

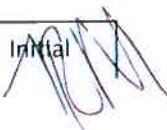
Discretionary Grants Policy

For the 2023/24 Financial Year

Title:	Discretionary Grants Policy 2023/24		
Policy No.:	ETQA-PROJ/Pol/02	Approved By:	Accounting Authority
Date Approved:		Pages:	36
Effective Date:	01 April 2023	Version:	1
Next date of review	01 April 2024	Custodian	ETQA & Projects Department

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ACRONYMS

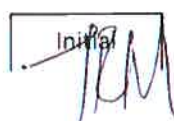
AA	Accounting Authority
APP	Annual Performance Plan
ARPL	Artisan Recognition of Prior Learning
ATR	Annual Training Report
CBO	Community Based Organisation
CEO	Chief Executive Officer
CETA	Construction Sector Education & Training Authority
CETC	Community Education and Training College
CFO	Chief Financial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

DEFINITIONS

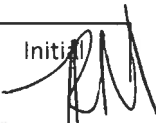
Accounting Authority	Means the Board which is the highest decision-making structure at CETA appointed by the Executive Authority (MHET) for a period of five (5) years, with a role of governing and managing the SETA in accordance with the PFMA, the SDA, the SDLA and any other applicable legislation.
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Allowance (Stipend)	Means the amount of money paid or payable to a learner in respect of ordinary hours of work or, if they are shorter, the hours a learner normally works in a day or week
Annual Training Report	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.
Apprenticeship	Means a period of workplace-based learning culminating in an occupational qualification for a listed trade.
Artisan	Means a person certified as competent in a listed trade in accordance with the relevant legislation, informed by the SDA
Artisan Recognition of Prior Learning (ARPL) and Recognition of Prior Learning (RPL)	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)
Assessment	Means a structured process for gathering evidence and making judgments about an individual's performance in relation to registered national standards.
Bursary	Means funds 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, accommodation, meals, books, and transport.
Candidacy Programmes	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.
Commissioner	Means the South African Revenue Services ("SARS")

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Critical Skills	Means skills and knowledge within an occupation that are required for the work/job tasks and activities of an occupation.
Co-operatives	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. CETA will work with cooperatives that are developing the skills of beneficiaries/learners that are within the CETA sub sectors.
Discretionary Grant	Means a grant allocated (as opposed to paid) to qualifying entities at the discretion of the CETA as contemplated in Regulation 3(2)(c) to (9) as read with regulation 6 of the 2012 SETA Grant Regulations. Means funding allocated to incentivise or support education, training and skills development and related activities that will address skills development needs of the CETA sub sectors. 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.
Disability	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.
Due Diligence	Means a verification of information that has been received during application to assess the applicant's operational capacity.
Employer	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. 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.

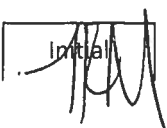
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Entity	Means an organisation legally established in terms of relevant establishment laws such as the Companies Act, various education legislation, NPO Act No. 71 of 1997, Public Service act No.103 of 1994 and the Constitution of the Republic of South Africa of 1996.
Extension	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.
Evaluation Process	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.
Funding Window	Means a public call made through open media platforms and/or publications for applications for mandatory and Discretionary Grants in accordance with the CETA Grant Funding Policy, related Grants Criteria and Guidelines and Grant Award Procedure.
Hard to fill vacancies	Means Vacancies that take the employer a period of twelve months or more to find suitable candidates to fill vacancies.
Graduate Internship	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 employment but have not yet gathered the necessary practical experience to enable them to obtain full time employment.
Government Departments and Public Entities	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 CETA.

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Higher Education Institution	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.
Internship (In-service Training or previously Work Integrated Learning (WIL)	<p>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:</p> <p>Internship for the NATED (N-Diploma) (TVET Placement) 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;</p> <p>Student Internship (HET Placement): 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).</p>
Intervention	Means an activity or combination of activities implemented to address the mandate and strategy of the CETA. Interventions include but not limited to research, planning, evaluation, innovation, learning programmes, quality assurance of learning, strategic programmes, projects and partnerships.
Learnership	Means a period of workplace-based learning culminating in an occupational qualification or part qualification.
Learning Programme	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, 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.
Learning Programme Agreement	Means an agreement between employer, learner and/or training provider for purposes of workplace-based learning.

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Levy Paying Company	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.
Mandatory Grant	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. 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.
Non-levy Paying Company (NLPC)	Means an employer employing less than 50 employees with an annual payroll less than R500 000,00 and who is exempted from paying skills development levy by SARS. If the non-levy paying employer is a profit company, then that company must fall within the CETA sub sectors, however, if a non-levy paying employer is a NPO then it must develop skills of beneficiaries within the CETA sub sectors.
Non-Government Organisation (NGO)	Means is a non-profit, citizen-based group that functions independently from government, even if funded by government. This definition includes non-government entities that are developing the skills of beneficiaries/learners that are within the CETA sub sectors.
Non-PIVOTAL Programmes	Means credit and non-credit bearing learning interventions. Non-credit bearing interventions not leading to qualifications or part qualifications, must still address the key objectives and priorities of the CETA. 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 CETA mandate and strategy.
Non-Profit Organisation (NPO)	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 (a) established for a public purpose; and (b) the income and property of which are not distributable to its members or office-bearers except as reasonable compensation for services rendered'.

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	This definition includes companies that are developing the skills of beneficiaries/learners that are within the CETA sub sectors.
Non-Profit Company (NPC)	Means a Non-Profit Company as described in section 1 of the Companies Act as a company – (a) incorporated for a public benefit or other object as required by item 1(1) of Schedule 1; and (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'. This definition includes non-profit entities that are developing the skills of beneficiaries/learners that are within the CETA sub sectors.
Non-responsiveness	Refers to instances where CETA 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.
Occupational Qualifications	Means a qualification associated with a trade, occupation or profession resulting from work-based learning and consisting of knowledge modules, practical modules and work experience modules; as registered on the OQSF.
Partnerships	Means contractual arrangements between CETA 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.
Part Qualification	Means an assessed unit of learning that is registered on the NQF as part of a qualification.
Person with Disability	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.
PIVOTAL	Means Professional, Vocational, Technical and Academic Learning 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).

