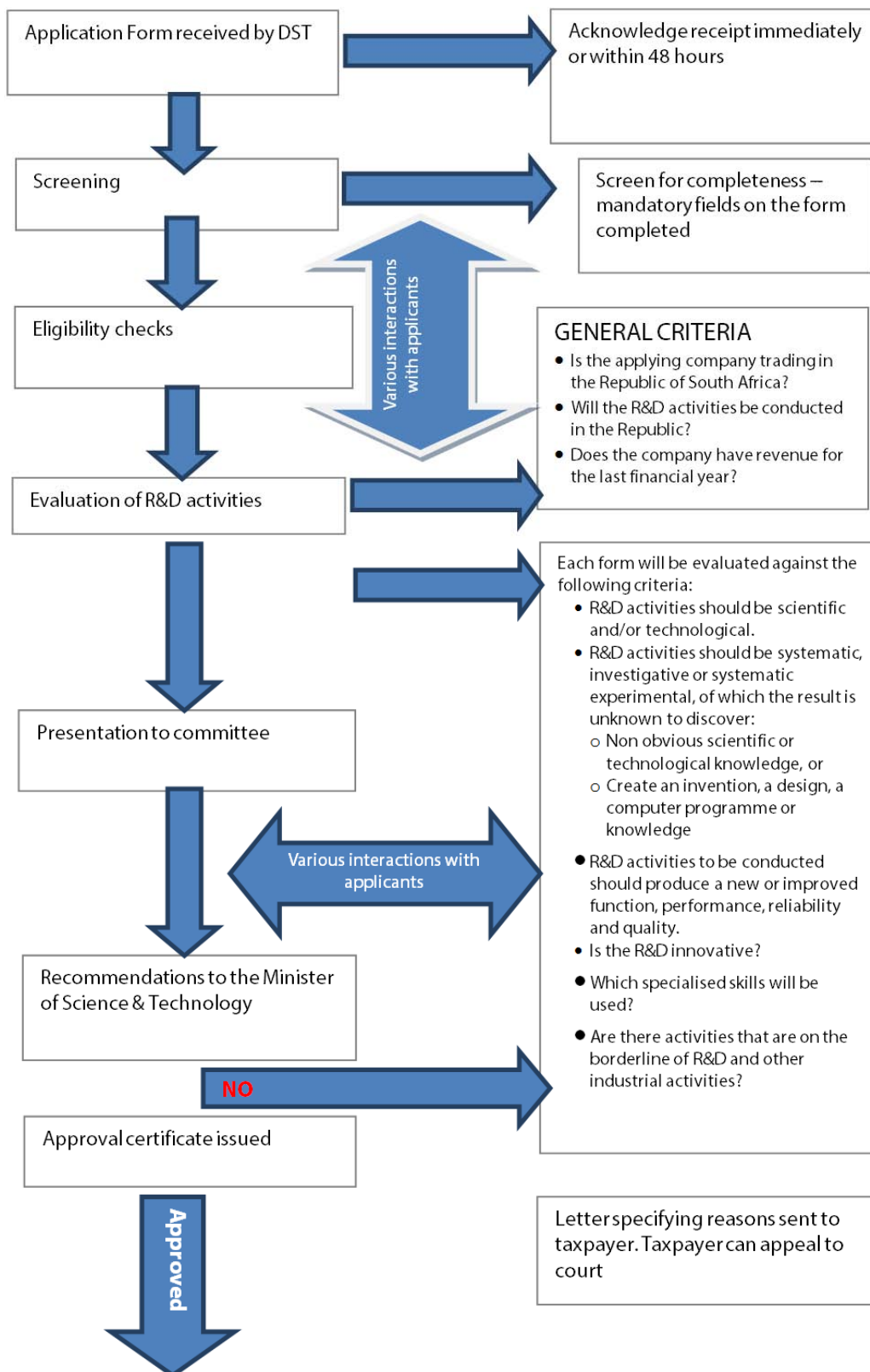
The incentive is aimed at encouraging businesses to undertake and invest in R&D in South Africa. The objective is to help companies build capabilities to create new products, processes, devices and techniques, and /or significantly improve existing ones. This incentive is part of a package of measures that the government of South Africa has introduced to support R&D led innovation, industrial development and competitiveness.

