



# **Manufacturing Engineering and Related Services Sector Education and Training Authority**

**Final Draft Annual Performance Plan for  
2024/2025**

**30 November 2023**

## ACCOUNTING AUTHORITY STATEMENT

The 2024/25 Annual Performance Plan (APP) represents the planned performance for the final year of the Manufacturing and Related Services Sector Education and Training Authority (merSETA) 5-year Strategic Plan defined in the period 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2025.

The prevailing global and local challenges continue to contribute to the country's weak growth performance, resulting in minimized job creation opportunities. Locally, the energy crisis, rising crime, and political instability have impacted the development agenda. Additionally, the war in Ukraine continues to disrupt global value chains without a reasonable end in sight in the short to medium term. The resulting global economy remains volatile with increasing fuel prices and rising inflation.

The development of the 2024/25 APP was preceded by the merSETA Accounting Authority (AA) mid-term strategic review whose aim was to assess the performance on the strategic outcomes of the 2020/21 - 2024/25 strategic plan to identify strengths, gaps and areas for improvement. Key to that was identifying new value-creating opportunities within the merSETA. This 2024/25 APP will, therefore, play a critical role in closing the gaps as well as identifying new opportunities for advancing the strategic outcomes of the merSETA as articulated in the 2020/21 – 2024/25 strategic plan.

To support key national strategies in this period, the merSETA has identified strategic priorities that would require its contribution through its skills development mandate. Key priorities include the acceleration of economic transformation, skills to address youth unemployment, and strengthening the capacity of small and medium businesses including community-based enterprises to absorb learners for workplace-based skills training. In responding to these priorities, the merSETA will continue to strengthen its role as an intermediary body in the skills development ecosystem. The merSETA is also looking towards leveraging and deepening its partnerships to focus on supporting growth and recovery in the sector through re-skilling, up-skilling, and cross-skilling for sustainable manufacturing.

Signature

.....

Kate Moloto (Ms)

**Chairperson of the Accounting Authority (merSETA)**

## OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan (APP) was developed by the management of the Manufacturing and Engineering Related Services Sector Education and Training Authority (merSETA) under the guidance of the Accounting Authority, and takes into account all the relevant policies, legislation and other mandates that govern the merSETA responsibilities, and accurately reflects the Impact, Outcomes and Outputs which the merSETA will endeavour to achieve over the period 2024/25. The APP here-in has been compiled in alignment to the Department of Planning Monitoring and Evaluation (DPME) and National Treasury (NT) Planning Framework and Guidelines for planning documents.

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## ACRONYMS

AA	Accounting Authority
AGSA	Auditor General of South Africa
AET	Adult Education and Training
AO	Accounting Officer
AI	Artificial Intelligence
APP	Annual Performance Plan
ARPL	Artisan Recognition of Prior Learning
ATR	Average True Range
B-BBEE	Broad-Based Black Economic Empowerment
BUSA	Business Unity South Africa
CBO	Community Based Organisation
CBQ	Cost Benefit Quality
CEO	Chief Executive Officer
CET	Community Education Training
CFO	Chief Financial Officer
COO	Chief Operations Officer
CoS	Centres of Specialisation
COMET	Competence Measurement in Education and Training
CSIR	Council for Scientific and Industrial Research
COVID-19	Coronavirus Disease 2019
DG	Discretionary Grants
DBE	Department of Basic Education
DHET	Department of Higher Education and Training
DPME	Department of Performance Monitoring and Evaluation
DQP	Development Quality Partner
DSAP	Dual System Apprenticeship Programme
DTIC	Department of Trade and Industry and Competition
EA	Executive Authority
ECM	Enterprise Content Management
EEA	Employment Equity Act
EE	Employment Equity
ER	Extended Reality
ERRP	Economic Reconstruction and Recovery Plan
ETQA	Education and Training Quality Assurance
EV	Electric Vehicle
FET	Further Education and Training
FLC	Foundation Learning Certificate
FMCG	Fast Moving Consumer Goods
FTF	Financial Action Task Force
GBV	Gender Based Violence
GBVF	Gender Based Violence and Femicide
GDP	Gross Domestic Product
HEI(s)	Higher Education Institutions
HRM	Human Resource Management
ICT	Information and Communication Technology
IPAA	Intellectual Property Amendment Act
IRD	Innovation Research and Development
ISO	International Organisation for Standardisation
KM	Knowledge Management
KZN	KwaZulu Natal
M&E	Monitoring and Evaluation

MANCO	Management Committee
mer-sector	Manufacturing, Engineering and Related sector
merSETA	Manufacturing, Engineering and Related Services Sector Education and Training Authority
MoA	Memorandum of Agreement
MR	Mixed Reality
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NAMB	National Artisan Moderation Body
MTSF	Medium Term Strategic Framework
N/A	Not applicable
NAACAM	National Association of Automotive Component and Allied Manufacturers
NEMA	National Environmental Management Act
NEVs	New Energy Vehicles
NDP	National Development Plan
NGOs	Non-Government Organisations
NPO	Non-Profit Organisation
NQF	National Qualifications Framework
NSDMS	National Skills Development Management System
NSP	National Strategic Plan
NSDP	National Skills Development Plan
NYP	National Youth Policy
NSFAS	National Student Financial Aid Scheme
NT	National Treasury
PESTEL	Political, Economic, Social, Technological, Environmental and Legal
PFMA	Public Finance Management Act
PIVOTAL	Professional, Vocational, Technical and Academic Learning
POPIA	Protection of Personal Information Act
PSET	Post-School Education and Training
PWD	Persons with Disabilities
QCTO	Quality Council for Trades and Occupations
QMS	Quality Management Systems
QS	Quality Systems
RAP	Retrenchment Assistance Programme
SA	South Africa
SETA	Sector Education and Training Authority
SHEQ	Safety, Health, Environment and Quality
SME	Small and Medium Enterprises
SMME	Small Medium and Micro- Enterprises
SLA	Service Level Agreement
SP	Strategic Plan
SRD	Social Relief of Distress
SSP	Sector Skills Plan
SWOT	Strengths, Weaknesses, Opportunities and Threats
TID	Technical Indicator Descriptor
TVET	Technical and Vocational Education and Training
USD	United States Dollar
VR	Virtual Reality
WBL	Workplace Based Learning
WBL	Work- based learning
WIL	Workplace Integrated Learning
WP-PSET	White Paper for Post-School Education and Training
WSP	Workplace Skills Plan
WSP	Workplace Skills Plan

XR	Extended Reality
4IR	Fourth Industrial Revolution
5IR	Fifth Industrial Revolution
7S	Strategy, Structure, Systems, Skills, Staff and Shared Values

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## PART A: OUR MANDATE

### 1 Updates to the relevant legislative and policy mandates

#### 1.1 Constitutional mandate

The Constitution of the Republic of South Africa Act No. 108 of 1996 provides an enabling framework for the establishment and operations of Sector Education and Training Authorities (SETAs). Section 22 of the Constitution states that every citizen has the right to choose their trade, occupation or profession freely. Section 29 (b) also states that everyone has the right to further education, which the state, through reasonable measures, must make progressively available and accessible.

#### 1.2 Legislative and policy mandates

##### 1.2.1 Legislative frameworks

The merSETA is a schedule 3A public entity, governed by the *Public Finance Management Act No. 1 of 1999 (as amended)*. The entity's mandate is derived from the *Skills Development Act No. 97 of 1998* and its subsequent amendments. Its responsibilities include the following:

- i. *Develop a Sector Skills Plan (SSP) within the framework of the National Skills Development Strategy (NSDS).*
- ii. *Establish and promote learnerships through:*
  - *Identifying the need for a learnership*
  - *Developing and registering learnerships*
  - *Identifying workplaces for practical work experience*
  - *Supporting the development of learning materials*
  - *Improving the facilitation of learning, and*
  - *Assisting in the conclusion and registration of learnership agreements.*
- iii. *Collect and disburse the skills development levies in its sector; approve workplace skills plans and allocate grants in the prescribed manner to employers, education and training providers and workers.*
- iv. *Fulfil the functions of an Education Training and Quality Assurance (ETQA), as delegated by the Quality Council for Trades and Occupations (QCTO).*
- v. *Monitoring education and training in the sector.*

Some of the legislation that informs the merSETA mandate include but not limited to the following:

- *Public Finance Management Act No. 1 of 1999 as amended (PFMA)*
- *Treasury Regulations issued in terms of the Public Finance Management Act (Treasury Regulations) of 2005*
- *Directive: Public Finance Management Act under GN647 of 27 May 2007*
- *Public Audit Act No.25 of 2004*
- *Public Audit Amendment Act No. 5 of 2018*
- *Skills Development Act No. 97 of 1998*
- *Skills Development Levies Act No. 9 of 1999*
- *SETA Grant Regulations regarding monies received by the SETA and related matters (“Grant Regulations”) under Notice 35940 of 3 December 2012*
- *Service Level Agreement Regulations under regulation number No. R716 of 18 July 2005*
- *Government Gazette No. 42589, re-establishment of SETAs from 1 April 2020 to 31 March 2030, within the New SETA landscape*
- *Approval of the Constitution for the merSETA as contemplated in Section 13 (1) of the Skills Development Amendments Act No. 26 of 2011 and Standard Constitution of the Sector Education and Training Authority (merSETA Constitution)*
- *Promotion of Access to Information Act No. 2 of 2000*
- *Promotion of Administrative Justice Act No.3 of 2000*
- *Employment Equity Act No. 55 of 1998*
- *Labour Relations Act No. 66 of 1995*
- *Basic Conditions of Employment Act No. 75 of 1997*
- *Occupational Health and Safety Act No. 85 of 1993 and*
- *Applicable tax laws*
- *Broad-Based Black Economic Empowerment Act, No.53 of 2003*
- *Broad-Based Black Economic Empowerment Amendment Act, No.46 of 2013*
- *Employment Equity Amendment Act, No. 4 of 2022, assented to on 06 April 2023, awaiting Minister’s proclamation start date.*
- *QCTO policy on development and review of occupational qualifications, part qualifications and skills programmes of 09 September 2021.*

### 1.2.2 Policy environment

The policy environment which informs the merSETA mandate is the following:

- *National Development Plan (NDP)*
- *White Paper for Post-School Education and Training (WP-PSET) (2014)*
- *Human Resource Development Strategy for South Africa (2015)*
- *National Skills Development Plan*
- *New Growth Path*
- *Medium-Term Strategic Framework (2019 -2024)*

## 2 Updates to institutional policies and strategies

The merSETA annual performance plan takes into consideration sectoral priorities, national priorities, strategies, and policies. The following are some of the key national policies and strategies central to the providing signals to the skills development work of the merSETA and its stakeholders. Key themes emerging include supporting economic growth through reindustrialisation efforts, localisation, transformation, community, and youth development, supporting women, sustainability, and digital transformation.

### 2.1 National Development Plan (NDP)

The NDP aims to eliminate poverty and inequality by 2030. The merSETA has a significant role to play in contributing to the priorities set in the NDP. This plan considers the need to contribute to these priorities. Three NDP priorities that stand out as relevant to the merSETA include the following:

- (i) Raising employment through faster economic growth.
- (ii) Improving the quality of education, skills development, and innovation.
- (iii) Building the capability of the state to play a developmental and transformational role.

### 2.2 National Skills Development Plan (NSDP)

The aim of the NSDP is to ensure that South Africa has adequate, appropriate, and high-quality skills that contribute towards economic growth, employment creation, and social development. The NSDP is one of the key policies that will inform the work of the merSETA until 2030 and has been crafted within the policy context of the National Development Plan, and White Paper on Post School Education and Training (WP-PSET).

The merSETA will focus on addressing the eight NSDP outcomes highlighted in Table 1. The eight outcomes are mapped to the merSETA strategic outcomes for the period 2020/21 – 2024/25.

**Table 1: Mapping the NSDP Outcomes to merSETA outcomes.**

<b>National Skills Development Plan Outcomes</b>	<b>merSETA Outcomes</b>
<b>Outcome 1:</b> Identify and increase production of occupations in high demand.	<p><b>Outcome 4:</b> Skills for transformed SA merSETA sector engineering and manufacturing industries, to support EE demographics transformation, changing business models of production and technology, and transformation for the diversification of ownership, control, and management.</p> <p><b>Outcome 5:</b> A skilled, agile, and flexible current and future workforce for emerging and future occupations and employment opportunities, within the merSETA sector engineering and manufacturing industries, and related labour market.</p>
<b>Outcome 2:</b> Linking education and the workplace.	<b>Outcome 3:</b> PSET education, training, and skills development public institutions responsive to the changing occupations, and skills demand required for the merSETA sector engineering and manufacturing industries, and related labour market.
<b>Outcome 3:</b> Improving the level of skills in the South African workforce.	<p><b>Outcome 4:</b> Skills for transformed SA merSETA sector engineering and manufacturing industries, to support EE demographics transformation, changing business models of production and technology, and transformation for the diversification of ownership, control, and management.</p> <p><b>Outcome 5:</b> A skilled, agile, and flexible current and future workforce for emerging and future occupations and employment opportunities, within the merSETA sector engineering and manufacturing industries, and related labour market.</p>
<b>Outcome 4:</b> Increase access to occupationally directed programmes.	<p><b>Outcome 4:</b> Skills for transformed SA merSETA sector engineering and manufacturing industries to support EE demographics transformation, changing business models of production and technology, and transformation for the diversification of ownership, control, and management.</p> <p><b>Outcome 5:</b> A skilled, agile, and flexible current and future workforce for emerging and future occupations and employment opportunities, within the merSETA sector engineering and manufacturing industries, and related labour market.</p>
<b>Outcome 5:</b> Support the growth of the public college system.	<b>Outcome 3:</b> PSET education, training, and skills development public institutions responsive to the changing occupations and skills demand required for the merSETA sector engineering and manufacturing industries, and related labour market.
<b>Outcome 6:</b> Skills development support for entrepreneurship and cooperative development.	<b>Outcome 2:</b> Skills for productive enterprises within the social economy, to support integration into the merSETA sector engineering and industry value chains.
<p><b>Outcome 7:</b> Encourage and support worker-initiated training - driven by critical networks of employee representatives and unions officials.</p> <p><b>Outcome 7:</b> Encourage and support worker-initiated training - driven by critical networks of</p>	<p><b>Outcome 4:</b> Skills for transformed SA merSETA sector engineering and manufacturing industries, to support EE demographics transformation, changing business models of production and technology, and transformation for the diversification of ownership, control, and management.</p> <p><b>Outcome 5:</b> A skilled, agile, and flexible current and future workforce for emerging and future occupations and employment opportunities, within the merSETA sector engineering and manufacturing industries, and related labour market.</p>

National Skills Development Plan Outcomes	merSETA Outcomes
employee representatives and unions officials.	
<b>Outcome 8:</b> Support career development services.	<b>Outcome 5:</b> A skilled, agile, and flexible current and future workforce for emerging and future occupations and employment opportunities, within the merSETA sector engineering and manufacturing industries, and related labour market.

## 2.3 Sectoral Masterplans

The South African government has identified master plans for the priority sectors as pivotal in stimulating growth in those sectors. According to the Department of Trade, Industry and Competition (2020), a vital part of growing our industrialisation effort are the sectoral masterplans, which bring all partners together to agree on specific measures to improve productivity, investment, and competitiveness. A central pillar of this work is the transformation of our economy, creating space for new black and women entrants, and taking deliberate steps to change ownership and production patterns. Some of the priority sectors identified are within the merSETA scope of coverage. The sector master plans relevant to the merSETA are briefly discussed below:

### 2.3.1 Automotive Master Plan

The vision of the automotive master plan is to support the development of “a globally competitive and transformed industry that actively contributes to the sustainable development of South Africa’s productive economy, creating prosperity for industry stakeholders and broader society”<sup>1</sup>. The key development objectives stated to achieve this vision include:

- (i) Growing South African vehicle production to 1% of global output.
- (ii) Increasing local content in South African assembled vehicles to up to 60%.
- (iii) Doubling total employment in the automotive value chain.
- (iv) Improving the automotive industry competitiveness levels to that of leading international competitors.
- (v) Transformation of the South African automotive industry through the employment of black South Africans, up skilling of black employees, empowerment of dealerships and authorised repair facilities, and substantially increasing the contribution of black-owned automotive component manufacturers within the automotive supply chain.

<sup>1</sup> The Department of Trade, Industry and Competition. (2019). The automotive Masterplan. Available from [www.dtic.gov.za](http://www.dtic.gov.za)

(vi) Deepening value addition within South African automotive value chains.

### **2.3.2 Steel and Metal Fabrication Master Plan**

The main objective of the SMP is to create a “competitive, dynamic and inclusive industry” which will offer a stable foundation for investment, creation of jobs and long-term industry growth. According to the SMP, at present there is underutilization of capacity and no supply of the metals required for the auto, mining and yellow metal sectors to support local production. If the key growth measures outlined in the plan are supported there will be a demand for locally produced metal goods which in turn requires investment in capital and human resources to support global competition.

Growth measures outlined in the master plan include:

- Infrastructure investments and the development of a fund to support the infrastructure drive.
- Ensuring the localization imperative is implemented through government support of large projects aligned to local industry development, particularly work that comes through the SOEs like Transnet who purchase significant quantities of steel and steel products.
- Promoting steel and steel product exports
- Developing local industry value chains – and cross pollination of projects for example the link between the metal and auto sectors.
- Securing government funding through the Downstream Steel Development fund and funding resources available through the DTIC.
- Establishing a Steel Industry development fund through small levies on primary steel sold in SA.
- Ensuring designation under the Competition Act.
- Scrap metal supply to the local industry by imposing an export tax on scrap metal leaving SA.
- Improving data and information to better allocate resources through an independent technical body.
- Aligning key institutions that play a role in supporting the steel industry.

Key areas are both upstream primary products and downstream value-added products (which should replace imports). The downstream requires long term interventions and a keen focus on green production. The greening of the economy is seen as a key opportunity for growth within the sector. A longer-term outlook will also foster the transformation of the sector. It is also acknowledged that medium term supply and demand is also important with a keen focus on meeting demands in the auto sector and other metals components industries.

### **2.3.3 Plastics Sector Master Plan**

The vision for the plastics industry adopted in the draft master plan is to be “a proactively adapted industry that is able to fully supply the growing, and forever changing needs of the local and export markets; an industry that is able to create jobs, advance transformation and economic inclusion; and sustainably industrialises in an environmentally responsible manner”<sup>2</sup>. To support this vision three objectives have been identified in the draft master plan, namely:

- (i) To reduce the trade deficit to less than 10% of the total value of the industry by 2035.
- (ii) To maintain or improve the tons per employee which equates to 30 tons per formal job in 2018.
- (iii) To reduce the visible amount of plastics litter in the environment and to increase recycling rates to 60%.
- (iv) The conversion of job creation opportunities through SMMEs skills development programmes is being prioritised.

## **2.4 Economic transformation, inclusive growth, and competitiveness: Towards an Economic Strategy for South Africa (2019)**

The combination of low growth and rising unemployment means that South Africa’s economic trajectory is unsustainable. This has been worsened by the Coronavirus Disease 2019 (COVID-19) pandemic which has put into jeopardy government’s economic transformation and inclusive growth agenda. Government urgently needs to implement a series of growth strategies that promote economic transformation, support labour-intensive growth, and create a globally competitive economy (National Treasury,

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<sup>2</sup> The Department of Trade, Industry and Competition. (2020). The plastics industry masterplan. Available from <https://www.plasticsinfo.co.za>



2019). At the centre of this strategy is 'economic transformation' defined as the rapid and fundamental change in the systems and patterns of ownership and control that govern the economy.

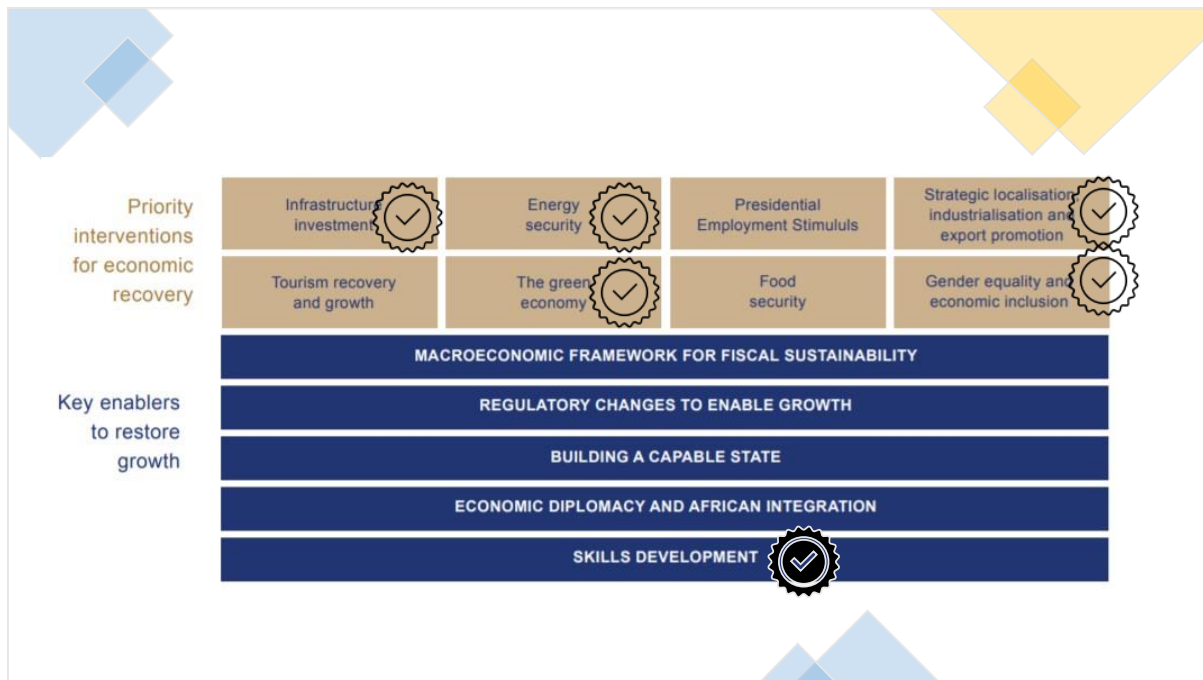
The primary focus of the change in economic relations must be the creation of opportunities for all South Africans to live productive, prosperous, and dignified lives. The strategy identifies a complexity of factors that have hindered greater participation by new firms in the economy, such as the existence of scale economies; regulations and policies that support incumbents or are ineffective in assisting rivals and new firms; competition legislation that favours large firms and incumbents; and access to finance challenges (National Treasury, 2019). The strategy identifies Implementing youth employment interventions such as continued support for government programmes that incentivise job creation (e.g. learnerships) and apprenticeships that facilitate school-to-work transition based on close cooperation between institutions of learning and the private sector as one of the five building blocks for supporting growth that promote economic transformation, support labour-intensive growth, and create a globally competitive economy. The strategy also acknowledges that a combination of short and long-term solutions is required to address the skills challenges confronting the South African economy.

## **2.5 Economic Reconstruction and Recovery Plan (ERRP) (2020)**

The plan sets out a bold vision and immediate actions to enable an economic rebound and to build the economy of the future with the aim of stimulating equitable and inclusive growth. This is following the stagnation of the economy for a long period coupled with the Covid-19 crisis has also led to low levels of capacity utilization in the various sectors of the South African economy<sup>3</sup>. The plan sets out eight priority interventions that will stimulate South Africa's recovery and reconstruction effort. Five of the priority interventions are relevant to the merSETA (see figure 1). Skills development has also been identified as a key enabler of growth.

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<sup>3</sup> The Presidency. (2020). Economic Reconstruction and Recovery Plan. Available from [www.gov.za](http://www.gov.za)



**Figure 1: ERRP Priorities**

## 2.6 Green paper on the social economy (2019)

The South African government recognises that the social economy has the potential to stimulate economic activity while fostering greater social cohesion, inclusion, and solidarity. The social economy is defined “a people-centred approach to economic development based on the principles of sustainable economic activity that stimulates socially and environmentally responsible growth by leveraging and simultaneously building solidarity and social inclusion” (Department of Economic Development, 2019:4). Four areas have been identified as pivotal in supporting the social economy namely:

- **Legal and regulatory environment** that will stimulate activities in the social economy and reduce barriers to start up and grow social economic entities.
- **Financial Inclusion** by promoting access to finance for the social economy.
- **Access to markets** to enable the social economy to participate in the broader economy.
- **New Economies** – putting in place measures and policies to enable the Social Economy to benefit from the technological advancement and at the same time promoting employment creation as a response to potential job losses because of the introduction of automation and new technologies.

