

Aquaculture Development and Enhancement Programme (ADEP)

Stimulating investment in the aquaculture sector

Funded by the Department of Trade and Industry (dti), the Aquaculture Development and Enhancement Programme (ADEP) is a cost-sharing grant available to South African registered entities engaged in primary, secondary and ancillary aquaculture activities in both marine and freshwater environments.



Aquaculture activity classifications applicable to ADEP:

SIC 132 (fish hatcheries and fish farms)
SIC 301 and 30122 (production, processing and preservation of fish)

The programme offers a reimbursable cost-sharing grant of up to a maximum of R20 million qualifying costs in:

- Machinery, equipment and tools
- Bulk infrastructure
- Owned land and/or buildings (applicable to small black enterprises)
- Buildings
- Leasehold improvements
- Aquaculture feed
- Commercial vehicles and
- Workboats
- Competitiveness improvement activities
- Mentorship (eligible only for small enterprises).

The objective of the revised ADEP (effective 1st April 2019) is to stimulate investment by commercially viable enterprises in the aquaculture sector. The secondary objectives are to create and sustain jobs, broaden participation, increase production and the geographical spread of activities in this sector

Please go to http://www.thedti.gov.za/financial_assistance/financial_incentive.jsp?id=56&subthemeid=26 (click on ADEP Programme Guidelines button at bottom of page) for detailed information. All relevant links are available at the end of this fact sheet.

Qualifying projects: Aquaculture operational categories

Primary

- Hatchery facilities and operations, including but not limited to: Brood-stock; seed; spat; fry; and fingerlings;
- Grow-out facilities and operation, including but not limited to: Rafts; net closures; net pens; cages; tanks, raceways and ponds; Recirculating Aquaculture System (RAS); and ranching.

Ancillary

- Feed manufacturing

Secondary

- Primary processing of local aquaculture products: Post-harvest handling; gutting; eviscerating; packing; and quick freezing;
- Secondary processing of local aquaculture products: Filleting; portioning; packaging; setting up trader; and distribution networks;
- Tertiary processing of local aquaculture products: Value adding; such as: Curing; brining; smoking; further value adding such as: Terrines; roulades; pates; and paters.
- Waste stream handling of local aquaculture products: Extraction of fish oils; protein beneficiation; organic fertilizers; pet feeds; and animal feeds).

Small black enterprises

ADEP's definition of small black enterprises considers the following characteristics:

- Hundred percent (100%) Black ownership;
- Exercises control over the business; and,
- Makes a long-term commitment to the business, is a medium- to long-term investor; and,
- Have investment below five million rand (R5 000 000).

ADEP offers a cost-sharing incentive of up 50% to qualifying emerging black enterprises for new, upgrading or expansion projects (as determined by the qualifying criteria in the ADEP Programme Guidelines).

Evaluation criteria

In order to qualify for an ADEP grant, a project must: Be economically and technically viable in terms of, but not limited to production scale, technical skills, technology, species, access to markets and authorisation (applicable permits); and achieve a minimum score of five (5) in the following economic benefit criteria below

Criteria	Score
New full-time job creation	
o 1 job per R1 million investment	1
o >1 to 2 jobs per R1 million investment	2
o >2 or more jobs per R1 million investment	3
Geographical spread	
o Aquaculture operations in areas with unemployment above 30% or	2
o Aquaculture Development Zones and Special Economic Zones (IDZs, Industrial Parks, etc.)	1

Criteria	Score
Contribution to Broad-Based Black Economic Empowerment (B-BBEE)	
o B-BBEE scoring from ≥ 90 but < 95 (Level 3 contributor)	1
o B-BBEE scoring from ≥ 95 but < 100 (Level 2 contributor)	2
o B-BBEE scoring ≥ 100 (Level 1 contributor)	3
Emerging black enterprise	
o As determined by the definition in section 5 of the ADEP Programme	3
Broadening Participation	
o 25% Woman ownership	1
o Youth	1
o People with disability	1

Important note:

The ADEP Programme Guidelines should be checked for additional evaluation criteria which may apply.

Incentive calculation

Capped at a maximum of twenty million rand (R20 000 000), the investment grant is offered as follows:

	Minimum score – 4: Economic benefit criteria	Maximum grant
Enterprise size: Qualifying assets determined as follows:	Incentive percentage	Cap
< R5m	50%	R2,25 million
\geq R5m < R30m	40%	R12 million
\geq R30m – R200m	30%	R20 million

The dti may consider an additional 5% grant for small black enterprises that achieve a score of 8 and other enterprises that achieve a score of 10 in the Economic Benefit Criteria.

Links to detailed information at www.thedti.gov.za.

ADEP Guidelines http://www.thedti.gov.za/financial_assistance/financial_incentive.jsp?id=56&subthemeid=26 and

click on "Guidelines" at the very bottom of the page.

Internet Search “Aquaculture Development and Enhancement Programme” or “ADEP” for detailed information

Alternatively, call the Department of Trade and Industry at 012 394 5815 and ask to speak to an advisor who specialises in the programme Or, contact a consultancy firm specialising in incentives and grants

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