### **Application process**

To access the programme, a company must submit an application to the Department of Science and Technology (DST), which is responsible for the administration of the process. The application form must be completed, sent and received by the DST before commencing with the R&D, as only the expenditure incurred on or after the date on which the DST received the application will be considered.

The application form for the R&D tax incentive can be downloaded from the DST website [www.dst.gov.za/r-d](http://www.dst.gov.za/r-d). DST officials can provide information and assistance regarding completing the application form.

## Application Process



For approval purposes, the Minister is supported by a Committee comprising officials from the DST, the National Treasury (NT) and the South African Revenue Service (SARS).

Once an approval is granted, a company can claim the tax deductions from SARS when submitting its tax return. SARS will determine if the expenditures are attributable to the approved R&D activities and whether other provisions of the Income Tax Act are met.

### **General requirements**

General requirements are that the expenditure should be incurred by a company directly and solely for R&D undertaken in the Republic of South Africa and the expenditure should be incurred in the production of income and in the carrying on of any trade and incurred on or after the date on which the DST received the application form for approval.

Where a company funds R&D that is undertaken by another company, the funding company is eligible for the incentive but limited to 50% of the actual expenditure and has obtained approval. In this case, the R&D must be undertaken by an institution, board or body that is exempt from normal tax under section 10(1) (cA); or the Council for Scientific and Industrial Research or a company forming part of the same group of companies, as defined in Section 41 of the Income Tax Act if the company that carries the R&D does not claim.

The company that carries on R&D may be the one that determines or alters the methodology of research.

### **Criteria for approval**

The Minister of Science and Technology will approve applications for the R&D tax incentive based on (a) the innovative nature of the R&D, (b) the extent to which undertaking such R&D requires specialised skills, and (c) any other criteria that may be agreed on by the Minister of Science and Technology and the Minister of Finance.

The innovative nature of the R&D

The R&D

- Should involve innovation to the extent that it comprise experimental research, development or invention to achieve technological advancement for the purpose of creating new, or making appreciable improvement to existing materials, devices, products or processes.
- Is the invention that is new, involve an inventive step and is capable of being used or applied in trade,

industry, agriculture or mining? (The application or the patentability of the invention strengthens the case for novelty)

- Involves high levels of technical risk to the extent that it is meant to address a scientific or technological uncertainty. (Uncertainty exists when knowledge of whether something is scientifically possible or technologically feasible, or how to achieve it in practice, is not readily available or deductible by a competent professional working in that field)

### **Requirement for specialised skills**

- This considers the extent to which undertaking the R&D requires specialised skills in the respective fields and are categorised as scientists or researchers, engineers, technologists and technicians, managers and supporting technical personnel directly involved in the R&D.

### **Exclusions and limitations**

- Where a company is due to receive or has received government grants towards R&D, an amount equal to such a grant will be excluded when the R&D tax deduction calculated.
- Expenditure incurred on the following activities are not eligible for the R&D tax incentive:
  - market research, market testing or sales promotion
  - administration, financing, compliance and similar overheads
  - routine testing, analysis, collection of information and quality control in the normal course of business
  - development of internal business processes, unless such processes are mainly intended for sale or for granting the use or right of use or permission to the use thereof
  - social science research, including the arts and humanities
  - oil and gas or mineral exploration or prospecting, except R&D that develops technology that is used for such exploration or prospecting
  - creation or development of financial instruments or financial products.
  - Creation of trademarks or goodwill
  - Any expenditure contemplated in section 11(gB) or (gC)
- Under the new amendments, R&D assets brought into use on or after 1 October 2012 will be depreciated at an annual rate of 20% over five years, in line with Section 12C(h) of the Income Tax



Act. R&D assets that were in use prior to this date will continue with the depreciation method that was selected when they were brought into use.

- R&D activities conducted outside South Africa, even if funded from within the country, are not eligible for this incentive.

### **Monitoring and Progress reporting**

Companies that have been approved for the R&D tax incentive are required to report on any changes(if any) to their project prior to claiming the deduction, if there were no changes and they utilise the incentive they are required to submit a Monitoring Form to the DST on an annual basis downloadable from [www.dst.gov.za/r-d](http://www.dst.gov.za/r-d)

Failure to comply may result in approval being withdrawn.