The merSETA recognises that the alignment of the skills development with the demands of the green economy and the ever-evolving job landscape required to drive economic growth in line with continuously advancing technologies. Addressing the unemployment challenge, these initiatives will focus on providing individuals with the expertise and competencies required in emerging industries and the green economy, creating a talent pool for sustainable economic growth.

SETAs have a critical role to play in enabling players in the social economy to meaningfully participate in the new economy through relevant skills interventions. The four priority areas also call for an ecosystem approach to supporting the social economy. Various role players need to work together in supporting the social economy. For example, funding partners, policy makers, SETAs and industry need to work together in building the capacity of players in the social economy to participate in the new economy.

## **2.7 The National Strategic Plan (NSP) on Gender Based Violence and Femicide (GBVF) (2020)**

Gender-based violence and femicide in South Africa has reached alarming levels. The National Strategic Plan (NSP) on Gender Based Violence and Femicide (GBVF) sets out to provide a cohesive strategic framework to guide the national response to this scourge. The purpose of the strategy is to provide a multi-sectoral, coherent strategic policy and programming framework to ensure a coordinated national response to the crisis of gender-based violence and femicide. The department of Higher Education and Training has responded by developing a policy framework to address gender-based violence in the Post-School Education and Training (PSET) institutions and to provide a monitoring instrument for the department to assess the implementation of the Policy Framework. The merSETA is determined to support the fight against gender-based violence in South Africa, which has reached crisis levels.

The merSETA will therefore seek opportunities to partner with organised employers, unions, civil society, public institutions, and institutions of learning in supporting initiatives such as research, training and awareness campaigns in the workplace and institutions of learning aimed at addressing gender-based violence (GBV). The manufacturing sector remains largely male dominated, thus, is a high-risk sector when it comes to issues of gender-based violence.

## **2.8 National Youth Policy (NYP) 2020- 2030**

The National Youth policy for 2020-2030 builds on South Africa's first and second NYPs, which covered the period 2009–2014 and 2015-2020, respectively. In addition, the policy will respond to inequality and will be premised on programmes being inclusive, geared towards rectifying imbalances of the past, and closing gaps in representation and participation. Young people reaffirmed the need to continue a path towards holistic and positive youth development. In this regard, it has been proposed that the youth policy should prioritise the following policy pillars:

- Quality education and skills.
- Economic transformation, Entrepreneurship and Job creation.
- Physical and Mental Health Promotion including COVID-19.
- Social Cohesion and Nation Building; and
- Effective and responsive youth development machinery.

Technological advancements are rapidly evolving. Therefore, it is worthy to note that, the Fourth Industrial Revolution (4IR) has been identified as the cross-cutting theme across the above stated 5 policy pillars. The NDP anchors for a vision of a prosperous democratic, non-sexist, non-racist equal society and the NYP builds on the NDP vision that the youth have the capacity to reduce poverty and inequality over the next decade. Furthermore, merSETA is expected to play a vital role in responding to the Presidential Youth Employment Initiative and the Economic Recovery and Reconstruction Plan. These initiatives aim to combat the rising unemployment trend in the country.

The merSETA and its Quality Assurance (QA) partners may require increased resources to facilitate the proposed short learning programs for up-skilling and reskilling. This allocation of resources is necessary to maintain the required level of quality assurance or these educational programs, ensuring their effectiveness and successful articulation within and between qualifications.

## **2.9 The National Digital and Future Skills Strategy (2020)**

The strategy envisages a society of digitally skilled South Africans. It sets out a structured series of initiatives intended to contribute to the capacities of South Africans to meet the challenges arising from the increasing deployment and adoption of digital technologies in economy and society, understanding that the digital revolution<sup>4</sup>.

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<sup>4</sup> Department of Communications and Digital Technologies. (2020). National digital and future skills strategy. Available from [www.gov.za](http://www.gov.za)

According to the strategy, all the Sector Education and Training Authorities (SETAs) must incorporate digital skills planning in their sector skills plans, taking note of the specific applications of digital technologies and digital process innovation in their respective sectors. Digital and future skills will be a key focus area for the merSETA to respond to the skills development needs of the digital economy. The emphasis should not only be on future skills requirements, as there might be a risk of creating job seekers who need more relevance in the current job market. The merSETA should strive to find a comprehensive approach that integrates current and future skills needs. By doing so, they can ensure that learners are equipped with the right skills to navigate the current job market successfully while also being prepared for the demands of the future industry landscape.

## **2.10 Report on the Presidential commission on the 4<sup>th</sup> industrial revolution (4IR)**

The Presidential commission on the 4<sup>th</sup> industrial revolution appointed by the President of the republic of South Africa, released its recommendations report in October 2020. The report identified skills as one of the five pillars of the 4<sup>th</sup> industrial revolution. The 4IR requires a skilled, capable, and technologically savvy workforce which is continuously learning and keeping pace with the changes. To build a digital economy and society, skills are expected to play a key role. The commission report recommends that 4IR should be embedded in SETAs and that going forward, 4IR should be a major focus of SETAs with proposals to amend the Skills Development Act to mandate SETAs in the coming 5 years to spend between 20% and 50% of their budgets on 4IR related initiatives.

The merSETA has identified the need to respond to the needs of the digital economy, particularly the skills development needs of the mer-sector in the digital driven 4IR. 4IR has, therefore, been embedded in various programmes and initiatives. To respond appropriately, the merSETA has identified its partnerships as a key vehicle to drive the 4IR agenda in the sector.

### **2.11 The Green Paper on Electromobility (2021)**

The Department of Trade, Industry and Competition (DTIC) released a green paper on the advancement of New Energy Vehicles (NEVs) and battery electric vehicles in South Africa in May 2021. This paper outlines a framework on which the long-term outlook of electric vehicles can be developed.

The automotive sector has time and again highlighted that there will be a shift to energy vehicles soon. This will be preceded by a phasing out period of internal combustion engines, switching to hybrid vehicles and eventually completely electric vehicles. The framework will focus on the creation of the high value business environment, including an appropriate fiscal and regulatory framework that makes South Africa a leading and highly competitive location, not only on the African continent but globally, for NEVs production. In tandem with these plans merSETA stakeholders have also highlighted the need to investigate the opportunities to establish battery manufacturing plants to further facilitate the growth of the economy and create jobs.

The merSETA Governance and Strategy Committee has also recognised the need to strengthen the participation of the AA and governance structures to enable policy implementation, development, and refinement to ensure that national and sectoral priorities find expression. To this end, the merSETA must identify strategies to improve and increase research studies and publications. Furthermore, the SETA should lobby the Department of Higher Education and Training (DHET), based on the merSETA research findings and recommendations to shape policy in terms of skills development in line with the industrial strategy implemented through the DTIC and other government departments inclusive of the ERRP and sectoral master plans.

Special focus will be given to the just energy transition as it finds expression through the automotive (shifting from ICE to NEVs) and renewable energy sectors, specifically the transition from coal to energy sources such as solar, wind and hydrogen. This emphasis on the just energy transition is vital to ensure a sufficient supply of skilled workers capable of meeting the demands of the evolving job market beyond 2030.

### **2.12 Implications for merSETA support through its skills development mandate**

Supporting localisation, entrepreneurship, small, medium, and micro enterprises (SMMEs) and the growth of the local manufacturing sector will remain a key focus of the merSETA. The merSETA will also play a central role in supporting the Black Industrialist Programme, as well as putting in place interventions to gear up and respond to challenges and opportunities presented by the digitalisation of manufacturing, engineering, and related industries in the age of the Fourth Industrial Revolution.

The merSETA needs to strengthen its response by implementing a range of programmes and project initiatives through effective partnerships for both skills and development. Key to this success will be the creation of a supportive environment for local businesses and industries particularly advocating for localization of products and components. This can lead to higher industrial output, enhanced competitiveness in global markets, and reduced dependency on imports, thus improving the overall economic resilience of the nation.

#### **2.12.1 Supporting economic reconstruction, recovery, and growth.**

The merSETA strategic plan (2020/21-2024/25) has documented key national and sectoral priorities to support economic growth. It is recognised that skills cannot spur economic growth but that they are a critical enabler of growth from the level of the individual to the level of the organisation, the local and global economies. As an intermediary for skills the following are prioritised:

- Skills for localisation – local manufacturing in the mer-sectors for internal consumption and export
- Skills for a digital economy – skills for the adoption of new technologies and new products (diversity)
- Skills for supporting the growth of township and rural economies as well as community development.
- Skills for transformation, economic empowerment, and equitable wealth generation.
- Skills for professionalisation of the sector.

The following projects and partnerships have been implemented in response of the ERRP.

- **Green skills analysis and roadmap to a green economy**



This project was aimed at understanding how the green economy is perceived by the mer sector and highlight key opportunities for training and development by highlighting gaps and recommendations regarding the development of new programmes and continuous monitoring of the green requirements within the manufacturing sector.

The continuous collaboration with Provincial governments by signing of Memoranda of Understanding including, offering bursaries to unemployed youth, supporting of technical colleges, and training programs for unemployed youth is benefiting society in the green economy and public service delivery.

- **Retrenchment – feasibility and continued Discretionary Grants (DG) support.**

In line with the need to stem further job losses, the call from government is to also ensure reabsorption of workers into meaningful employment, the merSETA has completed a feasibility study into the possibilities of training retrenched workers, persons with disabilities and other vulnerable groups to form small businesses and cooperatives. In addition, merSETA continues to support the sector through the Retrenchment Assistance Programme (RAP).

- **Reindustrialisation and Localisation**

The merSETA has continuously highlighted the need to support local production and reindustrialisation efforts – to this end the merSETA have been monitoring the skills required for sectoral master plans, most prominently the auto sector has received massive investments and will require skills development support in line with the Auto master plan which will endeavour to have 60% locally manufactured components in new motor vehicles by 2030.

The emphasis on production localisation and import substitution strengthens the manufacturing sector and creates a supportive environment for local businesses and industries. As domestic companies gain momentum, they can contribute to job creation, skills development, and enhanced economic opportunities for citizens.

Additionally, merSETA has established the Automotive Components Manufacturing Chamber to increase skills development efforts within the sector. The National Association of Automotive Component and Allied Manufacturers (NAACAM) has



implemented a high gear project to better understand the requirements to ramp up efforts to localize manufacturing and ensure Technical and Vocational (TVET) curricula are aligned to industry needs. The merSETA has also funded NAACAM to support skills development in line with the required skills identified in the master plan.

- **Simulated Training Interventions Research**

The merSETA concluded research into alternative training methods including simulations and virtual factories to assist with skills development requiring workplace experience in a time of constrained numbers of workplaces open for training purposes.

- **Skills for Advanced Technologies in the Manufacturing Sector**

New technologies are rapidly being implemented in manufacturing and to better understand skills, the merSETA has completed a report with the Development Policy Research Unit (DPRU) on the jobs that are at risk of redundancy due to technological advancements. In addition, merSETA is also conducting research with a focus on the 4IR skills required in the mining equipment manufacturing sector due to rapid development of new technologies and advancements in mining.

- **Youth Entrepreneurship Research** - This project was recently completed, and it unveiled the challenges faced by youth who operate informally in the manufacturing sector in townships, it also unveiled the youth outlook in terms of the COVID-19 pandemic and how they perceived their livelihoods during this challenging period.

- **Economic Complexity and SMMEs Development** - To further strengthen an understanding of the sectors as well as the capabilities of the sector to venture into frontier product manufacturing (thereby making the economy more complex and supporting increased exports of locally manufactured goods), the merSETA with the DPRU found that overall, the sectors have the capabilities to manufacture frontier products with support in terms of infrastructure, financing and reliable energy sources. Economic complexity provides an alternative solution to potential economic growth and development of the manufacturing sector.

### **2.12.2 District Development Model**

The District Development Model (DDM) is a government led initiative to assist with service delivery across municipalities, it frames these challenges as opportunities to for growth and development at a local level. Ideally, the DDM should be implemented in collaboration with government entities, communities, and the private sector. The DDM provides government entities such as SETAs the ability to assist community development and service delivery. From a merSETA perspective, the DDM aligns to both ERRP and socio-economic development. To this end the merSETA has embarked on initiatives in line with electricity, sanitation and water. Partnering at a provincial level to empower local government to assist skills development and economic development through the provision of skills for solar installations and also supporting candidate engineers in the areas of water and sanitation. These initiatives are presented in the table in annexure D.

### **2.12.3 Skills for the changing world of work and emerging employment/career opportunities**

Disruptions in the labour market because of changes brought by advances in manufacturing, the COVID-19 pandemic and the growth of the gig economy require that South Africa re-evaluates the notion of jobs and occupations. To this end the merSETA should be putting in place initiatives to support the attainment of emerging, transitioning, and future occupations and skills including but not limited to the following:

- Introducing micro-credentials, expanding on the limited conception of credentials as currently defined by the National Qualifications Framework (NQF) (i.e., qualifications and part qualifications)
- Skills for entrepreneurship in formal manufacturing and social entrepreneurship within township and rural economies.
- Researching types of learner support needed to transition to new methods of teaching, learning and assessment that provides a holistic fit to the demands of evolving job profiles.
- Simulated and virtual factories for learning to be researched and recommendations taken on board to assist transition to work in the absence of a workplace.
- Upskilling to take up new opportunities at higher skills level.
- Reskilling to take up opportunities in lateral and changing careers.

- Multi-skilling to aid the diverse skills requirements of small companies and the gig economy.

#### **2.12.4 Skills for the growth and sustainability of the green and circular economies**

The advanced technologies and the green economy are recognised as the key drivers for all businesses both locally and globally. The mer sector has, however, lagged in the green economy with respect to keeping pace with its development beyond only compliance related to reduced carbon emissions, reduced waste, and water consumption. As such the following has been prioritised:

- Support the development of TVET curriculum and learning interventions to grow skills for career opportunities within the green economy.
- Explore the potential of the green and circular economy employment growth opportunities within the mer sectors, rural and township economies.
- Support skills development for youth and women in the green economy as part of addressing economic transformation and inclusivity, so that said beneficiaries are enabled to take up new and emerging opportunities.
- Support skills for environmental sustainability in manufacturing – clean and green processes.
- Support skills for green mobility – hybrid and electric vehicles
- Support skills in renewable energy – mer sector manufacturing, repair, and service of equipment.

#### **2.12.5 Exploring and supporting the role of the mer sector in the digital economy.**

The mer sector has for a long time been perceived as a sector that is not part of the digital economy, however this is no longer true as the sector transitions to the advanced technologies and embraces the green economy. Stakeholders have begun to highlight the need for digital skills across most occupational categories in almost all the sectors. Further work is required to explore the role of the digital economy in the sector. Business processes are changing in line with new technologies and online transactions. Customers are ever more discerning and demanding quick, tech enabled interfaces with respect to manufactured goods that they consume. The merSETA should thus support the transition to the digital economy.

### **2.13 Continuing to strengthen the role of the SETA as an intermediary body.**

The SETAs as intermediary bodies are uniquely positioned to drive change in the skills development ecosystem. Various research conducted by merSETA and engagement with merSETA stakeholders have identified challenges and opportunities for improvement in the skills development value chain and system. Funding of initiatives aimed at driving the transformation or innovation in the skills development ecosystem to improve efficiencies will therefore need to be encouraged and supported. The SETA should partner with other leaders and innovators in civil society, government, and Higher Education Institutions (HEIs) to lead change in key areas such as digital transformation and other reforms. To this end the merSETA has highlighted the following actions:

- Track and influence policy – governance structures, particularly AA leverage its position as being directly accountable to the Minister.
- merSETA facilitate and support just transition from education to work and work to education.
- Facilitate collaboration across the PSET sector - interoperable data and technology systems to facilitate the sharing of data, information, and knowledge among all role-players for improved planning and decision making.
- Institute a partnership model that proactively seeks out appropriate partners to innovate, expand and strengthen our delivery system to improve outcomes and impact.
- Strengthen partnerships through support services to relieve administrative burden.

To summarise, the key strategic issues facing the merSETA and its sector relate to:

- Addressing strategic skills development challenges to drive employment (including self-employment) and economic recovery and reconstruction.
- Supporting structural transformation of the national economy (ownership, composition, management, and control).
- Responding to the digital driven Fourth Industrial Revolution (digitalisation of manufacturing, engineering, and related industries), future skills and changing occupations.
- Promoting inclusive growth (economic growth that is distributed fairly across society and creates opportunities for all).
- Supporting the social economy to address poverty and unemployment.
- Making opportunities available to Persons with Disabilities (PwD).

- Supporting the circular, green and blue economies for sustainability.
- Supporting rural development for meaningful participation in the economy.
- Promoting youth development through creating opportunities for sustainable employment and entrepreneurship.
- Addressing demographic transformation, linked to employment equity within the merSETA sector labour market.

Overall, in line with its mandate, the merSETA must facilitate skills development to meet the needs of the mer-sector under the conditions as above described. Its actions must reflect the development of skills for promoting growth and diversification of the local manufacturing sector, structural economic transformation, the social economy, sustainability (circular, green, and blue economies) and advanced manufacturing. This requires innovation not only with respect to adaptation of current and future workers and their skills, but also of the mode of delivery for up-skilling, re-skilling and offering work experience training. As such, delivery of education and training should also offer a mix of methods accessible to new labour market entrants, future workers as well as the current work force. Futuristic curricula must be developed in time to meet the demands of the future. There is an emphasis on science, engineering, and technology, increasing digital fluency and using technology to solve complex problems, as well as offering career advice and support in aid of lifelong learning and career advancement.

## **2.14 Relevant court rulings**

The Minister of Higher Education and Training and Another v Business Unity South Africa (JA70/16) [2017] ZALAC 69;(2018) 39 ILJ 160 (LAC).

This case surrounded the Minister's publication of Regulation 4(4) of the 2012 SETA Grant Regulations Regarding Monies Received by a SETA and Related Matters which reduced Mandatory grants from 50% to 20%. Business Unity South Africa (BUSA) took this to the Labour Court to adjudicate on the reduction.

Litigation commenced in 2015 and subsequently concluded in 2020 with the Labour Appeals Court ruling that the reduction is unlawful. This ruling prompted the Minister to review the SETA Grant Regulations Regarding Monies Received by a SETA and Related Matters. The reviewed regulations were published in 2023 for public comment

and we await the gazetting of the new regulations. In the interim, the merSETA continues to allocate 20% towards mandatory grants.

## PART B: OUR STRATEGIC FOCUS

### 3 Situational Analysis

The merSETA was established in 2000 in terms of the Skills Development Act No. 97 of 1998. The merSETA scope of coverage for skills development comprises the automotive sector, pertaining to vehicle assembly, manufacture of automotive components including new tyres, motor retail and after sales service, metal manufacturing and plastics manufacturing. These are key sectors that have been identified by government to stimulate economic growth through its reimagined industrial strategy and they contribute to the re-industrialisation and localisation agenda. The merSETA therefore has a crucial role to play through skills development to support these sectors and ensure a skilled labour supply for current and future demands. The situational analysis will outline the current climate in which the sectors under the merSETA scope of coverage operate and the impact of these on skills development. Information for the situational analysis is drawn from the merSETA SSP and other credible sources including primary and secondary research, national statistics from Statistics South Africa (Stats SA) and insights from the merSETA Accounting Authority Annual Mid-Term Review.

#### 3.1 External environment analysis

Using the Political, Economic, Social, Technological, Environment and Legal (PESTEL) framework, an analysis of how the global and local political, economic, social, technological, environmental, and legal conditions shape the manufacturing, engineering and related services sector in South Africa is undertaken.

**POLITICAL:** In terms of the political environment, this section highlights government stability, trade policies, the regulatory environment and taxation policies as key drivers that impact on the manufacturing sector. These drivers act as key enablers as well as key obstacles in the growth and competitiveness of the sector. Overall, the political climate in South Africa is not stable (fraught with in-party politics and continued corruption, financial mismanagement, and inefficiencies). This translates into low investor confidence and a subdued outlook in terms of growth and development.

Government stability can impact on investor confidence and business operations in South Africa. Recently, South Africa was grey-listed by global financial crime watchdog - the Financial Action Task Force (FATF), this may have caused reputational damage

on an international level and dampen investor confidence, however, the President of the Republic of South Africa committed to putting in place measures to ensure that South Africa is better equipped to combat financial crimes of global money laundering and terrorist financing<sup>5</sup>. Party politics and the collapse of state-owned enterprises has however, further damaged the South African economy with the declaration of a state of disaster following the rolling blackouts and unbearable electricity shortages. The lack of service delivery has also resulted in violent protests across the country in recent times, most notably the looting that took place in KwaZulu Natal (KZN) and Gauteng in 2021 and more recently community protests and violence due to a lack of electricity and water.

Despite supportive trade policies and international relations to facilitate imports and exports, growth and development has been slow at best. South Africa was recently highlighted as having one of the highest unemployment rates in the world, with youth unemployment outpacing other nations. The manufacturing sector shed 2 000 jobs in the first quarter of 2023 despite demonstrating marginal sectoral growth<sup>6</sup>.

Even if the country were to support labour intensity in the manufacturing sector, the regulatory environment can influence manufacturing operations and costs, these include regulations pertaining to labour laws and environmental standards. Tax rates and incentives further impact on the sectors competitiveness and profitability. South Africa has recently faced increasing interest rates, high inflation, and a weakened exchange rate, further compounding the abilities of businesses to remain competitive.

SETAs as schedule 3A public entities play a critical role in helping government implement its policy agenda particularly around strengthening efforts to fight poverty, inequality, and unemployment through skills development. Skills development is expected to play a supportive role in economic transformation, growth, and development by providing access to relevant education and training opportunities to the labour market providing employers with skilled workers and labour market participants will have access to meaningful and sustainable employment opportunities. SETAs should,

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<sup>5</sup> [South Africa's grey listing is an opportunity to strengthen the fight against financial crimes](#)

<sup>6</sup> Stats SA QLFS, Quarter 2, 2023



therefore, leverage their role as intermediary bodies to partner with industry, the Post-School Education and Training (PSET) sector, government, international agencies, and other social partners to meaningfully contribute to national development.

**ECONOMIC:** The reimagined industrial strategy forms the basis on which government aims to promote economic reconstruction, recovery, and growth in the current climate. The economic outlook has remained bleak in early 2023 with little optimism for growth above 2%. The crux of the problem in manufacturing is that the sector is ‘de-industrialising’ and contributing less to growth and employment in South Africa. According to the merSETA SSP, many large companies are in preservation mode in terms of maintaining their operations and staff; and most of the small and medium business are in survival mode in terms of remaining profitable under the current harsh climate. As highlighted in the political section, the service delivery crisis, high fuel costs, inflation and climbing interest rates are further dampening the sector’s ability to recover and grow.

Unemployment rates have remained one of the highest in the world – faring worse than other developing nations at 32.7%. Youth unemployment is a staggering 62%. Alarming, the Black African population has a higher unemployment rate than the national average, unemployment among Black Africans is 37% and for whites the unemployment rate is 8.8%. The current economic climate is therefore not supportive of reducing unemployment, inequality, and poverty. Many more South Africans have come to rely on social grants to support their livelihoods, particularly the Social Relief of Distress (SRD) grant of R350, over 7.5 million South Africans receive this grant, mostly women and alarmingly, 60% of all recipients are youth<sup>7</sup>. Economic growth and development are required to produce jobs and in these constrained circumstances, skills play a supportive role, however, the merSETA AA and sectoral stakeholders have asserted the requirement to support skills for self-employment, entrepreneurship, small business, and cooperative development. Furthermore, the economic climate has made permanent employment less viable, particularly in small and medium businesses and therefore there seems to be more employees who take up opportunities in short-terms

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<sup>7</sup> <https://ewn.co.za/2023/02/15/sassa-receives-over-13-million-r350-srd-grant-applications-in-jan-parly-hears>

and contract-based employment. The gig economy is also on the rise and will become an ever-increasing reality for youth in the short term. To this end the notion of lifelong learning must be revisited to accommodate career pathing and skills interventions that are suited to a gig economy to ensure that citizens can access sustainable livelihoods within this changing world of work.

In addition to putting in place mechanisms to support the current labour market, the merSETA research has also put forward the notion of economic complexity to support industrial development and economic growth. The deindustrialisation trajectory can be reversed if the manufacturing industry can industrialise and produce a wider range of manufactured goods, build economic complexity, and raise its competitiveness in terms of exports. Building industrial capabilities and increasing labour intensity over the medium to long term may contribute to reducing unemployment, inequality, and poverty<sup>8</sup>. The researchers assert that producing frontier goods/products that are near the types of goods/products currently produced for local consumption and export could yield positive outcomes for the manufacturing sector without necessarily requiring substantial investment in ramping up current capabilities.

