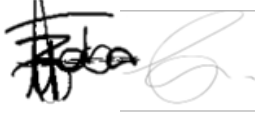


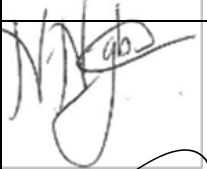
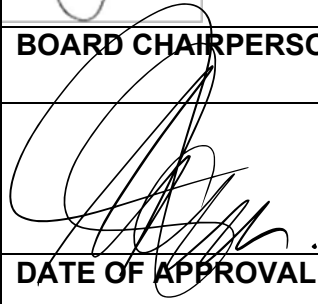


TITLE OF POLICY:	GRANT FUNDING POLICY 2024/25
DOCUMENT NUMBER:	FBS GFP 2024
VERSION NUMBER:	TWO (2)
COMPILED BY:	MANAGER: LEARNING PROGRAMMES AND STRATEGIC PROJECTS
SIGNED:	
REVIEWED BY:	ACTING SENIOR MANAGER: LEARNING PROGRAMMES AND STRATEGIC PROJECTS
SIGNED:	
REVIEWED BY:	ACTING GENERAL MANAGER: OPERATIONS
SIGNED:	
RECOMMENDED BY:	CHIEF EXECUTIVE OFFICER
SIGNED:	
APPROVED:	BOARD CHAIRPERSON
SIGNED:	
EFFECTIVE DATE:	DATE OF APPROVAL

## TABLE OF CONTENTS

1. ACRONYMS .....	3
2. DEFINITION OF TERMS .....	4
3. RELATED LEGISLATIVE AND REGULATORY PRESCRIPTS .....	10
4. PREAMBLE .....	10
5. SCOPE OF APPLICATION .....	11
6. PURPOSE .....	11
7. POLICY PROVISIONS .....	11
8. PRINCIPLES.....	12
9. SECTION A: MANDATORY GRANTS .....	13
10. SECTION B: DISCRETIONARY GRANTS.....	15
11. IMPLEMENTATION SCHEDULE .....	22
12. REPLACEMENT OF LEARNERS .....	22
13. ALLOCATION OF GRANT FUNDING PER PROGRAMME .....	23
14. SECTION C: STRATEGIC PROJECTS AND PARTNERSHIPS .....	29
14. PROJECT ADMINISTRATION COST .....	32
15. REQUIREMENTS FOR PEOPLE WITH DISABILITY .....	33
16. GRANTS APPEAL PROCESS .....	33
17. MONITORING AND EVALUATION .....	33
18. ACCOUNTABILITY AND RESPONSIBILITY .....	33
19. NON-COMPLIANCE .....	34
20. DEVIATION.....	34
21. POLICY EFFECTIVE DATE .....	34
22. DISTRIBUTION AND TRAINING AND AWARENESS.....	34
23. POLICY MANAGEMENT AND REVIEW .....	34

## 1. ACRONYMS

<b>AA</b>	Accounting Authority
<b>AET</b>	Adult Education and Training
<b>APP</b>	Annual Performance Plan
<b>ARPL</b>	Artisan Recognition of Prior Learning
<b>ATR</b>	Annual Training Report
<b>CBO</b>	Community Based Organisation
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>CETC</b>	Community Education and Training College
<b>DG</b>	Discretionary Grant(s)
<b>DHET</b>	Department of Higher Education and Training
<b>FBMS/ FBS</b>	Food and Beverages Manufacturing Sector
<b>FOODBEV SETA</b>	Food and Beverages Manufacturing Sector Education and Training Authority
<b>HEI</b>	Higher Education Institution
<b>MG</b>	Mandatory Grant(s)
<b>MoU</b>	Memorandum of Understanding
<b>NGO</b>	Non-Governmental Organisation
<b>NPC</b>	Non-Profit Company
<b>NPO</b>	Non-Profit Organisation
<b>NQF</b>	National Qualifications Framework
<b>NSDP</b>	National Skills Development Plan 2030
<b>PFMA</b>	Public Finance Management Act No. 1 of 1999, as amended
<b>PIVOTAL</b>	Professional, Vocational, Technical and Academic Learning
<b>PP</b>	Pivotal Plans
<b>PR</b>	Pivotal Report
<b>QCTO</b>	Quality Council for Trades and Occupations
<b>RPL</b>	Recognition of Prior Learning
<b>SAQA</b>	South African Qualifications Authority
<b>SARS</b>	South African Revenue Service
<b>SDA</b>	Skills Development Act, No. 97 of 1998, as amended
<b>SDF</b>	Skills Development Facilitator
<b>SDLA</b>	SDLA No. 9 of 1999, as amended
<b>SETA</b>	Sector Education and Training Authority
<b>SME</b>	Small and Micro Enterprise
<b>SP</b>	Strategic Plan
<b>SSP</b>	Sector Skills Plan
<b>TVET</b>	Technical and Vocational Education and Training
<b>WBLPA Regs</b>	Workplace Based Learning Programme Agreement Regulations
<b>WIL</b>	Work Integrated Learning
<b>WSP</b>	Workplace Skills Plan

## 2. DEFINITION OF TERMS

TERM	MEANING
<b>Accounting Authority</b>	Means The highest decision-making structure at FoodBev SETA appointed by the Executive Authority for a period of five (5) years, with a role of governing and managing the SETA in accordance with the PFMA, the SDA, the SDLA and any other applicable legislation.
<b>Adult Education and Training (AET)</b>	Foundation for lifelong learning programmes designed for adults to improve their level of literacy and numeracy conducted over a period of 12 months.
<b>Annexure II</b>	Means The Workplace Skills Plan (WSP), Annual Training Report (ATR), PIVOTAL Plan (PP) and PIVOTAL Report (PR).
<b>Annual Training Report</b>	Means a report that reflects the education, training and development activities of the organisation that were implemented and highlight progress against the previous year's workplace plan.
<b>Apprenticeship</b>	Means a period of workplace-based learning culminating in an occupational qualification for a listed trade. A combination of on-the-job training and related classroom instruction in which apprentices learn the practical and theoretical aspects of the designated trade. Apprentices need to do a trade test at the end of their training at accredited Trade Test Centres.
<b>Artisan</b>	Means a person certified as competent in a listed trade in accordance with the relevant legislation, informed by the SDA
<b>Artisan Recognition of Prior Learning (ARPL) and Recognition of Prior Learning (RPL)</b>	Means principles and processes through which the prior knowledge and skills of a person are made visible, mediated, and rigorously assessed and moderated for the purposes of alternative access and admission, recognition and certification, or further learning and development. (SAQA 2013: National Policy for the Implementation of RPL and Government Gazette 42319 of 19 March 2019)
<b>Bursaries</b>	Means a sum of money that is awarded to enable a learner (employed or unemployed) to study at a university or a college. A bursary will cover full cost of tuition. In some instances, some part of accommodation, meals, books, and transport.
<b>Candidacy Programmes (Registered with a Professional Body)</b>	Means a period of workplace-based learning undertaken by a graduate as part of the requirement for registration as a professional in the required professional designation as stipulated by a professional body.
<b>Commissioner</b>	Means the South African Revenue Services ("SARS")
<b>Critical Skills</b>	Means skills and knowledge within an occupation that are required for the work/job tasks and activities of an occupation.
<b>Co-operatives</b>	Means forms of ownership registered in terms of the Co-operatives Act No. 14 of 2005, as amended. An autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratic enterprise. All co-operatives are registered with the Registrar of Co-operatives.