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(Sectoral Priority Occupations)	<ul style="list-style-type: none"> • Professional learning programmes shall mean programmes that lead to designations that are registered by professional bodies. • Vocational learning programmes shall mean trades and artisanal programmes that lead to a trade and/or the National Certificate Vocational (NCV). • Technical learning programmes shall mean programmes that are occupationally directed and registered by the SETA. Such programmes include apprenticeships, learnerships and skills programmes. • Academic learning programmes shall mean programmes that lead to academic qualifications such as Certificates, Higher Certificates, Diplomas and Degrees.
Pivotal Plan	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
Pivotal Report	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.
Projects	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.
Skills Programme	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.
Stakeholder	Means a party that has an interest in a company and can either affect or be affected by the business
Strategic Projects	Means interventions that are intended to address strategic priorities of the CETA, which include national or industry imperatives, as encapsulated in the CETA SP and APP. These are also known as special projects.

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Termination	Means to dissolve a learning programme agreement between the employer, learner and/or training provider before all the terms of agreement have been fulfilled. OR Refers to instances where CETA reserves the right to terminate a learning programme due to non-responsiveness.
Workplace Approval	Is the process of assessing the workplace's capacity to deliver on the structured workplace component of a learning programme.
Workplace Skills Plan	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

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1. INTRODUCTION

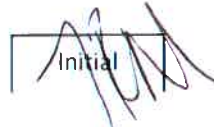
- 1.1. The Construction Sector Education and Training Authority (CETA) is established in terms of the Skills Development Act, 97 of 1998 as amended to drive skills development in the construction sub-sectors.
- 1.2. The SETA Grant Regulations of 2012 provides the framework for SETAs to develop their internal policies and procedures for effective and efficient disbursement of grants.
- 1.3. The Regulations are meant to improve the focus, management, and effectiveness of SETA spending of the skills development levy.
- 1.4. They provide a breakdown of the use of the skills levy in terms of the percentages allowed for administration as well as those allowed for mandatory and discretionary grants.
- 1.5. The Grant Regulations came into operation on 1 April 2013. The CETA manages the disbursement of grants in line with its strategic objectives and focus areas; anchored on its values as listed below:
 - 1.5.1. Agile
 - 1.5.2. Results-Oriented
 - 1.5.3. Integrity
 - 1.5.4. Respect
 - 1.5.5. Professionalism.

2. 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
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 entities for implementation of PIVOTAL Programmes. 20% paid to qualifying entities for implementation of non-PIVOTAL programmes

3. PURPOSE AND OBJECTIVES

The objectives of this policy are as follows:

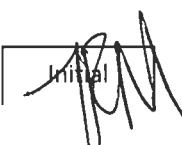
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- 3.1. To provide the basis for the CETA to disburse grants to the stakeholders, in line with the criteria set out in the Grants Regulations and to set the conditions, rules and standards for the application, awarding and management of discretionary grants.
- 3.2. To ensure that the skills levy is effectively targeted to meet the skills needs of employers and employees within the construction sector.
- 3.3. To achieve the national objectives as set out in the National Skills Development Plan 2030 (NSDP).
- 3.4. To support the CETA's sector strategy, which is outlined in the Sector Skills Plan and Strategic Plan of the CETA.
- 3.5. To drive Department of Higher Education and Training goals, national objectives, and construction sector skills development outputs and targets.
- 3.6. To set out the funding framework for the various Learning Programmes and Projects to be funded through CETA Discretionary and Mandatory Grants.
- 3.7. To outline the application, awarding and management of the Discretionary Grant (DG) and Special/Strategic Projects and Partnerships.
- 3.8. Determine the proportion of Grants that can be used for administration or project management purposes in the various Grants and project categories provided.

4. LEGISLATIVE FRAMEWORK

This DG policy is implemented in alignment with the following Acts and Regulations:

- 4.1. **Skills Development Act No. 97 of 1998 (as amended)** – this Act establishes SETAs and set out their functions.
- 4.2. **Skills Development Levies Act No. 9 of 1999** (as amended) - The Act makes provision for the South African Revenue Service (SARS) to collect skills levies and distribute them by paying a portion thereof into the account of the National Skills Funds (NSF) and use the remainder in terms of its provision and those of the Skills Development Act and SETA Grant Regulations.
- 4.3. **Public Finance Management Act No. 1 of 1999 (PFMA) and (Treasury Regulations).** The PFMA is aimed at promoting good financial management to maximise delivery through the efficient and effective use of financial resources within the CETA.
- 4.4. **SETA Grants Regulations** - The SETA's Grant Regulations regarding monies received by a SETA and Related Matters, which was gazetted on 3 December 2012 and came into effect on 1 April 2013, has also been considered in identification of PIVOTAL and non-PIVOTAL interventions.

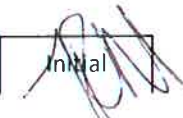
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- 4.5. **The Workplace Based Learning Programmes Regulations** regarding the registration and management of learning programmes which was gazetted on 16 November 2018 and came into effect on 1 April 2019.
- 4.6. **National Skills Development Plan 2030 (NSDP)** - The NSDP is aimed at ensuring that South Africa has adequate, appropriate, and high-quality skills that contribute towards economic growth, employment creation and social development.
- 4.7. This Policy must be read in conjunction with all other relevant CETA policies, and any other prevailing legislation and any other prescripts and interventions as required to achieve the objectives of the NSDP including but not limited to:
- 4.8. 2023/24 Service Level Agreement signed with the Director-General of DHET
- 4.9. National Artisan Moderation Body (NAMB) Guidelines issued from time to time
- 4.10. National Standardised Artisan Learner Workplace and/or site approval criteria and guidelines
- 4.11. Sectoral Determination 5: Learnerships (gazetted 15 June 2001) including the Annual Learner Allowance Increases)
- 4.12. National Artisan Development Funding and Learner Administration Policy (published 1 April 2013) and the Annual DHET Circulars revising this policy
- 4.13. Guidelines on SETA Grant Regulations (published in 2015)
- 4.14. National Apprenticeship & Artisan Development Strategy (gazetted 22 July 2022)
- 4.15. CETA Constitution
- 4.16. CETA Delegation of Authority Policy
- 4.17. CETA Financial Management Policies
- 4.18. CETA Monitoring and Evaluation Policy
- 4.19. CETA Code of Conduct
- 4.20. The CETA Disciplinary Code; and
- 4.21. Other policies and standard operating procedures.