**SOCIAL:** As South Africa battles increasing unemployment, unlocking the social economy remains one of the key strategies in key fighting poverty and increasing inequality. All South Africans have felt the effects of the energy crisis as well as the rising cost of living because of rising costs of food and fuel, as well as rising interest rates. These trends tend to lock citizens in a situation of rising debt and reduced means to sustain their lifestyles, particularly amongst middle income citizens who represent the tax revenue base. Statistics reveal that only 17.9% of South African earn an income of R500 000 per year, yet they account for 52% of all taxable income in the country.

It is imperative that development takes place to increase the number of people who are gainfully employed or self-employed. Many previously employed individuals struggle to find jobs and their skills are therefore not utilised in the formal market. This presents a crisis for the future job market due to a stagnation of skills in demand and a stagnation of skills development for workers. It is thus imperative to reverse this situation and implement innovative solutions in communities.

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<sup>8</sup> merSETA research report: Economic Complexity (2023).

Community development is highlighted as a key enabler of growth. Due to high rates of unemployment, retrenchments, and little opportunity to utilise qualifications in the formal sector, opportunities to foster growth at a local community level could unlock growth potential and stimulate the local economy. Skills related to the engineering sector can be developed for self-employment, entrepreneurship, and small business development. A further notion consider is that of a smart community which is self-sustaining and conducive to economic stability and future growth. These “smart communities” put their skills to use to provide affordable livelihoods through local trade and services such as food and groceries, building and construction and well as social economic interventions such as savings clubs and cooperative development<sup>9</sup>.

**TECHNOLOGICAL:** The mer sector has undergone automation and digitalisation which has altered the types of products being produced, the processes being implemented in manufacturing as well as the tools required to remain relevant in a fast changing technologically driven world. With the intensification of the technological advances and the shift towards human-machine collaboration, a competitive mer sector depends on the capacity of firms to master advanced technology domains, to innovate, and to meet the precise needs of customers. Whilst advanced manufacturing systems offer the greatest advantage for economic growth, this requires firms and PSET system to keep abreast of advanced manufacturing technologies, data analytics, robotics, digital platforms and high-level skills development, on a continuous basis.

Research conducted by the merSETA has revealed that most multinational companies can easily adapt their processes and skills requirements to meet the demands of technological advances. Smaller companies however do not fare well in terms of implementing new technologies beyond reactions to changing conditions such as remote work brought on by the COVID-19 pandemic. Smaller companies listed rudimentary changes such as moving from paper-based operations to digital solutions, implementing tools to enable remote work and digital connectivity as technological disruptors, however global trends in terms of new production methods, improved robotics, artificial intelligence, and other disruptors were not indicated as a key concern for future business development.

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<sup>9</sup> This concept should be further explored and unpacked in its relevance and applicability.

To remain competitive in a tech driven economy, South Africa needs to build its Innovation, Research and Development (IRD) in respect of emerging materials, products, and technologies to enable higher level of competition of South African firms in the global market. Skills to support manufacturing development in line with advances in Artificial Intelligence (AI), robotics, data science and machine learning should be prioritised. The varying needs of small and large businesses should also be taken into consideration when developing interventions to support the adoption of tech advances.

The skills delivery system should also develop in terms of the latest technologies found in industry as well as innovation around teaching and learning. This also calls for industry and the PSET sector to work together in strengthening South Africa's IRD and skills capability. South Africa's universities are highly recognised for their IRD capability and high quality of training, but challenges remain in the TVET college sector as these have often been criticised for their poor capacity to develop skills in line with advances in industry.

Technology has also disrupted education and training. Microlearning, big data analytics, immersive learning, gamification, data driven learning and insights and adaptive and personalised learning are some of the technological trends that are impacting education and training sector. Data is also at the core of these technologies and the adoption calls for institutions to embrace a data centric approach. These technological trends present the PSET sector with opportunities in responding to some of the challenges. For example, immersive learning technologies such as Extended Reality (XR) technologies which incorporate various technologies such as Augmented Reality (AR), Virtual Reality (VR) and Mixed Reality (MR) promote immersive learning experiences. Advances in these technologies have led to increased adoption of simulated training to increase training efficiency through reducing costs and risks where the physical environment maybe unsafe especially in the mer-sector.

The extent of the adoption of these learning technologies in South Africa remains unclear. There are however several initiatives currently being implemented by civil society organisations, HEIs, government, industry and private training providers aimed at promoting the adoption of these technologies. The merSETA, for example, is using a 4IR paradigm to re-imagine and develop a high-quality new apprenticeship skills

development process in South Africa that is more efficient, accessible, scalable and provides the relevant skills industry.

TVET colleges have a significant role to play in delivering skills for the digitally driven economy. SETAs as intermediary bodies have a critical role to play in working with industry, civil society, and government in strengthening the capability of TVET colleges. A critical concern is the ability of the TVETS and other skills development providers to update their curricula and develop qualifications in line with new requirements. The sector is slow to respond and is fraught with red tape and complexity.

**ENVIRONMENTAL:** The energy transition refers to the transition away from coal towards cleaner sources of energy. The current energy crisis has seriously hampered the economy and brought on sentiments of mistrust and animosity in South Africa. Not only has loadshedding and unreliable loadshedding schedules had serious economic impact on the industrial sector (and other sectors), but also on the personal livelihoods of all South Africans. Increasing tariffs and never ending loadshedding combined with lackluster efforts to improve infrastructure bodes ominous outcomes for the country.

Globally, there is a push to reduce carbon emissions and transition to net-zero by 2050. South Africa must navigate towards new energies as well as keep pace with new and alternative energy developments in the manufacturing space. This means that in the mer sector we need to understand the skills needed to transition to renewable energy and the skills that will be required for the circular economy, recycling, NEVs and components.

As we pivot away from fossil fuels to generate electricity, renewable energies present an opportunity to not only secure reliable energy supply but also ensure environmental sustainability for future generations. There are three (3) main renewable energy sources to create electricity, these are wind-power, solar power, and hydrogen.

The industrial sector further contributes to environmental sustainability by putting in place the sentiments of the circular economy. This presents opportunities to ensure that manufactured products do not contribute to pollution but rather unlocks the potential to recycle, upcycle and repurpose materials. Although a relatively new concept, the circular economy offers significant opportunities to deliver on more inclusive economic

growth, which includes job opportunities and positive environmental practices that are directly required for sustainability in the country.

On the transition to zero emissions by 2050, decarbonising road transport will require key effort as South Africa has one of the highest road transport greenhouse gas emissions, with road transport itself contributing over 91% of emissions from road, air, rail and sea transport (NAAMSA, 2023). The auto industry is planning to invest 515 billion United States Dollar (USD) globally to facilitate the transition to NEVs including hybrid, battery and fuel cell electric vehicles.

Fuel cell development will become increasingly important for the mer sectors and energy savvy consumers. New solar powered products and efficient fuel cells are a key input into the future of all citizens – the transport industry will move to cleaner engines and autonomous vehicles; this will require infrastructure as well as support for localised production of parts and products to support this transition to clean energy.

**LEGAL:** The legal framework in South Africa plays a pivotal role in achieving government's priorities, such as ending poverty and unemployment, and promoting equity. Moreover, in SA's maturing democracy, the notions of social cohesion, social justice and active citizenry underpin the transformation agenda as a whole and have become deeply infused in skills development. Transformative intent and participation in various fora remain essential in ensuring fair and equitable implementation processes. Participation of all role players in legislative processes of this nature remains critical. Technological developments have also cast a spotlight on issues of privacy and security in the digital environment. The sector also operates within a social and economic legislative framework that significantly impacts on the sector. Significant pieces of legislation worth mentioning include:

- The Broad-Based Black Economic Empowerment (B-BBEE) Act, which is aimed at advancing economic transformation and enhancing the economic participation of black people in the South African economy. Programmes such as the Black Industrialist programme are a support mechanism for the implementation of the B-BBEE Act, which promotes structural transformation of the economy through increasing the number of black manufacturers.
- The Employment Equity Act No. 55 of 1998 (EEA) is aimed at transforming the race and gender make-up of the labour market, particularly in the technical, professional and managerial occupations. It also addresses the inclusion of Persons with

Disabilities (PwD) in the mainstream economy. Skills development is a main contributor to such transformation.

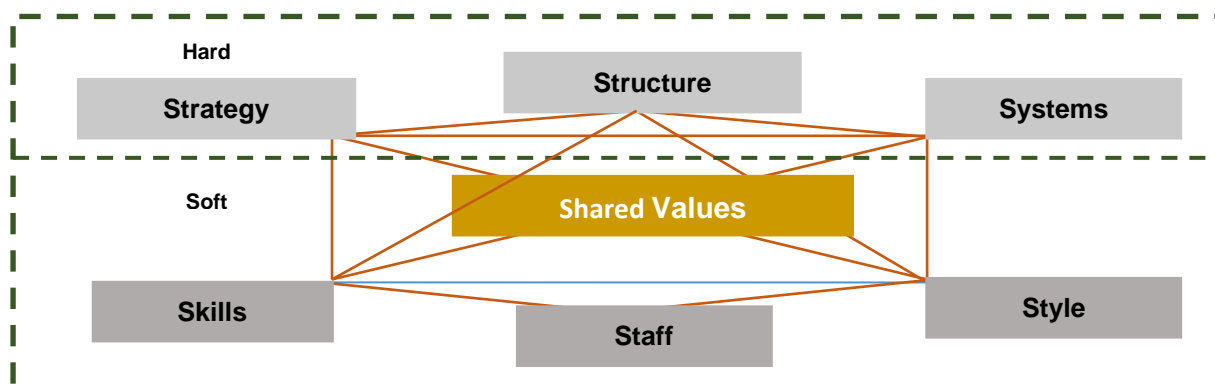
- The Employment Equity Amendment Act No 4 of 2022 has been assented to by the President of the Republic and will have a significant impact on the application of the EEA and the BEE Acts. Currently the Act is not in effect yet and we await a proclamation of the Act's effective date.
- The National Environmental Management Act No. 55 of 1998 (NEMA) is another piece of legislation aimed at establishing a framework for integrating good environmental management into all development activities, including manufacturing. Companies in the sector have also been investing in training and awareness for their employees in issues related to health, safety, and environmental awareness.
- The Protection of Personal Information Act No. 4 of 2013 (POPIA) is aimed at the protection of personal privacy and the security of personal information held by both private and public bodies. It is set to impact on information and data governance. This calls for investment in mechanisms aimed at promoting good data management, and governance practices.
- The Intellectual Property Amendment Act No. 28 of 2013 (IPAA) promotes the protection of intellectual property rights, including the recognition and protection of certain manifestations of indigenous knowledge as a species of intellectual property. This is critical especially as South Africa's works on strengthening its IRD capability.

The merSETA Governance and Strategy Committee has also recognised the need to strengthen the participation of the AA and governance structures in influencing policy direction to ensure that national and sectoral priorities find expression in new policies.

### **3.2 Internal organisational Environment**

The merSETA organisational environment is analysed in terms of the Strategy, Structure, Systems, Skills, Staff, Style and Shared Values (7S) Framework Model. The 7S Framework divides the seven organisational elements of successful organisations into two categories: "hard" (easy to identify) and "soft" (intangible) elements. These are illustrated below (see Figure 2). The merSETA is also undergoing an organisational transformation process in response to its strategy. This process is set to inform the structure, systems, skills, staffing and style.





(SHARED VALUES: “We care. We belong. We serve.”)

**Figure 2: The merSETA Organisational Environment**

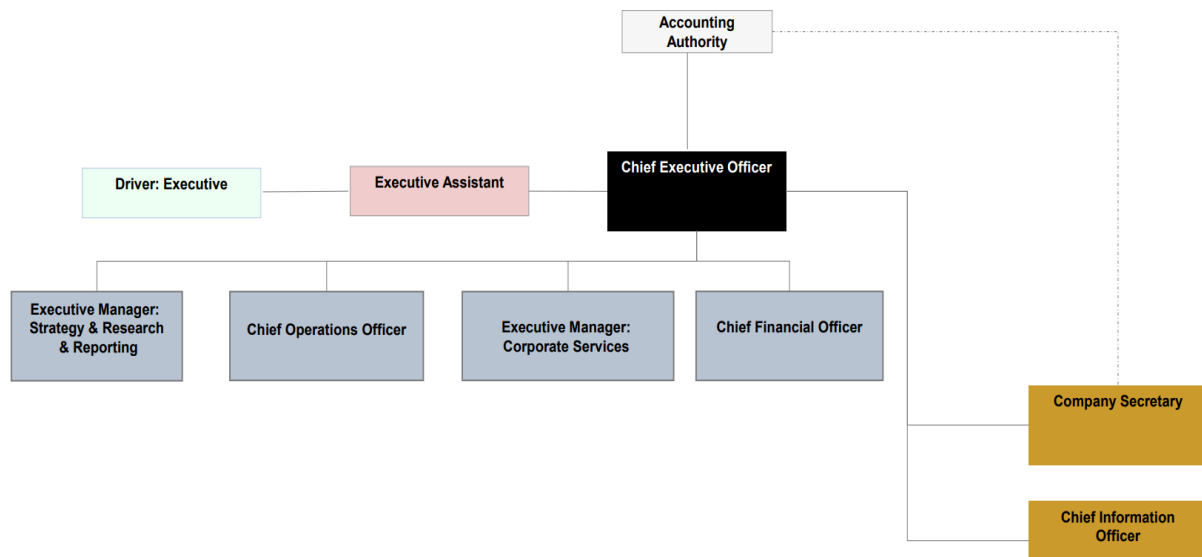
**STRATEGY:** The merSETA strategy comprises of four linked components – the Sector Skills Plan (SSP), the five-year Strategic Plan (SP), the APP and the Service Level Agreement (SLA). The SSP is research based and provides an overview of critical economic, labour market and social drivers, signals, and indicators within the merSETA manufacturing, economic, and government policy environment that impact on skills demand and supply, particularly pertaining to skills gaps and skills shortages. The five-year Strategic Plan is the instrument that the merSETA uses to identify five-year achievable, and realistic targets aligned to its legislated mandate, the Medium-Term Strategic Framework (MTSF) and SSP.

The APP outlines what the merSETA intends doing in the upcoming financial year and provides a three-year Medium-Term Expenditure Framework (MTEF) horizon for implementing its strategic plan. It sets out performance indicators and targets towards achieving its strategic outcomes and outputs. The APP is the basis upon which the SETA, reports to Parliament annually, through the Minister of Higher Education, Science and Technology. The SLA, based on the approved Strategic Plan and APP, is the signed agreement (contract) between the Minister and the merSETA AA, setting out the SETA’s specific annual obligations and responsibilities. It is the assessment framework which the Minister and the DHET utilise to monitor the activities of the merSETA.

**STRUCTURE:** The merSETA is a Schedule 3A public entity that reports to the Minister of Higher Education, Science and Technology. In terms of the PFMA, the Minister of Higher Education, Science and Innovation is defined as the Executive Authority (EA), and reports to Parliament. In this regard, the merSETA Accounting Authority of 15



members inclusive of a chairperson is accountable to the Minister. The AA is generally responsible for governance and ensuring that the merSETA achieves its mandate, by reviewing its strategy, and monitoring performance and compliance. The Chief Executive Officer (CEO) is the Accounting Officer (AO) as delegated by the AA. The diagram below (Figure 3), depicts the governance and operational structure of the merSETA.



**Figure 3: Governance and Operational Structure**

The following governance committees are charged with meeting the strategic outcome goals of the merSETA:

- (i) the Accounting Authority
- (ii) the Executive Committee
- (iii) the Audit and Risk Committee
- (iv) the Human Resources and Remuneration Committee
- (v) the Finance and Grants Committee
- (vi) the Governance and Strategy Committee

The merSETA six Chamber Committees, i.e., Automobile Manufacturing, Metal and Engineering, Motor Retail, Components Manufacturing, New Tyre Manufacturing, and Plastics Manufacturing are sub-committees of the Accounting Authority.

Other strategic advisory committees are the ETQA Committee and Regional Committees. The governance and organisational structure have evolved over many

years and has thus far responded effectively and efficiently to SETA needs. The merSETA is currently undergoing an organisational transformation review of its operations. In part this is to address the growing coverage of the responsibility of the merSETA as depicted in the NSDP, which call for greater collaboration, integration, a strong emphasis on governance and a changed capacity and capability to deliver on the NSDP.

**SYSTEMS:** The merSETA has developed and implemented systems to support planning, decision making and its operations. The following systems support the functioning of the merSETA:

- **Information, Technology and Knowledge Management** – The merSETA recognises data and information as a strategic asset. Information and Communication Technology (ICT) is a critical pillar of the merSETA. It is a key enabler of organisational processes supporting the strategy and organisational performance. The merSETA is in the process of reviewing its ICT infrastructure, policies, procedures, business processes, systems and structures in line with the new strategy. ICT is set to play an important role in enhancing business efficiency and effectiveness, through driving digital transformation. Currently a project is underway to enhance the merSETA information and data ecosystem to address the above mentioned.

The purpose of Knowledge Management (KM) at the merSETA is to help foster an open and enabling forum for the communication of ideas, concepts, information, and records throughout the organisation. The knowledge management framework focuses on issues of access, sharing, integration and preservation of the merSETA knowledge assets, to turn the merSETA into an innovative, learning and knowledge-based organisation. Furthermore, the merSETA has incorporated the Information and Records into the Knowledge Management to ensure the organisation is transforming digitally.

The merSETA digital ecosystem project is a direct response to the enterprise content management and digital transformation roadmap that was developed to guide the merSETA in its digital transformation journey, to address challenges and opportunities in data, information and knowledge management practices, processes and technologies. The COVID-19 pandemic highlighted the critical role of ICT in supporting

merSETA operations and strategic process. ICT should thus be central in the SETA's strategy going forward as part of the digital transformation agenda.

It should be noted that the organisation has experienced challenges with its information systems that support core service programmes. The merSETA has recognised that some of the features of its information system are problematic and has embarked on actions to improve system performance. These include enhancing the data capture for registration, improved data management & record keeping, and system responsiveness.

- **Governance** - The Accounting Authority is the oversight body within the merSETA that ensures good corporate governance. It works within the governance framework of the Public Finance Management Act and ensuing regulations. Responsibilities and tasks are delegated to various structures, committees, management and staff members, but the Accounting Authority is ultimately accountable for all SETA affairs, in line with the Skills Development Act. Going forward, considering changes in key legislation such as the Public Audit Act (PAA) Amendment Act 5 of 2018, strengthening governance and compliance is key.

**Programme Implementation** - The purpose of Programme Implementation is to support the management of Discretionary Grants (DG), from application, to awarding of funding, to implementation of funding agreements to ensure that the merSETA achieves strategic goals set out in the merSETA Strategic Plan. This is done through signing of agreements, processing claims, managing commitment schedules, as well as monitoring of DG contracts. Priorities identified in the merSETA strategy guide the conceptualisation and implementation of programmes. Programme Implementation has implemented enhanced processes linked to awarding of DGs. These processes are aimed at ensuring that DG funding is allocated in a manner that is consistent, fair, and transparent to qualifying organisations. Through successful implementation of these processes, merSETA envisages that there will be an improvement in the achievement of APP targets.

- Quality Assurance** - The quality assurance system is a critical component of programmes and projects implementation. Going forward, a strong focus will be to ensure the quality assurance of merSETA funded interventions, to ensure alignment to industry expectations. The quality assurance system is also critical in ensuring that learners receive quality training. This is consistent with the NDP and NSDP vision of ensuring that South African citizens have access to quality education and training, to enhance their capability to be active participants in developing the potential of the country. One of the key roles of the Quality Management is the implementation of the process-based approach, evidence-based approach, and risk-based thinking in the alignment of the merSETA strategic direction to the international quality standard: ISO 9001:2015 in understanding and maintaining this relationship to maximize merSETA efficiency and potential in meeting and exceeding its strategic goals and objectives.
- Communication** - The merSETA is responsible for effective and regular communication to all stakeholders within and outside the designated sector. Communication takes place through multiple channels, including the print media, social media, and face-to-face engagement such as regular workshops, colloquia, seminars, and conferences. Stakeholder representatives meet regularly in the various committees mentioned. The merSETA has enhanced communication to stakeholders through the establishment of regional offices in Mpumalanga/Limpopo, Eastern Cape Free State/Northern Cape, Gauteng North/North-West, Gauteng South, KwaZulu-Natal, Western Cape, as well as the Head Office in Johannesburg. The regional offices service member companies and other stakeholders at the coalface of implementation. The merSETA will also focus on increasing its reach to its stakeholders, showcasing its successes and brand communication. The division responsible for media profiling at merSETA, namely the Marketing and Communications division, has demonstrated a commendable commitment to enhancing its capacity and promoting career development in the mer Sector. The merSETA Management Committee duly recognizes the crucial role of effective marketing and communication as a strategic function in highlighting the exceptional work of the SETA.
- Research, planning, monitoring, reporting and evaluation** - The merSETA research, planning, monitoring, and evaluation is guided by the Department of Planning, Monitoring and Evaluation (DPME), and the National Treasury Framework of policies

and guidelines for planning and performance management. Planning is conducted annually, based on research and evidence-based decision making. Performance monitoring and reporting to the DHET and National Treasury takes place on a quarterly basis, and through annual reporting.

In addition, performance monitoring and reporting takes place through internal and external audits, bi-annual budget reviews, as well as regular management meetings and AA (inclusive of its committees) meetings. Processes, systems, and impact evaluations of the delivery of merSETA skills development programmes and projects are implemented, to continuously inform the merSETA of challenges, successes and impact of skills development delivery for the merSETA sector. Research is aimed at understanding economic, labour market and social drivers, signals and indicators that impact on skills development for the merSETA sector, particularly pertaining to shortages and gaps related to occupations and skills in demand. The applied research and innovation system focus on research and innovation projects intended to pilot, and test concepts and solutions prior to full scale implementation.

- **Finance** - The financial system is informed by the Public Finance Management Act No 1 of 1999, PAA No. 5 of 2018 as amended, and Treasury Regulations. Financial management includes administration of the organisation, and disbursement of mandatory and discretionary grants. There is regular reporting of financial information to the management, Accounting Authority, committees, Treasury and DHET. Internal and external audits of financial information take place annually in terms of the legislation. The merSETA exercises strong fiduciary responsibility, which is evident in the unqualified audit reports from the Auditor-General's office year-on-year. The merSETA will also tighten internal controls to reduce audit findings.

- **Quality Management** - The merSETA has been certified to ISO 9001:2015 and maintained the standard in line with the international requirements. This milestone signifies that the merSETA business systems, processes and activities have been benchmarked against the best, aligning them with the International Quality Management System. The achievement of this certification also means that the merSETA provides confidence to all the interested parties and stakeholders, as it seeks to achieve and exceed stakeholders' needs and services in the achievement of its strategic priorities.

To ensure that the merSETA fully implement the enterprise risk management policy, the organisation is working towards integrating the ISO 31000 with the ISO 9001: 2015 standard to provide strategy on risk-based decision making into the governance, strategic planning, reporting, policies, values, and culture. The integrated system is a principles-based system, meaning it enables organisations to apply the principles in the standard to the organisational context.

**STAFF:** The merSETA staff establishment component totals 228. Currently, 94% of the merSETA positions are filled. The organisational transformation project is in the process of being implemented and included a review of jobs and required competencies. To effectively implement its strategy, continuous skilling, and development of the merSETA staff is key, to ensure that they have the competencies to implement projects, programmes and systems supporting the organisation's strategy. The strategy also places merSETA staff at its core, as staff, with the guidance from leadership drive the implementation of the strategy. Creating an environment that promotes growth, innovation and employee wellness is important to the success of the merSETA.