TERM	MEANING
	FoodBev SETA will work with cooperatives that are developing the skills of beneficiaries/learners that are within the food and beverages manufacturing sector.
<b>Discretionary Grant</b>	<p>Means funding allocated to incentivise or support education, training and skills development and related activities that will address skills development needs of the food and beverages manufacturing sector.</p> <p>Funds allocated SETA to be spent on learning programme interventions and projects (including strategic and special) that encompass PIVOTAL programmes and non-PIVOTAL programmes designed to implement the SETA's APP and national imperatives.</p>
<b>Disability</b>	Means Long-term or recurring physical, psychosocial, cognitive, neurological and/or sensory impairment which denies one access to full participation in all aspects of life, and that substantially limits their prospects of entry, or advancement in employment.
<b>Due Diligence</b>	Means a verification of information that has been received during application to assess the applicant's operational capacity.
<b>Employer</b>	<p>Means companies that are registered in terms of Companies Act. Employers include levy paying and non-levy paying companies as defined and described in the Grant Regulations of 3 December 2012.</p> <p>Is a person, company or organisation that hires employees and pays them for work done. The employer could be a government department or entity linked to that department, public entity, private company/entity, NPOs, HEIs, colleges etc.</p>
<b>Entity</b>	Means an organisation legally established in terms of relevant establishment laws such as the Companies Act, various education legislation, NPO Act No. 71 of 1997, Public Service act No.103 of 1994 and the Constitution of the Republic of South Africa of 1996.
<b>Extension</b>	Means Learning programme implementation plans that need to be extended due to a variety of reasons on provision of reasonable supporting evidence or written motivation.
<b>Evaluation Process</b>	Means the process of assessing DG applications for PIVOTAL or non-PIVOTAL applications along the compliance, evaluation, due diligence/workplace approval and approval and award stages of the DG process.
<b>Funding Window</b>	Means a public call made through open media platforms and/or publications for applications for mandatory and Discretionary Grants in accordance with the FoodBev Grant Funding Policy, related Grants Criteria and Guidelines and Grant Award Procedure.
<b>Hard to fill vacancies</b>	Means Vacancies that take the employer a period of twelve months or more to find suitable candidates to fill vacancies.
<b>Graduate Internship</b>	Means a period of workplace-based learning for the purposes of allowing a person who has completed a post-school qualification to gain workplace experience or exposure to enhance competence and/or employability (WBLPA Regulations). A programme designed for students who have already completed and obtained a qualification that is relevant to

TERM	MEANING
	employment but have not yet gathered the necessary practical experience to enable them to obtain full time employment.
<b>Government Departments and Public Entities</b>	Means national, provincial and local government departments and public entities established in terms of the Public Service Act, Municipal Act, the Constitution, governed by the Public Finance Management Act No. 1 of 1999 and Municipal Finance Management Act No. 56 of 2003 and participate in skills development related interventions within or for the FoodBev SETA.
<b>Higher Education Institution</b>	Means a public or private institution established in terms of the Higher Education Amendment Act No. 9 of 2016 that provides higher education on a full-time, part-time or distance basis and may be a University, University of Technology, or higher education college as defined by the Act.
<b>Internship (In-service Training or previously Work Integrated Learning (WIL))</b>	Means a programme designed to provide learners with supervised on the job training to gather the necessary practical experience to enable them to obtain a full qualification. This includes: Internship for the NATED (N-Diploma) which means a period of workplace based learning undertaken as part of the requirement for the N-Diploma (TVET WIL 18 months for Business Diplomas and 24 months for Technical Diplomas; Student Internship: Category A which means a period of workplace based learning undertaken as part of the requirement for the Diploma, National Diploma, Higher Certificate or Advanced Certificate as a vocational qualification stipulated in the Higher Education Qualifications Sub Framework (HEQSF).
<b>Intervention</b>	Means an activity or combination of activities implemented to address the mandate and strategy of the FoodBev SETA. Interventions include but not limited to research, planning, evaluation, innovation, learning programmes, quality assurance of learning, strategic programmes, projects and partnerships.
<b>Learnership</b>	Means a structured learning programme which includes theoretical and practical workplace experiential learning which leads to an occupationally related qualification registered on the National Qualification Framework.
<b>Learning Programme</b>	Means a structured and purposeful set of learning experiences that lead to a qualification or part-qualification, or a set of knowledge, skills and competencies. This may include AET, learnerships, apprenticeships, skills programmes, internships, work experience, candidacy, bursary and any other set of learning which may or may not include a structured work experience component.
<b>Learning Programme Agreement</b>	Means an agreement between employer, learner and/or training provider for purposes of workplace-based learning.
<b>Levy Paying Company</b>	Means an employer who is compelled to pay skills development levies in terms of section 3(1) of the SDLA. If the company has staff registered for PAYE/UIF/SDL and the annual payroll exceeds R500 000 per annum, the company must register with SARS and pay a skills levy of 1% of the monthly payroll.

<b>TERM</b>	<b>MEANING</b>
<b>Mandatory Grant</b>	<p>Means funds designated as mandatory contemplated in regulation (4) of SETA Grant Regulations to fund the education and training programmes as contained in the Annexure II submitted to a SETA.</p> <p>A mandatory grant is a reimbursement on a skills levy contributed by the organisation. It shall not be viewed as income to an organisation and therefore is not taxable. It is purely intended for the training and development of employees.</p>
<b>Non-levy Paying Company (NLPC)</b>	<p>Means an employer employing less than 50 employees with an annual payroll less than R500 000 and who is exempted from paying skills development levy by SARS.</p> <p>If the non-levy paying employer is a profit company, then that company must fall within the food and beverages manufacturing sector, however, if a non-levy paying employer is a NPO then it must develop skills of beneficiaries within the food and beverages manufacturing sector.</p>
<b>Non-Government Organisation (NGO)</b>	<p>Means is a non-profit, citizen-based group that functions independently from government, even if funded by government. NGOs, sometimes called civil societies, are organized on community, national and international levels to serve specific social or political purposes, and are cooperative, rather than commercial, in nature. Examples of NGOs include those that support human rights, advocate for improved health, skills development of communities or encourage political participation.</p> <p>This definition includes non-government entities that are developing the skills of beneficiaries/learners that are within the food and beverages manufacturing sector.</p>
<b>Non-PIVOTAL Programmes</b>	<p>Means credit and non-credit bearing learning interventions including customised skills sets Non-credit bearing interventions not leading to qualifications or part qualifications, must still address the key objectives and priorities of the FoodBev SETA. Non-PIVOTAL programmes also include but are not limited to research, evaluation, innovation, innovative projects and other non-learning delivery interventions core to the achievement of the FoodBev SETA mandate and strategy.</p>
<b>Non-Profit Organisation (NPO)</b>	<p>Means a trust, company or other association of persons as defined in the Non-Profit Organisations Act 71 of 1997 which states that an NPO is</p> <ul style="list-style-type: none"> <li>(a) established for a public purpose; and</li> <li>(b) the income and property of which are not distributable to its members or office-bearers except as reasonable compensation for services rendered'.</li> </ul> <p>This definition includes companies that are developing the skills of beneficiaries/learners that are within the food and beverages manufacturing sector</p>
<b>Non-Profit Company (NPC)</b>	<p>Means a Non-Profit Company as described in section 1 of the Companies Act as a company –</p> <ul style="list-style-type: none"> <li>(a) incorporated for a public benefit or other object as required by item 1(1) of Schedule 1; and</li> </ul>

TERM	MEANING
	<p>(b) the income and property of which are not distributable to its incorporators, members, directors, officers or persons related to any of them except to the extent permitted by item 1(3) of Schedule 1’.</p> <p>Schedule 1 of the Companies Act predominantly deals with NPC, and broadly speaking, the goal of the NPC is not to make a profit but to further a certain public benefit, by using the legal organisation of an NPC to do so, and any income received must be applied to further this benefit. The income may not be distributed to any persons involved, except as reasonable compensation for services rendered. There must be three initial directors, and if its Memorandum of Incorporation provides for it, members. This definition includes non-profit entities that are developing the skills of beneficiaries/learners that are within the food and beverages manufacturing sector.</p>
<b>Non-responsiveness</b>	Refers to instances where FoodBev SETA has issued formal written communication to a grant recipient to request information and / or evidence associated with learner progress and completion, and the grant recipient fails to respond within a reasonable timeframe stipulated in the communication.
<b>Occupational Qualifications</b>	Means a qualification associated with a trade, occupation or profession resulting from work-based learning and consisting of knowledge, practical and work experience components
<b>Partnerships</b>	Means contractual arrangements between FoodBev SETA and one or more parties where the parties agree to a common education, training and/or skills development purpose, aligned to national and sector specific strategic imperatives.
<b>Part Qualification</b>	Means an assessed unit of learning that is registered on the NQF as part of a qualification.
<b>Person with Disability</b>	<p>Means persons who have a long-term or recurring physical, including sensory, or mental impairment which substantially limits their prospect of entry into or advancement in employment. The concept is further explained as follows:</p> <ul style="list-style-type: none"> <li>▪ Firstly, a person must have an impairment – an impairment may either be physical or mental or a combination of both. A physical impairment means “a partial or total loss of a bodily function or part of the body”. It includes sensory impairments such as being deaf, hearing impairment or visual impairment;</li> <li>▪ Secondly, the impairment must be long-term or recurring. Long-term impairment is that which has lasted or is likely to persist for at least 12 months and recurring impairment is one that is likely to happen again.</li> <li>▪ Thirdly, the impairment must be substantial in that the effects of the disability are more than minor and substantially limit a person’s ability to perform essential functions of the job for which she/he is being considered.</li> </ul>
<b>PIVOTAL</b> (Sectoral Priority Occupations)	Means <b>P</b> rofessional, <b>V</b> ocational, <b>T</b> echnical and <b>A</b> cademic <b>L</b> earning programmes that result in qualifications or part-qualifications on the National Qualifications Framework as contemplated in Regulation 3(6) & (7) as read with regulation 6 (11) to (15).