Relevant other documents and references

The DST's website offers information and assistance to businesses wanting to access the R&D tax incentive programme. The following documents can be downloaded from [www.dst.gov.za/r-d](http://www.dst.gov.za/r-d)

- Guidelines about the R&D tax incentive
- Application form
- Line-by-line explanatory notes to assist in completing forms
- Progress reporting template
- Monitoring Form

### **Contact information**

You can contact the DST from Monday to Friday (except public holidays) during working hours from (08:00 – 16:30 by phone (012) 843 6829/6560/6478/6415/6493 or fax 086 685 9528 or send an e-mail to [tax@dst.gov.za](mailto:tax@dst.gov.za) / [Dimakatso.mokone@dst.gov.za](mailto:Dimakatso.mokone@dst.gov.za)

### **About the Application form**

- The form is compatible with Acrobat Reader version 7.0.5 or later
- You can fill the form electronically
- Saving it to your hard drive for editing later, and can
- Submit by e-mail (Press submit button at the top)

- Additional Section 3 page loaded for multiple projects.

NB: Further refinement of the form will make it easy to duplicate and expand text boxes on demand.

#### **8.4. SOUTH AFRICAN VENTURE CAPITAL ASSOCIATION (SAVCA)**

<http://www.savca.co.za/membership/member-directory/member-list-and-contact-details/full-members/>

#### **8.5. LIST OF REFERENCES**

##### **Balance scorecard of Innovation**

The Global Innovation Index 2016: Winning with Global Innovation, 2016 [http://www.wipo.int/edocs/pubdocs/en/wipo\\_pub\\_gii\\_2016.pdf](http://www.wipo.int/edocs/pubdocs/en/wipo_pub_gii_2016.pdf)

- Innovation Union Scoreboard 2013, European Commission

[http://ec.europa.eu/enterprise/policies/innovation/files/ius-2013\\_en.pdf](http://ec.europa.eu/enterprise/policies/innovation/files/ius-2013_en.pdf)

- Innovation Union Competitiveness Report 2011, European Commission

[http://ec.europa.eu/research/innovation-union/index\\_en.cfm?section=competitiveness-report&year=2011](http://ec.europa.eu/research/innovation-union/index_en.cfm?section=competitiveness-report&year=2011)

- Regional Innovation Scoreboard 2012, European Commission

[http://ec.europa.eu/enterprise/policies/innovation/files/ris-2012\\_en.pdf](http://ec.europa.eu/enterprise/policies/innovation/files/ris-2012_en.pdf)

- Member States' Competitiveness Performance and Policies, 2012, European Commission

<http://ec.europa.eu/enterprise/flipbook/ms-comp-ind-perf-2012/>

- OECD Science, Technology and Industry Scoreboard 2011: Innovation and Growth in Knowledge Economies

[http://www.oecd-ilibrary.org/science-and-technology/oecd-science-technology-and-industry-scoreboard-2011\\_sti\\_scoreboard-2011-en](http://www.oecd-ilibrary.org/science-and-technology/oecd-science-technology-and-industry-scoreboard-2011_sti_scoreboard-2011-en)

- The Global Competitiveness Report 2012-2013, Klaus Schwab, World Economic Forum

[http://www3.weforum.org/docs/WEF\\_GlobalCompetitivenessReport\\_2012-13.pdf](http://www3.weforum.org/docs/WEF_GlobalCompetitivenessReport_2012-13.pdf)

The Market of Innovation in EU and SA (VC, intermediaries, facilities)

- “Venture capital & the finance of innovation”, second edition, Andrew Metrick and Ayako Yasuda, chapter 5, pages 83-98, John Wiley & Sons, Inc.
- “What do Investors Look for in a Business Plan? A Comparison of the Investment Criteria of Bankers, Venture Capitalists and Business Angels”, Colin Mason and Matthew Stark in International Small Business Journal Vol 22 (3)
- “Policy options and instruments for financing Innovation: A practical guide to early stage financing”, United Nations Economic Commission for Europe, New York and Geneva, 2009
- “The Financing of Innovation”, Bronwyn H. Hall, 2005 Colin Mason and Matthew Stark
- “Private Equity and Venture Capital indicators. A research of EU-27 Private Equity and Venture Capital Markets”, n.2010/004 of EIF’s Working Paper Series, prepared by Alessio Conforti