**Table 2: The merSETA staff component**

OCCUPATIONAL LEVEL	Male				Female				Foreign Nationals		Totals
	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female	
Top Management	0	1	0	0	2	0	0	0	0	0	1
Senior Management	0	0	1	0	2	0	0	0	0	0	3
Professionally Qualified	12	1	0	2	10	4	1	2	0	0	32
Skilled Technical	33	9	4	4	29	6	1	2	0	0	88
Semi-Skilled	25	1	0	0	41	3	0	3	0	0	73
Unskilled	1	0	0	0	9	2	0	0	0	0	12
<b>Grand Total</b>	<b>71</b>	<b>12</b>	<b>5</b>	<b>6</b>	<b>91</b>	<b>15</b>	<b>2</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>209</b>

- (i) The merSETA has a successful track record in implementing its Strategic Human Resources Plan, which is evident through various indicators such as the normal vacancy rate, staff turnover rate below 5%, and an average staff tenure of over three years. Additionally, the high staff satisfaction rate of over 72% indicates good HRM practices and employee stability.
- (ii) The Organisational Re-Design (Transformation) intervention underwent a consultation process with staff, which resulted in the project being named Project

TransforMER. The primary objective of the project was to realign the merSETA organisational structure, mandate, strategy, and organisational processes to establish a professional and capable organisation based on ethical leadership, best practices, governance, and management. This was to be achieved through appropriate competencies in staff, governance, structures, implementing partners, and stakeholders, while ensuring a good employee experience.

- (iii) To facilitate a smooth implementation and transition to the new operating model and structure, the project was divided into a series of phases. The organisation has entrenched the outcome of its organisational transformation through various operational activities, including a consultative process that led to an approved strategic human resource capacity plan aligned with the strategic context. Furthermore, human resource planning and other relevant Human Resources Management (HRM) interventions are integrated into the organisation's strategic planning and budgeting cycle, and appropriate budgeting or cost modelling is developed for the human resource plan. The merSETA also ensures an adequate supply of skilled and competent staff through a well-established skills pipeline.
- (iv) Occupational Health and Safety merSETA, is committed to providing a safe and healthy work environment. The merSETA, ensures implementation and increasing levels of participation in health and safety training, sharing educational material, evaluating, and updating safety procedures and managing safety risks.
- (v) Using the learning from the COVID-19 pandemic, merSETA recognises the potential impact of infectious diseases on the workplace and therefore have put measures in place to prevent and manage the spread of infectious diseases. This includes monitoring and adapting the prevention response protocols to ensure staff health.

The merSETA has identified its staff as one of its important resources, and a strong emphasis should be placed on recruitment and retention of skilled and talented people. Systems to support recognition, innovation and performance management are also critical in building a capable organisation.

**SKILLS:** In executing its responsibilities, the merSETA relies on its proficient team in strategizing and executing competency development programs that cater to the demands of the sector and national priorities. The acquisition and retention of talented



personnel lie at the heart of merSETA operations. Technological advancements and innovation in systems and procedures necessitate that merSETA invests in ongoing professional enhancement to address competency deficiencies. Ongoing competency assessments are equally crucial in establishing the present level of knowledge and capabilities within the organisation, compared to the required competency level aspired by the organisation. This will empower merSETA to implement pertinent initiatives to bridge the gaps and optimally utilise its competency pool.

**STYLE (Governance and Leadership):** The leadership style of the Accounting Authority is highly consultative, providing opportunities for stakeholder inputs and endorsement through a range of committees and stakeholder fora. The Management Committee (MANCO) serves as a link between internal operational management and governance structures. Leadership is guided by the value system with an emphasis on self-leadership, collaboration, and self-reflection.

### 3.3 Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

As stated, the AA Annual Review included a SWOT analysis to determine and define the strengths, weaknesses, opportunities, and threats in both the internal and external environment within which the merSETA operates. Table 3 summarises the SWOT analysis.

**Table 3: Swot analysis**

Strength	Weakness
<ul style="list-style-type: none"> <li>The organisation has presence across the country to support rapid response to needs.</li> <li>Stable staff complement.</li> <li>Strong brand</li> <li>Strong governance controls – policies, strategies, etc.</li> <li>Expertise and knowledge with regard qualifications and curricula for technical/engineering/artisan occupations</li> <li>Strong Quality Assurance of learning processes</li> <li>Well established relationships with HEI – positioned to influence curricula.</li> <li>Fully functioning governance structures – AA and Committees</li> <li>Stakeholder partnerships</li> </ul>	<ul style="list-style-type: none"> <li>Failure to adequately respond to reputational risks posed by the current social, economic and political environment.</li> <li>IT and data management systems that are not responsive to operational and strategic objectives of the SETA.</li> <li>Lack of ICT capacity.</li> <li>Poor stakeholder engagement</li> <li>Poor management of performance information that exposes the SETA to compliance and other regulatory risks.</li> <li>Poor innovation capability within the SETA that has resulted in the failure of the SETA to respond to the opportunities and challenges in the PSET ecosystem</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>Leverage partnership platform to extend to address opportunities for employment.</li> <li>M&amp;E mainstreamed across all governance structures – data integrity, agility of decision making.</li> </ul>	<ul style="list-style-type: none"> <li>Reduction of levy income due to economic challenges with the mer-sector due to de-industrialization and global economic downturn</li> <li>The current education system is not geared to produce technical skills.</li> </ul>



<ul style="list-style-type: none"> <li>• Introduce 4 &amp; 5IR-related skills development for the future.</li> <li>• Leverage on technology evolution and advancements.</li> <li>• Strengthening financial monitoring &amp; reporting to enhance strategic decision making.</li> <li>• Creating outreach satellite sites to be more inclusive, use of CET</li> <li>• Create practical simulated exercises in the satellite offices – career guidance support as well practice of theory learnt.</li> <li>• Dual apprenticeship system – take CoS to scale.</li> <li>• Influence TVET college curricula to align to I4.0 demand.</li> <li>• Support/kick start re-starting of businesses affected by unrest and violence.</li> <li>• Identify practical opportunities within the circular economy.</li> <li>• Leverage well established stakeholder ecosystem</li> </ul>	<ul style="list-style-type: none"> <li>• Unavailability of workplaces due to the prevailing economic challenges that have resulted in company closures.</li> <li>• High oil prices, high poverty rates, electricity outages and crime are negatively affecting the economy and lack of a clear economic recovery plan.</li> <li>• South Africa's training-transition-dispensation to Occupational qualifications</li> <li>• Expanding legislative mandate to respond to new challenges and opportunities in the skills development ecosystem.</li> <li>• Public unrest and the impact on investors' confidence</li> <li>• Poor infrastructure to assist in delivering the mandate of the SETA.</li> <li>• High unemployment (national challenge) which unfortunately can't be addressed using skills development initiatives in isolation from other factors.</li> <li>• Political instability which has disrupted social and economic activities including industry and learning.</li> <li>• Capacity of the state to respond to the changing social, economic, political and technological developments impacting the sector and the PSET ecosystem</li> </ul>
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To build a stronger SETA that is responsive to the changing skills development ecosystem, the merSETA needs to strengthen its systems to support the development and implementation of a responsive strategy. These include:

### **A refined research and implementation plan**

Research informs interventions, innovations, and further research requirements, to this the merSETA should:

- Document, plan, incorporate and reflect on research findings.
- Review recommendations and develop implementation strategies.
- Share and publicize research for wider consumption and feedback.
- Develop organisational research agenda.

### **Digital ecosystem implementation**

The recognition of data as a strategic asset for strengthening strategic planning, strategic decision- making, performance reporting, governance and operational efficiency calls for the following:

- Data-centricity enabled and monitored.

- Data protected under robust governance framework.
- Knowledge Management, Monitoring and Evaluations and Quality Management Systems aligned for streamlined data storage, sharing and reporting.
- Organisational buy-in and establishment of data hygiene

### **Monitoring and Evaluation practice aligned to the digital ecosystem.**

To affect change in the organisation and empower the organisation in effective monitoring and reporting, the following are required:

- Monitoring and Evaluation aligned to data-centric approach.
- Internal partnerships honoured and supported.
- Quality assurance, records management, quality management and management information systems streamlined.

### **Partnerships prioritised and the preferred model of sectoral engagement.**

Partnerships in the development and implementation of skills development programmes and initiatives will remain pivotal. Partnerships are recognised as the vehicle through which the merSETA can fulfil its skills development mandate. A more proactive partnership model has been agreed needs to be developed. The key elements, amongst others, of partnerships remain: Partnerships are informed by strategic priorities Partnerships are aligned to national priorities of development and transformation to address social and economic demands. Partnerships should include global and cross sectoral synergies.

### **A strengthened governance, administrative and resourcing system**

The development and implementation of systems, processes, and mechanisms for enabling the merSETA to fulfil its mandate in these unprecedented times need to be supported by a strong governance, administrative and resourcing system. To this end the following should be implemented:

- A strengthened merSETA governance to facilitate skills development.
- Influencing policy and affect policy to be responsive to change and innovation in education, training, and skills development (especially the AA leveraging its direct accountability to the Minister).
- The funding mechanisms of the SETA should be reviewed such that focus is on quality and impact.

- An operating model and structure that is responsive to the changed mandate and functions of the SETA including the imperative to move towards a digital first world business operation.

## PART C: MEASURING OUR PERFORMANCE

### 4 Institutional Programme Performance Information

#### 4.1 Programme 1: Administration

##### Programme purpose

The purpose of this programme is to:

- (i) Instil a single coherent best practice effective and efficient governance, leadership and management activities for the AA, its committees, management, and staff of the merSETA.
- (ii) Ensure compliance to legislated and regulated obligations, as well as to organisational policies, and
- (iii) Establish a skilled high-performance environment.

##### Programme 1: Administration indicators and targets

Table 4 highlights performance indicators and targets for programme 1 over the medium-term expenditure framework.

**Table 4: Programme 1: MTEF Performance Indicators, Annual and Quarterly Targets for 2024/25**

Outcomes	Outputs	Output Indicators	ANNUAL TARGETS						
			Audited/Actual performance			Estimated performance (current year)	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
<b>Outcome 1:</b> Ethical governance and resourced capable merSETA operations established and maintained, to equitably provide skills	<b>Strategic Output 1:</b> Effective and efficient governance and leadership practice implemented	1.1 Percentage of compliance with Corporate Governance Compliance report	100%	100%	100%	100%	100%	100%	100%

Outcomes	Outputs	Output Indicators	ANNUAL TARGETS						
			Audited/Actual performance			Estimated performance (current year)	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
development related services, goods and products responsive to occupations and skills growth demand of the merSETA sector industries, and labour market		1.2 The status of Auditor General South Africa audit outcomes.	New indicator	New indicator	New indicator	New indicator	Unqualified audit outcome for 2023/24	Unqualified audit outcome for 2024/25	Unqualified audit outcome for 2025/26
		1.3 Number of critical business processes digitally enhanced (digitalised)	New indicator	New indicator	New indicator	New indicator	6	6	6

Table 5: Programme 1 Quarterly Targets 2024/25

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
1.1 Percentage of compliance with Corporate Governance Compliance report	100%	25%	25%	25%	25%
1.2 The status of Auditor General South Africa audit outcomes.	Unqualified audit outcome for 2023/24 financial year	-	Unqualified audit outcome for 2023/24 financial year	-	-
1.3 Number of critical business processes digitally enhanced (digitalised)	6	1	2	2	1

## 4.2 Programme 2: Skills Planning

### Programme purpose

This programme aligns to the first core mandate and function of the SETA, that of research, planning, monitoring and evaluation for the expressed purpose of establishing an effective mechanism of systems, processes and policies for decision making. The initiatives of this programme are intended to allow for the research of economic, labour market and social drivers, signals and indicators that impact on skills development for the merSETA sector, particularly pertaining to shortages and gaps related to occupations and skills in demand. Furthermore, with respect to applied research and innovation, initiatives that would be implemented under this programme would be those that are conceptualised based on research outcomes to pilot and test

concepts and solutions prior to full scale implementation. The discretionary grants that are availed to support this programme enable partnerships with a broad range of partners, including merSETA employer and labour stakeholders.

## Programme 2: Skills planning indicators and targets

The Table below highlight the performance indicators and targets over the MTEF.

**Table 6: Programme 2 MTEF Performance Indicators, Annual and Quarterly Targets for 2024/25**

Outcome	Outputs	Output Indicators	ANNUAL TARGETS						
			Audited/Actual Performance			Estimated performance (current year)	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
<b>Outcome 2:</b> Skills for productive enterprises within the social economy, to support the integration into the merSETA sector engineering and industry value chains.  <b>Outcome 3:</b> PSET education, training and skills development public institutions responsive to the changing occupations, and skills demand required for the merSETA sector engineering and manufacturing industries and related labour market.  <b>Outcome 4:</b> Skills for transformed SA merSETA sector engineering and manufacturing	<b>Strategic Output 2:</b> Establishment of credible and effective systems and strategies for research, planning, monitoring and evaluation.  <b>Strategic Output 2:</b> Establishment of credible and effective	2.1 Number of Workplace skills Plan (WSPs) and Annual Training Reports (ATRs) approved for small firms: (49 or less employees)	2338	2271	2311	1800	2428	2471	2471
		2.2 Number of WSPs and ATRs approved for medium firms: (50-149 employees)	883	878	919	918	918	964	964
		2.3 Number of WSPs and ATRs approved for large firms: (150 + employees)	536	523	551	551	551	551	579
		2.4 Number of sector research agreements signed for TVET growth occupationally directed programme	0	1	0	2	3	4	4

Outcome	Outputs	Output Indicators	ANNUAL TARGETS						
			Audited/Actual Performance			Estimated performance (current year)	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
industries, to support EE demographics transformation, changing business models of production and technology, and the transformation for the diversification of ownership, control and management.  <b>Outcome 5:</b> A skilled, agile and flexible current and future workforce for emerging and future occupations and employment opportunities, within the merSETA sector engineering and manufacturing industries, and related Labour market	systems and strategies for research, planning, monitoring and evaluation	2.5 Number of learners who completed workplace-based learning programmes absorbed into employment or self-employment (Number of tracer studies or surveys to be conducted to establish employability).	2369	0	2452	1	1	1	1
		2.6 Number of established and emergent cooperatives trained on sector and national identified priority occupations or skills.	N/A	0	0	10	4	5	6
		2.7 Number of small and emerging enterprises trained on sector and national identified priority occupations or skills.	N/A	736	614	730	584	630	681

**Table 7: Programme 2 Quarterly targets**

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
2.1 Number of WSPs and ATRs approved for small firms: (49 or less employees)	2428	243	728	971	486
2.2 Number of WSPs and ATRs approved for medium firms: (50-149 employees)	918	92	275	367	184
2.3 Number of WSPs and ATRs approved for large firms: (150 + employees)	551	55	165	221	110
2.4 Number of sector research agreements signed for TVET growth. occupationally directed programmes.	3	-	1	1	1
2.5 Number of learners who completed workplace-based learning. programmes absorbed into employment or self-employment (Number of the tracer studies or surveys to be conducted to establish employability).	1	-	-	-	1

2.6 Number of established and emergent cooperatives trained on sector and national identified priority occupations or skills	4	-	1	2	1
2.7 Number of small and emerging enterprises trained on sector and national identified priority occupations or skills	584	58	175	234	117

### 4.3 Programme 3: Learning Programmes and Projects

#### Programme Purpose

The initiatives of this programme comprise the substantive core mandate of the SETA, skills development delivery to the range of learner beneficiaries of the SDA (employed and unemployed learners) as well as the organisational beneficiaries whose role in the main is to partner with the SETA as delivery agents towards ensuring a skilled and capable workforce for the mer sector. The programme focuses on the management of grants allocation and implementation thereof as well as the management of learners covered by grant allocated funding agreements undergoing a variety of learning interventions that result in skilled people. The services of this programme include merSETA non-financial services that will facilitate merSETA to achieve its targets for a skilled workforce, in response to local, regional, national, and sectoral priorities. Partnerships and strategic alliances with employers, PSET institutions, non-levy paying entities, SMEs, cooperatives, labour organisations, Non-Profit Organisations (NPOs), public entities, other SETAs, informal sector, and international partners is critical in delivering programmes and projects. Thus, the three strategic outputs and related indicators and targets of this programme that are to be measured focus on grant supported partnerships, and, learner outputs, that is people entering and exiting learning to determine the potential (entering) and actual (completions) flow of skills and skilled people into the mer-sector.

The situational analysis indicates that due to technological advancements and other changes, the manufacturing sector is undergoing rapid changes both globally and locally. This means that the merSETA must be flexible in its responses to facilitate, support and incentivise skills development initiatives for its sector. The merSETA financial incentives and non-financial services framework is geared towards the effective use of its resources, to respond to sectoral national, regional and local priorities. Initiatives are funded through Mandatory Grants, full Discretionary Grant subsidy, partial Discretionary Grant subsidy, and non-financial support and services for learning. The breakdown of the funding of programmes and projects using this



model is highlighted in the Service Level Agreement (see Annexure A). The tables below highlight the top 10 occupations in demand that are common across all six Chambers, and occupations in demand per Chamber. However, the listed occupations in demand are not the only skills needs that will be addressed through Programmes 3. Priority skills needs that are specific to individual industries, firms, regions, provinces, and other skills will emerge from a variety of sources, given the impact of continuous innovations and disruptions within the manufacturing context that require new sets of skills. The main Professional, Vocational, Technical and Academic Learning (PIVOTAL) interventions for the listed occupations in demand will be apprenticeships, learnerships, skills programmes and academic programmes, whilst a few may be addressed through internships and work placements.

**Table 8: The merSETA top 10 Occupation in Demand PIVOTAL List (ranked)**

No .	OFO Code	Occupation	Specialisation	Intervention	NQF level
1	2021-132102	Manufacturing Operations Manager	Industrial Production Manager	Skills Programmes	1
			Industrial Production Manager	Skills Programmes	5
			Operations Manager (Production)	Bursary	7
			Planning Manager (Manufacturing)	Skills Programmes	1
			Plant Manager (Manufacturing)	Skills Programmes	6
2	2021-652302	Fitter and Turner	Fitter and Turner	Apprenticeship	4
			Fitter and Turner	Apprenticeship	6
			Printers Mechanic	Apprenticeship	5
3	2021-214101 2021-214101	Industrial Engineer Industrial Engineer	Industrial Efficiency Engineer	Bursary	7
			Industrial Engineer	Bursary	7
			Manufacturing Technology Engineer	Skills Programmes	7
			Process Engineer	Bursary	7
			Process Engineer	Bursary	8
4	2021-214401	Mechanical Engineer	Air-conditioning, Heating and Ventilation (including fire) Engineer	Bursary	6
			Automotive Engineer	Bursary	6
			Machine Design and Development Engineer	Skills Programmes	7
			Machine Design and Development Engineer	Skills Programmes	8
			Mechanical Engineer	Bursary	6
			Mechanical Engineer	Bursary	7
			Mechanical Engineer	Bursary	8

No	OFO Code	Occupation	Specialisation	Intervention	NQF level
			Mechatronics Engineer	Bursary	6
			Mechatronics Engineer	Bursary	7
5	2021-311501	Mechanical Engineering Technician	Mechanical Engineering Technician	Bursary	7
			Tool and Die Design Technician	Bursary	7
6	2021-121908	Quality Systems Manager	Quality Systems Manager	Skills Programmes	5
7	2021-718905	Engineering Production Systems Worker	Automated Machine Operator	Learnership	1
			Automated Machine Operator	Learnership	4
			Computer Numeric Control (CNC) Machine Operator	Learnership	2
			Computer Numeric Control (CNC) Machine Operator	Learnership	4
			Laser Cutting Operator	Learnership	4
			Steel Worker	Learnership	1
8	2021-215101	Electrical Engineer	Electric Power Generation Engineer	Bursary	7
			Electrical Design Engineer	Bursary	6
			Electrical Engineer	Bursary	6
			Electrical Engineer	Skills Programmes	7
9	2021-214103	Production Engineer	Production Engineer	Bursary	7
			Production Engineer	Bursary	9
			Robotics and Production Automation Engineer	Skills Programmes	7
10	2021-311905	Industrial Engineering Technician	Industrial Engineering Technician	Bursary	6
			Robotics and Production Automation Technician	Skills Programmes	7

**Table 9: The merSETA Sub-Sector Skills Priorities (ranked)**

No	OFO	Occupation
1	2021-132102	Manufacturing Operations Manager
2	2021-652302	Fitter and Turner
3	2021-214101	Industrial Engineer
4	2021-214401	Mechanical Engineer
5	2021-311501	Mechanical Engineering Technician
6	2021-121908	Quality Systems Manager
7	2021-718905	Engineering Production Systems Worker
8	2021-215101	Electrical Engineer
9	2021-411101	General Clerk
10	2021-214103	Production Engineer
11	2021-311905	Industrial Engineering Technician
12	2021-313901	Integrated Manufacturing Line Process Control Technician

13	2021-712101	Metal Processing Plant Operator
14	2021-312201	Production / Operations Supervisor (Manufacturing)
15	2021-721901	Product Assembler
16	2021-832902	Plastics, Composites and Rubber Factory Worker
17	2021-714204	Plastics Production Machine Operator (General)
18	2021-652301	Metal Machinist
19	2021-653101	Automotive Motor Mechanic
20	2021-651202	Welder
21	2021-432201	Production Coordinator
22	2021-522302	Motorised Vehicle or Caravan Salesperson
23	2021-122102	Sales Manager
24	2021-684305	Quality Controller (Manufacturing)
25	2021-653303	Mechanical Fitter
26	2021-121101	Finance Manager
27	2021-432101	Stock Clerk / Officer
28	2021-671101	Electrician
29	2021-522303	Automotive Parts Salesperson
30	2021-734402	Forklift Driver
31	2021-651302	Boiler Maker
32	2021-862919	Mechanic Trade Assistant
33	2021-431101	Accounts Clerk
34	2021-714101	Rubber Production Machine Operator
35	2021-243301	Industrial Products Sales Representative
36	2021-653306	Diesel Mechanic
37	2021-432102	Dispatching and Receiving Clerk / Officer
38	2021-524903	Salesclerk / Officer
39	2021-121901	Corporate General Manager
40	2021-522301	Sales Assistant (General)
41	2021-671202	Millwright
42	2021-214104	Production Engineering Technologist
43	2021-712201	Electroplater
44	2021-331201	Credit or Loans Officer
45	2021-652201	Toolmaker
46	2021-311801	Draughtsperson
47	2021-226302	Safety, Health, Environment and Quality (SHE&Q) Practitioner
48	2021-684904	Panelbeater
49	2021-643202	Vehicle Painter
50	2021-332302	Purchasing Officer
51	2021-651401	Metal Fabricator
52	2021-122101	Sales and Marketing Manager
53	2021-132401	Supply and Distribution Manager
54	2021-431102	Cost Clerk
55	2021-714208	Plastics Manufacturing Machine Minder
56	2021-332201	Commercial Sales Representative
57	2021-243103	Marketing Practitioner
58	2021-652404	Grinder

59	2021-642701	Air-conditioning and Refrigeration Mechanic
60	2021-311904	Manufacturing Technician
61	2021-121905	Programme or Project Manager
62	2021-311301	Electrical Engineering Technician
63	2021-132104	Engineering Manager
64	2021-714205	Reinforced Plastic and Composite Production Worker
65	2021-242303	Human Resource Advisor
66	2021-313501	Metal Manufacturing Process Control Technician
67	2021-651403	Steel Fixer
68	2021-643201	Industrial Spraypainter
69	2021-671208	Transportation Electrician
70	2021-333903	Sales Representative (Business Services)
71	2021-325705	Safety Inspector
72	2021-642702	Refrigeration Mechanic
73	2021-672105	Instrument Mechanician
74	2021-653307	Heavy Equipment Mechanic
75	2021-332301	Retail Buyer
76	2021-714202	Plastic Compounding and Reclamation Machine Operator
77	2021-132402	Logistics Manager
78	2021-413201	Data Entry Operator
79	2021-311401	Electronic Engineering Technician
80	2021-132301	Construction Project Manager
81	2021-351302	Geographic Information Systems Technicians
82	2021-671204	Lift Mechanic
83	2021-214402	Mechanical Engineering Technologist
84	2021-313916	Manufacturing Production Technicians
85	2021-311201	Civil Engineering Technician
86	2021-132107	Quality Manager
87	2021-242101	Management Consultant
88	2021-242402	Occupational Instructor
89	2021-252301	Computer Network and Systems Engineer
90	2021-252201	Systems Administrator
91	2021-241102	Management Accountant
92	2021-314201	Agricultural Technician
93	2021-311702	Metallurgical or Materials Technician
94	2021-653301	Industrial Machinery Mechanic
95	2021-652204	Patternmaker
96	2021-122103	Director of Marketing
97	2021-251101	ICT Systems Analyst
98	2021-333905	Supply Chain Practitioner
99	2021-214102	Industrial Engineering Technologist
100	2021-214201	Civil Engineer
101	2021-653310	Lubrication Equipment Mechanic
102	2021-251201	Software Developer
103	2021-671203	Mechatronics Technician
104	2021-682303	Wood Machinist

105	2021-251202	Programmer Analyst
106	2021-143901	Facilities Manager
107	2021-251102	Data Scientist
108	2021-122301	Research and Development Manager
109	2021-215102	Electrical Engineering Technologist
110	2021-641502	Carpenter
111	2021-214904	Quantity Surveyor
112	2021-682301	Furniture Finisher
113	2021-351301	Computer Network Technician
114	2021-214605	Metallurgist
115	2021-524901	Materials Recycler
116	2021-252101	Database Designer and Administrator
117	2021-652205	Master Toolmaker
118	2021-251203	Developer Programmer
119	2021-351201	ICT Communications Assistant
120	2021-313110	Wind Turbine Service Technician
121	2021-133102	ICT Project Manager
122	2021-683401	Upholsterer
123	2021-671206	Electrical Equipment Mechanic
124	2021-214501	Chemical Engineer
125	2021-133103	Data Management Manager
126	2021-214202	Civil Engineering Technologist
127	2021-143905	Call or Contact Centre Manager
128	2021-251401	Applications Programmer
129	2021-313202	Waste Materials Plant Operator
130	2021-214604	Metallurgical Engineering Technologist
131	2021-214908	Materials Engineering Technologist
132	2021-214907	Materials Engineer
133	2021-715501	Leather Processing Machine Operator
134	2021-252901	ICT Security Specialist
135	2021-642602	Solar Installer
136	2021-714209	Reinforced Plastics and Composite Trades Worker
137	2021-251901	Computers Quality Assurance Analyst
138	2021-216101	Architect
139	2021-313907	Food and Beverage Manufacturing Process Controller
140	2021-131101	Agricultural Farm Manager
141	2021-251302	Web Developer
142	2021-211403	Materials Scientist
143	2021-683202	Apparel and related pattern maker
144	2021-331502	Insurance Investigator
145	2021-682201	Cabinet Maker
146	2021-214105	Energy Efficiency Manager
147	2021-212101	Actuary
148	2021-313109	Solar Photovoltaic Service Technician

Source (MerSETA SSP)

### Programme 3: Programmes and projects indicators and targets

Table 10 highlights performance indicators and targets for programme 3 over the medium-term expenditure framework. There are strategic outputs in programme 3 that are further broken down in the Service Level Agreement according to the merSETA grant incentive model, as well financed administrative and support services for the delivery of merSETA learning programmes.

