

# Mzansi Golden Economy (MGE)

Guidelines: Criteria, Eligibility, Processes & Systems

2018/2019

Version 1.0

#### **GLOSSARY**

**AFS** Audited Financial Statements

**Co-financing** Project receiving funds from more than one source.

**DAC** Department of Arts and Culture

**Department** The Department of Arts & Culture

**EOI** Expression of Interest

**EPWP** Expanded Public Works Programme

GDP Gross Domestic Product

M&E Monitoring and Evaluation

MGE Mzansi Golden Economy Strategy

MinMEC Ministers and Members of the Executive (MEC)

MOA Memorandum of Agreement

**Multidisciplinary** With more than one genre/discipline (e.g music, theatre, dance,

visual art, etc.)

MscI Miscellaneous

NACISA National Academy for the Creative Industries South Africa

NGO Non-Government Organization

NPO Non-Profit Organization

Output End-product of efforts made/ activities undertaken

PAP Public Art Programme

**SA ID** South African Identity Document

**Tranche** Division of payment into certain percentages of total amount.

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# **SECTION A**

# Mzansi Golden Economy (MGE) Overview

#### 1. Overview

The Department of Arts and Culture (DAC) has embarked on a strategy to reposition the arts, culture and heritage sector as key players in government's programme of action for social cohesion, creation of sustainable jobs and ensuring social and economic development. To this end the Department convened a consultative conference on 14 and 15 April 2011 for arts, culture and heritage sector stakeholders to deliberate on various proposals to optimize the contribution of these sectors to these priorities and specifically to the New Growth Path.

Prior to the conference there was a review of development efforts to date, accompanied by consultations with key role players. The review and consultations were used to generate a high level problem statement, develop a strategy and make specific proposals, including new large scale interventions focusing on the creative and cultural industries. The Mzansi Golden Economy Strategy (MGE) was the outcome of these processes.

The strategy considers the arts, culture and heritage sector as the "new gold" which has the potential to increase economic growth and create jobs in South Africa (Business and Arts South Africa, 2012). The DAC has thus implemented MGE, which aims to enhance economic development and social cohesion for the country.

The purpose of MGE is to make strategic investments to optimize the economic benefit of the Arts in South Africa. By improving investment in key areas of the creative economy, it is anticipated that job creation and productivity will be enhanced and the sector's global competitiveness will be increased.

#### 1.1 Objectives

The MGE objectives are:

- **Stimulate Demand**: the result will be the expansion of supply and work opportunities. The focus areas within this programme will consist of the Public Art Programme, Cultural Events, the Art Bank, and the Sourcing Enterprise.
- Audience Development and Consumption: Building on existing initiatives, the aim of this programme is to elevate projects into large scale national programme to develop audiences for the creative and cultural industries and increase consumption of the offerings of the arts, culture and heritage sector.
- Building Heritage Resources: Development of areas of heritage to change the colonial and apartheid bias of heritage exhibition and interpretation in the country. The three focus areas are Heritage Projects, the National Liberation Heritage Route and the Marine Heritage.
- Information Gathering: To collect evidence and analyze the performance of the arts, culture and heritage sector to inform policy shifts and guide future resource allocation.

- Human Capital Development: Focusing on the early identification and development of talent and influencing choice of career path. The focus areas include the Arts Education and National Cultural Industries Skills Academy.
- **Developing cultural entrepreneurs:** Focusing on the identification and development of the skills, products and services of the cultural entrepreneurs and the development of sustainable enterprises in the creative industries.

In implementing key programmes designed to obtain these objectives it is anticipated that the overall impact of the programme on the creative economy will be:

- Positioning the arts as a valuable contributor to economic growth and iob creation
- Stimulating economic development
- Promote sustainability
- Raising the profile of South Africa as a destination for cultural consumers and increasing tourism (visitor) volume and spend
- Building the professional capacity of the sector
- Improving the production and dissemination of local content

#### 1.2 Work Streams

There are ten work streams that comprise the MGE programme.