TERM	MEANING
	<ul style="list-style-type: none"> <li>• <b>Professional learning programmes</b> shall mean programmes that lead to designations that are registered by professional bodies.</li> <li>• <b>Vocational learning programmes</b> shall mean trades and artisanal programmes that lead to a trade and/or the National Certificate Vocational (NCV).</li> <li>• <b>Technical learning programmes</b> shall mean programmes that are occupationally directed and registered by the SETA. Such programmes include apprenticeships, learnerships and skills programmes.</li> <li>• <b>Academic learning programmes</b> shall mean programmes that lead to academic qualifications such as Certificates, Higher Certificates, Diplomas and Degrees.</li> </ul>
<b>Pivotal Plan</b>	Means a strategic training plan aligned to address scarce skills and is a snapshot of training that will take place in the upcoming financial year
<b>Pivotal Report</b>	Means a report that reflects the education, training and development activities of the organisation that were implemented and highlight progress against the previous year's pivotal plan.
<b>Projects</b>	Means temporary undertakings with defined strategically aligned scope of work, a clear start and end point and time-bound deliverables to achieve a unique goal within a defined deliverable schedule, inclusive of activities and reporting, and monitoring and evaluation requirements.
<b>Skills Programme</b>	Means a learning intervention that has been designed and intended to be an occupational based, short term learning programme, which when successfully completed, will constitute credits towards a qualification registered on the National Qualification Framework.
<b>Skills Sets</b>	means a combination of skills required by learners for the purpose of re-skilling, or up-skilling in relation to industry needs. These skills sets may be linked to more than one NQF qualification according to the National Qualification Framework Act No. 67 of 2008
<b>Stakeholder</b>	Means a party that has an interest in a company and can either affect or be affected by the business
<b>Strategic Projects</b>	Means interventions that are intended to address strategic priorities of the FoodBev SETA, which include national or industry imperatives, as encapsulated in the FoodBev SETA SP and APP. These are also known as special projects.
<b>Termination</b>	<p>An agreement between the company, learner and/or training provider to cancel a learning programme agreement.</p> <p>OR</p> <p>Refers to instances where FoodBev SETA reserves the right to terminate a learning programme due to non-responsiveness.</p>
<b>Workplace Approval</b>	Is the process of assessing the workplace's capacity to deliver on the structured workplace component of a learning programme.
<b>Workplace Skills Plan</b>	Means a strategic document that articulates how an employer intends to address the training and development needs in the workplace during a forthcoming year

\*All terminology not defined above shall bear the same meaning as in the applicable legislation

### 3. RELATED LEGISLATIVE AND REGULATORY PRESCRIPTS

This policy should be read in conjunction with the following: prescripts, amongst others:

Legislation regulations and government Policy

- 3.1. Skills Development Act No.26 of 2011 (as amended) (the “Act”) (“SDA”)
- 3.2. *Skills Development Levies Act (SDLA)* No 9 of 1999 (“SDLA”)
- 3.3. SETA Grant Regulations regarding monies received by a SETA and related matters.
- 3.4. Public Finance Management Act, 1999 (as amended) (“PFMA”)
- 3.5. National Treasury Regulations of March 2005
- 3.6. Service Level Agreement signed with the Director General of DHET
- 3.7. Work-based Learning Programme Agreement Regulations
- 3.8. Other applicable and related legislations, directives, instruction notes

The policy must be read in conjunction with the following related FoodBev SETA policies, amongst others:

- 3.9. Grants Standard Operation Procedures (SOP)
- 3.10. Service Level Agreement signed with the Director General of DHET
- 3.11. The National Skills Development Plan 2030
- 3.12. National Artisan Moderation Body (NAMB) Guidelines
- 3.13. National Standardised Artisan Learner Workplace and/or site approval criteria and guideline
- 3.14. FoodBev SETA Constitution
- 3.15. Delegation of Authority Policy
- 3.16. Finance Policy
- 3.17. Monitoring and Evaluation Policy
- 3.18. The Code of Conduct
- 3.19. The FoodBev SETA Disciplinary Code; and
- 3.20. Other policies and standard operating procedures.

### 4. PREAMBLE

FoodBev SETA's mandate is to facilitate the development of skills of individuals in the sector. It has the responsibility of improving skills through demand-led training to enhance organisational productivity and performance through skills development.

In terms of SETA Grant Regulations, the levy grant system is allocated as follows:

GRANT SYSTEM	ALLOCATION %	REGULATION
Total Levy	100%	Employers are obligated to pay 1% of total payroll to SARS
NSF	20%	Levies are transferred to NSF

GRANT SYSTEM	ALLOCATION %	REGULATION
SETA Administration	10.5%	Levies towards Admin – 10% Levies towards QCTO – 0.5%
Mandatory Grant	20%	Levies transferred to complying employers
Discretionary Grant	49.5%	80% paid to qualifying employers for implementation of PIVOTAL Programmes. 20% paid to qualifying employers for implementation of non-PIVOTAL programmes

## 5. SCOPE OF APPLICATION

This policy will be applicable to the following:

- 5.1. All internal governance structures and employees of FoodBev SETA.

## 6. PURPOSE

The aim of this policy is to:

- 6.1. Outline the purpose of Mandatory Grants, Discretionary Grants, Special/Strategic Projects and Partnerships.
- 6.2. To set out the funding framework for the various Learning Programmes and Projects to be funded through FoodBev SETA Grants.
- 6.3. To outline the application, awarding and management of the Mandatory Grant (MG), Discretionary Grant (DG) and Special/Strategic Projects and Partnerships.
- 6.4. Determine the proportion of Grants that can be used for administration or project management purposes in the various Grants and project categories provided.
- 6.5. Provides the basis for the FoodBev SETA to disburse grants to its stakeholders, in line with the criteria set out in the Grants Regulations.
- 6.6. Provides entities with a comprehensive overview of the requirements for grants to ensure that applications for grants are properly focused.
- 6.7. Outlines the method of allocating funds with respect to targets, qualifying criteria, evaluation criteria and grant value.
- 6.8. Outlines monitoring and evaluation of the skills development interventions funded by the FoodBev SETA.
- 6.9. Adopts a skills value chain approach to address priorities identified in the SSP and through the SP and APP.

## 7. POLICY PROVISIONS

The Policy will be guided by the following guidelines:

- 7.1. The Grant Funding Policy supports the funding of the FoodBev SETA mandate and strategy as informed by the skills development legislation, SDA, SDLA, Grant Regulations (Government Gazette No. 35940 of 3 December 2012), strategic imperatives of the *NSDP*.
- 7.2. The FoodBev SETA will open funding windows for Discretionary Grant funding applications.
- 7.3. Proposals that are special in nature or address the strategic imperatives of the sector or address national priorities will be considered throughout the year but funding of them will be dependent on the availability of uncommitted funds and will be evaluated on a first come first served basis. This will include proposals from employers that are interested in partnering with a SETA to deliver on these strategic projects.
- 7.4. The award for funding is at the sole discretion of the FoodBev SETA and is dependent on the available funds.
- 7.5. Site visits and/or due diligence processes will be conducted at the discretion of the SETA.