**Table 10: Programme 3 MTEF Performance Indicators, Annual and Quarterly Targets for 2023/24**

Outcomes	Outputs	Output Indicators	ANNUAL TARGETS						
			Audited/Actual Performance			Estimated performance (current year)	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
<b>Outcome 2:</b> Skills for productive enterprises within the social economy, to support the integration into the merSETA sector engineering and industry value chains.  <b>Outcome 3:</b> PSET education, training and skills development public institutions responsive to the changing occupations and skills demand required for the merSETA sector engineering and manufacturing industries, and related labour market.  <b>Outcome 4:</b> Skills for transformed SA merSETA sector engineering and manufacturing industries, to support EE demographics transformation, changing business models of	<b>Strategic output 3:</b> Facilitation of skills development interventions to enable increased access to employment opportunities and support to economic growth opportunities . .	3.1 Percentage of total approved discretionary grant (DG) allocations to employers, allocated to programmes or projects aimed at developing high level skills e.g., managers, professionals and technicians & associate professionals	21%	17%	17%	17%	10%	10%	10%
		3.2 Percentage of total approved discretionary grant (DG) allocations to employers, allocated to programmes or projects aimed at developing mid-level skills e.g., clerical, sales and service, skilled craft and trade workers	57%	59%	60%	59%	50%	50%	50%
		3.3 Percentage of total approved discretionary grant (DG) allocations to employers, allocated to programmes or	22%	24%	24%	24%	15%	15%	15%

Outcomes	Outputs	Output Indicators	ANNUAL TARGETS						
			Audited/Actual Performance			Estimated performance (current year)	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
<p>production and technology, and the transformation for the diversification of ownership, control, and management.</p> <p><b>Outcome 5:</b> A skilled, agile, and flexible current and future workforce for emerging and future occupations and employment opportunities, within the merSETA sector engineering and manufacturing industries, and related labour market</p>	<b>Strategic output 3:</b> Facilitation of skills development interventions to enable increased access to employment opportunities and support to economic growth opportunities	projects aimed at developing elementary skills e.g., machine operators & elementary workers							
		3.4 Number of unemployed learners registered for WIL programmes from TVET	724	10	114	1000	500	540	583
		3.5 Number of unemployed learners completing WIL programmes from TVET	9	74	47	225	300	324	350
		3.6 Number of unemployed learners registered for WIL programmes from HEIs	78	176	220	500	750	300	100
		3.7 Number of unemployed learners completing WIL programmes from HEIs	147	18	262	200	180	180	60
		3.8 Number of unemployed learners registered for workplace experience/inter nships	191	40	139	375	563	400	400
		3.9 Number of unemployed learners completing workplace experience/inter nships	93	166	50	182	273	240	240
		3.10 Number of unemployed learners registered for skills programmes	2608	3687	5146	3210	4000	2640	2900
		3.11 Number of unemployed learners completing skills programmes	1130	2380	5257	2750	4000	3000	2500
		3.12 Number of unemployed learners registered for	2300	1407	3520	3210	4815	1800	1800

Outcomes	Outputs	Output Indicators	ANNUAL TARGETS						
			Audited/Actual Performance			Estimated performance (current year)	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
<p><b>Outcome 2:</b> Skills for productive enterprises within the social economy, to support the integration into the merSETA sector engineering and industry value chains.</p> <p><b>Outcome 3:</b> PSET education, training and skills development public institutions responsive to the changing occupations and skills demand required for the merSETA sector engineering and manufacturing industries, and related labour market.</p> <p><b>Outcome 4:</b> Skills for transformed SA merSETA sector engineering and manufacturing industries, to support EE demographics transformation, changing business models of production and technology, and the transformation for the diversification of ownership, control and management.</p> <p><b>Outcome 5:</b> A skilled, agile and</p>	<p><b>Strategic output 3:</b> Facilitation of skills development interventions to enable increased access to employment opportunities and support to economic growth opportunities .</p>	learnership programmes							
		3.13 Number of unemployed learners completing learnership programmes	1137	2018	2624	2764	2500	2500	2500
		3.14 Number of unemployed engineering graduates registered for candidacy programmes	70	0	27	21	32	25	25
		3.15 Number of unemployed engineering graduates completing candidacy programmes	0	0	0	3	4	5	6
		3.16 Number of unemployed learners registered for bursary programmes (new entries)	31	115	63	110	88	90	96
		3.17 Number of unemployed learners registered for bursary programmes (continuing)	277	246	55	309	350	350	350
		3.18 Number of unemployed learners completing bursary programmes	9	20	99	50	60	60	60
		3.19 Number of employed learners registered for learnership programmes	678	443	904	1000	2325	1000	1000
		3.20 Number of employed learners completing learnership programmes	381	606	854	1000	860	800	800
		3.21 Number of employed learners registered for bursary programmes (new entries)	19	27	34	104	104	104	104



Outcomes	Outputs	Output Indicators	ANNUAL TARGETS						
			Audited/Actual Performance			Estimated performance (current year)	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
flexible current and future workforce for emerging and future occupations and employment opportunities, within the merSETA sector engineering and manufacturing industries, and related labour market	<b>Strategic output 3:</b> Facilitation of skills development interventions to enable increased access to employment opportunities and support to economic growth opportunities	3.22 Number of employed learners registered for bursary programmes (continuing)	5	0	0	50	50	50	50
		3.23 Number of employed learners completing bursary programmes	30	9	4	36	20	25	25
		3.24 Number of employed learners registered for skills programmes	1096	495	1172	2140	1000	800	800
		3.25 Number of employed learners completing skills programmes	417	544	674	1284	1000	800	800
		3.26 Number of employed or unemployed learners registered for Adult Education & Training (AET) programmes	485	227	438	510	50	50	60
		3.27 Number of employed or unemployed learners completing AET programmes	7	0	191	500	30	30	30
		3.28 Number of learners registered for trade / artisan qualifications (new registration)	1665	881	2138	4710	4000	2500	2500
		3.29 Number of learners completing trade / artisan qualification	1828	2077	1709	2561	2500	2000	2000
		3.30 Number of learners entering Artisan Recognition of Prior Learning (ARPL) programme	374	345	860	1000	1500	1000	1000
		3.31 Number of learners completing Artisan Recognition of	N/A	516	742	1040	1500	892	900

Outcomes	Outputs	Output Indicators	ANNUAL TARGETS						
			Audited/Actual Performance			Estimated performance (current year)	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
		Prior Learning (ARPL) programme							
<b>Outcome 3:</b> PSET education, training and skills development public institutions responsive to the changing occupations and skills demand required for the merSETA sector engineering and manufacturing industries, and related labour market.  <b>Outcome 4:</b> Skills for transformed SA merSETA sector engineering and manufacturing industries, to support EE demographics transformation, changing business models of production and technology, and the transformation for the diversification of ownership, control and management.  <b>Outcome 5:</b> A skilled, agile and flexible current and future workforce for emerging and future occupations and employment opportunities, within the merSETA sector engineering and manufacturing industries, and related labour market	<b>Strategic Output 4:</b> Strategic skills development related collaborations and partnerships, to respond to national, provincial, local and sector strategic priorities.	3.32 Number of active TVET college partnerships established	23	30	29	25	25	25	25
		3.33 Number of active SETA-HEI partnerships established	14	16	12	12	12	12	12
		3.34 Number of active CET partnerships established	2	3	3	3	4	4	4
		3.35 Number of new SETA-Employer partnerships established.	1570	1347	1023	1400	1200	1300	1300
<b>Outcome 2:</b> Skills for productive enterprises within the social economy, to support the integration into the merSETA sector	<b>Strategic Output 5:</b> Facilitation of skills development interventions, to support the	3.36 Number of CBOs/NGOs/NPOs) funded for skills to grow/develop and sustain their activities or organisations.	42	20	25	25	22	25	25

Outcomes	Outputs	Output Indicators	ANNUAL TARGETS						
			Audited/Actual Performance			Estimated performance (current year)	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
engineering and industry value chains.  <b>Outcome 2:</b> Skills for productive enterprises within the social economy, to support the integration into the merSETA sector engineering and industry value chains.	development and establishment of sustainable SMEs, cooperatives, and local or community-based employment and income generation activities, aligned to merSETA engineering and manufacturing value chain.	3.37 Number of trade unions supported through skills development.	4	1	0	4	2	2	2
		3.38 Number of rural development projects supported through skills development	4	4	4	4	4	4	4
		3.39 Number of people trained on entrepreneurship supported to start their business (Number of people funded for enterprise growth/enterprise development skills)	0	0	393	300	120	150	200

**Table 11: Programme 3 Quarterly Targets**

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
3.1 Percentage of total approved discretionary grant (DG) allocations to employers, allocated to programmes or projects aimed at developing high level skills e.g., managers, professionals and technicians and associate professionals	10%	-	-	-	10%
3.2 Percentage of total approved discretionary grant (DG) allocations to employers, allocated to programmes or projects aimed at developing mid-level skills e.g., clerical, sales and service, skilled craft, and trade workers	50%	-	-	-	50%
3.3 Percentage of total approved discretionary grant (DG) allocations to employers, allocated to programmes or projects aimed at developing elementary skills e.g., machine operators and elementary workers.	15%	-	-	-	15%
3.4 Number of unemployed learners registered for WIL programmes from TVET	500	50	150	200	100
3.5 Number of unemployed learners completing WIL programmes from TVET	300	30	90	120	60
3.6 Number of unemployed learners registered for WIL programmes from HEIs	750	75	225	300	150
3.7 Number of unemployed learners completing WIL programmes from HEIs	180	18	54	72	36
3.8 Number of unemployed learners registered for workplace experience/internships	563	56	169	225	113
3.9 Number of unemployed learners completing workplace \ experience/internships	273	27	82	109	55
3.10 Number of unemployed learners registered for skills programmes	4000	400	1200	1600	800
3.11 Number of unemployed learners completing skills programmes	4000	400	1200	1600	800

<b>Output Indicators</b>	<b>Annual Target</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
3.12 Number of unemployed learners registered for learnership programmes	4815	481	1445	1926	963
3.13 Number of unemployed learners completing learnership programmes	2500	250	750	1000	500
3.14 Number of unemployed engineering graduates registered for candidacy programmes	32	3	10	13	6
3.15 Number of unemployed engineering graduates completing candidacy programmes	4	-	1	2	1
3.16 Number of unemployed learners registered for bursary programmes (new entries)	88	9	26	35	18
3.17 Number of unemployed learners registered for bursary programmes (continuing)	350	35	105	140	70
3.18 Number of unemployed learners completing bursary programmes	60	6	18	24	12
3.19 Number of employed learners registered for learnership programmes	2325	232	698	930	465
3.20 Number of employed learners completing learnership programmes	860	86	258	344	172
3.21 Number of employed learners registered for bursary programmes (new entries)	104	10	31	42	21
3.22 Number of employed learners registered for bursary programmes (continuing)	50	5	15	20	10
3.23 Number of employed learners completing bursary programmes	20	2	6	8	4
3.24 Number of employed learners registered for skills programmes	1000	100	300	400	200
3.25 Number of employed learners completing skills programmes	1000	100	300	400	200
3.26 Number of employed or unemployed learners registered for AET programmes	50	5	15	20	10
3.27 Number of employed or unemployed learners completing AET programmes	30	3	9	12	6
3.28 Number of learners registered for trade / artisan qualifications (new registrations)	4000	400	1200	1600	800
3.29 Number of learners completing trade / artisan qualifications	2500	250	750	1000	500
3.30 Number of learners entering Artisan Recognition of Prior Learning (ARPL) programme	1500	150	450	600	300
3.31 Number of learners completing Artisan Recognition of Prior Learning (ARPL) programme	1500	150	450	600	300
3.32 Number of active TVET college partnerships established	25	2	8	10	5
3.33 Number of active SETA-HEI partnerships established	12	1	4	5	2
3.34 Number of active CET partnerships established	4	-	1	2	1
3.35 Number of new SETA-Employer partnerships established	1200	120	360	480	240
3.36 Number of CBOs/NGOs/NPOs funded for skills to grow/develop and sustain their activities or organisations	22	2	7	9	4
3.37 Number of trade unions supported through skills development	2	-	1	1	0
3.38 Number of rural development projects supported through skills development	4	-	1	2	1
3.39 Number of people trained on entrepreneurship supported to start their business (Number of people funded for enterprise growth/enterprise development)	120	12	36	48	24

#### **4.4 Programme 4: Quality Assurance**

##### **Programme Purpose**

##### **Programme 4: Quality Assurance indicators and targets**

The purpose of this budget programme is to catalyse quality improvement for the learning, assessment and certification of training delivery partners of the merSETA

inclusive of modernised learning modalities and associated assessment and credentialing systems. In the main, for the coming MTEF, focus is on supporting the quality of learning delivery of the vocational and technical public sector education and training institutions, TVET and CET colleges as required by the NSDP. The function of quality learning, assessment and certification includes, but not limited to, the development of curriculum required for occupations and skills appropriate to the sector, raising quality of learning, assessment, and certification through the development of learning infrastructure and materials, and staffing (human resources). Table 12 below highlights performance indicators and targets for programme 4 over the medium-term expenditure framework.

As the quality partner appointed by the QCTO for new occupational qualifications, the merSETA is focusing on alignment of its quality development to the QCTO policy on development and review of occupational qualifications, part qualifications and skills programmes of 09 September 2021.

**Table 12:** Programme 4 MTEF Performance Indicators and Annual and Quarterly targets 2024/25

Outcome	Outputs	Output Indicators	ANNUAL TARGETS						
			Audited/Actual performance			Estimated performance (current year)	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
<b>Outcome 3:</b> PSET education, training and skills development public institutions responsive to the changing occupations and skills demand required for the merSETA sector engineering and manufacturing industries, and related labour market.	<b>Strategic Output 6:</b> Support to the growth and quality improvement of technical and vocational education and training (TVET) colleges	4.1 Number of active TVET Centres of Specialisation (CoS) supported	2	5	3	3	4	5	6
		4.2 Number of TVET colleges funded for merSETA occupational programmes, equipment and workshop infrastructure	3	5	3	4	4	5	5
		4.3 Number of TVET college lecturers exposed to the industry	0	13	0	60	70	70	70
		4.4 Number of SETA offices maintained in TVET colleges	3	4	3	3	3	3	3
<b>Outcome 3:</b> PSET education, training and skills development									

Outcome	Outputs	Output Indicators	ANNUAL TARGETS						
			Audited/Actual performance			Estimated performance (current year)	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
public institutions responsive to the changing occupations and skills demand required for the merSETA sector engineering and manufacturing industries, and related labour market.	<b>Strategic Output 7:</b> Support to the growth and quality improvement of technical and vocational education and training (TVET) colleges	4.5 Number of CET colleges funded for merSETA occupational programmes, equipment and workshop infrastructure	0	2	2	4	4	5	5
		4.6 Number of CET learners accessing AET programmes	0	0	31	15	20	30	40
<b>Outcome 5:</b> A skilled, agile and flexible current and future workforce for emerging and future occupations and employment opportunities, within the merSETA sector engineering and manufacturing industries, and related labour market	<b>Strategic Output 8:</b> Support career development services	4.7 Number of career development events in urban areas on occupations in high demand	12	15	15	18	21	24	27
		4.8 Number of career development events in rural areas on occupations in high demand	22	15	19	18	21	24	27
		4.9 Number of career development practitioners trained	31	24	38	30	30	30	30
		4.10 Number of capacity building workshops on career development services initiated	5	6	7	8	9	10	11
	<b>Strategic output 3:</b> Facilitation of skills development interventions to enable increased access to employment opportunities and support to economic growth opportunities	4.11 Number of Occupational Qualifications/ Part-Qualifications and/or skills programmes submitted to the QCTO.	N/A	N/A	N/A	N/A	27	27	31

**Table 13: Programme 4 Quarterly Targets 2024/25**

<b>Output Indicators</b>	<b>Annual Target</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
4.1 Number of active TVET Centres of Specialisation (CoS) Supported.	4	-	1	2	1
4.2 Number of TVET colleges funded for merSETA occupational programmes, equipment, and workshop infrastructure.	4	-	1	2	1
4.3 Number of TVET colleges lecturers exposed to the industry.	70	7	21	28	14
4.4 Number of SETA offices maintained in TVET colleges.	3	-	-	-	3
4.5 Number of CET colleges funded for merSETA occupational programmes, equipment, and workshop infrastructure.	4	-	1	2	1
4.6 Number of CET learners accessing AET programmes	20	2	6	8	4
4.7 Number of career development events in urban areas on occupations in high demand.	21	7	7	2	5
4.8 Number of career development events in rural areas on occupations in high demand.	21	7	7	2	5
4.9 Number of career development practitioners trained.	30	-	-	-	30
4.10 Number of capacity building workshops on career development services initiated.	9	1	3	3	2
4.11 Number of Occupational Qualifications/ Part-Qualifications and/or skills programmes submitted to the QCTO.	27	3	8	11	5

## 5 Explanation of planned performance over the medium term

### 5.1 Programme 1: Administration

This programme relates to achieving best practice governance, leadership and management in accordance with the Public Finance Management Act and Treasury Regulations, King IV Principles, Skills Development Act mandate, the merSETA Constitution and Code of Ethics, AA committees' terms of reference, approved Delegation of Authority Framework, and strategic and operational policies. It is also to achieve the following:

- (i) Best practice management for planning, budgeting, and performance in accordance with the Department of Planning, Monitoring and Evaluation (DPME), Auditor-General South Africa (AGSA) and National Treasury Framework of legislation, regulations and guidelines.
- (ii) Efficient management of financial controls and grants disbursements in accordance with the PFMA, National Treasury Regulations, AGSA and Grant Regulations.
- (iii) Best practice operational management systems for implementing incentives, programmes and projects in accordance with internal and external audit requirements and standard operating procedures.

- (iv) Best practice management systems for human, ICT and facilities infrastructure resources.
- (v) Best practice management systems for governance and management of data, records and knowledge assets of the SETA.
- (vi) Best practice management systems for communication, marketing and information dissemination in accordance with relevant legislation.

The overall intended results must support the merSETA outcome of “Ethical governance and resourced capable merSETA operations, established and maintained to equitably provide skills development related services, goods and products responsive to occupations and skills growth demand of the merSETA sector industries, and labour market”.

The evidence of achievements for this programme should manifest in the governance structures functioning in accordance with best practice governance processes, for example, the office of the CEO, the operations of the Chief Financial Office, Chief Operations Office, Corporate Service and Strategy and Research complementing the functioning of governance structure, by ensuring best practice management for the execution and operationalisation of the AA strategy.

The Grants Policy allows the merSETA to offer a range of incentives that enable optimal participation from our various stakeholders and partners. It is through the different types of incentives that merSETA will be able to reach its targets for its core services and products for the merSETA skills development ecosystem.

## **5.2 Programme 2: Skills Planning**

In the implementation of a credible institutional mechanism for skills planning, applied research and innovation projects, greater attention will be placed on the development of a model that will facilitate the responsiveness of the SETA to national, regional, local and sectorial needs. Research and innovation should address priorities such as structural economic transformation, curriculum development, supporting the growth and development of the public PSET system, occupations in high demand and support of the social economy. This programme is therefore key in supporting the following merSETA outcomes:



- (i) Skills for productive enterprises within the social economy, to support the integration into the merSETA sector engineering and industry value chains.
- (ii) PSET education, training and skills development public and private institutions responsive to the changing occupations and skills demand required for the merSETA sector engineering and manufacturing industries, and related labour market.
- (iii) Skills for transformed SA merSETA sector engineering and manufacturing industries, to support EE demographics transformation, changing business models of production and technology, and the transformation for the diversification of ownership, control and management.
- (iv) A skilled, agile and flexible current and future workforce for emerging and future occupations and employment opportunities, within the merSETA sector engineering and manufacturing industries, and related labour market.

This programme is also about the implementation of applied research and innovation projects. These are projects that are about testing and piloting innovations and new ideas, with the intention of taking such projects to scale if successful. Innovative approaches are critical in responding to changes in education, training and learning, as well as the world of work.

The programme also supports the implementation of different types of evaluation studies (drawing on research approaches and methodologies), to assess processes, systems and impact of merSETA skills development programmes and projects, to inform the merSETA of its successes and non-achievements, thus influencing ongoing decisions regarding strategic skills development interventions. This is key in responding to the NSDP, which has placed a greater emphasis on monitoring and evaluation of impact. These different types of research-based activities must be assessed in terms of their value to evidence-based decisions making capability. Some of the outputs of this programme include research projects conducted, the SSP, established research partnerships to increase the research capability of merSETA, research papers and publications.

### 5.3 Programme 3: Learning Programmes and Projects

This programme is key in achieving four of the five merSETA outcomes which include skills for productive enterprises within the social economy to support the integration into the merSETA sector engineering and industry value chains; PSET education, training and skills development public and private institutions responsive to the changing occupations and skills demand required for the merSETA sector engineering and manufacturing industries, and related labour market; skills for transformed SA merSETA sector engineering and manufacturing industries, to support EE demographics transformation, changing business models of production and technology, and the transformation for the diversification of ownership, control and management, and a skilled, agile and flexible current and future workforce for emerging and future occupations and employment opportunities, within the merSETA sector engineering and manufacturing industries and related labour market.

Various programmes and projects are implemented with an aim of re-skilling and up-skilling the currently employed people, skilling the unemployed to facilitate their entry into the merSETA sector labour market and increasing participation of large, medium and small sized levy paying employers. It is also intended for initiatives aimed at ensuring that PSET education, training and skills development public and private institutions are continuously responsive to the changing occupations and skills demand required for the merSETA sector engineering and manufacturing industries, and related labour market. This programme also focuses on increasing workplace experiential learning opportunities including support for employers to take on more learners in the workplace, introducing training within the SME sector and for informal entrepreneurs, and addressing the low level of youth and adult skills. The programme also focuses on the implementation of innovative skills development solutions to address emerging new complex skills challenges. Increasing the capacity for entrepreneurs, to enable new ventures into new areas of production activities, and growth of existing businesses is also a key focus area. Transformational goals aimed at increasing the participation of youths, women, PwD, Black Industrialists and blacks in the labour market are also supported through this programme.

