



## **Marketing communication sponsorship guidelines for government**

### **1. Executive summary**

Government communicators, in their ongoing endeavours to educate and inform audiences about government's policies and service-delivery initiatives, develop and manage campaign brands to communicate in a coherent manner, while differentiating the brands to achieve their objectives. The reality is that more often than not, government has limited financial resources for the implementation of integrated marketing communication strategies. This has a negative effect on the reach and impact of these communication campaigns on the intended audiences.

From a communication perspective, the key challenge facing government is the articulation of an overarching vision uniting all of society in a national effort to lift the country to a faster trajectory of development in a way that overcomes the dynamic of excluding a large part of society. The State is promoting integrated communication that builds on the positive mood to strengthen social partnership in pursuit of faster progress towards shared socio-economic goals.

Attracting additional resources in the form of sponsorships is one particular approach that government departments and institutions have identified to enhance communication activities and maximise reach and impact through the augmentation of budgets. However, this activity should be governed by specific guidelines to ensure that government's integrity is not impacted upon negatively. All sponsorship activities must abide by government's Treasury Regulations, policies and guidelines.

The guidelines described in this document provide a framework for government departments and institutions to engage in sponsorship activities while ensuring that government's integrity and corporate image are not negatively impacted upon. The risks associated with sponsorships cannot be taken lightly. Major risks include perceptions of improper behaviour, the potential to embarrass the department and government through association with an inappropriate sponsor, sponsorship commitments not honoured, inappropriate financial management and inadequate value obtained with respect to benefits provided or agreed to by the two parties.

## **2. Introduction**

This sponsorship guidelines document provides an enabling environment for government departments and institutions to enter into sponsorship agreements within set guidelines and procedures. It further outlines the instances in which sponsorship is appropriate and if so, how the department/institution should manage sponsorship arrangements and relationships. It also outlines how government should assess organisations seeking sponsorships from departments.

## **3. Purpose**

The purpose of the guidelines document is to:

- define sponsorship guidelines for use when attracting additional resources for government programmes and initiatives
- protect the integrity and corporate image of government when attracting partners in the form of sponsors.

## **4. Definitions**

- 4.1. Sponsorship is the purchase of the right to associate with the sponsor's name, products, services or activities in return for negotiated benefits. The rationale is to add significant benefit to existing communication through the payment of a fee or payment in kind by a company in return for a public association with a government communication activity.
- 4.2. Proposals should be succinct, factual and tailored to present the suggested activity, and clearly demonstrate its benefit to potential sponsors. They will need to be given details of:
  - strategy
  - objectives
  - target audiences and messages
  - marketing communication elements to be used for the campaign.

## **5. Key features**

Government departments/institutions have a responsibility to the South African public to ensure that any sponsorship arrangement is transparent and accountable. Government's reputation is an important asset and as such departments/institutions are expected at all times to ensure that sponsorship activities do not reflect negatively on government. All marketing communication sponsorship activities must abide by government's Public Finance Management Act as regulated by the Treasury Regulations, policies and guidelines.

All sponsorship arrangements must seek to achieve the following:

- directly relate to the department's outcomes
- provide value for money
- enhance the department's credibility and image
- deliver clear and measurable benefits to the marketing communication campaign.

### **5.1. Government as a sponsor**

If the department has no central sponsorship programme, nor funding set aside specifically for sponsorship, requests for sponsorship related to marketing communication projects should be forwarded to the business unit that most closely links with the event or project in question.

It is up to the business unit to develop a sponsorship proposal that funds any arrangements. Sponsorships can be in kind or in cash and should always be recorded in the Donations Register of the department.