Objective	MGE Work Streams		
Audience development & consumption	<ul> <li>Cultural events</li> <li>Touring ventures</li> <li>Cultural Precincts</li> <li>Artists in schools</li> </ul>		
Stimulate demand	<ul> <li>Public Art</li> <li>Art Bank</li> <li>Mzansi Golden Market</li> <li>Identified legacy projects</li> </ul>		
Human capital development	Training and skills development		
Research & statistics	Cultural observatory		

This document focuses only on three (3) of these work streams, namely: **Cultural Events**, **Touring Ventures** and **Public Art**, each dealing with flexible financing provided through direct grants to beneficiaries.

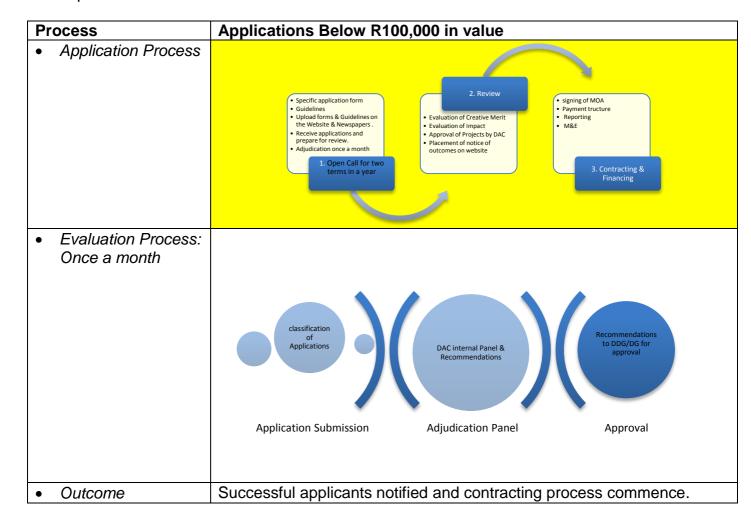
## 1.3 Summary of Application Process

The MGE open call process has two different application processes; one for grants below R100,000 in value and one for grants above R100,000. The aim of this dual process is to ensure rapid review and approval of small projects to ensure that MGE financing is responsive to sector needs.

Note that the same forms are utilized for both processes.

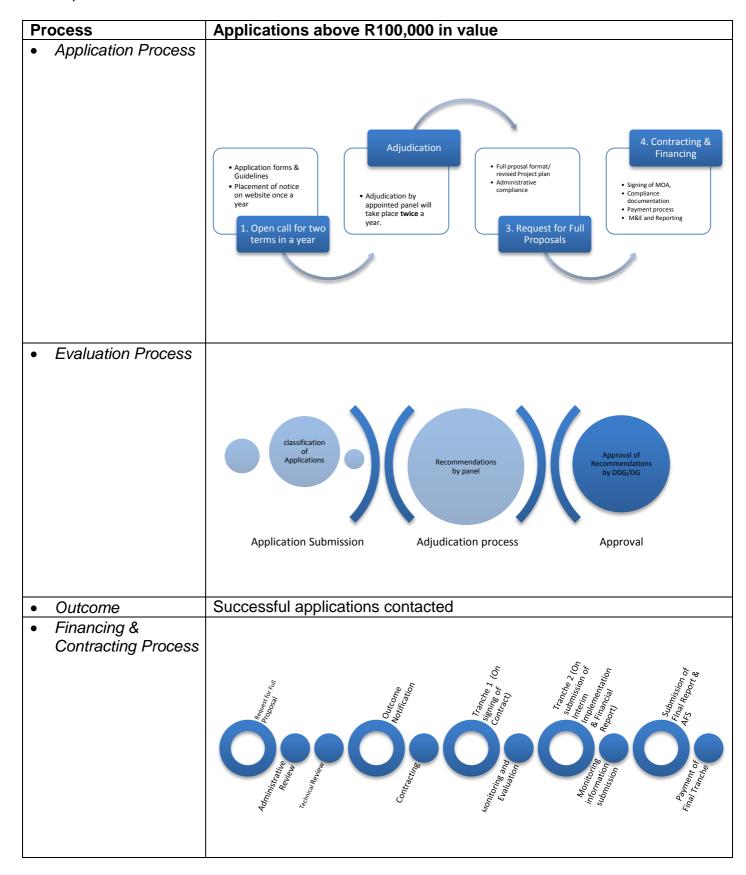
#### 1.3.1 Process for Grant Applications below R100,000 in value

The table below provides an overview of application review and decision processes.