5. SCOPE OF APPLICATION

This policy applies to

- 5.1. All governance structures and departments of CETA responsible for making provision for the funding of the mandate and core functions of CETA, which include but are not limited to learning programmes and projects as well as Quality Assurance for learning programmes.
- 5.2. Entities and organisations (as stipulated in the Grant Regulations and this policy) that are active or have the potential to be active in the CETA's skills development ecosystem by implementing interventions that address CETAs strategic priorities.
- 5.3. Beneficiaries of the skills development policy and legislation including but not limited to employed workers, unemployed youth, professionals, historical and current economically

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and socially disadvantaged people such as black people, women, people with disabilities, township, and rural communities.

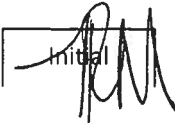
6. POLICY PROVISIONS

- 6.1. The Grant Funding Policy supports the funding of the CETA 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*.
- 6.2. The CETA will open funding windows for Discretionary Grant funding applications as per approval by the Accounting Authority.
- 6.3. 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. This will include proposal from employers that are interested in partnering with CETA to deliver on these strategic projects.
- 6.4. The award for funding is at the sole discretion of the CETA and is dependent on the available funds.
- 6.5. Site visits and/or due diligence processes will be conducted for all first time applicants prior to the award of the grant.
- 6.6. A key focus of discretionary grants is to address scarce and critical skills through programmes that are designed to address such skills needs, and which include work integrated learning.
- 6.7. CETA will allocate 49.5% of the skills development levy to discretionary grants.
- 6.8. Any unallocated mandatory grants or unspent administrative funds will be added to the discretionary fund and will be available for payment of discretionary grants.
- 6.9. Within a financial year, 80% of available discretionary grants will be allocated to PIVOTAL programmes that address scarce and critical skills in the sector and a maximum of 20% of the discretionary grant will be allocated to funding of programmes, other than PIVOTAL programmes, to develop the sector in accordance with the priorities outlined in the SSP.
- 6.10. It is essential for the CETA and its stakeholders to work together to put in place contracts as speedily as possible once a grant is approved.

7. PRINCIPLES

This policy is committed to the principles of:

- 7.1. **Transparency:** The CETA 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.

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- 7.2. **Accountability:** The CETA conducts grant funding processes in a manner that demonstrates its obligations to responding to the needs of its stakeholders and beneficiaries.
- 7.3. **Inclusivity:** The CETA 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.
- 7.4. **Ethics:** The CETA conducts grant funding processes in a manner that is professional, unbiased, fair, equitable and recognises the diversity and dignity of its stakeholders and beneficiaries.
- 7.5. **Conflict of Interest:** CETA conducts grant funding in a manner that promotes the interests and needs of its stakeholders and beneficiaries through best practice governance oversight and monitoring. CETA shall strive to detect and prevent situations in which a CETA 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.
- 7.6. **Fairness and Progressiveness:** CETA allocates grant funding in a manner that promotes fairness and progressive thinking which considers the economic environment. The CETA will consider grant increases from current committed grants as and when grant values are increased.
- 7.7. **Competitiveness:** CETA allocates grant funding in a manner that allows competitiveness.

8. ELIGIBILITY TO RECEIVE FUNDING FROM CETA DISCRETIONARY GRANTS

- 8.1. CETA may award Discretionary Grants to legal entities inclusive of the following:
- 8.1.1. Public Higher Education and Training Institutions
 - 8.1.2. A levy paying employer or company operating within the CETA sub sectors.
 - 8.1.3. An employer that is exempted from paying a skills development levy operating within CETA sub sectors.
 - 8.1.4. A non-levy paying employer operating within CETA sub sectors (small, micro and medium enterprises (SMMEs), and cooperatives legally registered with CIPC.
 - 8.1.5. A non-levy paying organisation (NPO, NPC, Community Based Organisations legally registered with CIPC) with an interest in skills development of beneficiaries within the CETA sub sectors.
 - 8.1.6. A government department or public organisation/institution (registered under the PFMA) with an interest in skills development of beneficiaries within the CETA sub

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sector. Such an employer must have submitted within the time frames prescribed a WSP and ATR as a minimum.

- 8.1.7. Organised Labour (Trade Unions) within CETA sub sectors.
- 8.2. These legal persons or entities may apply for any category of grant or participate in any type of skills development programmes as per opportunities availed by the CETA.
- 8.3. It is the intention of the CETA to embrace the principles of transparency, openness, access and fairness in the management and disbursement of discretionary funds.
- 8.4. The aim is to implement the Sector Skills Plan that has been agreed by the Accounting Authority after engagement with sector stakeholders in a manner that ensures a fair and equitable distribution of discretionary funds. In addition, CETA seeks to ensure that all Provinces are allocated grant funding.
- 8.5. The CETA will put in place an annual process, publicising it widely within the sector, and adequate time will be allowed to enable suitable applications to be developed and submitted.
- 8.6. Discretionary Grants will not be awarded to the following institutions, amongst others:
 - 8.6.1. Entities that are insolvent or in the process of being wound up
 - 8.6.2. Entities that are undergoing business rescue proceedings
 - 8.6.3. Entities have entered into an arrangement with their creditors, or have suspended business activities
 - 8.6.4. Entities that have had their debt written off by CETA in the past, either due to non-recoverability and caused by unethical behaviours, etc
 - 8.6.5. Entities with pending Discretionary Grants related litigation proceedings with the CETA will not be considered for further funding. .
 - 8.6.6. Directors and shareholders of companies that have been blacklisted on the National Treasury register of entities / directors prohibited from doing business with the state, CETA or any other organ of state.
 - 8.6.7. Entities who have failed to implement awarded projects in the past, abandoned projects and / or poor performed in discharging their contractual training obligations
 - 8.6.8. Entities who have a history of enrolling learners who do not meet minimum entry requirements into CETA learning programmes.
- 8.7. Non-levy paying entities (small businesses and non profit organisations) should declare if they are funded by other SETAs, as CETA will have to assess the capacity of this entity type to implement in the context of other projects they have.

9. GRANT FUNDING CRITERIA AND GUIDELINES

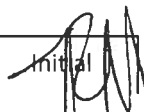
- 9.1. To obtain Discretionary Grant funding for PIVOTAL programmes from CETA, a legal person falling into one of the categories set out above must complete and submit a PIVOTAL training plan and report using the template attached to the Regulations. This must be completed with the WSP/ATR in instances where an application is from a levy-paying employer.