## 5.4 Programme 4: Quality Assurance

Through Programme 4, the merSETA is committed to building self-directed career and vocational guidance. This programme positions the manufacturing, engineering and related services industry as providing attractive pathways for personal and career development, to current workers, new entrants and future works. The merSETA has initiated several partnerships with various institutions, which focus on innovative career development initiatives. The priorities for the next period are to increase the number of career guidance practitioners in technology-focused institutions, entrench activities related to the international World Skills competition in the South African artisan development landscape, and to provide career development to workers through career path mapping and advice. There will be an increasing focus on career advice and advocacy on new and emerging occupations.

The quality improvement of institutions and skills providers is important in ensuring that PSET education, training and skills development public and private institutions are responsive to the changing occupations and skills demand required for the merSETA sector engineering and manufacturing industries, and related labour market. Support through curriculum research and development, equipment and workshop infrastructure, staff development, employer-education partnerships, quality management of interventions to ensure relevance and increased throughput is critical in ensuring that the merSETA delivers on its mandate.

## 6 Programme resource considerations

Table 14 below summarises the income and expenditure over the medium term. There has been an increase in levies post COVID-19, seeing an increase of 12% in the 2022/23 financial year. There has been a 9% increase in levies over the first half of the 2023/24 financial year. An 8% increase has been budgeted for the 2024/25 financial year with a conservative 6% forecast in the ensuing years. On the expenditure side, merSETA has shown surpluses in the past, but is working towards increasing expenditure and reflects a balanced budget for the 2023/24 and 2024/25 financial year and has submitted such to DHET in line with Sec 53(3) of the PFMA.

**Table 14: Income and Expenditure Forecast**

### MERSETA

#### STATEMENT OF FINANCIAL PERFORMANCE

	2020/21 HISTORICAL R000's	2021/22 HISTORICAL R000's	2022/23 HISTORICAL R000's	2023/24 BUDGET R000's	2024/25 BUDGET R000's	2025/26 FORECAST R000's	2026/27 FORECAST R000's
<b>INCOME</b>							
Levies	920 791	1 418 576	1 589 549	1 732 608	1 871 216	1 983 489	2 102 499
Mandatory	230 352	354 420	397 198	433 152	467 804	495 872	525 625
Discretionary	569 589	877 966	983 717	1 072 051	1 157 815	1 227 284	1 300 921
Administration	120 850	186 190	208 634	227 405	245 597	260 333	275 953
Penalties and Interest	25 191	20 218	15 095	20 681	22 335	23 675	25 096
Investment Income	265 924	207 001	289 274	456 800	525 320	604 118	694 736
Other Income	12	2	-	-	1	1	1
<b>TOTAL INCOME</b>	<b>1 211 918</b>	<b>1 645 797</b>	<b>1 893 918</b>	<b>2 210 089</b>	<b>2 418 872</b>	<b>2 611 283</b>	<b>2 822 332</b>
<b>EXPENDITURE BY PROGRAMME</b>							
Administration	177 651	187 128	177 991	222 767	246 213	266 000	281 954
Skills Planning	45 468	49 006	41 440	110 930	110 116	118 831	125 851
Learning Programmes & Projects	935 918	1 075 476	1 208 194	1 867 837	2 044 959	2 207 477	2 394 430
Quality Assurance	302	164	1 142	8 555	17 584	18 975	20 097
<b>TOTAL EXPENDITURE</b>	<b>1 159 339</b>	<b>1 311 774</b>	<b>1 428 767</b>	<b>2 210 089</b>	<b>2 418 872</b>	<b>2 611 283</b>	<b>2 822 332</b>
<b>Net surplus</b>	<b>52 579</b>	<b>334 023</b>	<b>465 151</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 15 summarises the budget and forecast for the four programmes over the respective years.**

**MERSETA  
PROGRAMME BUDGETS  
APP 2025**

	2020/21	2021/22	2022/23	2023/24 Revised Budget	2024/25	2025/26	2026/27
	Historical R000's	Historical R000's	Historical R000's	Budget R000's	Budget R000's	Forecast R000's	Forecast R000's
<b>PROGRAMME 1</b>							
Compensation	108 955	111 907	96 481	119 632	124 497	134 457	142 524
Depreciation	2 675	3 933	3 786	5 458	8 008	8 649	9 168
Goods and services	65 908	71 103	77 474	97 538	113 570	122 656	130 015
Allocated project admin expenditure	113	185	250	140	138	238	247
	<b>177 651</b>	<b>187 128</b>	<b>177 991</b>	<b>222 767</b>	<b>246 213</b>	<b>266 000</b>	<b>281 954</b>
% Project admin	0.064%	0.099%	0.141%	0.063%	0.056%	0.090%	0.088%
<b>PROGRAMME 2</b>							
Compensation	6 627	6 377	6 433	10 270	13 119	14 169	15 019
Goods and services	36 969	40 862	32 639	96 165	92 587	99 994	105 994
Allocated project admin expenditure	1 872	1 767	2 368	4 495	4 410	4 668	4 838
	<b>45 468</b>	<b>49 006</b>	<b>41 440</b>	<b>110 930</b>	<b>110 116</b>	<b>118 831</b>	<b>125 851</b>
% Project admin	4.3%	3.7%	6.1%	4.2%	4.2%	4.1%	4.0%
<b>PROGRAMME 3</b>							
Compensation	2 609	2 515	3 472	2 874	6 949	7 505	7 955
Depreciation	364	364	364	366	179	193	205
Goods and services	894 403	1 033 820	1 135 320	1 788 908	1 955 940	2 113 060	2 294 215
Allocated project admin expenditure	38 542	38 777	69 038	75 689	81 891	86 719	92 055
	<b>935 918</b>	<b>1 075 476</b>	<b>1 208 194</b>	<b>1 867 837</b>	<b>2 044 959</b>	<b>2 207 477</b>	<b>2 394 430</b>
% Project admin	4.3%	3.7%	6.1%	4.2%	4.2%	4.1%	4.0%
<b>PROGRAMME 4</b>							
Goods and services	290	158	1 077	8 208	16 880	18 230	19 324
Allocated project admin expenditure	12	6	65	347	704	745	773
	<b>302</b>	<b>164</b>	<b>1 142</b>	<b>8 555</b>	<b>17 584</b>	<b>18 975</b>	<b>20 097</b>
% Project admin	4.1%	3.8%	6.0%	4.2%	4.2%	4.1%	4.0%
<b>TOTAL EXPENDITURE</b>	<b>1 159 339</b>	<b>1 311 774</b>	<b>1 428 767</b>	<b>2 210 089</b>	<b>2 418 872</b>	<b>2 611 283</b>	<b>2 822 332</b>

## 6.1 Human and Infrastructure resources

The merSETA has a national footprint and operates in the seven regional offices that cover all the nine provinces. This is critical in the implementation of its various national, regional, and sectorial initiatives. The staff in the regional offices play a critical role in stakeholder engagement and liaison, implementation of programmes and projects and the monitoring of implementation. To effectively implement its strategy, continuously skilling and development of the merSETA staff is key in ensuring that they have the competencies to implement projects, programmes and systems supporting the new strategy.

The merSETA will is currently undergoing an organisational transformation process to determine the adequacy of the current organisational functions, structure, systems, and staff establishment for implementation of its strategy. The merSETA has made the decision to make further investment in the ICT infrastructure, to ensure that the relevant, latest technology is in place to support the merSETA, as well as to govern and manage its data, records, and knowledge assets. This is critical in positioning the merSETA for the digital driven 4IR era.

## 7 Key Risks

The prevailing social, political and economic conditions have exposed the merSETA to significant outcome and output risks. The merSETA, however, has responded by developing solutions to mitigate some of the risks as unpacked in Table 16 and Table 17.

**Table 15: Outcome risks**

Outcome	Key risk	Risk mitigation
Ethical governance and resourced capable merSETA operations established and maintained, to equitably provide skills development related services, goods and products responsive to occupations and skills growth demand of the merSETA sector industries, and labour market	Non-compliance to legislative and regulatory environment, and inability to deliver on the mandate.	<ul style="list-style-type: none"><li>• Implementation, communication and monitoring of relevant government frameworks.</li><li>• Development and implementation of functional strategies (ICT, HR, Marketing and Communications etc.) aligned to the merSETA strategic Plan</li></ul>

	Reputational risks caused by poor public perception of SETAs.	<ul style="list-style-type: none"> <li>• Increase communication and marketing to create a positive perception of the SETA.</li> <li>• Foster relations with key stakeholders and strengthen stakeholder management and advocacy.</li> <li>• Be proactive in influencing public opinion.</li> <li>• Regular media campaigns (targeting key stakeholder groups) e.g., community radio stations, media inserts</li> </ul>
Skills for productive enterprises within the social economy, to support the integration into the merSETA sector engineering and industry value chains.	<p>Low level of skills to enable meaningful participation in the recovery and reconstruction of the manufacturing economy.</p> <p>Unavailability of adequate workplaces for training.</p>	<ul style="list-style-type: none"> <li>• Development and implementation of a strategy to recruit and increase participation in merSETA skills development initiatives.</li> <li>• Strategies to support SMEs in building their capability to be used as workplaces for training in a sustainable manner.</li> </ul>
	Political instability perpetuated by the prevailing social and economic conditions.	<ul style="list-style-type: none"> <li>• Engaging with social partners (particularly those in the skills development ecosystems) to find lasting solutions to some of the prevailing social and economic conditions</li> </ul>
	Poor infrastructure to respond to production needs (including disruptions brought by 4IR)	<ul style="list-style-type: none"> <li>• Support innovations addressing infrastructure and related challenges.</li> </ul>
PSET education, training and skills development public institutions responsive to the changing occupations and skills demand required for the merSETA sector engineering and manufacturing industries, and related labour market.	Non-responsive PSET institutions for the merSETA labour market and economy.	<ul style="list-style-type: none"> <li>• Provision of the necessary support for teaching, learning, and innovation appropriate for merSETA skills demand.</li> </ul>
Skills for transformed SA merSETA sector engineering and manufacturing industries to support EE demographics transformation, changing business models of production and technology, and the transformation for the diversification of ownership, control and management.	No skills for the transformation goals.	<ul style="list-style-type: none"> <li>• Creative incentive measures for diversified innovative skills development initiatives and continuous monitoring and feedback for continuous improvement.</li> </ul>
	Reduction of skills levels	<ul style="list-style-type: none"> <li>• Fostering partnerships with other role players in the skills development system</li> </ul>

A skilled, agile and flexible current and future workforce for emerging and future occupations and employment opportunities, within the merSETA sector engineering and manufacturing industries, and related labour market.	Inadequate agile and flexible skills to support the recovery and reconstruction of the economy post COVID-19.	<ul style="list-style-type: none"> <li>• Collaboration with the QCTO to put in place occupational qualifications for emerging/transforming/new occupations and skills.</li> <li>• Diversified innovative support and incentives for formal and informal skills development initiatives for emerging/transforming/new skills.</li> </ul>
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**Table 16: Output risks**

Output	Key Risk	Risk Mitigation
Effective and efficient governance and leadership practice implemented.	<p>Inefficient governance and non-compliance to legislation.</p> <p>Poor service delivery and qualified audit due to poor internal controls, poor data management and governance and poor record keeping.</p> <p>Reduction of levy income due to the impact of the economic recession and the global pandemic.</p>	<ul style="list-style-type: none"> <li>• Implementation, communication and monitoring of relevant government frameworks.</li> <li>• Separation of duties and responsibilities between the accounting authority and management.</li> <li>• Training and capacity building.</li> <li>• Improved internal control systems, commit funding to the right programmes, strengthening data management and governance and records management.</li> <li>• Use partnerships (including the core funding mechanism) to deliver skills to the sector.</li> </ul>
Establishment of credible and effective systems and strategies for research, planning, monitoring and evaluation.	Poor planning and evidence-based decision-making in relation to delivery on merSETA mandate due to poor data quality.	<ul style="list-style-type: none"> <li>• Implementation of credible systems and strategies to monitor the effective implementation of policies, processes and systems.</li> <li>• Implement a data management and governance framework to strengthen data management and governance</li> </ul>
Facilitation of skills development interventions, to enable increased employment and growth opportunities.	<ul style="list-style-type: none"> <li>• No pool of relevant skills required by the labour market.</li> <li>• Learner dropouts in merSETA programmes due to the social and</li> </ul>	<ul style="list-style-type: none"> <li>• Creative incentives and programmes.</li> </ul>
Strategic skills development related collaborations and partnerships to respond to		<ul style="list-style-type: none"> <li>• Wrap-around learner support services to increase throughput of</li> </ul>



Output	Key Risk	Risk Mitigation
national, provincial, local and sector priorities.	economic impact of the COVID-19 pandemic	learners on merSETA-learning programmes.
Facilitation of skills development interventions to support the development and establishment of sustainable SMEs, cooperatives, and local or community-based employment and income generation activities aligned to merSETA engineering and manufacturing value chain.	<ul style="list-style-type: none"> <li>Lack of availability of workplaces.</li> <li>SMEs not adequately equipped to participate in skills development programmes due to the economic and social effects of the COVID-19 pandemic and global recession.</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring that employers commit to opening the workplace as a training space.</li> <li>Explore the use of simulated training, learning factories and other technologies.</li> <li>merSETA strategies to support SMEs in building their capability to be used as workplaces for training in a sustainable manner, with minimal disruption to core business activities.</li> <li>Provide more support to SMEs, entrepreneurship and community bases enterprises such as cooperatives.</li> </ul>
Support of the growth and quality improvement of Technical and Vocational Education and Training (TVET) Colleges.	Poor quality of provisioning or delivering.	<ul style="list-style-type: none"> <li>Enabling policy framework.</li> <li>Partner with other role players to strengthen support for the TVET sector.</li> <li>Qualitative monitoring of TVET colleges to identify risks and challenges as they occur.</li> </ul>
Support of the growth and quality improvement of Community Education and Training (CET) Colleges.	Poor capacity within the CET colleges,	<ul style="list-style-type: none"> <li>Partner with other role players to strengthen support for CET colleges.</li> <li>Qualitative monitoring of CET colleges to identify risks and challenges as they occur.</li> </ul>
Facilitating diverse career development, advice and awareness related services.	Low reach of career development, advice and related services.	<ul style="list-style-type: none"> <li>Increased customised and diversified career awareness platforms e.g., social media, exhibitions, radio, etc.</li> </ul>

## **8 Public Entities**

N/A

## **9 Infrastructure Projects**

N/A

## **10 Public Private Partnership**

N/A

## PART D: TECHNICAL INDICATOR DESCRIPTIONS (TIDs)

### Programme 1: Administration Technical Indicator Descriptors

#### 1.1 Percentage of compliance with corporate governance compliance report

Indicator title	Percentage of compliance with governance compliance report
<b>Definition</b>	This indicator must measure in percentage, merSETA overall compliance with PFMA (including National Treasury directives), Skills Development Act (and the Regulations thereof) and Public Audit Act No 5 of 2018 (as amended), as well as managements and AA's role in monitoring such compliance
<b>Source of data</b>	Quarterly Governance Report
<b>Method of calculation / Assessment</b>	The total number of Governance Reports submitted to the DHET per quarter, divided by four and multiplied by 100
<b>Means of verification</b>	Approved Governance Report
<b>Assumptions</b>	Committee meetings will take place as per schedule
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities (PwD): N/A
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Company Secretary and Compliance Officer

#### 1.2 The status of Auditor General South Africa audit outcomes

Indicator title	The status of Auditor General South Africa audit outcome.
<b>Definition</b>	The indicator refers to audit outcomes from the Auditor General South Africa audit of financial statements, performance information and compliance with legislation.
<b>Source of data</b>	Auditor General South Africa audit outcome and detailed findings report.
<b>Method of calculation / Assessment</b>	Audit opinion given to the merSETA at the end of the previous financial year..
<b>Means of verification</b>	AGSA audit outcome and management report for the 2023/24 financial year.
<b>Assumptions</b>	The merSETA has all the necessary systems and controls for improving compliance, governance, planning, performance monitoring, reporting, evaluation and financial management.
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities (PwD): N/A
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Non-Cumulative

<b>Indicator title</b>	<b>The status of Auditor General South Africa audit outcome.</b>
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved or exceeded.
<b>Indicator responsibility</b>	Chief Financial Officer (CFO)

### 1.3 Number of critical business processes digitally enhanced.

<b>Indicator title</b>	<b>Number of critical business processes digitally enhanced</b>
<b>Definition</b>	This indicator measures core business process that produces strategic outputs that is automated, enhanced or newly enabled by the use of digital technology resulting in efficient and effective service delivery in the period under review.
<b>Source of data</b>	ICT Quarterly Report
<b>Method of calculation / Assessment</b>	A count of the number of process(es) that have been reported as digitally enhanced
<b>Means of verification</b>	Signed-off User Acceptance Tests (UAT) for automated, enhanced or newly enabled core business process(es)
<b>Assumptions</b>	Senior Management shall be keen on process enhancement and process identified in advance
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities (PwD): N/A
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved or exceeded.
<b>Indicator responsibility</b>	Chief Information Officer

## Programme 2: Skills Planning Technical Indicator Descriptors

### 2.1 Number of WSPs and ATRs approved for small firms (49 or less employees)

<b>Indicator title</b>	<b>Number of WSPs and ATRs approved for small firms: (49 or less employees)</b>
<b>Definition</b>	Number of WSPs and ATRs that have been approved for small levy paying firms (organisations employing 49 or less employees). Approval of a WSP/TR doesn't necessarily mean that the firm was paid a mandatory grant, but that the WSP/TR submission was accepted and deemed as appropriate by the merSETA
<b>Source of data</b>	NSDMS records or MG schedules
<b>Method of calculation / Assessment</b>	Each small levy paying firm is counted once for each successful approval of WSP/TR
<b>Means of verification</b>	Remittance advice or proof of payment, or record of approval of grant application (WSP/TR)
<b>Assumptions</b>	merSETA companies will participate in the WSP/TR (mandatory grant application process)
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A

Indicator title	Number of WSPs and ATRs approved for small firms: (49 or less employees)
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

## 2.2 Number of WSPs and ATRs approved for medium firms (50-149 employees)

Indicator title	Number of WSPs and ATRs approved for medium firms: (50-149 employees)
Definition	Number of WSPs and ATRs that have been approved for medium levy paying firms (organisations employing between 50-149 employees). Approval of a WSP/TR doesn't necessarily mean that the firm was paid a mandatory grant, but that the WSP/TR submission was accepted and deemed as appropriate by the merSETA
Source of data	NSDMS records or MG schedules
Method of calculation / Assessment	Each medium levy paying firm is counted once for each successful approval of WSP/TR (mandatory grant)
Means of verification	Remittance advice or proof of payment; or record of approval of grant application (WSP/TR)
Assumptions	merSETA companies will participate in the WSP/TR (mandatory grant application process)
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

## 2.3 Number of WSPs and ATRs approved for large firms (150+ employees)

Indicator title	Number of WSPs and ATRs approved for large firms: (150 + employees)
Definition	Number of WSPs and ATRs that have been approved for large levy paying firms (organisations employing 150+ employees). Approval of a WSP/TR doesn't necessarily mean that the firm was paid a mandatory grant, but that the WSP/TR submission was accepted and deemed as appropriate by the merSETA
Source of data	NSDMS records or mandatory grant schedules
Method of calculation / Assessment	Each large levy paying firm is counted once for each successful approval of WSP/TR
Means of verification	Remittance advice or proof of payment; or record of approval of grant application (WSP/TR)
Assumptions	merSETA companies will participate in the WSP/TR (mandatory grant application process)

Indicator title	Number of WSPs and ATRs approved for large firms: (150 + employees)
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

#### 2.4 Number of sector research agreements signed for TVET growth occupationally directed programmes

Indicator title	Number of sector research agreements signed for TVET growth occupationally directed programmes
Definition	Number of research agreements signed to implement research studies to enable TVET colleges provide occupationally directed programmes for the merSETA
Source of data	NSDMS MoA records or register of merSETA MoAs
Method of calculation / Assessment	Count of research MoA(s)
Means of verification	Research MoA signed with either the TVET college or with researchers
Assumptions	TVET colleges participation or support for research
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	Target stated in 2024/2025 APP achieved
Indicator Responsibility	Chief Operations Officer

#### 2.5 Number of learners who completed workplace-based learning programmes absorbed into employment or self-employment (Number of tracer studies or surveys to be conducted to establish employability)

Indicator title	Number of learners who completed workplace-based learning programmes absorbed into employment or self-employment (Number of tracer studies to be conducted to establish employability)
Definition	This indicator refers to the number of tracer studies or surveys conducted to determine employment (including self-employment) absorption rates of unemployed learners after completing merSETA skills development interventions, including but not limited to internships, apprenticeship, skills programme/sets, learnerships, training on entrepreneurship skills, or on completion of studies where a bursary was offered.

<b>Indicator title</b>	<b>Number of learners who completed workplace-based learning programmes absorbed into employment or self-employment (Number of tracer studies to be conducted to establish employability)</b>
	Absorption rates will be determined through either annual absorption rate surveys or tracer study. Tracer study can only be conducted every two financial years.
<b>Source of data</b>	Tracer study terms of reference
<b>Method of calculation / Assessment</b>	Count the number of tracer studies conducted
<b>Means of verification</b>	The approved tracer study scope, terms of reference, progress reports and tracer study reports.
<b>Assumptions</b>	Unreliable data, low participation by the required respondents, no access to relevant primary data from stakeholders, Delayed procurement of service provider, service provider expertise, availability of alumni information, response rate of survey participants
<b>Disaggregation of Beneficiaries (where applicable)</b>	n/a
<b>Spatial transformation (where applicable)</b>	n/a
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Strategy & Research Executive

## 2.6 Number of established and emergent cooperatives trained on sector and national identified priority occupations or skills

<b>Indicator title</b>	<b>Number of established and emergent cooperatives trained on sector and national identified priority occupations or skills</b>
<b>Definition</b>	Number of cooperatives that have been funded by the merSETA to train on sector and national identified priority occupations or skills
<b>Source of data</b>	NSDMS MoA records or register of partnership agreements
<b>Method of calculation / Assessment</b>	Count the number of cooperatives funded by the merSETA to train on sector and national identified occupations or skills. Each signed agreement is counted once in the financial year., irrespective of the number of agreements entered with the cooperative
<b>Means of verification</b>	Copy of an agreement
<b>Assumptions</b>	Cooperatives have the capacity (resources, project management and relevant infrastructure) to implement agreements
<b>Disaggregation of Beneficiaries (where applicable)</b>	30% of cooperatives supported should be run by women or have women as the primary beneficiaries
<b>Spatial transformation (where applicable)</b>	90% of the cooperatives supported will be from rural areas and townships
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

### 2.7 Number of small and emerging enterprises trained on sector and national identified priority occupations or skills

Indicator title	Number of small and emerging enterprises trained on sector and national identified priority occupations or skills
Definition	Number of small businesses (organisations with 1-49 employees) that have been funded by the merSETA to train on sector and national identified priority occupations or skills
Source of data	NSDMS records or register of partnership agreements
Method of calculation / Assessment	Count the number of small businesses that have been funded by the merSETA to train on sector and national identified priority occupations or skills. Each signed agreement is counted once in the financial year, irrespective of the number of agreements entered with the small business
Means of verification	Copy of an agreement; a copy of a detailed site visit report or progress report
Assumptions	The merSETA has a strategy and supporting measures in place to encourage participation of SMEs in its activities and interventions
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	10% of small businesses supported through skills development will be from rural areas and townships
Calculation type	Cumulative
Reporting Cycle	Annually
Desired performance	Target stated in 2024/2025 APP achieved
Indicator Responsibility	Chief Operations Officer

## Programme 3: Learning Programmes and Projects Technical Indicator Descriptors

### 3.1 Percentage of total approved Discretionary Grants (DG) allocations to employers, allocated to programmes or projects aimed at developing high level skills e.g., managers, professionals and technicians, and associate professionals.