## 1.3.2 Process for Grant Applications above R100,000 in value

The table below provides an overview of application review and decision processes.



# **SECTION B**

# PROGRAMME OVERVIEW

#### 2. Cultural Events

The cultural events work stream supports large and small scale local, regional and national events that promote the arts, culture and heritage and that contribute to local economic development, job creation and the development of audiences. The specific objectives of the work stream are to:

- To upscale existing events and festivals allowing increased diversity of cultural offerings, enhanced quality of productions, extension of event timeframes.
- To support projects with obvious economic and social benefit for the location.
- To increase the audience and exposure that each production receives which will in turn increase the number of jobs created, livelihoods supported and income generated through the events.
- To enhance the social cohesion in the country by promoting diversity of content and audiences in the specific the location of the project.
- To increase the up skilling opportunities of for creative practitioners and communities.

## 2.1 Annual Live Events for Targeted Groups

A new component of the Cultural Events work stream is the, proposals will be requested specifically for the development of annual live events programmes that provide market access opportunities for women, youth and people with disabilities in a specific locality. These programmes must provide platforms for women, youth and people with disabilities to develop audiences, access industry stakeholders and opportunities to further develop their careers in any sector or genre.

#### 2.2 National Flagship Projects

National Flagship Projects are identified projects within the Department's programmes that have an impact on a national level and support the mandate and objectives of the Department. *They are supported at the discretion of the Department.* 

#### 2.3 Provincial Flagship Projects

As per the decision of MinMEC, each province nominated regionally based cultural events including projects supported by the discretion of the Executives.

# 3. Touring Ventures & Market Access Work stream/programme

The Touring Ventures programme aims to support broader, cost-effective opportunities for the nation's cultural output to be viewed, participated in and enjoyed within South Africa and abroad. The objectives are:

- To increase audience and exposure of productions to wider markets to increase job opportunities and better livelihoods.
- To enhance social cohesion by promoting diversity of content and audiences in the specific location of each supported project.
- To increase the up-skilling opportunities for creative practitioners and communities.
- To support the national, provincial and local government, cultural institutions, cultural agencies, arts groupings and individual arts practitioners in a reciprocal and sustainable approach to touring.
- The development of new audiences for existing work of art.
- Provide artists with support for market access opportunities.

## 3.1 Digital and Social Media Platforms/Domains

An area that provides support for the formatting of products and services for the digital domain. Small grants will be made available to access the technology and expertise to convert the existing product or service into the relevant digital format, e.g. You Tube, Kindle, etc.

## 4. Public Art Program (PAP)

The DAC will use PAP to assist local artists, designers, organizations that are operating in the Public Art environment and to provide opportunities for creative arts practitioners, organizations and government to showcase creativity in public spaces, either on a permanent or temporary basis.

The aim of the public art grant funding is to enable the creative arts sector to create new work, to stabilize and consolidate, providing access to work and experience, build capacity, transfer skills and create linkages to support infrastructure (e.g. urban renewal projects, large scale murals, sculptures, designs & upgrade and establishment of new parks).

The aim of the work stream is to:

- Advocate for and change public perceptions of the arts at all levels
- Promote participation in and enjoyment of the arts at community level
- Promote partnerships the long term (through co-financing models)
- Reduce dependency on government's financial assistance and encourage the development of a sustainable the arts, culture and heritage sector.
- Encourage the inclusion of creative arts and cultural matters in urban planning frameworks, the inclusion of the sector in planning processes and accountability to communities and stakeholders by the sector.
- Stimulate local economic activities that contribute to local and national economies.