## **8. PRINCIPLES**

This policy is committed to the principles of:

- 8.1. Transparency: The FoodBev SETA conducts grant funding processes in a manner that is honest, open, ensuring access to information whilst guided by the laws of the Republic of South Africa.
- 8.2. Accountability: The FoodBev SETA conducts grant funding processes in a manner that demonstrates its obligations to responding to the needs of its stakeholders and beneficiaries.
- 8.3. Inclusivity: The FoodBev SETA supports structural economic transformation that promotes an inclusive growth agenda; transformation in terms of the demographic transformation of the labour market with respect to issues such as race, gender, people with disabilities, youth, township, and rural communities.
- 8.4. Ethics: The FoodBev SETA conducts grant funding processes in a manner that is professional, unbiased, fair, equitable and recognises the diversity and dignity of its stakeholders and beneficiaries.
- 8.5. Conflict of Interest: The FoodBev SETA conducts grant funding in a manner that promotes the interests and needs of its stakeholders and beneficiaries through best practice governance oversight and monitoring. FoodBev SETA shall strive to detect and prevent situations in which a FoodBev SETA official playing a role in discretionary grant processes is in a position to derive personal benefit from actions or decisions made in their official capacity through a process of declaring any existing or potential conflict interest.
- 8.6. Fairness and Progressiveness: The FoodBev SETA allocates grant funding in a manner that promotes fairness and progressive thinking which considers the economic environment. The FoodBev SETA will consider grant increases from current committed grants as and when grant values are increased.

## **9. SECTION A: MANDATORY GRANTS**

### **9.1. INTRODUCTION**

- 9.1.1. This section of the policy provides a framework for the FoodBev SETA on how to manage and disburse mandatory grants. It also provides a uniform framework that is consistent with the principles of transparency and fairness which is aligned to the SDA, as amended, and the SETA Grant Regulations.
- 9.1.2. A mandatory grant is a reimbursement on a skills levy contributed by the organization. It shall not be viewed as income to an organisation and therefore is not taxable. It is purely intended for the training and development of employees.

### **9.2. ALLOCATION OF MANDATORY GRANTS**

- 9.2.1. The FoodBev SETA will allocate mandatory grants to a levy paying employer who:
  - 9.2.1.1. Has registered with the Commissioner in terms of section 3(1) of the SDLA.
  - 9.2.1.2. Has paid the skills development levy under SIC Code 09 in terms of section 3(1) of the SDLA.
  - 9.2.1.3. Has paid the levies directly to the Commissioner in the manner and within the period determined in section 6 of the SDLA.
  - 9.2.1.4. Has submitted an online application for mandatory grants through the MIS system on or before the 30th of April, by completing WSP and ATR forms, unless an extension has been requested.
    - 9.2.1.4.1. A written request for extension must be submitted to the SETA at least three (3) weeks before closing date. An extension of up to a maximum of one (1) month may be granted by the CEO. The outcome of the applications for extension will be communicated in writing to an employer, within 3 working days of approval.
    - 9.2.1.4.2. Only employers that have been granted an extension will have access to the SETA MIS system to submit the Annexure II (after the closing date).
  - 9.2.1.5. In the case of an employer who has a recognition agreement with a trade union or unions in place, there must be evidence provided that WSP and ATR has been subject to consultation with the recognised trade unions, and Annexure II must be signed off by the labour representative appointed by the recognised trade union unless an explanation is provided.

- 9.2.1.6. An employer employing 50 or more employees that does not have a recognition agreement with a trade union, is required to have the Annexure II application signed off by an appointed employee representative of the training committee of the organisation.
- 9.2.1.7. An employer employing less than 50 employees and does not have a recognition agreement with a trade union must select an employee representative who will confirm by signing off on the application, that the application has been completed in consultation with employees.
- 9.2.2. With regards to the Inter-SETA transfer (in), the company must submit proof that the Annexure II was submitted and approved by the previous SETA in time, by providing FoodBev SETA with an approval letter from the previous SETA.
- 9.2.3. An employer must have implemented at least 50% of the previously planned training interventions as reflected in their ATR.
- 9.2.4. Any deviation between planned and actual must be explained by providing valid reasons for the variance. Employers who have not implemented training as per their submitted WSP but have implemented additional training not included in the WSP must then highlight the additional training implemented.
- 9.2.5. A newly registered company (first time registration) must have submitted WSP and ATR application within six (6) months of registration.
- 9.2.6. A first-time employer/company is exempted from submitting an Annual Training Report (ATR) and Pivotal Report (PR) in the first year of qualifying.
- 9.2.7. A company that does not meet the criteria will not be eligible for payment of Mandatory Grants

### **9.3. APPROVAL OF MANDATORY GRANTS**

- 9.3.1. All eligible companies who have met the criteria as set out above in clause 9.2.1 will be recommended to the award committee by the Chairperson of the grants adjudication committee for approval.
- 9.3.2. Applicants who have submitted their mandatory applications will be notified of the outcome of their applications, in writing, within 30 calendar days from the day of approval.

### **9.4. PAYMENT OF MANDATORY GRANTS**

- 9.4.1. FoodBev SETA shall pay 20% (or any rate as determined and gazetted by the DHET Minister) of the total levies to the employer whose mandatory grant application has been approved.
- 9.4.2. Payments for mandatory grants shall be made at least quarterly of every year.

- 9.4.3. It remains the responsibility of employers to ensure that the payment of the mandatory grant is processed against the correct company banking details. Any Mandatory Grants not paid due to the provision of incorrect banking details by applicants will be transferred to the discretionary fund reserve after one (1) year of retaining the funds.
- 9.4.4. A company must be up to date with the levy payments to the Commissioner at the time of approval and in respect of the period for which an application is made.
- 9.4.5. A consolidated mandatory grant application will be accepted when the company has selected the lead employer to manage the receipt of the mandatory grant payment.
- 9.4.6. The Mandatory Grant allocations of unsuccessful applicants will be transferred to the Discretionary Grant fund by the 15th of August.

## **9.5. MANDATORY GRANT APPEALS**

- 9.5.1. An applicant can appeal an unsuccessful mandatory grant outcome within fourteen (14) working days from receipt of the rejection letter. No late appeals will be considered.
- 9.5.2. An appeal will be reviewed and considered by the CEO and the CEO will make the final decision.

## **9.6. INTER-SETA TRANSFER (IST)**

- 9.6.1. A levy-paying employer can apply for inter-seta transfer by completing an Inter-SETA transfer form by using the DHET template.
- 9.6.2. The levy-paying employer must submit their mandatory grant application to the relevant SETA until the transfer has been finalised and approved.
- 9.6.3. Once the inter-seta transfer has been finalized and approved, the transferring (out) levy-paying employer will no longer have access to the FoodBev system for submission of subsequent mandatory grant applications.

# **10. SECTION B: DISCRETIONARY GRANTS**

## **10.1. INTRODUCTION**

- 10.1.1. FoodBev SETA will determine and allocate Discretionary Grants in support of the implementation of the SSP and APP. The SSP is developed by considering the national strategic goals as set out in the NSDP, the National Skills Accord and other relevant national priorities.
- 10.1.2. Discretionary projects are projects that address the FoodBev SETA objectives as outlined in the SP, APP and the Service Agreement Level (SLA) between DHET and

FoodBev SETA taking into consideration the transformational imperatives of race, gender, people with disabilities, township and rural communities.

10.1.3. The APP clearly sets out the indicators that will be funded through the Discretionary Grant process for learning programmes that address sector skills needs.

10.1.4. These discretionary grants will be approved by the AA /delegate as and when required.

## **10.2. FUNDING MODELS AND PROJECT TYPES**

10.2.1. The FoodBev SETA Discretionary Grant funding is divided into PIVOTAL and Non-PIVOTAL programmes.

10.2.2. The SETA will allocate at least 80% of the DG to PIVOTAL programmes and 20% to non-PIVOTAL programmes (other programmes that will assist stakeholders to develop skills in and for the sector, or to address national skills priorities).