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- 9.2. Entities employing less than 50 employees who would like to apply for PIVOTAL grants will not be required to complete the prescribed PIVOTAL training plan and report but will be requested to provide information on participation in PIVOTAL programmes and the impact of these programmes.
- 9.3. Where proposals are submitted by employer associations, professional bodies or industry bodies on behalf of employers in the sector, information will need to be provided on the training needs and the extent current training within the companies concerned.
- 9.4. Project proposals addressing one (or several) of the following themes will be eligible for funding:
- 9.4.1. PIVOTAL programmes delivered through public education and training institutions.
 - 9.4.2. Learning interventions aligned to SAQA-registered qualifications and unit standards where such qualifications and unit standards are available, and where the programme addresses a critical or scarce skill as set out in the SSP.
 - 9.4.3. Artisan training whereby the company enrolls an apprentice, ensuring that s/he is exposed to theoretical learning, workshop training and practical work experience, the combined programme culminating in a trade test.
 - 9.4.4. The provision of a period of workplace learning for a student who must do practical work as part of his/her qualification, or to gain professional registration after qualifying.
 - 9.4.5. The provision of a structured work placement for students who have completed a qualification regarded as a scarce skill, and who is seeking practical experience in such an occupation in the form of an internship.
 - 9.4.6. Enrolment of a staff member or unemployed young person in a learnership or skills programme that addresses a scarce or critical skills need. The learnerships or skills programmes must be linked to occupationally directed qualifications.
- 9.5. The application for a Discretionary Grant should set out the overall goal and objective and how these link to addressing sector skills needs, learning programme(s), number of learners per learning programme, the major milestones over the proposed period as well as cost projections for completion.
- 9.6. Where appropriate, subsequent yearly commitments/awards will be related to satisfactory performance, in terms of outputs, verified expenditures, and the approval of future annual activity, future outputs, and spending forecasts.
- 9.7. All funding applications must demonstrate capacity to successfully implement the proposed project.
- 9.8. The CETA will verify that the organisation has the capacity to deliver effectively, efficiently, and in a timely manner.

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- 9.8.1. A Discretionary Grant will be allocated, subject to the availability of funds at the CETA's disposal. The award of a Discretionary Grant is not guaranteed to applicants, and it shall be within the discretion of the CETA.
- 9.8.2. CETA will open a funding window calling entities within the sector to apply for Discretionary Grants. An application for a DG must be submitted on or before the stipulated closing date indicated in the applicable DG funding window.
- 9.8.3. Employers (levy paying and non-levy paying) that fall within CETA sub-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.
- 9.8.4. 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 as identifiable on the SSP.
- 9.8.5. An employer or entity whose application for a DG is successful must comply with the processes established by CETA for the management, monitoring and evaluation of the grant disbursement process.
- 9.8.6. CETA reserves the right to withdraw a DG where a successful applicant does not comply with any such requirements and timelines as may be prescribed by CETA from time to time.
- 9.8.7. Preference for training on learning programmes will be given to South African citizens and permanent residents, designated groups such as women, youth, people with disabilities, townships and rural communities.
- 9.8.8. Unemployed Student bursaries will be awarded from start of study program until completion, provided that the students submit academic records that prove successful completion for each year of study. Furthermore, bursary holders must provide copies of certificates when they complete their studies.
- 9.8.9. Students who have bursaries from other Institutions are not eligible to obtain a bursary from CETA.
- 9.8.10. Students who receive CETA bursaries and fail their subjects, will not be paid for the failed subject and will be expected to repeat those subjects at their own costs.
- 9.9. CETA will communicate with approved or rejected applicants by sending out a notification letter. Where approved, the letter will indicate intention to award bursary grants by requesting the applicant to enter into a DG bursary contract with CETA by duly signing a contract with its annexures that will indicate the learning program approved for, number of learners approved, and the total amount approved per learning program and study program timelines.

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- 9.10. CETA will indicate the period by which the duly signed contract must be returned and will also indicate the period by which the learner agreements must be submitted.
- 9.11. Employers may only commence training once CETA has issued a commencement letter with a commencement date.
- 9.12. Should the applicant foresee that they will not be able to adhere to the set deadlines, the applicant must request an extension for submission of required documents by indicating the anticipated date of submission. CETA reserves the right to approve or decline such a request.

10. TARGET GROUPS FOR CETA AND KEY TRANSFORMATIONAL IMPERATIVES

- 10.1. The following are the targets as per the CETA's strategic priorities, Women, Youth, People with disability, Military Veterans, Rural and township communities.
- 10.2. CETA will prioritise approval of applications that contribute to growth and development, transformation, and employment equity. It is important that training contributes to:
- 10.2.1. Employment equity (improving the employee profile at all levels in terms of race, gender, and disability).
 - 10.2.2. Provision of opportunities for young people (particularly those not currently in education and training or in work).
 - 10.2.3. Contribute to initiatives meant to improved societal challenges.
 - 10.2.4. Supporting enterprise development within the sector, including co-operatives and community-based entities.
 - 10.2.5. Improving the skills profile of those from poorer socio-economic backgrounds and assisting in career-pathing from lower graded to higher graded jobs within companies.

11. DISCRETIONARY GRANT APPLICATION PROCESS (Annual Call for Applications for the DG Window(s))

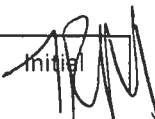
- 11.1. CETA will accept applications for funds once a year through a transparent decision-making process. Whilst the CETA reserves the right to initiate additional opportunities, priority will be given to ensure that the annual call for proposals is well supported within the sector.
- 11.2. The Accounting Authority shall approve the specifications of the advert to be aired at any given time. Once the specifications have been approved, the CETA shall, by way of publicising a Discretionary Grant advert, inviting the stakeholders within the CETA sub sectors to apply.