The DAC will use PAP to assist local organizations that are operating in the

## 5. Miscellaneous Arts Projects

This category makes provision of limited investments in the costs of high impact small projects, productions and community cultural groups not accommodated in any of the above work-streams, particularly theatre, dance and craft. Similar to the other programmes, these productions or projects must clearly demonstrate the fulfillment of MGE objectives as indicated in the above work-streams.

These projects will be considered only on the basis of careful and detailed motivation outlining the reasons for the application to the MGE programme. Note that training programmes will only be considered under specific circumstances.

# **SECTION C**

# **CRITERIA**

## 6. Applicable Criteria to all applicants:

Administrative	This is a knock out criteria. Any application that does not meet the basic administrative criteria will be immediately rejected.	See information on Eligibility and Administrative Criteria
Creative :     Innovation &     Competitiveness	<ul> <li>Quality of the arts and cultural programme content</li> <li>Artistic vision of the project</li> <li>Distinctiveness of the proposed project in the context of comparable activities in the proposed locality and province</li> </ul>	20%
Job Creation &     Economic     Development	<ul> <li>The number of jobs/work opportunities created</li> <li>The cost per job/work opportunity</li> <li>Extent to which women, youth and people with disabilities enjoy a share of employment</li> <li>Potential benefit to the town regarding tourism and other possible benefits</li> </ul>	20%
Market     Development	Extent to which the event will extend the market potential of participants through, for example, the presence of local and international festival directors, promoters etc.	20%
Audience     Development	Current audience profile and audience targets based on projections of a success grant award	20%
Social Cohesion	<ul> <li>Diversity of programming, content and audiences</li> <li>Alignment to Social Cohesion Charter objectives</li> <li>The extent to which communities are integrated and involved in the project</li> <li>Level of public access to the project</li> </ul>	10%
<ul> <li>Partnerships &amp; Co- financing</li> </ul>	<ul> <li>Applications with confirmed partnerships will be an added advantage.</li> </ul>	10%

**Note:** Applications should not exceed 15 pages including the application form. Additional information will be requested, if required.

# 6.1 Cultural Events application

Target Events	<ul> <li>To support diverse arts events which are geographically spread throughout a calendar period</li> <li>To support audience development</li> <li>To support local economic development and job creation imperatives</li> <li>The following events will be considered for support:         <ul> <li>Sector/Genre specific Festivals and events</li> <li>Multidisciplinary festivals and events</li> <li>Film Festivals and exhibitions</li> <li>Visual Arts fairs, exhibitions, festivals and events</li> <li>Performing Arts: Dance, theatre, poetry, comedy performances, events and festivals</li> <li>Literary festivals and events</li> <li>Heritage exhibitions and events</li> </ul> </li> <li>The development of annual market access and development programmes for women, youth and people with disabilities:         <ul> <li>Hosting of live events platforms that specifically promote the products and services of young local artists</li> <li>Creating mechanisms for local artists to create audiences for their work and be identified by relevant industry stakeholders for further investment/development</li> </ul> </li> </ul>	
Eligibility	See Section 3: Standard Requirements	
Grant Threshold	The maximum available grant is R 2 Million per beneficiary. The grant amount will be awarded at the discretion of the Department of Arts and Culture (DAC).	

# **6.2 Touring Ventures application**

Objectives	Support projects that showcase and promote diverse South African based productions, exhibitions, designs and innovation related to the arts, culture and heritage sector touring locally or internationally To facilitate cultural products touring locally, nationally/internationally to provide long term employment opportunities for artists, audience development and to develop new markets.	
Targeted initiatives	<ul> <li>Existing productions and exhibitions including:         <ul> <li>Touring productions: theatre, dance, poetry performances, film, comedy performances and musical performances.</li> <li>Multidisciplinary exhibitions: visual arts, design, film, craft, literature.</li> </ul> </li> <li>Existing products and services that will be formatted to access markets in the digital domain.</li> </ul>	

Eligibility	See Section 3: Standard Requirements and the specific terms and conditions pertaining to travel in support of professional development and conference participation.	
Grant Threshold	The maximum available grant is <b>R 1 Million</b> per beneficiary. The grant amount will be awarded at the discretion of the National Department of Arts and Culture (DAC).	