[http://www.eif.org/news\\_centre/publications/eif\\_wp\\_2010\\_004\\_pevc-indicators\\_fv.pdf](http://www.eif.org/news_centre/publications/eif_wp_2010_004_pevc-indicators_fv.pdf)

- **“The performance and prospects of European Venture Capital”**, n.9 of EIF’s Working Paper Series, May 2011

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SMEs’ Access to Finance, Survey 2011, European Commission, [http://ec.europa.eu/enterprise/policies/finance/files/2011\\_safe\\_analytical\\_report\\_en.pdf](http://ec.europa.eu/enterprise/policies/finance/files/2011_safe_analytical_report_en.pdf)

“Financing SMEs and Entrepreneurs 2012 - An OECD Scoreboard”, OECD, 19 April 2012 [http://www.oecd-ilibrary.org/industry-and-services/financing-smes-and-entrepreneurship\\_9789264166769-en](http://www.oecd-ilibrary.org/industry-and-services/financing-smes-and-entrepreneurship_9789264166769-en)

- “Financing High-Growth Firms: The Role of Angel Investors”, OECD, December 2011

<http://www.oecd.org/sti/financinghigh-growthfirmstheroleofangelinvestors.htm>

- The Global Economic Impact of Private Equity Report 2010 Globalization of Alternative Investments: Working Papers Vol. 3

[http://www3.weforum.org/docs/WEF\\_IV\\_PrivateEquity\\_Report\\_2010.pdf](http://www3.weforum.org/docs/WEF_IV_PrivateEquity_Report_2010.pdf)

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[http://ec.europa.eu/enterprise/policies/finance/index\\_en.htm](http://ec.europa.eu/enterprise/policies/finance/index_en.htm)

[http://ec.europa.eu/economy\\_finance/index\\_en.htm](http://ec.europa.eu/economy_finance/index_en.htm)

<http://www.ebn.be/DisplayPage.aspx?pid=29>

<http://www.sbir.gov/about/about-sbir>

<http://www.ict-finance-marketplace.com/>

<http://www.ictventuregate.eu/>

<http://www.ymirproject.eu/>

<http://www.access-ict.com/site/>

<http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home>

Center for Venture Research: <http://paulcollege.unh.edu/cvr>

<http://www.eif.org/index.htm>

<http://evca.eu/>

Trade of innovation: the role of DG Trade and related institutions in SA

- G20 INNOVATION REPORT, 2016

<https://www.oecd.org/china/G20-innovation-report-2016.pdf>

- Trade and Innovation, Synthesis Report, Nobuo Kiriya, OECD, 20 January 2012

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[http://ec.europa.eu/enterprise/policies/sme/market-access/files/internationalisation\\_of\\_european\\_smes\\_final\\_en.pdf](http://ec.europa.eu/enterprise/policies/sme/market-access/files/internationalisation_of_european_smes_final_en.pdf)

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<http://ec.europa.eu/enterprise/policies/sme/market-access/internationalisation/>

#### **IPR: structure, models, governance, standards**

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- “Finding sustainable technologies in patents”, European Patent Office (EPO)
- “The European Patent Register – An introductory guide”, European Patent Office (EPO)
- “An Industrial Property Rights Strategy for Europe”, Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee
- “Barriers to internationalization and growth of EU’s innovative companies”, Final Report PRO INNO EUROPE – INNO GRIPS
- “A memorandum on removing barriers for a better use of IPR by SMEs”, Pro INNO Europe - A Report for the Directorate-General for Enterprise and Industry by an IPR Expert Group
- “Creating a financial market for IPR”, Final report for EU Tender No 3/PP/ENT/CIP/10/A/NO2S003
- “IPR for competitiveness and innovation”, Task-Force on ICT Sector Competitiveness and ICT Uptake – EC Working Group
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Industry Working Papers 2009/06

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“Guide for SMEs: Managing Intellectual Property in FP7”, European IPR Helpdesk Factsheet

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Enterprise Europe Network Intranet

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