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- 11.3. The periods for submitting applications will be as approved by the Accounting Authority. Applications will be assessed by an independent entity contracted by the CETA for that purpose.
- 11.3.1. Applications will be invited in several different ways: (i.e., a general advert (national newspapers, CETA website, etc.)
- 11.3.2. Applications must be submitted as prescribed in the advertisement(s). No exceptions may be granted. There will be no extension to submit applications after the advertised closing date and time.
- 11.3.3. The CETA may not consider a Discretionary Grant application if:
- 11.3.3.1. The discretionary grant criteria aligned to the Grant Regulations are not met.
- 11.3.3.2. The submission deadline and evaluation criteria have not been met;
- 11.3.3.3. The applicant is blacklisted on the National Treasury database or is listed in the CETA Register of Poor Performing and / or Blacklisted SDPs, or
- 11.3.3.4. The CETA does not have an adequate budget to allocate the required award.

12. DISCRETIONARY GRANT EVALUATION CRITERIA AND PROCESS

- 12.1. The CETA contracted independent entity is required to take the following measures to guarantee an accurate, transparent, objective, and impartial assessment process and procedure:
- 12.1.1. The composition of the teams used by the independent entity will be varied to prevent bias.
- 12.1.2. To avoid conflicts of interest, anyone with a present or past connection with any of the applicant organisations will be excluded from the assessment.
- 12.2. The CETA or a contracted independent entity will be required to evaluate the discretionary grant applications against the following Compliance and Evaluation Criteria.
- 12.2.1. Levy-paying companies must be up to date with payment of their skills levies.
- 12.2.2. An applicant must submit an online application with a duly completed and signed off Pivotal Plan setting out the overall goal and objective and how these link to addressing sector skills needs, specifying the learning programme(s), number of learners per learning programme, the major milestones to be met over the proposed period, and cost projections for completion.
- 12.2.3. Companies employing less than 50 employees and a payroll below R500 000,00 must have submitted a simplified PIVOTAL Plan/Report providing information on their participation in PIVOTAL Programmes and the impact of these programmes.

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- 12.2.4. An applicant must indicate the chamber and sub-sector of that chamber that they belong to, where applicable.
- 12.2.5. Where appropriate, subsequent yearly commitments / awards will be related to satisfactory performance, in terms of outputs, verified expenditures, and the approval of future annual activity, future outputs, and spending forecasts.
- 12.2.6. The Grant applicant needs to ensure that the training provider's facilitators, assessors and moderators selected to provide the training are CETA accredited and properly qualified.
- 12.2.7. The employer must obtain 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. A letter or report from the entity's 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.
- 12.2.8. The applicant should ensure that the learning programme(s) are duly accredited and lead to a recognized qualification.
- 12.2.9. In instances where training is for a short course, the value and benefit of the training programme(s) to the learner and (potential) employer(s) must be clearly demonstrated in the application documents.
- 12.2.10. All applications shortlisted for funding must demonstrate capacity to successfully implement the project proposed. An applicant that is applying for work-based training, must indicate a qualified and accredited mentor that will mentor and/or coach learners. A reasonable ratio that will be considered, and for evaluation purposes such ratio is 1:4 learners per mentor.
- 12.2.11. The performance criteria below are applicable to entities that have previously received DG funding for learning programme interventions, and will be considered in assessing the application.

Discretionary Grant Window	Satisfactory Progression Criteria
DG 2019/2020	Project closed out with exception of approved extensions with signed addendums in place. All short learning interventions (12 months and less) have been closed and final tranches paid
DG 2020/2021	All learning interventions must be closed out, except for learners on apprenticeships, candidacy and bursaries.

- 12.3. The CETA will verify that the organisation has the capacity to deliver effectively, efficiently, and in a timely manner through a due diligence process in line with the provisions of this Policy. These include assessing currency of learning materials used,

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qualifications and experience of currently engaged facilitators, assessors and moderators; demonstrable financial capacity and resources including the adequacy of facilities to be utilised for training roll-out.

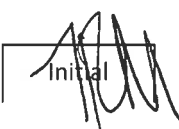
- 12.4. The funding criteria set out in this Policy, or as specifically determined by the Accounting Authority shall be applied in the awarding of funds to Discretionary Grant applicants.
- 12.5. Transformational imperatives as part of learning programmes may be imposed by the CETA for DG awardees and may include:
 - 12.5.1. Transformation as one of CETA's strategic focus areas wherein vulnerable groups will be taken into account when allocating projects to training providers.
 - 12.5.2. Providers will be paired with start-ups and SMME SDP entities to empower them in line with the PPPFA Regulations of 2017.
 - 12.5.3. Allocation of work to training providers belonging to a different province from that of the learning project delivery site; will be on exceptional basis due to risks associated with such allocations.

13. DISCRETIONARY GRANTS COMMITTEES


- 13.1. Evaluation of DGs will be conducted by the outsourced entity consultants. Such entity will be responsible for response handling, evaluation of applications for compliance, evaluation of applications against the set criteria and to present the recommended and not recommended applications to the CETA committees.
- 13.2. CETA will establish DG Evaluation and Adjudication structures / committees whose SOPs and ToRs shall not be in conflict with the provisions of this Policy and the applicable Regulations.

14. DELIVERY OF PIVOTAL PROGRAMMES

- 14.1. CETA will allocate 80% of the discretionary grants towards the funding of the PIVOTAL programmes listed in the table below.
- 14.2. CETA may consider additional funding to ensure successful completion of the project where there are challenges threatening the success of the project.
- 14.3. The amounts stipulated below are all inclusive of VAT. Learner Allowances (Stipend) amounts are inclusive of SARS allowable deductions. The learner allowances (stipends) are subject to UIF deductions.
- 14.4. 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. Awarded SDPs are not prohibited from topping up on the

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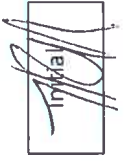
amounts indicated, however; they are not allowed to pay less than the minimum after allowable deductions.