10.2.3. PIVOTAL (learning programmes) include but not limited to the following:

10.2.3.1. Adult Education and Training (AET) Programme (Level 4)

10.2.3.2. Artisans Employed and Unemployed

10.2.3.3. Artisan Recognition Prior Learning (ARPL)

10.2.3.4. Bursaries Employed and Unemployed (HET, TVET and CET)

10.2.3.5. Bursaries Research & Innovation (Masters and PhD)

10.2.3.6. Candidacy Programme

10.2.3.7. Internship/WIL (UoT)

10.2.3.8. Learnerships Employed and Unemployed

10.2.3.9. Skills Programme Employed and Unemployed

10.2.3.10. TVET Placement (N6)

10.2.4. Non-PIVOTAL Programmes:

10.2.4.1. Non-credit bearing programmes (short courses)

10.2.4.2. Adult Education and Training (AET) programme (Level 1-3)

10.2.4.3. TVET Capacity Building (Lecturer Development)

10.2.4.4. Work Experience for Graduates (HET)

## **10.3. POLICY GUIDELINES FOR DISCRETIONARY GRANTS**

10.3.1. A Discretionary Grant will be allocated, subject to the availability of funds. The award of a Discretionary Grant is not guaranteed, and it shall be within the discretion of FoodBev SETA.

10.3.2. FBS will open a funding window calling entities within the sector to apply for discretionary grants. The funding windows will be opened when the need arises. An



application for a DG must be submitted on or before the stipulated date indicated in the applicable funding window.

- 10.3.3. Employers (levy paying and non-levy paying) that fall within food and beverages manufacturing sector may apply for discretionary grants, by submitting an online application through an online application system, on or before the closing date as stipulated in the advertisement.
- 10.3.4. Non-levy paying employers must also submit a completed Pivotal Plan and Pivotal Report (not applicable for levy paying employers that submitted Mandatory Grant applications for the relevant financial year).
- 10.3.5. First time applicant levy paying employers must submit a completed Pivotal Plan.
- 10.3.6. The CEO reserves the right to open the MIS system for those stakeholders who have proven to not be able to submit their applications online due to system generated errors.
- 10.3.7. The priority of the allocation of DG will be to address the hard to fill vacancies through learning programmes that are designed to address such skills needs in the sector which include workplace-based learning.
- 10.3.8. An employer or entity whose application for a DG is successful must comply with the processes established by FoodBev SETA for the management, monitoring and evaluation of the grant disbursement process.
- 10.3.9. FoodBev SETA reserves the right to withdraw a DG where a successful applicant does not comply with any such requirements as may be established by FoodBev SETA from time to time.
- 10.3.10. FoodBev SETA reserves the right to withdraw DG funding where change requests are submitted by employer(s) for qualifications that are not part of the Hard to Fill Vacancy list without providing valid and plausible reasons for changing qualification, where such change will not address hard to fill vacancies or scarce skills.
- 10.3.11. A DG application must be approved by the FoodBev SETA awards committee before any of the funds are allocated.
- 10.3.12. An employer or entity must submit all supporting documents as stipulated.
- 10.3.13. Preference for training on learning programmes will be given to South African citizens, permanent residents, designated groups such as women, youth, people with disability, townships, and rural communities.
- 10.3.14. Unemployed Student bursaries will be awarded from start of program until completion, provided that the students submit academic records that prove successful completion of that module, per year, and provide completion certificates when they complete their studies.

- 10.3.15. Employed Student bursaries will only be awarded for the final year of study (for undergraduate studies), Management/Executive Development programs, and/or postgraduate programs provided that the prospective students submit academic records that prove successful completion of that module and provide completion certificates when they complete their studies or proof of acceptance/registration at an accredited institution.
- 10.3.16. Students who have bursaries from other Institutions will not be eligible to obtain a bursary from FoodBev SETA.
- 10.3.17. Students who receive FoodBev SETA bursaries and fail any subject, will not be paid for the failed subject and will be expected to repeat those subjects at their own costs.
- 10.3.18. The FoodBev SETA will not be party to the contract between employers and their appointed accredited training providers.
- 10.3.19. Training Providers are prohibited from withholding learner results and/or certificates.
- 10.3.20. The FoodBev SETA will only engage with employers through their primary or secondary SDF to resolve any queries or requests and will not engage directly with training providers to avoid miscommunication and confusion.
- 10.3.21. FBS will communicate with approved or rejected applicants, in writing indicating the status of their application. Once approved, FoodBev SETA will enter into a contract with the approved applicant.
- 10.3.22. Employers may only commence training if at the time the training is commenced, they have applied for DG funding and the implementation is within the applicable financial year. FBS will not take responsibility for any costs incurred for training where DG application is not approved.
- 10.3.23. Employers can register learners as industry funded whilst awaiting feedback on their application from the SETA. This will be updated to SETA funded, if the SETA approves the grant application.
- 10.3.24. The applicant needs to apply for extension where applicants is unable to adhere to the implementation plan. The application must be made before the expiry of the set deadline for submission of regulatory documents. FBS reserves the right to approve or decline any application received.

#### 10.4. **ELIGIBILITY FOR DISCRETIONARY GRANTS**

The compliance team will consider the following when evaluating applications for compliance:

- 10.4.1. Levy-paying companies must be up to date with payment of their levies.

- 10.4.2. Submit an online application with a duly completed and signed off PIVOTAL plan and/or PIVOTAL report, where applicable.
- 10.4.3. Submit a simplified PIVOTAL plan and/or report (for companies employing less than 50 employees and/or with a payroll below R500 000.00)
- 10.4.4. An application is from any of these institutions, amongst others:
  - 10.4.4.1. Public Higher Education and Training Institutions.
  - 10.4.4.2. A levy paying employer or company operating within the food and beverages manufacturing sector ("FBMS").
  - 10.4.4.3. A non-levy paying employer operating within FBMS (small, micro businesses, and cooperatives legally registered with CIPC)
  - 10.4.4.4. A non-levy paying organisation (NPO, NPC, Community Based Organisations legally registered with CIPC) with an interest in skills development of beneficiaries within the FBMS.
  - 10.4.4.5. A government department or public organisation/institution (registered under the PFMA) with an interest in skills development of beneficiaries within the FBMS. Public Higher Education and Training Institutions and Government Institutions that are eligible to pay levies and are obligated by law to submit WSP and ATRs, must submit their WSP and ATRs to their respective SETAs and provide proof of submission of these plans and reports.
  - 10.4.4.6. Organised Labour within FBMS.
- 10.4.5. Submit an exemption certificate from SARS or provide a letter from their accountant/ auditors confirming that their payroll is less than R500 000,00 for all permanent employees. The accountant must indicate the average payroll per head of permanent employees as proof that the reported number of permanent employees' payroll does not exceed the threshold.
- 10.4.6. Discretionary grants will not be awarded to the following applicants, amongst others:
  - 10.4.6.1. Entities that are insolvent or being wound up
  - 10.4.6.2. Entities that are undergoing business rescue proceedings
  - 10.4.6.3. Entities have entered into an arrangement with creditors, have suspended business activities
  - 10.4.6.4. Entities that have had their debt written off by FoodBev SETA
  - 10.4.6.5. Entities with pending discretionary grants related litigation proceedings with the FoodBev SETA will be considered for further funding on a case by case basis, until the matter is resolved

- 10.4.6.6. Entities that have failed to implement training programs in a satisfactory manner.
- 10.4.6.7. Directors and shareholders of companies that have been blacklisted by National Treasury, FoodBev SETA or any other organ of state.
- 10.4.7. Submit proof of training provider accreditation by a recognised accrediting body.
- 10.4.8. Submit proof of accreditation by a professional body to conduct candidacy program or a program that will lead to a professional designation.
- 10.4.9. Submit a contract between the applicant and the training provider that will conduct the training.

## 10.5. **EVALUATION CRITERIA FOR DISCRETIONARY GRANTS**

The evaluation committee will consider the following when evaluating discretionary grant applications:

- 10.5.1. Submitted motivation letter for application of qualifications that are not on the sectorial priority skills list and/or hard to fill list.
- 10.5.2. Submitted motivation letter and an updated implementation plan where an application has more than 50% of learners behind schedule. The letter must indicate valid reasons for why the learners are behind schedule and indicate an updated envisaged completion date.
- 10.5.3. Mentor: learner ratio for learning programs that need a mentor. A reasonable mentor ratio for learnerships is 1:6. Motivation must be provided for a higher mentor learner ratio.
- 10.5.4. An applicant that is applying for work-based training, must indicate a qualified mentor that will mentor and/or coach learners.
- 10.5.5. An applicant that is applying for an apprenticeship must indicate where the practical and workplace experience will take place, and where a trade test will be conducted. The applicant must adhere to the mentor learner ratio in line with NAMB trade test policy.
- 10.5.6. TVET colleges that apply for learning programs under discretionary grants must be accredited for that specific learning program.
- 10.5.7. Detailed evaluation criteria per intervention

The below performance criteria are applicable to entities that have previously received DG funding for learning programme interventions.