Indicator title	Percentage of total approved Discretionary Grant (DG) allocations to employers, allocated to programmes or projects aimed at developing high level skills e.g., managers, professionals and technicians, and associate professionals
Definition	This indicator measures the percentage of the total MANCO approved DG allocations to merSETA employers, allocated to programmes or projects aimed at developing high level skills for example managers, professionals and technicians, and associated professionals, through anyone of the following learning initiatives, but not limited to: bursaries, skills programmes/sets, learnerships, non-credit bearing courses, internships, candidacy, WIL, or Continuous Professional Development (CPD)
Source of data	MANCO approved allocation report
Method of calculation / Assessment	MANCO DG amount approved to employers to implement programmes or projects aimed at developing high level skills divided by the total MANCO approved allocations to employers multiplied by 100



<b>Indicator title</b>	<b>Percentage of total approved Discretionary Grant (DG) allocations to employers, allocated to programmes or projects aimed at developing high level skills e.g., managers, professionals and technicians, and associate professionals</b>
	Numerator: MANCO DG approved amount for high-level skills Denominator: Total MANCO approved allocation to merSETA employers
<b>Means of verification</b>	Consolidated approved allocation report in line with the OFO codes
<b>Assumptions</b>	Companies will apply for discretionary grant and accept the allocations
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 30% of the total budget allocated for this category Target for Youth: 25% of the total budget allocated for this category Target for People with Disabilities (PwD): 2% of the total budget allocated for this category
<b>Spatial Transformation (where applicable)</b>	20% will be allocated to beneficiaries from rural areas
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	Between 15% - 25% of DG Allocations
<b>Indicator responsibility</b>	Chief Operations Officer

3.2 *Percentage of total approved Discretionary Grants (DG) allocations to employers, allocated to programmes or projects aimed at developing mid-level skills e.g., clerical, sales, and service, skilled craft, and trade workers*

<b>Indicator title</b>	<b>Percentage of total approved Discretionary Grants (DG) allocations to employers, allocated to programmes or projects aimed at developing mid-level skills e.g., clerical, sales and service, skilled craft and trade workers</b>
<b>Definition</b>	This indicator measures the percentage of the total MANCO approved DG allocations to merSETA employers, allocated to programmes or projects aimed at developing mid-level skills for instance clerical, sales and service, skilled craft and trade workers (referred to as intermediate skills in the NSDP), through any of the following learning initiatives, but not limited to: bursaries, skills programmes/sets, learnerships, apprenticeships, non-credit bearing courses, internships, candidacy, WIL, or Continuous Professional Development (CPD)
<b>Source of data</b>	MANCO approved allocation report
<b>Method of calculation / Assessment</b>	MANCO DG amount approved to employers to implement programmes or projects aimed at developing mid-level skills divided by the total MANCO approved allocations to employers multiplied by 100  Numerator: MANCO DG approved amount for mid-level skills  Denominator: Total MANCO approved allocation to merSETA employers
<b>Means of verification</b>	Consolidated approved allocation report in line with the OFO codes
<b>Assumptions</b>	Companies will apply for discretionary grant and accept allocations
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 30% of the total budget allocated for this category  Target for Youth: 20% of the total budget allocated for this category  Target for People with Disabilities (PWD): 2% of the total budget allocated for this category.
<b>Spatial Transformation (where applicable)</b>	20% will be allocated to beneficiaries from rural areas
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	Between 55% - 65% of DG Allocations
<b>Indicator responsibility</b>	Chief Operations Officer

### 3.3 Percentage of total approved Discretionary Grants (DG) allocations to employers, allocated to programmes or projects aimed at developing elementary skills e.g., machine operators and elementary workers

<b>Indicator title</b>	<b>Percentage of total approved Discretionary Grants (DG) allocations to employers, allocated to programmes or projects aimed at developing elementary skills e.g., machine operators and elementary workers</b>
<b>Definition</b>	This indicator measures the percentage of the total MANCO approved DG allocations to merSETA employers, allocated to programmes or projects aimed at developing elementary skills for example machine operators, elementary workers but not limited to: bursaries, skills programmes/sets, learnerships, apprenticeships, non-credit bearing courses, internships, candidacy, WIL, or Continuous Professional Development (CPD)
<b>Source of data</b>	MANCO approved allocation report
<b>Method of calculation / Assessment</b>	MANCO DG amount approved to employers to implement programmes or projects aimed at developing elementary skills divided by the total MANCO approved allocations to employers multiplied by 100  Numerator: MANCO DG approved amount for elementary skills  Denominator: Total MANCO approved allocation to merSETA employers
<b>Means of verification</b>	Consolidated approved allocation report in line with the OFO codes

<b>Indicator title</b>	<b>Percentage of total approved Discretionary Grants (DG) allocations to employers, allocated to programmes or projects aimed at developing elementary skills e.g., machine operators and elementary workers</b>
<b>Assumptions</b>	Companies will apply for discretionary grant and accept allocations
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 20% of the total budget allocated for this category Target for Youth: 50% of the total budget allocated for this category Target for People with Disabilities (PwD): 2% of the total budget allocated for this category
<b>Spatial Transformation (where applicable)</b>	20% of the total budget will be allocated to machine operators and elementary workers from rural areas.
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	Between 20% - 30% of DG Allocations
<b>Indicator responsibility</b>	Chief Operations Officer

### 3.4 Number of unemployed learners registered for WIL programmes from TVET

<b>Indicator title</b>	<b>Number of unemployed learners registered for WIL programmes from TVET</b>
<b>Definition</b>	Number of learners from TVET colleges who prior to registration for WIL were unemployed and are placed at workplaces or workshops or work simulated programmes to acquire the National Nated Diploma
<b>Source of data</b>	Learner Management System
<b>Method of calculation / Assessment</b>	Each learner is counted once for every registration on WIL TVET placement programme
<b>Means of verification</b>	Learner agreement; confirmation of employment status; copy of an ID or passport or confirmation of application of an ID or foreign identification document; and a copy of statement of results or letter for placement from the TVET college
<b>Assumptions</b>	Availability of workplaces, employer commitment to avail workspaces for learning
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 30% Target for Youth: 50% Target for People with Disabilities (PwD): 2%
<b>Spatial transformation (where applicable)</b>	20% unemployed learners registered for WIL programmes from TVET will be from rural areas
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

### 3.5 Number of unemployed learners completing WIL programmes from TVET

<b>Indicator title</b>	<b>Number of unemployed learners completing WIL programmes from TVET</b>
<b>Definition</b>	Number of unemployed learners from TVET Colleges completing WIL programmes at workplaces or workshops or work simulated programmes to acquire the National Nated Diploma

Indicator title	Number of unemployed learners completing WIL programmes from TVET
Source of data	Learner Management System
Method of calculation / Assessment	Each learner is counted once for every WIL TVET programme completion
Means of verification	Letter confirming learner completion; and copy of an ID or passport or confirmation of application of an ID or foreign identification document
Assumptions	Availability of workplaces, employer commitment to avail workspaces for learning
Disaggregation of Beneficiaries (where applicable)	Target for Women: 30% Target for Youth: 50% Target for People with Disabilities (PWD): 2%
Spatial transformation (where applicable)	20% unemployed learners completing WIL programmes from TVET Colleges will be from rural areas.
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.6 Number of unemployed learners registered for WIL programmes from HEIs

Indicator title	Number of unemployed learners registered for WIL programmes from HEIs
Definition	Number of learners from HEIs or University of Technologies (UoT) who prior to registering for WIL were unemployed, and are placed at a workplace or workshop or work simulated programme to acquire a National Diploma
Source of data	Learner Management System
Method of calculation / Assessment	Each learner is counted once for every HEI WIL programme registered
Means of verification	Learner agreement; confirmation of employment status; copy of an ID or passport copy or confirmation of application of an ID or foreign identification document; and a copy of statement of result from the HEI or a confirmation letter from the HEI for practical placement
Assumptions	Availability of workplaces, employer commitment to avail workspaces for learning
Disaggregation of Beneficiaries (where applicable)	Target for Women: 30% Target for Youth: 50% Target for People with Disability (PWD): 3%
Spatial transformation (where applicable)	20 % unemployed learners registered for WIL programmes from HEIs will be from rural areas
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.7 Number of unemployed learners completing WIL programmes from HEIs

Indicator title	Number of unemployed learners completing WIL programmes from HEIs
Definition	Number of unemployed HEI or University of Technology (UoT) learners completing WIL at a workplaces or workshops or work simulated programme to acquire a National Diploma
Source of data	Learner Management System
Method of calculation / Assessment	Each learner is counted once for every HEI WIL programme completed
Means of verification	Letter confirming learner completion; and copy of an ID or passport or confirmation of application of an ID or foreign identification document
Assumptions	Availability of workplaces, employer commitment to avail workspaces for learning
Disaggregation of Beneficiaries (where applicable)	Target for Women: 30% Target for Youth: 50% Target for People with Disability (PwD): 3%
Spatial transformation (where applicable)	20 % unemployed learners completing WIL programmes from HEIs will be from rural areas
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.8 Number of unemployed learners registered for workplace experience/internships

Indicator title	Number of unemployed learners registered for workplace experience/internships
Definition	The number of unemployed graduates who are placed on a work experience plan at a workplace, or workshop or a work simulated programme
Source of data	Learner Management System
Method of calculation / Assessment	Each learner is counted once for every workplace-based experience/internship programme registered
Means of verification	Learner agreement; confirmation of employment status; copy of an ID or passport or confirmation of application of an ID or foreign identification document; and a copy of highest qualification from education institution or statement of result or certificate
Assumptions	Availability of workplaces, employer commitment to avail workspaces for learning
Disaggregation of Beneficiaries (where applicable)	Target for Women: 30% Target for Youth: 50% Target for People with Disability (PwD): 2%
Spatial transformation (where applicable)	20% unemployed learners registered for workplace experience/internships will be from rural areas
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.9 Number of unemployed learners completing workplace experience/internships

Indicator title	Number of unemployed learners completing workplace experience/internships
<b>Definition</b>	The number of unemployed graduates who have completed a work experience plan at a workplace or workshop or work simulated programme
<b>Source of data</b>	Learner Management System
<b>Method of calculation / Assessment</b>	Each learner is counted once for every workplace experience/internship programme completed
<b>Means of verification</b>	Letter confirming learner completion; and copy of an ID or passport or confirmation of application of an ID or foreign identification document
<b>Assumptions</b>	Availability of workplaces for internship/work experience
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 20% Target for Youth: 30% Target for People with Disability (PwD): 2%
<b>Spatial transformation (where applicable)</b>	20% of unemployed learners completing workplace experience/internships will be from rural areas
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

### 3.10 Number of unemployed learners registered for skills programmes

Indicator title	Number of unemployed learners registered for skills programmes
<b>Definition</b>	Number of learners who were unemployed prior to registering for skills programmes/sets, or on individual unit standard linked to an occupation
<b>Source of data</b>	Learner Management System
<b>Method of calculation / Assessment</b>	Each learner is counted once for every skills programmes/sets or individual unit standard registered
<b>Means of verification</b>	Learner registration form; confirmation of employment status; copy of an ID or passport or confirmation of application of an ID or foreign identification document; and a copy of highest qualification or affidavit
<b>Assumptions</b>	The merSETA (through career awareness and other means will attract the relevant learners to its skills programmes)
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 30% Target for Youth: 50% Target for People with Disability (PwD): 2%
<b>Spatial transformation (where applicable)</b>	20% of unemployed learners registered for skills programmes will be from rural areas
<b>Calculation type</b>	Cumulative

<b>Indicator title</b>	<b>Number of unemployed learners registered for skills programmes</b>
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

### 3.11 *Number of unemployed learners completing skills programmes*

<b>Indicator title</b>	<b>Number of unemployed learners completing skills programmes</b>
<b>Definition</b>	Number of unemployed learners completing skills programme/sets, or individual unit standards linked to an occupation
<b>Source of data</b>	Learner Management System
<b>Method of calculation / Assessment</b>	Each learner is counted once for completing the skills programme/sets or individual unit standard
<b>Means of verification</b>	Moderation report or statement of results or letter of confirmation of completion from another SETA; copy of an ID or passport or confirmation of application of an ID or foreign identification document
<b>Assumptions</b>	Interventions implemented by the merSETA to support learners will be effective in reducing dropouts and other challenges in completion of skills programmes
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 30% Target for Youth: 50% Target for People with Disability (PWD): 2%
<b>Spatial transformation (where applicable)</b>	20% of unemployed learners completing skills programmes will be from rural areas
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2023/2024 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

### 3.12 *Number of unemployed learners registered for learnership programmes*

<b>Indicator title</b>	<b>Number of unemployed learners registered for learnership programmes</b>
<b>Definition</b>	Number of learners who were unemployed prior to registering on learnership programmes linked to qualifications or part qualifications
<b>Source of data</b>	Learner Management System
<b>Method of calculation / Assessment</b>	Each learner is counted once for every learnership programme registered
<b>Means of verification</b>	Learnership agreement and confirmation of employment status; copy of an ID or passport or confirmation of application of an ID or foreign identification document; and a copy of highest qualification or an affidavit
<b>Assumptions</b>	Adequate interest in merSETA careers/occupations

Indicator title	Number of unemployed learners registered for learnership programmes
Disaggregation of Beneficiaries (where applicable)	Target for Women: 20% Target for Youth: 30% Target for People with Disability (PwD): 3%
Spatial transformation (where applicable)	20% of unemployed learners registered for learnership programmes will be from rural areas
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.13 Number of unemployed learners completing learnership programmes

Indicator title	Number of unemployed learners completing learnership programmes
Definition	Number of unemployed learners successfully completing a registered learnership programme
Source of data	Learner Management System
Method of calculation / Assessment	Each learner is counted once for every learnership programme completed
Means of verification	Moderation report or statement of results or certificate or confirmation of completion from another SETA; and copy of an ID or passport or confirmation of application of an ID or foreign identification document
Assumptions	Interventions implemented by the merSETA to support learners will be effective in reducing dropouts and other challenges in completion of learnership programmes
Disaggregation of Beneficiaries (where applicable)	Target for Women: 20% Target for Youth: 50% Target for People with Disability (PwD): 3%
Spatial transformation (where applicable)	20% unemployed learners completing learnerships programme will be from rural areas
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.14 Number of unemployed engineering graduates registered for candidacy programmes

Indicator title	Number of unemployed engineering graduates registered for candidacy programmes
Definition	Number of engineering graduates who were unemployed prior to being placed on a workplace experience plan at a workplace or workshop or work simulated programme to acquire a professional designation
Source of data	Learner Management System.



<b>Indicator title</b>	<b>Number of unemployed engineering graduates registered for candidacy programmes</b>
<b>Method of calculation / Assessment</b>	Each learner is counted once for every candidacy programme registered.
<b>Means of verification</b>	Learner agreement; proof of candidacy registration; confirmation of employment status; copy of an ID or passport or confirmation of application of an ID or foreign identification document; and a copy of highest qualification from HEI or statement of results or certificate
<b>Assumptions</b>	There will be an uptake of the candidacy programme; employers' commitment to take on graduates for candidacy.
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 20% Target for Youth: 20% Target for People with Disability (PwD): 2%
<b>Spatial transformation (where applicable)</b>	20% of unemployed engineering graduates registered for candidacy programmes will be from rural areas.
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

### 3.15 *Number of unemployed engineering graduates completing candidacy programmes*

<b>Indicator title</b>	<b>Number of unemployed engineering graduates completing candidacy programmes</b>
<b>Definition</b>	Number of unemployed engineering graduates completing a candidacy programme to acquire a professional body designation
<b>Source of data</b>	Learner Management System
<b>Method of calculation / Assessment</b>	Each learner is counted once for every candidacy programme completed
<b>Means of verification</b>	Candidacy completion letter or professional body registration certificate; copy of an ID or passport or confirmation of application of ID or foreign identification document
<b>Assumptions</b>	The merSETA and its partners will work together in implementing measures to support learners to reduce dropouts and other challenges that impact on completion of the candidacy programmes
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 20% Target for Youth: 50% Target for People with Disability (PwD): 2%
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

3.16 *Number of unemployed learners registered for bursary programmes (new entries)*

Indicator title	Number of unemployed learners registered for bursary programmes (new entries)
Definition	Number of unemployed learners who have received a bursary for commencement of a qualification
Source of data	Learner Management System
Method of calculation / Assessment	Each learner is counted once for every new entry bursary received
Means of verification	Education institution continuation letter or proof/confirmation of registration for the academic year of which the academic term/year may overlap between prior and current financial year of reporting; learner registration form; copy of an ID or passport or confirmation of application of an ID or foreign identification document; and a copy of highest qualification or statement of results or certificate
Assumptions	Other role players such as HEIs and NSFAs (working together with the merSETA) will put in place effective mechanisms to identify, attract and award bursaries for relevant qualifications
Disaggregation of Beneficiaries (where applicable)	Target for Women: 30% Target for Youth: 90% Target for People with Disability (PwD): 3%
Spatial transformation (where applicable)	20% of unemployed learners granted bursaries (new entries) will be from rural areas
Calculation type	Cumulative
Reporting cycle	Annually
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

3.17 *Number of unemployed learners registered for bursary programmes (continuing)*

Indicator title	Number of unemployed learners registered for bursary programmes (continuing)
Definition	Number of unemployed learners who have received a bursary to continue with the qualification
Source of data	Learner Management System
Method of calculation / Assessment	Each learner is counted once for every continuing bursary received. Most recent registration date will be used to count performance achievements.
Means of verification	Education institution continuation letter or proof/confirmation of registration for the academic year of which the academic term/year may overlap between prior and current financial year of reporting; copy of an ID or passport or confirmation of application of an ID or foreign identification document; and a copy of statement of results
Assumptions	Dropout rates will be reduced due to measures implemented by the merSETA in partnership with other role players such as NSFAS and HEIs
Disaggregation of Beneficiaries (where applicable)	Target for Women: 30% Target for Youth: 50% Target for People with Disability (PwD): 3%

Indicator title	Number of unemployed learners registered for bursary programmes (continuing)
Spatial transformation (where applicable)	20% unemployed learners granted bursaries (continuing) will be from rural areas
Calculation type	Cumulative
Reporting cycle	Annually
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.18 Number of unemployed learners completing bursary programmes

Indicator title	Number of unemployed learners completing bursary programmes
Definition	Number of unemployed learners who have received a bursary and completed their qualification
Source of data	Learner Management System
Method of calculation / Assessment	Each learner is counted once for every bursary programme completed
Means of verification	Confirmation of completion issued by the education institution or certificate or statement of results; and copy of an ID or passport or confirmation of application of an ID or foreign identification document
Assumptions	There will be reduced dropout rates due to measures implemented by the merSETA and other role players that play a critical role in learner success e.g., HEIs and NSFAS
Disaggregation of Beneficiaries (where applicable)	Target for Women: 30% Target for Youth: 80% Target for People with Disability (PwD): 3%
Spatial transformation (where applicable)	20% of unemployed learners completing bursary programmes will be from rural areas
Reporting cycle	Cumulative
Reporting cycle	Annually
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.19 Number of employed learners registered for learnership programmes

Indicator title	Number of employed learners registered for learnership programmes
Definition	Number of learners who prior to registering on a learnership programme are already employed
Source of data	Learner Management System.
Method of calculation / Assessment	Each learner is counted once for every learnership programme registered.
Means of verification	Learnership agreement; confirmation of employment status; copy of an ID or passport or confirmation of application of an ID or foreign identification document; and a copy of highest qualification or an affidavit

Indicator title	Number of employed learners registered for learnership programmes
Assumptions	Employers and unions will provide the necessary support to encourage employees to enrol for merSETA learnership programmes
Disaggregation of Beneficiaries (where applicable)	Target for Women: 25% Target for Youth: 30% Target for People with Disability (PwD): 2%
Spatial transformation (where applicable)	10% of the employed learners registered for learnership programmes will be from rural areas
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.20 Number of employed learners completing learnership programmes

Indicator title	Number of employed learners completing learnership programmes
Definition	Number of employed learners who successfully completed a learnership programme
Source of data	Learner Management System.
Method of calculation / Assessment	Each learner is counted once for every learnership programme completed
Means of verification	Moderation report or statement of results or confirmation of completion from another SETA; copy of an ID or passport or confirmation of application of an ID or foreign identification document
Assumptions	Employers and unions will provide the necessary support for employed learners to successfully complete learnership programmes
Disaggregation of Beneficiaries (where applicable)	Target for Women: 25% Target for Youth: 30% Target for People with Disability (PwD): 2%
Spatial transformation (where applicable)	10% of employed learners completing learnership programmes will be from rural areas
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.21 Number of employed learners registered for bursary programmes (new entries)

Indicator title	Number of employed learners registered for bursary programmes (new entries)
Definition	Number of employed learners who have received a bursary for commencement of a qualification or part qualification
Source of data	Learner Management System

Indicator title	Number of employed learners registered for bursary programmes (new entries)
Method of calculation / Assessment	Each learner is counted once for every new entry bursary programme registered
Means of verification	Education institution continuation letter or proof/confirmation of registration for the academic year of which the academic term/year may overlap between prior and current financial year of reporting; confirmation of employment status; learner registration form; copy of an ID or passport or confirmation of application of an ID or foreign identification document; and a copy of highest qualification or statement of results or certificate
Assumptions	Employers providing opportunities for worker to enrol for academic studies.
Disaggregation of Beneficiaries (where applicable)	Target for Women: 25% Target for Youth: 90% Target for People with Disability (PwD): 3%
Spatial transformation (where applicable)	20% of employed learners registered for bursary programmes (new entries) will be from rural areas
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.22 Number of employed learners registered for bursary programmes (continuing)

Indicator title	Number of employed learners registered for bursary programmes (continuing)
Definition	Number of employed learners who have received a bursary to continue a qualification or part qualification
Source of data	Learner Management System
Method of calculation / Assessment	Each learner is counted once for every continuing bursary received. Most recent registration date will be used to count performance achievements.
Means of verification	Education institution continuation letter or proof/confirmation of registration for the academic year of which the academic term/year may overlap between prior and current financial year of reporting; confirmation of employment status; copy of an ID or passport or confirmation of application of an ID or foreign identification document; and a copy of statement of results
Assumptions	Employers supporting workers to pursue studies towards successful completion; HEI support measures for employed students
Disaggregation of Beneficiaries (where applicable)	Target for Women: 25% Target for Youth: 90% Target for People with Disability (PwD): 3%
Spatial transformation (where applicable)	20% employed learners registered for bursary programmes (continuing) will be from rural areas
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.23 Number of employed learners completing bursary programmes

Indicator title	Number of employed learners completing bursary programmes
<b>Definition</b>	Number of employed learners who have received a bursary and completed their qualification or part qualification
<b>Source of data</b>	Learner Management System
<b>Method of calculation / Assessment</b>	Each learner is counted once for every bursary programme completed
<b>Means of verification</b>	Confirmation of completion issued by the education institution or copy of statement of results or copy of certificate; and copy of an ID or passport or confirmation of application of ID or foreign identification document
<b>Assumptions</b>	Time given by employers for workers to study and successfully complete; education institution support measures for employed students
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 25% Target for Youth: 50% Target for People with Disability (PwD): 3%
<b>Spatial transformation (where applicable)</b>	20% of employed learners completing bursary programmes will be from rural areas
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

### 3.24 Number of employed learners registering for skills programmes

Indicator title	Number of employed learners registering for skills programmes
<b>Definition</b>	Number of learners who prior to registering for skills programmes/sets or an individual unit standard linked to an occupation are already employed
<b>Source of data</b>	Learner Management System.
<b>Method of calculation / Assessment</b>	Each learner is counted once for every skills programmes/sets or individual unit standard registered
<b>Means of verification</b>	Learner registration form; confirmation of employment status; copy of an ID or passport or confirmation of application of an ID or foreign identification document; and a copy of highest qualification or an affidavit
<b>Assumptions</b>	Employers and unions will provide the necessary support to encourage uptake of merSETA skills programmes
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 25% Target for Youth: 30% Target for People with Disability (PwD): 3%
<b>Spatial transformation (where applicable)</b>	10% of employed learners registering for skills programmes will be from rural areas
<b>Calculation type</b>	Cumulative

<b>Indicator title</b>	<b>Number of employed learners registering for skills programmes</b>
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

### 3.25 Number of employed learners completing skills programme

<b>Indicator title</b>	<b>Number of employed learners completing skills programme</b>
<b>Definition</b>	Number of employed learners completing skills programme/sets or individual unit standards linked to an occupation
<b>Source of data</b>	Learner Management System
<b>Method of calculation / Assessment</b>	Each learner is counted once for completing the skills programme/sets or individual unit standard
<b>Means of verification</b>	Moderation of assessment report or statement of results or confirmation of completion from another SETA; and copy of an ID or passport or confirmation of application of an ID or foreign identification document
<b>Assumptions</b>	Employers will provide the necessary support for their workers to complete skills programmes
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 25% Target for Youth: 30% Target for People with Disability (PwD): 3%
<b>Spatial transformation (where applicable)</b>	10 % employed learners completing a skills programme will be from rural areas
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