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	Learning Programme	Allocated funds per learner per annum	Duration of Programme	Monthly Allowance (stipend) per learner
1.	Apprenticeship Unemployed	R206 290,00	3 years	R3,000.00
2.	Apprenticeship for Unemployed people with disabilities	R254 290,00	3 years	Minimum monthly allowance (stipend) of R3,500.00 Disability Grant (R4 000,00) for disability toolkit
3.	Learnership (unemployed)	R55,000.00	12 months	R2,500.00
4.	Learnership for People with Disability Unemployed	R71,000 .00	12 months	Minimum monthly allowance (stipend) of R3 500,00 Disability Grant (R4,000.00) for disability toolkit
5.	Learnership Employed	R25,000.00	12 Months	N/A
6.	Learnership for People with Disability Employed	R29,000.00	12 months	No allowance (stipend) for employed learners) Disability Grant (R4,000.00) for disability toolkit
7.	Short Skills programmes	R15,000.00	3 months	R1,500.00
8.	Internship	R60,000.00	12 months	R4,000.00
9.	University (HET) Student Placement	R50,000.00	12 months	R3,000.00
10.	TVET Student Placement (NATED Engineering Related)	R85,000.00	24 months	R3 000,00
11.	TVET Student Placements (NATED) Non-Technical	R65,000.00	18 Months	R3 000,00
12.	Candidacy	R300,000.00 / R100,000.00 (per annum)	3 years	-
13.	Recognition of Prior Learning	R15,000.00	3 months	R1,500.00
14.	Artisan Recognition of Prior Learning (ARPL) for employed	R35,000.00	As per gap training requirements	pre assessment, gap training, trade test preparation and Trade testing)

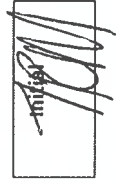
15.	Artisan Recognition of Prior Learning (ARPL) for unemployed	R55,000.00	8 months	pre assessment, gap training, trade test preparation and Trade testing) R2 500 stipends
16.	Bursaries Employed	Up to a maximum of R80 000.00	Course Duration as per Institution guidelines	a) Funding provided for the actual cost of tuition fees and books/study material limited to the amount as indicated.
17.	Bursaries Unemployed	a) Up to maximum of R 120,000 for unemployed	Course duration as per Institution guidelines	Funding to be in terms of the bursary policy.
18.	Bursaries for Masters and PhDs	Up to a maximum of R80 000.00	Course duration as per Institution guidelines	This category is reserved for the employed and will be funded as per the bursary policy.

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15. LEARNING PROGRAMME DESCRIPTION AND QUALIFICATION CRITERIA

Programme /	Description	Qualification criteria to commence programme	Duration
Apprenticeship ending in a trade test	An apprenticeship is a technical training system, which includes practical and theoretical components. An apprentice must complete theoretical and practical training under the guidance of a mentor and pass phase tests. After successfully completing the above, the apprentice will sit for a final trade test and qualify as an artisan. This is a final integrated summative assessment for an artisan qualification for a listed trade that is conducted at an accredited trade test centre by an assessor registered with NAMB. To qualify as a designated tradesman, an apprentice must pass an approved trade test in the relevant trade.	Minimum of Grade 9 or a National Technical Certificate Part 1 (N1) or equivalent qualification. Conformance to the minimum criteria of apprentices as determined by CETA. Practical experience at an accredited training institution and the applicant having met all the tasks (modules) as specified in the skills register for that trade. Practical experience at an accredited institution (training centre or employer) until he/she has met the tasks (modules) as specified in the skills register for that trade. 18 months' practical site experience with the employer in accordance with the above.	3 Years - funded at R206 290,00 for all aspects of the programme including trade testing preparation and three attempts.
Bursary	A programme for learners to acquire tuition at a college or University for certain period of time in order to achieve a formal qualification i.e., certificate, diploma or degree	Persons that meet the minimum criteria for construction qualifications as prescribed by the below public higher education and training institutions: <ul style="list-style-type: none"> • University • University of Technology • TVET College 	Bursary funding and limits thereto, are addressed in the CETA Bursary Policy
Candidacy	A candidate is a person who has satisfied/completed the educational requirements toward registration in a	<ul style="list-style-type: none"> • Graduates who have fulfilled educational requirements can be enrolled into candidacy programmes as candidate 	3 Years funded at R100, 000.00 p.a. for all aspects of the programme



Programme /	Description	Qualification criteria to commence programme	Duration						
	category and is receiving training and gaining experience through employment with the intention of attaining the competency required for professional registration in that category. It's a programme that enables qualified people to obtain professional registration with the respective council	<p>engineer, candidate engineering technologist or candidate engineering technician.</p> <ul style="list-style-type: none"> Must be in possession of a minimum University Degree or University of Technology Diploma or Artisan Trade Certificate. 							
Internship	A structured and monitored workplace experience opportunity offered by an employer to a graduate for a fixed period of time with the objective of gaining workplace experience within a real work environment	Must be in possession of a University Degree, University of Technology Diploma, or TVET College Diploma.	12 Months funded at R60, 000.00 for all aspects of the programme						
Learnership	A learnership is a learning programme that leads to an occupational qualification or a part qualification. A learnership is traditionally a twelve-month programme which combines institutional learning (theory) and work experience (practical)	<ul style="list-style-type: none"> Highest qualification as prescribed by the learnership in line with the qualification against which it is registered. Literacy and numeracy skills. 	12 Months funded at R55,000.00 for all aspects of the programme						
Skills Programme	A skills programme is occupationally based and when completed, will provide credits towards a full qualification registered on the NQF national qualifications framework. A skills programme is a shorter version of a learnership and is meant to address short-term needs with long-term benefits. The intention is to ultimately lead to a full qualification	<ul style="list-style-type: none"> Highest qualification as prescribed by the qualification applied for. Literacy and numeracy skills. 	3 Months funded at R15, 000.00 for all aspects of the programme						
HET and TVET Student Placement	A structured programme for work experience afforded to a student at a University of Technology (HET Student Placement) or TVET College (TVET Student Placement) in a workplace as part of their studies	<ul style="list-style-type: none"> Learners enrolled at TVET Colleges seeking workplace experience to complete their NATED course/s. Students from Higher Education and Training (HET) institutions. 	funded for all aspects of the programme as follows: <table border="1" data-bbox="1193 1675 1289 1809"> <tr> <td>N6 (Non Technical)</td> <td>18 months</td> <td>R 65,000.00</td> </tr> <tr> <td>N6 (Technical)</td> <td>24 months</td> <td>R 85,000.00</td> </tr> </table>	N6 (Non Technical)	18 months	R 65,000.00	N6 (Technical)	24 months	R 85,000.00
N6 (Non Technical)	18 months	R 65,000.00							
N6 (Technical)	24 months	R 85,000.00							