*Please note that sponsorships amounting to R100 000 should be approved by the Accounting Officer of the department, and any sponsorship above the amount of R100 000 should be approved by National Treasury. Sign-off procedures for any sponsorship arrangements can be endorsed by business unit managers in line with the applicable financial delegation accorded to them.*

### **5.2. Private sector/International Donor sponsored projects**

- 5.2.1. Government will not enter into marketing communication sponsorship arrangements with organisations/institutions whose projects are likely to adversely affect the content or interpretation of the department's programmes or services or raise a conflict of interest.
- 5.2.2. Government will not enter into marketing communication sponsorship arrangements with political parties
- 5.2.3. Government will not enter into marketing communication sponsorship arrangements with service organisations which may use the funds to sponsor or make a grant to a third party

For the purposes of these guidelines, the following are not considered to be sponsorship activities unless included as part of an overall sponsorship package, in which other direct sponsorship benefits are provided:

- grants made as part of a funding programme
- stand-alone advertising contracts
- projects such as displays and exhibitions in which the department does not receive genuine and measurable value for money
- scholarships
- communication related research projects.

Sponsorship for communication-related research projects be considered in liaison with the GCIS Communications Research Unit.

## **6. Guidelines**

- 6.1. Communication Units of the applicable departments are required to process applications that relate specifically to their core business. If it is determined that another business unit would be more appropriate to deal with a specific sponsorship proposal, the proposal should be forwarded to that unit for processing.
- 6.2. All sponsorship agreements (even those that involve a small amount of money or non-monetary items) are required to be in writing, either as a letter or a formal contract.
- 6.3. The official developing a sponsorship agreement should check the context of the agreement to ensure that it does not conflict with the core business of the department or with any existing agreements, and that it does not expose government to any type of liability.
- 6.4. The signatories for both parties must have authority to sign such an agreement. It is advisable in the case of a government department/institute, that the head of such an organisation be the signatory of sponsorship agreements.
- 6.5. All sponsorship agreements must clarify the roles, rights and responsibilities of both parties and protect the department and government from unwanted liabilities.
- 6.6. All agreements must include a clause that affords departments the right to terminate the arrangement when it is felt that the sponsors' activities are incompatible with that of the department.
- 6.7. Any marketing communication sponsorship deal undertaken by a department must not compromise the department's reputation, public image, probity or its ability to fulfil its functions.
- 6.8. While departments do not provide sponsors with commercial endorsements, sponsors may gain credibility from association with the department. Departments have to be extremely careful in such circumstances as they may lose credibility by associating with businesses which have a poor reputation or are in conflict with government's vision, programmes and commitments.
- 6.9. Protecting government's and the department's reputation must be expressed as a term or terms in the sponsorship agreement. All departmental sponsorship agreements should have certain standard criteria which are outlined later in the policy.

## **7. Terms and conditions**

Terms and conditions should be precise and should address the following:

- identify all parties to the sponsorship (including any third parties)
- specify the exact nature and value of the sponsorship

- specify the payment terms, including how and when the payment will be made and to whom
- specify the length of the sponsorship agreement, options or conditions for renewal, the period of time for any option and the formula to be used to calculate any increase in price
- describe what the money is to be used for as set out in the budget
- specify in detail both parties' rights and benefits
- set out any special conditions that apply
- set out financial accountability requirements, including the terms of payment; an appropriate, fair and equitable valuation of all contra items; and conditions on the use of funds received or provided
- specify what should happen to any surplus funds
- specify warranties and details concerning liability, including limits to liability and who is responsible for public liability and insurance
- stipulate that the department is under no obligation to continue the relationship beyond the contract period
- set out procedures for communicating with and reporting on suppliers
- specify who owns any intellectual property which might arise
- specify relations with any employees of the organisation seeking sponsorship opportunities
- consider methods to secure payment against the other party's failure to deliver
- indemnify the department and government to risk.

## **8. Co-branding activities**

- 8.1. Government's corporate identity must be adhered to with respect to all creative material developed in the promotion of the sponsored activity.
- 8.2. The sponsorship agreement should indicate where and how the sponsor's corporate identity will be used in relation to department's corporate identity. Please note that any co-branding activities must be approved by the GCIS' Communication Services Agency.
- 8.3. Officials responsible for developing sponsorship agreements are responsible for ensuring that the guidelines for the use of the Coat of Arms are met (these are also available on [www.gcis.gov.za](http://www.gcis.gov.za)).
- 8.4. Sponsorship agreements must include the department's right to review all promotional material and activities, including specific uses prior to release.



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