<b>Discretionary Grant Window</b>	<b>Satisfactory Progression Criteria</b>
DG 2020/2021	Project closed out with exception of approved extensions with signed addendums in place. Third tranche for most interventions paid (18 months and longer projects)

Discretionary Grant Window	Satisfactory Progression Criteria
	Most short learning interventions (12 months and less) have been closed and final tranches paid- reconsider
DG 2021/2022	Second tranche payment of most learning interventions have been paid. All learning interventions to be closed out, except for learners on apprenticeships and bursaries.
DG 2022/2023	First and second tranche payments for most learning interventions have been paid

10.5.8. FBS reserves the right to request additional information or clarity to support the application.

## 10.6. DISCRETIONARY GRANTS COMMITTEES

10.6.1. The appointed consultants will evaluate grant applications for compliance and evaluate them against a set criterion and submit all complaint applications to the internal evaluation committee for validation and recommendation.

10.6.2. Table 1 below indicates the committees that will be responsible for evaluating, adjudicating, and awarding discretionary grants.

**Table 1: DG Committees**

Name of Committee	Committee Members	Roles
Consultants	a) Compliance will be conducted online, when the system is available, if not, then the evaluation consultants will evaluate applications for compliance.	i. Reviews all applications against set compliance checklist. ii. Submits compliant applications to the Evaluation team.
Evaluation Team and/or Committee	a) Evaluation of compliant applications against set evaluation criteria will be conducted by evaluation consultants (team) and presented to the internal oversight evaluation committee, that will be appointed by the CEO. b) Chairperson of the committee: SM Quality Assurance c) Snr Administration Officer: Operations (Provides secretariat and logistic services)	i. Validates evaluated applications. ii. Recommends qualifying applications to the Adjudication Committee for review.
Adjudication Committee	Applications will be presented by the Chairperson of the Evaluation committee to the Adjudication committee. Adjudication of DG will be adjudicated by the following: a) Chairperson – Senior Manager: Learning Programmes and Strategic Projects b) SM: Quality Assurance c) SM: Research, Planning, Monitoring and Evaluation	i. Adjudicates over applications recommended by the Evaluation Committee. ii. Recommends qualifying and rejected applications to the grants awarding committee for review and approval.

Name of Committee	Committee Members	Roles
	d) SM: Finance e) SM: Corporate Services f) SM: Stakeholder Relations g) SM: Information & Communication Technology h) Manager: Learning Programs and Strategic Projects (Provides secretariat and logistic services) A quorum will be made by at least 4 of the SM present for the meeting	
Award Committee	a) Chairperson: CEO b) Chief Financial Officer c) General Manager: Operations d) Manager: CEO Office (Provides secretariat and logistic services) A quorum will be made of at least 2 of the members of the award committee	i. Approve the Discretionary Grants as delegated
Accounting Authority (AA)/Delegate	a) AA will note approvals of mandatory and discretionary grants	i. Notes the approved MGs and DGs.

## 11. IMPLEMENTATION SCHEDULE

- 11.1. Discretionary Grants funding windows will be opened by FoodBev SETA as and when required, during a financial year to address the implementation of the APP and the SLA targets as agreed with DHET.
- 11.2. Each funding window will specify who may apply, who may benefit and the criteria for approval of funding.
- 11.3. The amounts stipulated below are all inclusive. Stipend amounts are exclusive of SARS allowable deductions. Stipends must be paid to the learners in line with the below table, employers must not deduct costs that are not agreed upon with the learner and signed off by the learner in their employment contract. Companies are not prohibited from topping up on the amount indicated, however they are not allowed to pay less than the minimum after SARS allowable deductions.
- 11.4. Learner stipends will be paid in accordance with the tranches detailed in section 13 of this policy to prevent any issues with stipend payments towards the end of the programme. The proposed tranche payments apply to both Discretionary Grants and Partnership projects.

## 12. REPLACEMENT OF LEARNERS

- 12.1. The FoodBev SETA will allow replacement of learners only in the event that the first tranche payment has not been paid by the SETA, alternatively, if the employer can demonstrate reassignment of the funds to the replacement learner.

### 13.ALLOCATION OF DISCRETIONARYB GRANT FUNDING PER PROGRAMME

Learning programmes	Allocated funds per learner	Duration of learning programmes	Tranche payment breakdown	Explanatory notes
AET	R 5,000	6 months per learning area (Numeracy and Literacy)	a) Tranche 1: 80% on registration b) Tranche 2: 20% on completion	c) R 2,500 per level, per learning area
Apprenticeship/ Artisans (Employed) including Trade Occupations	R 55,000	Minimum 1 year	a) Tranche 1: 50% on registration b) Tranche 2: 50% on completion	c) Assessment process d) Gap Training and final assessment (Trade Test)
Apprenticeship/ Artisans (Unemployed) including Trade Occupations	R 206,290	3 years	a) Tranche 1: 25% on registration b) Tranche 2: 25% on progress c) Tranche 3: 25% on progress d) Tranche 4: 25% on completion	Stipends of R3,000 p/m for a period of 36 months Training costs R98,290 per learner for the duration of which includes: a) Theory, practical and work experience b) Medical assessments and tools of trade c) Project management Trade Test Preparation d) Trade Test including reassessments
Recognition of Prior Learning (Artisan)	R55,000 for unemployed candidates R35,000 for employed candidates	ARPL course duration	a) Tranche 1: 50% on registration b) Tranche 2: 50% on completion	c) Assessment process d) Gap Training and final assessment (Trade Test)
Bursaries (Employed) Undergraduate or  Postgraduate studies or Management and	Up to maximum of R 50,000	Undergraduate – Final year of study  Postgraduate – course duration as per institutions guidelines	a) Tranche 1: 50% on registration b) Tranche 2: 50% on completion	c) Funding provided for the actual cost of tuition fees limited to the amount as indicated. d) Minimum of NQF level 6

Learning programmes	Allocated funds per learner	Duration of learning programmes	Tranche payment breakdown	Explanatory notes
Leadership Development Courses)				
Bursaries: Research & Innovation (Unemployed) Masters and PhD	a) Up to maximum of R 120,000 for Master's students b) Up to maximum of R150,000 for PhD students	Course duration as per Institution guidelines	a) Tranche 1: 100% of claimed amount up to maximum allowable	Funding to pay for Registration fees only for Master's course. PhD students will have to pay their own registration fees as they are funded post approval of the proposal by the faculty:  a) Tuition fees b) Accommodation c) Meals d) Study material/Equipment e) Student allowance if not staying at university residence. f) Students to provide statements and if students are not staying at residence, students must provide lease agreements
Candidacy Programme	Up to a maximum of R252,000 (R84,000 per year)	Depends on the required work experience post qualification to be registered for that qualification	a) Tranche 1 = 80% on registration b) Tranche 2 = 20% on progress	c) Stipend required for the level of intervention limited to the amount indicated. Minimum monthly stipend of R7,000 per learner for duration of programme up to a maximum 36 months.
Learnership Employed	R 25,000	Qualifications up to a maximum of 240 credits (12 -18 months)	a) Tranche 1 = 40% on registration b) Tranche 2 = 40% on progress	a) Total amount that covers cost of conducting training and training material including learner assessments and/or certification (no stipend for employed learners)
	R 44,000	Qualifications that exceed 240 credits	c) Tranche 3 = 20% on completion	