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Programme /	Description	Qualification criteria to commence programme	Duration
Recognition of Prior Learning (RPL)	Recognition of Prior Learning is a process that compares previous learning of a learner, whether it's done formally or informally with experience. In practice the learners or employees with non-traditional training are assessed against the same unit standards or exit level outcomes of qualifications using the same assessment criteria for learners learning through traditional institutions	Suitable experience or training received in line with the requirements of the specific construction qualification with the accreditation scope of the CETA.	Assessment; gap training, Moderation and Certification at R15 000,00
Artisan Recognition of Prior Learning (ARPL)	This is a process whereby people's prior learning can be formally recognized in terms of registered qualifications and unit standards, regardless of where and how the learning was attained. It acknowledges that people never stop learning, whether it takes place formally at an educational institution, or whether it happens informally.	Prospective ARPL candidates apply at an accredited Trade Test Centre, accredited for the trade, which is being applied for, to undergo an ARPL process. Candidates must complete a POE as per their CV and relevant supporting documents with when applying for ARPL. Where a candidate is self-employed, such a candidate must provide proofs of trade related evidence and affidavits (signed in the presence of an officer of the law) from clients and a community leader to support the request for ARPL. All documents in the PoE must align with a checklist provided by the NAMB.	R35 000,00 (employed candidates) R55 000,00 (unemployed candidates)



16. AWARDS AND CONTRACTING WITH DISCRETIONARY GRANTS PARTICIPANTS

- 16.1. The entities that are approved by the Accounting Authority for awards will be given an “intention to contract” or the “Offer letters”. The “offer letter” lists requirements to be fulfilled and applicable timeframes to be met by the entities, for the CETA to proceed to contract with that entity. The offer letters are legally binding once accepted.
- 16.2. The entities issued with offer letters are required acknowledge receipt thereof, sign and return the letter(s) within ten (10) working days from the date of dissemination of the offer by the CETA. Failure to acknowledge or sign the acceptance of the offer letter within the prescribed period, will result in the immediate cancellation of the offer letter to that entity.
- 16.3. On receipt of acceptance of the offer letters, contracts will be entered into between CETA and the compliant awarded entities within 14 days.. The effective dates for the contract are aligned with the project commencement date, which is one (1) month from date of signing the acceptance letter and the contract.
- 16.4. Awarded entities are expected to implement the projects within the duration as stipulated in the contracts signed with the CETA for that purpose. The training, learning programme’s commencement and completion timelines will be specified in the contract. Overrunning training programmes may constitute poor performance on the part of the SDP.
- 16.5. Failure to commence or implement the project within the prescribed timelines, will result in the award being cancelled. The CETA reserves the right to re-allocate the award cancelled to the entities who are ready and have capacity to implement.
- 16.6. No change requests for learning programmes and pathways will be allowed for the DG 2023/24 Window awards. For example, change requests from a learnership to an apprenticeship will not be allowed.
- 16.7. The CETA Executive Manager: ETQA and Projects may approve qualification change request applications within the awarded pathway provided that the qualification changes are still within the CETA's priority and scarce skills list.
- 16.8. The awarded or funded entity has a responsibility to submit invoice claims to the CETA timeously or by the 4th day of the following month to ensure seamless transmission of funds.

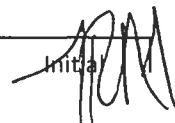
- 16.9. In certain circumstances, other than those that have been prescribed by DHET policy or circulars, the CETA Accounting Authority may approve tranche payments for projects subject to the relevant conditions as approved and imposed by the CETA being met. Application of this provision will apply to public entities/institutions, professional bodies/associations and levy-payers registered with the CETA which will be subject to further verification and risk profiling process as outlined in this DG Policy.
- 16.10. The CETA will pay learner allowances (stipends) directly to the enrolled learners, in line with the newly implemented Learner time management system which is being phased in until full implementation.

16.11. PIVOTAL Programmes

- 16.11.1. PIVOTAL is defined as “Professional, Vocational, Technical and Academic Learning” linked to fully occupationally directed qualifications. Such programmes normally include enrolling at a college or university as well as supervised practical learning in a workplace.

PIVOTAL learning programmes include:

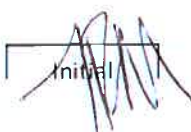
- 16.11.2. Formal full time and part time programmes delivered by an education and training provider that result in an occupational qualification - such programmes may attract bursaries.
- 16.11.3. Apprenticeships leading to a trade test and artisanal qualification.
- 16.11.4. Internships for learners studying for an occupational qualification and who require work experience and learning as part of the qualification.
- 16.11.5. Internships for learners who have completed their occupational qualification and who are seeking a period of workplace experience in their chosen occupation. The work experience must be structured and supervised by a suitably qualified person.
- 16.11.6. Graduate placements and candidacy programmes that enable qualified individuals to become professionally registered.
- 16.11.7. Learnerships and skills programmes.
- 16.11.8. In allocating discretionary funds, CETA will prioritise PIVOTAL programmes. The proportion of funds allocated for each of these categories will be determined by the priorities for the year as set out in the Strategic Plan and Annual Performance Plan of the CETA, guided by the SSP.

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17. OTHER SPECIAL PROJECTS FUNDED THROUGH DG BUDGET

- 17.1.1. CETA will accept unsolicited proposals for special projects and these will be evaluated in line with the Special Projects Policy.
- 17.1.2. Funding of Special Projects shall be linked to the NSDP 2030 and CETA Annual Performance Plan objectives, targets and budget requirements.
- 17.1.3. The CETA shall fund Special Projects at its discretion; and disburse funds covering non-PIVOTAL aspects of the project but seeking to enhance learning or conditions of learning, towards any additional items in furtherance of the NSDP and CETA strategic objectives and policy imperatives for the Republic from a skilling point of view.
- 17.1.4. The CETA may invite interested stakeholders to apply for funding of Special Projects at any time during the year, including periods outside the Discretionary Grant window.
- 17.1.5. Proposals for Special Projects with a co-funding element will be considered by the CETA.
- 17.1.6. In evaluating the proposal for Special Projects, CETA may request co-funding.
 - 17.1.7. Funding of special projects includes, but are not limited to the following:
 - 17.1.7.1. Research and Research Chairs,
 - 17.1.7.2. Lecturer development initiatives (increased number, improve qualifications and work placements),
 - 17.1.7.3. Learning materials (including learning aids, computers, tools, costume, or gear, and or special attire),
 - 17.1.7.4. Equipment and training material (any other resources used to deliver training, tools of trade and other incidental costs including excursions),
 - 17.1.7.5. Infrastructure (including skills development centres and funding of building or improving other resources or facilities critical to achieving the sector skills imperatives and creating access for those previously marginalised and disadvantaged),
 - 17.1.7.6. Development of qualifications and curricula (including new, or upgraded),
 - 17.1.7.7. Career guidance (events, material, and any other support),
 - 17.1.7.8. Rural development programmes and Youth development programmes and initiatives,
 - 17.1.7.9. Any other learning support intervention that will improve and enhance learning provision – subject to motivation demonstrating relevance,
 - 17.1.7.10. SMME and Entrepreneurship develop programmes; and
 - 17.1.7.11. Psycho-social and mentorship support.