### 3.26 Number of employed or unemployed learners registered for AET programmes

<b>Indicator title</b>	<b>Number of employed or unemployed learners registered for AET programmes</b>
<b>Definition</b>	Number of employed and unemployed adults (18 years and above) who have registered for adult learning programmes, which may include an ABET or AET or Foundational Learning Certificate (FLC) or non-credit bearing short courses
<b>Source of data</b>	Learner Management System
<b>Method of calculation / Assessment</b>	Each learner is counted once for every adult learning programme registered
<b>Means of verification</b>	Learner registration form; confirmation of employment status confirming either employed or unemployed; and a copy of an ID or passport or confirmation of application of ID or foreign identification document
<b>Assumptions</b>	There will be an uptake of AET programmes by employed and unemployed learners
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 30% Target for Youth: 50%

Indicator title	Number of employed or unemployed learners registered for AET programmes
	Target for People with Disability (PwD): 3%
<b>Spatial transformation (where applicable)</b>	10% of employed or unemployed learners registered for AET programmes will be from rural areas
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

### 3.27 Number of employed or unemployed learners completing AET programmes

Indicator title	Number of employed or unemployed learners completing AET programmes
<b>Definition</b>	Number of employed or unemployed adults (18 years and above) who have completed adult learning programmes and may include an ABET or AET or Foundational Learning Certificate (FLC) or non-credit bearing short courses
<b>Source of data</b>	Learner Management System
<b>Method of calculation / Assessment</b>	Each learner is counted once for every adult learning programme completed
<b>Means of verification</b>	Moderation of assessment report or statement of results or copy of certificate or confirmation of completion; and a copy of an ID or passport or confirmation of application of an ID or foreign identification document
<b>Assumptions</b>	There will be reduced dropouts due to interventions implemented by the merSETA
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 30% Target for Youth: 50% Target for People with Disability (PwD): 3%
<b>Spatial transformation (where applicable)</b>	10% employed or unemployed learners completing AET programmes will be from rural areas
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

### 3.28 Number of learners registered for trade / artisan qualifications (new registrations)

Indicator title	Number of learners registered for trade / artisan qualifications (new registrations)
<b>Definition</b>	Number of learners registered for apprenticeships or artisan trade qualification programme. These exclude learners on TVET WIL placement
<b>Source of data</b>	Learner Management System
<b>Method of calculation / Assessment</b>	Each learner is counted once for every registration on apprenticeship
<b>Means of verification</b>	Learner agreement; confirmation of employment status confirming either employed or unemployed learner; certified copy of an ID or passport or confirmation of application of an ID



Indicator title	Number of learners registered for trade / artisan qualifications (new registrations)
	or foreign identification document; and a certified copy of highest qualification or statement of results or an affidavit
Assumptions	There will be a continued uptake of learners registering for artisan qualifications due to merSETA initiatives such as career awareness
Disaggregation of Beneficiaries (where applicable)	Target for Women: 20% Target for Youth: 50% Target for People with Disability (PwD): 2%
Spatial transformation (where applicable)	20% of learners registered for trade / artisan qualifications (new registrations) will be from rural areas
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.29 Number of learners completing trade / artisan qualifications

Indicator title	Number of learners completing trade / artisan qualifications
Definition	Number of learners who have successfully attained an artisan trade qualification
Source of data	Learner Management System
Method of calculation / Assessment	Each learner is counted once for every successful completion of an apprenticeship or artisan trade qualification programme
Means of verification	Learner statement of results or proof of receipt of evidence by NAMB or a copy of the certificate; and certified copy of an ID or passport or confirmation of application of ID or foreign identification document
Assumptions	There will be a reduced dropout rate due to the implementation of mechanisms aimed at increasing throughput
Disaggregation of Beneficiaries (where applicable)	Target for Women: 20% Target for Youth: 50% Target for People with Disability (PwD): 2%
Spatial transformation (where applicable)	20% of learners completing trade / artisan qualifications will be from rural areas
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.30 Number of learners entering Artisan Recognition of Prior Learning (ARPL) programme

Indicator title	Number of learners entering Artisan Recognition of Prior Learning (ARPL) programme
Definition	Number of learners who are registered to undergo Artisan Recognition of Prior learning (ARPL) process as prescribed by the Department of Higher Education and Training (DHET)
Source of data	Learner Management System
Method of calculation / Assessment	Each learner is counted once for every ARPL application registered
Means of verification	Artisan Recognition of Prior Learning (ARPL) trade test application form; certified copy of an ID or passport or confirmation of application of an ID or foreign identification document; and certified copy of highest qualification (excluding tool kit trades)
Assumptions	Delays in candidates being put through assessments for ARPL will be minimised through effective collaboration among key role players responsible for providing such assessments; adequate interest for people to take up the ARPL route towards certification
Disaggregation of Beneficiaries (where applicable)	Target for Women: 20% Target for Youth: 30% Target for People with Disability (PWD): 2%
Spatial transformation (where applicable)	20% of candidates undergoing Recognition of Prior Learning (RPL), or Artisan Recognition of Prior Learning (ARPL) will be from rural areas
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.31 Number of learners completing Artisan Recognition of Prior Learning (ARPL) programme

Indicator title	Number of learners completing Artisan Recognition of Prior Learning (ARPL) programme
Definition	Number of learners completing Artisan Recognition of Prior learning (ARPL) process as prescribed by the Department of Higher Education and Training (DHET)
Source of data	Learner Management System
Method of calculation / Assessment	Each learner is counted once for every RPL or ARPL competency certificate obtained
Means of verification	Certified copy of an ID or passport or confirmation of application of an ID or foreign identification; and trade test results/report or copy of certificate or confirmation of NAMB evidence packs submitted
Assumptions	Delays in candidates being put through assessments for RPL/ARPL will be minimised through effective collaboration among key role players responsible for providing such assessments; adequate interest for people to take up the RPL/ARPL route towards certification
Disaggregation of Beneficiaries (where applicable)	Target for Women: 20% Target for Youth: 30% Target for People with Disability (PWD): 2%
Spatial transformation (where applicable)	20% of candidates undergoing Recognition of Prior Learning (RPL) or Artisan Recognition of Prior Learning (ARPL) will be from rural areas

<b>Indicator title</b>	<b>Number of learners completing Artisan Recognition of Prior Learning (ARPL) programme</b>
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

### 3.32 *Number of active TVET college partnerships established*

<b>Indicator title</b>	<b>Number of active TVET college partnerships established</b>
<b>Definition</b>	Number of TVET colleges that have a newly signed or continuing agreement with merSETA
<b>Source of data</b>	Register of partnership contracts
<b>Method of calculation / Assessment</b>	Each signed agreement between merSETA and a TVET college is counted once in the financial year irrespective of the number of agreements entered with the TVET college
<b>Means of verification</b>	A copy of a signed agreement between the merSETA and a TVET college, which are active during the period under review
<b>Assumptions</b>	TVET colleges have the capability (resources, infrastructure and project management) to implement agreements
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	20% of TVET College partnerships will be those in rural areas
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

### 3.33 *Number of active SETA-HEI partnerships established*

<b>Indicator title</b>	<b>Number of active SETA-HEI partnerships established</b>
<b>Definition</b>	Number of HEIs that have entered into a newly signed or continuing agreements with merSETA
<b>Source of data</b>	Register of partnership contracts
<b>Method of calculation / Assessment</b>	Each signed agreement between merSETA and a HEI is counted once in the financial year, irrespective of the number of agreements entered into with the HEI
<b>Means of verification</b>	A copy of the signed agreement/s between merSETA and HEI, which is/are active during the period under review
<b>Assumptions</b>	HEIs have the capability (resources, infrastructure, and project management) to implement agreements
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	20% of the partnerships will be targeted at HEIs that are considered "historically disadvantaged"

Indicator title	Number of active SETA-HEI partnerships established
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2023/2024 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.34 Number of active CET partnerships established

Indicator title	Number of active CET partnerships established
Definition	Number of new and continuing CET college partnerships established
Source of data	Register of partnership contracts
Method of calculation / Assessment	Each signed agreement is counted once in the financial year, irrespective of the number of agreements entered into with the CET college
Means of verification	Copy of signed agreement with the CET college
Assumptions	CET does not have similar support from another SETA; partnership can be expediently conceptualised, and agreements concluded in the year
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	50% of CET colleges will be from rural areas or townships
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.35 Number of new SETA-Employer partnerships established

Indicator title	Number of new SETA-Employer partnerships established
Definition	Number of employers that have entered into a newly signed agreement with merSETA
Source of data	Register of partnership contracts
Method of calculation / Assessment	Each signed agreement with merSETA employer is counted once in the financial year, irrespective of the number of agreements entered into with the employer
Means of verification	A copy of the signed agreement/s between merSETA and the employer, which is/are active during period under review
Assumptions	Partners have capacity and capability (infrastructure, resources, and project management to implement the agreement. Partnership contractual arrangements finalised within the year
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative

<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

**3.36**    *Number of CBOs/NGOs/NPOs funded for skills to grow/develop and sustain their activities or organisations*

<b>Indicator title</b>	<b>Number of CBOs/NGOs/NPOs funded for skills to grow/develop and sustain their activities or organisations</b>
<b>Definition</b>	Number of Community Based Organisations (CBOs), Non-Governmental Organisations (NGOs) and Non-Profit Organisations (NPOs) that have been funded by the merSETA for skills to grow or develop and sustain their activities or organisations
<b>Source of data</b>	NSDMS records or NPOs contract schedules
<b>Method of calculation/Assessment</b>	Count the number of CBOs, NPOs and NGOs that have been funded by the merSETA for skills to grow, develop and sustain their activities or organisations. Each signed agreement is counted once in the financial year, irrespective of the number of agreements entered with the NPO, CBO, NGO
<b>Means of verification</b>	Copy of an agreement, or a copy of a detailed site visit report or progress report, or minutes of meetings, or an attendance register or workshop presentation, or an agenda that includes a clear purpose of the meeting or workshop
<b>Assumptions</b>	NPOs, CBOs, NGOs have the capability and capacity (resources, infrastructure, and project management) to implement agreements
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial Transformation (where applicable)</b>	60% of NPOs, CBOs, NGOs supported through skills development will be from rural areas
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Bi-Annually
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

**3.37**    *Number of trade unions supported through skills development.*

<b>Indicator title</b>	<b>Number of trade unions supported through skills development</b>
<b>Definition</b>	Number of federations &/or trade unions that have been supported by the merSETA through skills development funding for training
<b>Source of data</b>	NSDMS records or trade unions schedules
<b>Method of calculation / Assessment</b>	Count the number of trade unions supported
<b>Means of verification</b>	Copy of signed agreement with a trade union
<b>Assumptions</b>	Trade unions have the capability and capacity (infrastructure, resources and project management) to implement agreements

Indicator title	Number of trade unions supported through skills development
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.38 Number of rural development projects supported through skills development

Indicator title	Number of rural development projects supported through skills development
Definition	Number of rural based skills development projects supported through skills development funding
Source of data	NSDMS records or rural development projects schedules
Method of calculation / Assessment	Each signed rural project agreement is counted once in the financial year, irrespective of the number of agreements entered into with providers
Means of verification	A copy of signed agreements
Assumptions	Partners have the capability and capacity (infrastructure, resources and project management) to implement agreements
Disaggregation of Beneficiaries (where applicable)	50% of the rural development projects implemented will target women in rural areas
Spatial Transformation (where applicable)	100% of the projects will be based in rural areas.
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

### 3.39 Number of people trained on entrepreneurship supported to start their business (Number of people funded for enterprise growth/enterprise development skills)

Indicator title	Number of people trained on entrepreneurship supported to start their business (Number of people funded for enterprise growth/enterprise development skills)
Definition	Number of people funded for training on enterprise growth or enterprise development skills through learning programmes such as learnerships, skills programmes or non-credit bearing programmes
Source of data	Learner management system
Method of calculation / Assessment	Each learner is counted once for every enterprise growth or enterprise development related learnerships, skills programmes or non-credit bearing programme registered

<b>Indicator title</b>	<b>Number of people trained on entrepreneurship supported to start their business (Number of people funded for enterprise growth/enterprise development skills)</b>
<b>Means of verification</b>	Learnership agreement or learner registration form; and a copy of an ID or passport confirmation of application of ID or foreign identification document; and copy of highest educational qualification or an affidavit
<b>Assumptions</b>	Partners have the capability and capacity (resources and infrastructure) to implement the training programmes
Disaggregation of Beneficiaries (where applicable)	Target for Women: 20% Target for Youth: 50% Target for People with Disability (PWD): 3%
Spatial transformation (where applicable)	10% of people registered for enterprise entrepreneurial skills will be from rural areas and townships
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

## Programme 4: Quality Assurance Indicators Descriptors

### 4.1 Number of active TVET Centres of Specialisation (CoS) supported

<b>Indicator title</b>	<b>Number of active TVET Centres of Specialisation (CoS) supported</b>
<b>Definition</b>	This indicator refers to the number of TVET Colleges recognised as Centres of Specialisation (CoS), that are supported in delivery of occupational qualifications for the merSETA ,
<b>Source of data</b>	Register of CoS contracts
<b>Method of calculation / Assessment</b>	Each signed MoA between merSETA and a TVET CoS is counted once in the financial year, irrespective of the number of agreements entered into with TVET college CoS
<b>Means of verification</b>	A copy of signed MoA between merSETA and TVET college recognised as a CoS, or progress report or site visit report against set deliverables
<b>Assumptions</b>	The TVET colleges identified have the capability and capacity (resources and infrastructure) to implement agreements
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

4.2 Number of TVET colleges funded for merSETA occupational programmes, equipment, and workshop infrastructure.

Indicator title	Number of TVET colleges funded for merSETA occupational programmes, equipment, and workshop infrastructure
Definition	This indicator refers to the number of TVET colleges funded for merSETA occupational programmes, tools and equipment, and workshop infrastructure upgrades (excluding bricks and mortar construction)
Source of data	NSDMS MoA records or schedule of merSETA MoAs
Method of calculation / Assessment	Each signed MoA with the TVET college funded for merSETA occupational programmes, equipment and workshop infrastructure is counted once in the financial year, irrespective of the number of agreements entered into with the TVET college
Means of verification	Copy of a signed MoA with the TVET college funded for merSETA occupational programmes, tools and equipment, and workshop infrastructure upgrades (excluding bricks and mortar construction).
Assumptions	The TVET colleges have the capability and capacity (resources, infrastructure and project management) to implement the agreements
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	25 % of the funded TVET colleges will be from rural areas or townships
Calculation type	Cumulative
Reporting cycle	Annually
Desired performance	Target stated in 2024/2025 APP achieved
Indicator responsibility	Chief Operations Officer

4.3 Number of TVET colleges lecturers exposed to the industry

Indicator title	Number of TVET college lecturers exposed to the industry
Definition	This indicator refers to the total number of TVET college lecturers participating in a project or activity designed for industry exposure, to contribute to their development
Source of data	NSDMS records or schedule of merSETA MoAs
Method of calculation / Assessment	Count of number of TVET college lecturers participating in a project or activity designed for industry exposure
Means of verification	Employment contract with college; TVET college employee ID copy; learner registration form or attendance register, or proof of participation in a project or activity designed for industry exposure
Assumptions	TVET colleges will encourage and support their staff to participate in merSETA programmes
Disaggregation of Beneficiaries (where applicable)	Target for Women: 20% Target for Youth: 20% Target for People with Disability (PwD): 3%



Indicator title	Number of TVET college lecturers exposed to the industry
<b>Spatial transformation (where applicable)</b>	20% of the supported TVET college employees participating will be from TVET colleges in rural areas or townships
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

#### 4.4 Number of SETA offices maintained in TVET colleges

Indicator title	Number of SETA offices maintained in TVET colleges
<b>Definition</b>	This target refers to the maintenance of merSETA offices which were previously opened at TVET colleges
<b>Source of data</b>	Copy of agreement or letter of confirmation from the TVET College
<b>Method of calculation / Assessment</b>	Each office will only be counted once
<b>Means of verification</b>	Copy of agreement or letter of confirmation from the TVET College
<b>Assumptions</b>	The supported TVET colleges will continue to avail the offices and other resources for the merSETA to maintain its offices
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator responsibility</b>	Chief Operations Officer

#### 4.5 Number of CET colleges funded for merSETA occupational programmes, equipment and workshop infrastructure.

Indicator title	Number of CET colleges funded for merSETA occupational programmes, equipment, and workshop infrastructure
<b>Definition</b>	Number of new partnerships with CET colleges funded for merSETA occupational programmes, tools and equipment and workshop infrastructure upgrades (excluding bricks and mortar constructions)
<b>Source of data</b>	NSDMS MoA records or schedule of merSETA MoAs
<b>Method of calculation / Assessment</b>	Each signed MoA with the CET college funded for merSETA occupational programmes, equipment and workshop infrastructure is counted once in the financial year, irrespective of the number of agreements entered into with the CET college
<b>Means of verification</b>	Copy of a signed MoA with the CET college funded for merSETA occupational programmes, tools and equipment and workshop infrastructure upgrades (excluding bricks and mortar constructions).

Indicator title	Number of CET colleges funded for merSETA occupational programmes, equipment, and workshop infrastructure
Assumptions	CET colleges have the capability and capacity (resources, infrastructure and project management) to implement the agreements
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	50% of CET colleges supported will be from rural areas or townships
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator Responsibility	Chief Operations Officer

#### 4.6 Number of CET learners accessing AET programmes

Indicator title	Number of CET learners accessing AET programmes
Definition	Number of adults (18 years and above) registering for adult learning programmes at a CET college, which may include ABET or AET or Foundational Learning Certificate (FLC) or short courses
Source of data	Learner Management System
Method of calculation / Assessment	Each learner is counted once for every adult learning programme registered
Means of verification	Learner agreement or learner registration form; confirmation of employment status confirming either employed or unemployed; proof of registration with CET college; and a copy of an ID or passport or confirmation of application of an ID or foreign identification document
Assumptions	CET colleges have the capability and capacity (resources and infrastructure) to enrol learners
Disaggregation of Beneficiaries (where applicable)	Target for Women: 20% Target for Youth: 50% Target for People with Disability (PwD): 3%
Spatial transformation (where applicable)	30% of CET learners accessing AET programmes will be from rural areas or townships
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator Responsibility	Chief Operations Officer

#### 4.7 Number of career awareness and information events in urban areas on occupations in high demand

Indicator Title	Number of career awareness and information events in urban areas on occupations in high demand
Definition	This is the number of urban career awareness events/exhibitions either initiated/planned or funded by the merSETA or to which merSETA was invited to participate to provide learners

Indicator Title	Number of career awareness and information events in urban areas on occupations in high demand
	with occupational and career information pertaining to careers in the mersector, with an emphasis on occupations in high demand in the mersector
Source of data	Learner Management System or merSETA career awareness planning schedules
Method of calculation / Assessment	Count the number of urban areas where career awareness and information events the merSETA initiated/planned/funded or those in which merSETA participated
Means of verification	A letter on the merSETA letterhead signed by the invited school/organisation as confirmation that merSETA initiated the career awareness and information event, and proof of request from merSETA or letter of invitation to participate
Assumptions	The willingness to accept and participate in the merSETA initiated/planned career awareness and information events; career exhibitions/events being conducted by other organisations
Disaggregation of Beneficiaries (where applicable)	Target for Women: 30% of attendees Target for Youth: 100% of attendees Target for People with Disability (PwD): 3%
Spatial transformation (where applicable)	100% of career awareness and information events in which the merSETA participates will be in urban areas
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator Responsibility	Corporate Services Executive

#### 4.8 Number of career awareness and information events in rural areas on occupations in high demand

Indicator Title	Number of career awareness and information events in rural areas on occupations in high demand
Definition	This is the number rural career awareness events/exhibitions either initiated or funded by merSETA or to which merSETA was invited to participate to provide learners with occupational and career information pertaining to careers in the mer-sector, with an emphasis on occupations in high demand in the mer-sector.
Source of data	Invitations for participation
Method of calculation / Assessment	Count the number of rural areas where career awareness and information events merSETA initiated or funded or those in which merSETA participated
Means of verification	A letter on the merSETA letterhead signed by the invited school/organisation as confirmation that merSETA initiated or funded the career awareness and information event, and proof of request from merSETA; or letter of invitation to participate
Assumptions	That the merSETA receives sufficient invites to participate in the career awareness events. Organisers do not cancel planned career awareness events
Disaggregation of Beneficiaries (where applicable)	Target for Women: 30% of attendees Target for Youth: 100% of attendees Target for People with Disability (PwD): 3%

Indicator Title	Number of career awareness and information events in rural areas on occupations in high demand
<b>Spatial transformation (where applicable)</b>	100% of career awareness and information events in which the merSETA participates will be in rural areas
<b>Calculation type</b>	Cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator Responsibility</b>	Corporate Services Executive

#### 4.9 Number of career development and advice practitioners trained

Indicator Title	Number of career development and advice practitioners trained
<b>Definition</b>	This is the number of career development and advice practitioners trained to provide services that help learners, or adults, or workers to manage their careers and make occupational and study decisions. Practitioners includes, but are not limited to life orientation teachers and HR practitioners
<b>Source of data</b>	Learner Management System, register of SLA with the service provider to deliver training
<b>Method of calculation / Assessment</b>	Each practitioner is counted once for career development and/or advice training attended
<b>Means of verification</b>	A copy of a signed SLA with the service provider appointed to deliver training, practitioner's training attendance register, letter/certificate of attendance or certificate of completion of training
<b>Assumptions</b>	There is adequate capacity to train career development and advice practitioners
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target for Women: 30% Target for Youth: 20% Target for People with Disability (PwD): 2%
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting Cycle</b>	Annually
<b>Desired performance</b>	Target stated in 2024/2025 APP achieved
<b>Indicator Responsibility</b>	Corporate Services Executive

#### 4.10 Number of capacity building workshops on career development services initiated

Indicator Title	Number of capacity building workshops on career development services initiated
<b>Definition</b>	This is the number of merSETA capacity building workshops on career development services conducted or funded by merSETA
<b>Source of data</b>	Attendance registers
<b>Method of calculation / Assessment</b>	Count the number of workshops held or funded
<b>Means of verification</b>	Attendance registers

Indicator Title	Number of capacity building workshops on career development services initiated
Assumptions	Interest or willingness of stakeholders to attend the workshops
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator Responsibility	Corporate Services Executive

#### 4.11 Number of Occupational Qualifications / Part-Qualifications or skills programmes submitted to the QCTO

Indicator Title	Number of Occupational Qualifications/ Part-Qualifications or skills programmes submitted to the QCTO
Definition	Number of full occupational qualifications &/or part-qualifications &/or occupational skills programmes developed and submitted as learning programmes to the QCTO.
Source of data	Curriculum and qualification documents for Occupational qualifications/part qualifications, or skills programmes.
Method of calculation / Assessment	A simple count of occupational qualification(s) &/or part qualification(s) &/or occupational skills programme(s) developed and submitted to QCTO.
Means of verification	Proof of submission to QCTO by either email or similar method or confirmation of receipt of submission by QCTO.
Assumptions	Sector needs from the sector for the development of Occupational Qualification/Part-qualifications/ Skills programme
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Target stated in 2024/2025 APP achieved
Indicator Responsibility	Chief Operations Officer

## **ANNEXURES**

**ANNEXURE A: Service Level Agreement**

**ANNEXURE B: Materiality Framework**

**ANNEXURE C: Grants Policy**

**ANNEXURE D: District Development Model**

## ANNEXURE D: DISTRICT DEVELOPMEN MODEL

merSETA District Development Model						
Areas of Intervention	Medium Term (3 years – MTEF)					
	Project Description	Budget allocation	District Municipality	Location: GPS coordinates	Project leader	Social partners
Electricity	Solar Photo Voltaic Skills	R100 000 000	Sedibeng City of Johannesburg City of Tshwane West Rand	-26.203482, 28.036103	Gauteng City Regions Academy	Gauteng Provincial Government
Sanitation	Candidate Engineers	R6 352 5000	District allocations managed by the North West Office of the Premier	N/A	North West Office of the Premier	Dept Cooperative Governance & Traditional Affairs (COGTA)
Water	Candidate Engineers	R6 352 5000	District allocations managed by the North West Office of the Premier	N/A	North West Office of the Premier	Dept Cooperative Governance & Traditional Affairs (COGTA)