#### Note:

Small grants will be made available from the Touring Ventures fund for international invitations for professional development, skills training and conference participation. Please see the detailed terms and conditions of this support in the Terms and Conditions document, uploaded separately.

The cost of new productions/exhibitions/ will not be covered by Touring Ventures grants. Costs for rehearsals and regrouping the exhibition will be considered.

## 6.3 Public Art application

Objectives	<ul> <li>To support diverse arts events which are geographically spread throughout a calendar period.</li> <li>To support audience development.</li> <li>To support local economic development and job creation imperatives.</li> <li>To support projects that beautifies and promotes the use of public space.</li> <li>To promote involvement in the arts by the general public.</li> </ul>
Target Projects	All public art projects.
Grant Threshold	The maximum available grant is R 1 Million per beneficiary. The grant amount will be awarded at the discretion of the National Department of Arts and Culture (DAC).

# **SECTION D**

# STANDARD REQUIREMENTS

## 7. Applicable requirements to all applicants

## 7.1. Eligibility

- This call is open to all tax compliant South African arts, culture and heritage organizations and enterprises that have independent legal status i.e. are registered as a Non-Profit Company, a Public Limited Company.
- Compliant eligible South African citizens: individual artists, who are legally able to enter into contractual relations, may also apply.
- No beneficiary will be awarded two MGE grants simultaneously within a financial year. Organizations should declare any involvement with the department.
- Only one application per organisation/company/individual in one financial year is allowed.
- Preference will be given to projects that are co-financed or part-financed or have any other form of partnerships depending on the total budget and the scale of the project. Proof of such commitment must be provided.

#### 7.2. Administrative Criteria

The following will lead to automatic **disqualification**:

- Provision of dishonest and inaccurate information.
- Incomplete submission of Application Form, Proposal and/or Compliance Documentation.
- Submission of applications that do not adhere to the format and length guidelines established.
- Failure to disclose any conflicts of interest.
- Failure to disclose any funding secured from MGE for the project.
- Project timeframe falls outside of stated funding timeframes.
- Requested funds exceeding the stated maximum thresholds of the individual open calls.
- Late submission of documentation.
- Applications submitted by fax and/or email.

#### Take Note of the following:

- DAC awards funds at its discretion and grants may be awarded below the stated thresholds.
- Guidelines will be reviewed annually for the improvement of the process

## 7.3 Funding Timeframes & Cycle

Support will be provided to projects that are to be implemented from April 2018 to March 2019.

Projects will <u>not be</u> supported retrospectively. Project activities should not commence prior to the grant commitment and signing of the necessary contractual documentation.

## 7.4 Compliance Documentation

The following documentation will be required at the 3<sup>rd</sup> phase depending on the type of applicant, if your application is recommended and you are formally requested to send a **revised proposal with budget break down**:

Private/Public Companies ( PTY limited)	Non-Profit organization (NGO'S, Trusts)	Individual application
		1.0 (7)
Certified copy of SA ID;	Certified copy of SA ID;	Certified copy of SA ID;
2. Original valid tax clearance	2. Original valid tax	2. Original valid tax
certificate;	clearance certificate;	clearance certificate
3. Original 3 months bank statements;	3. Original 3 months bank statements;	3. Curriculum Vitae;
Statements,	Statements,	4. A letter of reference;
4. Company profile;	4. Company profile;	T. A lotter of reference,
, , , , , , , , ,	, , , , , , , , ,	5. Proof of banking details
5. Proof of co-financing or part-	5. Proof of co-financing or	from your banking
financing depending on the	part-financing depending	institution;
amount requested and the	on the amount requested	0.5
total budget of the project;	and the total budget of the project;	6. Examples of your previous works in the
6. Information on the Board of	project,	form of photographs,
Directors of the company;	6. Information on the Board	brochures or other printed
	of Directors of the	materials, if you have any;
7. Letter from the beneficiary	company;	
governing structure		7. Proof of co-financing or
providing the full name and	7. Letter from the	part-financing depending
identity number of the individual empowered to	beneficiary governing structure providing the full	on the amount requested and the total budget of the
enter into contracts (Letter	name and identity	project.
of Authority).	number of the individual	project.
<b>,</b>	empowered to enter into	
	contracts (Letter of	
	Authority).	