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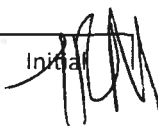


18. STANDARD DG PROJECTS AND SPECIAL PROJECTS ADMINISTRATION COSTS

- 18.1. The Grant Regulations provide for the CETA not to exceed 7,5% of the DG levy income towards projects administration costs.
- 18.2. Therefore, up to a maximum of 7.5% of direct project cost as per signed contracts may be used for administration cost.
- 18.3. Project costs mean costs payable for approved projects funded through Discretionary Grants.
- 18.4. The projects administration costs for the DG participants, may include:
 - 18.4.1. 3.75% administration costs payable to the funded entity/employer (subject to the CETA not paying learner stipends directly to learners).
 - 18.4.2. 3.75% administration costs payable to the training provider (where applicable) or to the accredited employer/entity by itself (where a training provider is not required).
- 18.5. Project Administration costs for the CETA may include but are not limited to:
 - 18.5.1. Salaries and benefits for staff directly linked to projects,
 - 18.5.2. Travel, subsistence and accommodation,
 - 18.5.3. Sector Skills Plan and Strategic Plan costs,
 - 18.5.4. Security and cleaning of skills development centres,
 - 18.5.5. Communication, PR and marketing costs for the projects,
 - 18.5.6. Evaluation of DG proposals and Adjudication of DG projects,
 - 18.5.7. Consulting and outsourcing costs directly related to DG projects,
 - 18.5.8. Project Management,
 - 18.5.9. Legal costs,
 - 18.5.10. Management information system costs, and
 - 18.5.11. Other project administration expenditures.

19. DG PROJECTS AND PROGRAMMES PAYMENT / RE-IMBURSEMENT REGIME

- 19.1. The CETA primarily use the performance-based payment or re-imburement for DG learning programmes and projects regime.
- 19.2. The CETA may consider a tranche payment system for the programmes / learning projects implemented by the entities meeting the following requirements:
 - 19.2.1. Large entities who are levy-payers to CETA as their primary SETA, who have been with the CETA for a continuous period of ten (10) years and above.

Initial 

- 19.2.2. Government related institutions, including national or provincial departments, local authorities, state owned entities, PFMA schedule entities and constitutional entities.
- 19.2.3. Public learning institutions like universities, universities of technology, TVETs, Community Education Colleges / institutions, etc.
- 19.3. The CETA procured the Biometric System to assist with the timely disbursement of learner stipends. This affects the project payments in terms of monies being paid directly to learners versus the administration costs portion going forward.
 - 19.3.1. The CETA will administer the timely payment of learner stipends based on the evidence and records of attendance as verified on the learner attendance biometric or recording system already launched from the 2022/23 financial year.

20. ROLES AND RESPONSIBILITIES

- 20.1. The ETQA and Projects division initiates the call for proposal by identifying various learning programmes to fund as per the SSP and APP.
- 20.2. Accounting Authority (AA) authorises a call for proposal and approves the DG awards.
- 20.3. Applications handling and evaluation processes are conducted by an externally appointed entity that will make recommendations for approval.
- 20.4. Where an employer/entity is not accredited, the CETA is responsible for the appointment of CETA accredited training providers.
- 20.5. CETA will recommend the appointment of accredited skills development providers for awarded projects who are resident within the same province of the entity implementing the project. Exceptions are made where there is limited TPs in the geographic location of learning and workplace site, sole TP for scarce offerings in the RSA, etc.
- 20.6. It is the CETA's responsibility to ensure verification of accreditation of appointed skills development providers.

21. DG PROJECTS AND SPECIAL PROJECTS MONITORING AND EVALUATION

- 21.1. To ensure that plans and programmes of Discretionary Grants Policy are carried out in the CETA, effective mechanisms for ongoing monitoring and evaluation will be put into place.
- 21.2. Workplace sites will be subjected to a workplace approval process in terms of the National Workplace Approval Policy prior to learners being transferred to workplaces.
- 21.3. Thorough and effective due diligence will be performed on regular basis to ensure and reduce project failures in the DG processes.
- 21.4. These include regular site visits and independent unannounced visits to DG projects delivery sites to ensure quality and compliance.

Initial 

- 21.5. Beneficiary lists in terms of learners recruited for the relevant project, should be submitted by the awarded entity to CETA for approval prior to the commencement of the project.
- 21.6. The CETA will issue commencement letters once verification of learner information has been satisfactorily concluded.
- 21.7. Learners / beneficiaries may not be replaced without the prior approval of the CETA. Replacements must be effected within 21 days from the commencement date as per the commencement letter and replacement learners must be registered on the CETA system within this period.
- 21.8. Any project that commences prior to the issuing of a commencement letter by the CETA, shall be deemed invalid; except for the time bound pathways such as Candidacy programmes which will still require written correspondence from the CETA.
- 21.9. Termination of learners must be effected on an official CETA termination form supported by the necessary documents (i.e. resignation letter, death certificate and minutes of a disciplinary hearing if the learner was dismissed).

22. ENFORCEMENT OF THIS DG POLICY

- 22.1. Individual employees who breach the principles of this policy also face serious consequences, such as fines or imprisonment, claims for damages, sanctions under labour law and possible termination of employment.
- 22.2. Any violation of the policy by an entity awarded a DG may result in the termination of their contract or assignment.

23. DG POLICY AMENDMENTS AND REVIEW

- 23.1. This policy is subject to annual review to be initiated by the ETQA and Projects Division, to ensure that it is aligned to current prevailing resolutions, regulations, and market conditions.

24. DG POLICY APPROVAL

- 24.1. This Discretionary Grants Policy 2023/2024 was approved as follows:



Mr. Thabo Masombuka

Chairperson of the Accounting Authority

Date: 31/05/23