Learning programmes	Allocated funds per learner	Duration of learning programmes	Tranche payment breakdown	Explanatory notes
Learnership for People with Disability Employed	R34, 000	Depends on the qualification, to a maximum of 18 months	a) Tranche 1 = 40% on registration b) Tranche 2 = 40% on progress c) Tranche 3 = 20% on completion	d) Total amount is to cover cost of training and training material including learner assessments and certification (no stipend for employed learners)
Learnership Unemployed	R 67,000 for 12 months*	Qualifications to a maximum of 240 credits	a) Tranche 1 = 40% on registration b) Tranche 2 = 40% of training cost and 60% of stipend on progress c) Tranche 3 = 20% of training cost on completion	d) Minimum monthly stipend of R3,500 (to cover the full months for the duration of the programme).
	R88 000 for 18 months*			e) Training amount is R25,000 per learner that covers the cost of conducting training, training material including learner assessments and/or certification.
	R 128,000 for 24 months*	Qualifications with more than 240 credits		a) Minimum monthly stipend of R3,500 per learner (to cover the full months for the duration of the programme). b) Training amount is R44,000 per learner that covers the cost of conducting training, training material and learner assessments and/or certification.
		* The period is aligned to SETA registered learnerships		
Learnership for People with Disability Unemployed	R 88,000 for 12 months*  R115 000 for 18 months*	Qualifications to a maximum of 240 credits	a) Tranche 1 = 40% on registration b) Tranche 2 = 40% of training cost and 60% of stipend on progress	d) Minimum monthly stipend of R4,500 per learner e) Training cost for People with disability: R34,000 per learner that will cover the cost of conducting training, training material and learner assessments, certification, facilitator, interpreters and/or aiders

Learning programmes	Allocated funds per learner	Duration of learning programmes	Tranche payment breakdown	Explanatory notes
	R142 000 for 24 months*	Qualifications with more than 240 credits (more than 24 months)	c) Tranche 3: 20% of training costs on completion	a) Minimum monthly stipend of R4,500 per learner b) Training cost for People with disability: R48,000 per learner that will cover the cost of conducting training, training material and learner assessments, certification, facilitator, interpreters and/or aiders
Lecturer Development programme	R63,000	30 days	a) Tranche 1: 100%	b) R20,000 per substitute lecturer (2 per MOU) c) R4,000 per lecturer for travel during placement (x2) d) R15,000 to employer for hosting two lecturers
Skills Programme (Including Part Qualifications)	Based on total number of credits applied for	Depends on total number of credits, duration is based on notional hours required	a) Tranche 1: 60% of training cost and 100% of learner stipend on registration b) Tranche 2 = 40% of training cost on completion	Employed Learners R200 per credit which, includes: a) All Learning Materials b) Portfolio of evidence c) Assessment of learners d) Certification and/or endorsements  Unemployed Learners: R 200 per credit which includes: a) All Learning Materials b) Portfolio of evidence c) Assessment of learners d) Certification and/or endorsements  Stipend of R150 per day per unemployed learner on the basis of number of credits to a

Learning programmes	Allocated funds per learner	Duration of learning programmes	Tranche payment breakdown	Explanatory notes
				maximum of 60 credits or R 3 000 per month for the duration of the Programme.
Work Readiness Programmes	Based on total number of credits applied for or duration of the work readiness programme	Depends on total number of credits or duration for non-credit bearing courses.	a) Tranche 1: 60% of training cost and 100% of learner stipend on registration b) Tranche 2 = 40% of training cost on completion	Unemployed Learners: R 200 per credit which includes: e) All Learning Materials f) Portfolio of evidence g) Assessment of learners h) Certification and/or endorsements  Stipend of R150 per day per unemployed learner on the basis of number of credits to a maximum of 60 credits or R 3 000 per month for the duration of the Programme.
TVET, CET and HET Bursaries Unemployed	Covers 100% funding of the learner up to maximum of R 120,000.	Depends on the duration of the course as stipulated by the institution	a) Tranche 1: 100% upon registration	Funding to pay for:  a) Tuition fees b) Accommodation c) Meals d) Study material/Equipment e) Student allowance if not staying at university or TVET college residence. a) Students to provide statements and if students are not staying at residence, students must provide lease agreements from an NSFAS accredited residents.
TVET Placement (N6)	R 63 000 for non-engineering courses and R84 000 for engineering students	18 months for non-engineering courses 24 months for engineering courses	a) Tranche 1 = 40% on registration b) Tranche 2 = 50% on progress c) Tranche 3 = 10% on progress	d) Minimum monthly stipend of R3,500 per learner

Learning programmes	Allocated funds per learner	Duration of learning programmes	Tranche payment breakdown	Explanatory notes
Internship (unemployed) – University of Technology	R 60,000	12 months	a) Tranche 1 = 40% on registration b) Tranche 2 = 50% on progress c) Tranche 3 = 10% on progress	d) Minimum monthly stipend R5,000 per learner
Work Experience for Graduates	R 60,000	12 months	a) Tranche 1 = 40% on registration b) Tranche 2 = 50% on progress c) Tranche 3= 10% on progress	d) Minimum monthly stipend R5,000 per learner

## **14. SECTION C: STRATEGIC PROJECTS AND PARTNERSHIPS**

### **14.1. POLICY PROVISIONS**

- 14.1.1. FoodBev SETA supports strategic projects and partnerships from stakeholders, based on priorities identified in the SSP, SP, APP and other national priorities.
- 14.1.2. Strategic projects or partnerships may be applied from, amongst others, private and public sector, higher education institutions, TVETs, CETs, non-profit organisations, levy and non-levy organisation, inter-SETA collaborations, skills development providers, etc. and/or can be initiated internally by FoodBev SETA. The objective of these special projects should be innovative and impactful.
- 14.1.3. Strategic projects or partnerships may be for the purpose of learning intervention development, infrastructure development, provision of equipment, provision of tools of trade, or any other support that is relevant for the successful implementation of skills development initiatives.
- 14.1.4. Proposals for strategic projects or partnerships that address FoodBev SETA strategic priorities and/or national priorities may be received or requested from eligible legal entities as stipulated in clause 10.4.4 and 14.1.2 above including employers and international organisations with an interest in developing skills of learners in the sector or in developing skills of communities.
- 14.1.5. FoodBev SETA may consider sponsorship proposals (unsolicited) requests that are aimed at interventions that will assist participants with knowledge and skills relevant to the sector such as expos, summits, indabas, seminars, and workshops. These sponsorships or support funding requests will be approved by the CEO.
- 14.1.6. The funding window may remain open throughout the financial year for the receipt of strategic project proposals and/or partnerships and sponsorship proposals, however the funding of these will be dependent on the availability of uncommitted funds. These proposals will be evaluated on a first come first served basis.
- 14.1.7. FoodBev SETA can enter into an agreement in the form of a commitment letter or a memorandum of understanding/agreement with different entities that are interested in developing the skills of learners with an interest in the sector. These commitment letters or MoU's will be converted into contracts when the project and full implementation plan is agreed upon.
- 14.1.8. FoodBev SETA may at its discretion identify key strategic partners to partner with, through the delivery of specific learning interventions in line with the FoodBev SETA strategic priorities and national priorities. These may include but are not limited to: FoodBev SETA levy paying companies, non-levy paying entities, employers, recognized trade unions in the sector, regulatory bodies, associations, international entities, higher education institutions and colleges, and public entities.

- 14.1.9. Where a partnership is proposed, the proposer must indicate their contribution whether (financial or non-financial) towards the implementation of the partnership, where applicable.
- 14.1.10. Where a proposal is for implementing of an accredited qualification, the actual qualification, unit standards, number of credits and qualification ID must be indicated, and the proposal must include details of accredited Skills Development Provider (SDP) that will provide training of the learners.
- 14.1.11. The proposal must include a contract between the applicant and the SDP for accredited qualifications, where relevant, for the implementation of the project, and any change to the SDP after award, must be requested through FBS and approval will be at the discretion of FBS. Where not available, the applicant must indicate by when the SDP will be appointed.
- 14.1.12. Entities entering a contract with FoodBev SETA may request the replacement learners linked to the project on condition that there will be no additional costs over and above the costs as approved in the memorandum of agreement/ contract. This request will be approved by the General Manager: Operations
- 14.1.13. Additional learning material for studies, such as the laptops, may be procured only if such costs are within the original costs that were approved by the EXCO.
- 14.1.14. The applicant must have a training venue or online training platform and tools of trade including all required learning material for the successful implementation of the program or project, where the project is a learning program.