## 7.5 Submission of applications

Form A together with a proposal – should be submitted as part of the application: available online at the DAC website (<a href="www.dac.gov.za">www.dac.gov.za</a>).

**Note:** Only posted and hand delivered applications will be accepted.

Emailed or faxed applications will not be accepted.

# SECTION E PROCESSING OF APPLICATIONS

## 8. Adjudication Process

#### **Step 1: Preliminary Review**

DAC officials will conduct a preliminary review of each application to ensure compliance with the administrative criteria. Should the application be disqualified for any administrative reason, the submission will not be submitted to Step 2, however a full list of all received applications will be tabled during the review process at Step 2.

#### Step 2: Making the decision

A panel of experts has been appointed, comprising DAC funding institutions and officials to evaluate the applications based on the merits and criteria of each funding instrument.

#### 2.1 R100 000.00 and below panel

Applications will be adjudicated on a semester basis.

#### 2.2 Above R100 000.00 panel

Applications will be adjudicated on a semester basis.

# No urgent applications will be considered. Adjudication of applications is subject to the availability of funds.

The recommendations of the panel for all projects will be tabled for the approval by the relevant delegated official of the Department of Arts and Culture.

Grants are awarded at the discretion of the Department, informed by the criteria, panel recommendations and available budgets.

#### **Step 3: Notification**

The Department will communicate the decision and the conditions of awarding the grants in writing. Lists of successful beneficiaries will be placed on the DAC website at www.dac.gov.za

# Step 4: Submission of a Full Proposal/revised Project Plan and Documentation

After the grant approval letter is received, prospective beneficiaries will have 7 working days to submit a full proposal/revised Project Plan as would be directed by the Department, with a full budget breakdown based on the approved budget.

The proposal must be accompanied by compliance documents as outlined on table 3.4. These must be submitted within 1 month from the day of receipt of notification, if not, the funding will be forfeited.

A grant **can only** be considered awarded once a formal letter addressed to the beneficiary has been received and the necessary documentation has been submitted.

The submitted proposal and supporting documentation will be reviewed by the Department to establish organizational competence as follows:

- Evidence of financial stability, track record of implementation and accountability.
- Evidence of a clear mandate and competent administration and governance.
- Evidence of other sources of support/sponsorship, (such as: financial support from audiences, donations, gifts, in-kind from the private sector, and funds from other levels of government).
- Own income sources and fundraising/resourcing strategy.
- Marketing and promotional plans to fully maximize audience potential.

This step will not be required for grants less than R100,000.

#### **Step 5: Contracting & Payment**

Correspondence in Step 3 and the submission of the detailed project plan in Step 4 will be followed by the drafting of a Memorandum of Understanding (MOA) based on a standard template signing an Agreement that will outline contractual arrangements with the beneficiary.

The MOA outlines the tranche structure of the grant, and the obligations of both parties. Note that there are obligations on the beneficiary with regard to DAC branding, reporting and monitoring and evaluation.

**Note** that any changes to the contractual agreement that arise during the grant period must be negotiated with the Department of Arts and Culture. Any tranche structure amendments will require the signing of an addendum.

For **payment** to be effected, it is essential that:

• All contractual obligations relevant to the payment have been fulfilled.

Final tranche payments will only be made once **all contractual obligations** have been met.

A standardized reporting format will be provided.

**Note:** that the submission of Annual Financial Statements for large grants received by relevant companies and non-profit organizations is non-negotiable.

#### For further enquires related to streams contact;

Cultural Events: Dunisani Chabalala - <a href="mailto:dunisanic@dac.gov.za">dunisanic@dac.gov.za</a>
Touring Ventures: Catherine Motsisi - <a href="mailto:catherinem@dac.gov.za">catherinem@dac.gov.za</a>

Public Art: Moleleki Ledimo - Moleleki L@dac.gov.za

(Mzansi Golden Economy: Guidelines May 2018)