



1. BACKGROUND

- The Unemployment Insurance Commissioner, after consultation with Unemployment Insurance Executive has developed processes to access Covid19Ters to contribute to the containment of the spread of Corona Virus and its impact.

2. COVID19 TERS

- Instances where Employers decide to enforce the shut close as stipulated as a means to contain the spread the Covid19Ters , will be provide with financial assistance as a relief during the stated period of three month or longer as may the situation dictates.
- The process outlined will enable Employers to easily access the funding made available during this period and applicable to those that are registered with the Fund.



3. EASY-AID GUIDE FOR EMPLOYEES TO ACCESS UI FUNDING THROUGH COVID19

Steps 1: Employer/s that are forced to shut down operation must inform the UIF through a dedicated created mail box (Covid19ters@labour.gov.za).

Step 2: On receipt of the request, an automated response will be sent outlining the procedure and documents / information required by the Fund to process payments on behalf of Employer / Employee

Step 3: Key Documents required

- Letter of authority (permission granted to individual to lodge claims on behalf of the company)
- MOA (Completion of agreement between UIF and Employer)
- Prescribed template that will require critical information from the employer
- MOA (Bargaining Council)

Key points:

- MOA : at the submission stage for the financial relief , it will only contain the signatory/signatories of the employer
 - When the claim for Covid19Ters is processed , it will done simultaneously with the claim / payment to the employer (No delay will be experienced)
- Prescribed template : the template will require key information (amongst others)
 - Tombstone details of employer
 - Tombstone details of employee
 - Employment history
 - Average salary over the last six months
 - MNW (as per sector)
 - Banking details of employee / or employer / bargaining council

Step 4:

- The letter of authority
- MOA (Signed only by the employer)
- Completed template
 - Submit/transmit to UIF via dedicated mail box Covid19claims@labour.gov.za



Step 5

- The spreadsheet will be downloaded into a special / dedicated solution to process the claim as per approved predetermined business rules
 - Calculation of credit
 - Income Replacement rate
 - Capped salary (R17 712)
 - NMW
 - However , the amount paid to an employee , will not be less than the NMW

Step 6

- (simultaneous process)
- The MOA will be concluded by the Fund

Step 7

- Payment will take the form
- Intervals of 30 days as per the different modes
- Employer should create a special account for the disbursement of the funding

Step 8

- The modes will be as follows
- Mode 1
 - Employer that has financial muscle
 - The payroll will be transmitted to the employer (amount entitled to employees)
 - The employer will pay and then claim from the fund
 - The Employer will submit an invoice (together with proof of electronic transfer to employees) to the UI Finance and payment will executed
- Mode 2
 - Employer lacks financial muscle
 - The payroll will be forwarded to UI Finance (after processing) electronically and UI finance will pay over to employer , who in turn will pay over to employee
 - Employer is expected to forward proof of electronic transfer to employees.
- Mode 3
 - Bargaining Council
 - In cases where there is an approved agreement , the payroll will forwarded to UI Finance (after processing) electronically and UI Finance will pay over to Bargaining council
 - The bargaining council will in turn pay over to the employees



- Bargaining council is expected to forward proof of electronic transfer to employees

- Mode 4
 - UI Banker (Commercial bank)
 - In some instances the company will provide full banking details of the employees and choice the route of paying directing into employees bank account
 - In cases where there is an approved agreement , the payroll will forwarded to UI Finance (after processing) electronically and UI Finance will inform the UI Banker (Banking institution)
 - The commercial bank will in turn pay over to the employees bank account
 - The commercial bank will then invoice (with p[roof of transfer) the Fund and the UI Fund will pay over to the fund.

Step 9

- The process will be repeated monthly for 3 months or otherwise stated

4. ENQUIRIES

The UIF will provide dedicated line/s that will assist all employer / employees on covid19ters. The number is 012 337 1999.

5. CONCLUDING POINT

All relevant and key information and or changes will be placed on the Department's web site.