## **15.1 EVALUATION COMMITTEE**

- 15.1.1. An external service provider or the special projects evaluation committee made up of Senior Manager: Learning programs and Projects, Stakeholder Relations and Corporate Services will evaluate the applications as and when they are received and present to the Adjudication committee for recommendation to EXCO for approval.
- 15.1.2. The evaluation committee will be responsible for reviewing the proposal against guiding principles as mentioned in clause 15.3 below, the reasonableness of the proposed costs of implementing the project and make a recommendation on what the FoodBev SETA can reasonably fund, which will be informed by best practice or where relevant, will be aligned to clause 13 above.

## **15.2. ADJUDICATION COMMITTEE**

- 15.2.1. The Adjudication Committee will adjudicate over applications received and make a recommendation to EXCO for approval in line with delegation of authority. The

adjudication committee will be made up of General Manager:Operations, CFO and CEO.

15.2.2. Special projects and Partnerships will be approved by EXCO or Accounting Authority in line with delegation of authority.

15.2.3. Any proposals that are adjudicated by the adjudication committee and are found not to be addressing the skills development needs of the sector and/or strategic outcomes and priorities of the sector, or are not addressing the principles in clause 15.3 may be rejected by the adjudication committee.

### 15.3. GUIDING PRINCIPLES FOR ESTABLISHING THE FEASIBILITY OF STRATEGIC PROJECTS AND PARTNERSHIPS

Guiding Principles	
<b>Relevance</b>	Partnership projects must demonstrate how proposed interventions will address the mandate of the FoodBev SETA and outline which strategic objectives and national priorities does the partnership will address.
<b>Impact</b>	Partnership projects must indicate the socio-economic impact of the intervention, how the intervention will address the triple challenges of poverty, unemployment, and equality.
<b>Sustainability and Feasibility</b>	The sustainability and feasibility of the intervention must be clearly demonstrated in all partnership's projects.
<b>Availability of funds</b>	Funding is dependent on the availability of funds
<b>Risks</b>	The potential risks associated with the strategic projects and partnership/s must be identified and the risk elements must be mitigated, or their impact reduced for the success of the intervention.
<b>Uniqueness/Innovative</b>	The uniqueness of the initiative that qualifies it as a strategic project must be clearly demonstrated. If there is a similar initiative a clear distinction of how the new project is different or unique to the FoodBev SETA strategic objectives must be clarified.
<b>Reporting</b>	The strategic projects and partnerships reporting must be aligned to the NSDP, national priorities and FoodBev SETA's APP.
<b>Beneficiaries</b>	How does it respond to BBBEE code, women and/or youth, and/or people with disability and/or rural and/or township development.
<b>Intervention</b>	Clearly stipulate type of intervention to be funded and how it purports to address a particular skills gap(s)/national priority

### 15.4. STRATEGIC PROJECTS AND PARTNERSHIPS FUNDING FRAMEWORK

Funding of Strategic Projects is linked to the FOODBEV SETA strategic plans and national priorities and available funds. Without derogating from the generality of the above, FOODBEV SETA shall at its discretion disburse funds, covering Pivotal and Non-Pivotal aspects of Strategic Projects and Partnerships.

15.4.1. Funds that are retained or terminated during the year will be prioritized towards the following interventions, amongst others:

15.4.1.1. Ministerial partnership and support

15.4.1.2. TVET, HEI, and CET support

- 15.4.1.3. SME support
- 15.4.1.4. Township and rural support
- 15.4.1.5. Schools support
- 15.4.1.6. International programs
- 15.4.1.7. Digital literacy skills
- 15.4.1.8. Employer initiatives
- 15.4.1.9. Women, youth and people with disabilities
- 15.4.1.10. Career guidance initiatives
- 15.4.1.11. Unemployed graduates

## **16. PROJECT ADMINISTRATION COST**

- 16.1. A proportion of discretionary grants can be used for administration or project management purposes in the various grants and project categories provided it indicates that it is up to a maximum of 7.5% of the discretionary grant.
- 16.2. Payment of the project management cost to the implementing agent will be at the discretion of the SETA.
- 16.3. FoodBev SETA shall allocate project costs to the FoodBev SETA to perform the following, but not limited to:
  - 16.3.1. Monitoring & Evaluation visits
  - 16.3.2. Salaries of employees directly linked to the implementation of discretionary grants.
  - 16.3.3. Moderation of learning programmes
  - 16.3.4. Stakeholder capacity building and project management functions
  - 16.3.5. Advertisements relating to the implementation of learning programmes and projects.
  - 16.3.6. Distribution of career guidance booklets and capacitation of career guidance practitioner
  - 16.3.7. Travel and accommodation and related costs that is linked to the implementation of skills development interventions.
  - 16.3.8. TVET capacity building
  - 16.3.9. Curriculum design and cost relating to development of qualifications and learning material
  - 16.3.10. Vetting of contracts by employers
  - 16.3.11. Assessments
  - 16.3.12. Attendance of summits, indabas, conferences etc that are aimed at capacitating the SETA with body of knowledge on a relevant topic.
  - 16.3.13. Any other costs directly linked to the implementation of a discretionary grant.



## 17. REQUIREMENTS FOR PEOPLE WITH DISABILITY

Employers may apply for this grant for learners with disabilities.

- 17.1. Specific reference to the Guide on the Determination of Medical Tax Credits and Allowances (Issue 4) in terms of the Income Tax Act 58 of 1962 is used to guide the specific definition of disability, in terms of this grant application.
- 17.2. FoodBev SETA reserves the right to query disability status and request additional information. BEE verification agencies may be consulted in this regard.
- 17.3. The specific requirements per disability status are referenced on the Grants Criteria and Guidelines document as per referenced Guide on the Determination of Medical Tax Credits and Allowances (Issue 4) in terms of the Income Tax Act 58 of 1962.

## 18. GRANTS APPEAL PROCESS

- 18.1. Entities may lodge an appeal in respect of a Discretionary Grant and special project, the appeal should be submitted in writing to the General Manager: Operations for processing and decision. The appeal must be submitted within fourteen (14) days of receipt of the outcome notification.
- 18.2. In all cases, the decision of the CEO or delegate is final.

## 19. MONITORING AND EVALUATION

- 19.1. FoodBev SETA may conduct due diligence and/or monitoring visits at any site where learners are hosted for any of the FoodBev SETA funded learning programmes, Special Projects and Partnerships as stipulated in the FoodBev SETA Monitoring and Evaluation policy.
- 19.2. FoodBev SETA reserves the right to withdraw grant funding approval where a successful applicant does not comply with any due diligence requirements as may be established by FoodBev SETA from time to time or where an applicant is found guilty of misconduct.

## 20. ACCOUNTABILITY AND RESPONSIBILITY

Official	Role
CEO	a) Custodian of the policy
Line Management	a) To provide guidance to employees in relation to this policy b) To create an environment that encourages compliance with policy c) To take disciplinary action for non-compliance to this policy
Employee	a) To implement this policy b) To comply with this policy

## **21. NON-COMPLIANCE**

- 21.1. Non-compliance with this policy or any applicable regulatory requirement through any deliberate or negligent act or omission, including allowing any staff, either expressly or impliedly, not to comply with this policy or any applicable regulatory requirement, will be considered serious and will be dealt with in terms of the FoodBev SETA's disciplinary policies and procedures.

## **22. DEVIATION**

- 22.1. Any deviation(s) to this policy is subject to the sole discretion and approval of the Chief Executive Officer within his/her delegation of authority.
- 22.2. All deviation(s) requests shall be in writing, fully motivated with supporting documentation and addressed to the Chief Executive Officer for his/her approval.

## **23. POLICY EFFECTIVE DATE**

- 23.1. This policy comes into effect on the approval date by the Accounting Authority.

## **24. DISTRIBUTION AND TRAINING AND AWARENESS**

- 24.1. This policy will be communicated and distributed to all FoodBev SETA staff via e-mail. The policy will also be saved on the Policies and Procedures shared drive or another applicable repository. Training on the policy will be conducted once it has been approved by the Accounting Authority.

## **25. POLICY MANAGEMENT AND REVIEW**

- 25.1. This policy will be reviewed annually or whenever necessary. If and when any provision of this policy is amended, the amended approved policy will supersede any previously approved policy.