



DATED: 20 April 2020

TO: ALL PARTICIPANTS IN THE MOTOR INDUSTRY

NOTICE: UPDATE ON GUIDELINES FOR THE UNEMPLOYMENT INSURANCE FUND TEMPORARY EMPLOYEE-EMPLOYER RELIEF SCHEME (COVID-19)

On 06 April 2020 the Directive issued by Minister of Employment and Labour, Hon T W Nxesi regarding the Temporary Employer-Employee Relief Scheme (COVID 19)- (COVID-19 TERS) was amended to provide more clarity on how the application and payment process for the relief scheme shall work.

The National Disaster Online Application System has now been developed and implemented for use by the Unemployment Insurance Fund (UIF). The processes apply to all employers, regardless of size. Employers are now able to apply for COVID-19 TERS as follows:

Step-1:

- 1.1. Obtain and provide a bank certified business bank account verification letter of the employer or employees.
- 1.2. The employer must have completed the '**National_Disaster_Payment-Excel_Template**' document and converted it to a CSV format.

Step-2:

- 2.1. Logon to the UIF COVID-19 TERS online at <http://uifecc.labour.gov.za/covid19> to register.
- 2.2. The employer must register on the applicable portal and have the employer UIF number. The number contains 9 characters in the format: 1234567/9 (as an example).

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- 2.3. The MOA generated by the online system will be based on the registration selection. Employers of the Motor Industry must select the **'Employer/Company'** option, as MIBCO did not sign a MOA with the UIF. This selection will ensure that the correct MOA appears later in the application.
- 2.4. After registration the employer can immediately login and begin with the application. The employer will not have to verify details on a separate email, but a notice will be sent to the registration email to confirm that the employer has been registered.

Step-3:

- 3.1. The employer must login to the UIF account with the correct username (UIF reference number) and preferred password to start the application and register employees.
- 3.2. The employer must select the period for the temporary lay-off of employees, either 27 March 2020 to 16 April 2020 or 17 April 2020 to 30 April 2020.
- Note:** Two (2) submissions must be made if an employer has applied a temporary lay-off for the lockdown and extension. This practice will be applied should the lockdown be extended further and new extension periods are pronounced.
- 3.3. A scanned or electronic business bank account verification letter (if payment is made to the employer) or electronic employee bank account verification letters for all employees (if payment is made to the employees) must be uploaded. The electronic bank verification letter/s must be in PDF format.
- 3.4. The **'National_Disaster_Payment-Excel_Template'** document must be uploaded. The content of the Excel template must not be changed and must be converted to a CSV Excel format to enable uploading.
- 3.5. The authorised person will be required to accept the legal undertaking Form A4 (Letter of undertaking) and the MOA on the online system.
- 3.6. After all system prompts have been followed, the system will close and an email will be sent to the Authorised person to confirm that the application and submission of employee information was successful.

- 3.7. This will be followed by another email stating that payment will be made in ten (10) days, if the claim is valid, accurate and complete.

Note: It is advisable to contact the UIF should payment not be received within 10 days.

Step-4:

- 4.1. The UIF will pay the employees, should the application be based on the UIF paying the employees.

or

- 4.2. Should the application be based on the Employer paying the employees: The Employer must pay the employees their benefits within 2 days of receipt of funds from the UIF in accordance with the spread sheet or confirmation contemplated in clause 11 of the MOA. Unless the Employer has already paid part or all of the benefits in accordance with the spread sheet or confirmation, in which case the Employer may-

4.2.1. recover the amounts so paid from the funds deposited in terms of clause 11; and

4.2.2. pay the balance, if any, to the employees.

or

4.2.3. The employer must contact the UIF to establish why payment has not been made and work with the UIF to correct the application.

- 4.3. Employers can contact MIBCO should they require assistance or information from MIBCO.

- 4.4. The employer must ensure that Tax is deducted according to the South African Revenue Service (SARS) regulations.

- 4.5. The Employer must submit proof of payment to the UIF within 5 days of the receipt of funds from the UIF.

- 4.6. The employer must return any unutilised funds, including interest, to the UIF within 10 days of the recommencement of its business operations, or the termination of the MOA, whichever is the earlier.

General:

1. Employees may apply themselves if and when their employer has not applied on their behalf and may contact MIBCO for assistance.
2. To obtain the '**National_Disaster_Payment-Excel_Template**' and other required documents go to www.mibco.org.za click on the **Communications** tab and then click onto **MIBCO bulletins** or simply click [here](#):
3. For more information the regards to TERS contact the UIF on (012) 337 1997 or at Covid19ters@LABOUR.gov.za
4. Employers and employees applying for TERS are welcome to contact MIBCO for assistance on the following email addresses:

Eastern Cape Region: Kenneth.Lupondwana@mibco.org.za

Western Cape Region: Bradley.Jacobs@mibco.org.za

Kwazulu Natal Region: Naven.Soobramoney@mibco.org.za

Free State/ Northern Cape Region: Betty.Stalenberg@mibco.org.za

Highveld Region: Nigel.Cosway@mibco.org.za

Northern Region: Andrew.Janssens@mibco.org.za

MIBCO is monitoring the situation with regards to the COVID-19 lockdown and will continuously inform the Motor Industry of changes and developments.

The MIBCO Team

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