



**merSETA**

MANUFACTURING, ENGINEERING  
AND RELATED SERVICES SETA

## **TERMS OF REFERENCE**

**For**

**District Development Model (DDM) Strategic Projects**

## Table of Contents

<b>1</b>	<b>Background .....</b>	<b>3</b>
1.1	<i>District Development Model.....</i>	3
1.2	<i>Rational of the strategic project.....</i>	3
<b>2</b>	<b>Requirements.....</b>	<b>4</b>
2.1	<i>APP Targets.....</i>	4
2.2	<i>Sectoral Priority Occupations List .....</i>	5
2.3	<i>Recruitment of beneficiaries.....</i>	7
2.4	<i>Placement of learners at workplace .....</i>	7
2.5	<i>Absorption of learners .....</i>	7
2.6	<i>Project Management.....</i>	7
2.7	<i>Strategic Importance .....</i>	7
<b>3</b>	<b>Key project deliverables .....</b>	<b>7</b>
<b>4</b>	<b>Content of submissions .....</b>	<b>8</b>
<b>5</b>	<b>Closing date.....</b>	<b>8</b>
<b>6</b>	<b>Application Verification.....</b>	<b>9</b>
6.1	<i>Disqualification criteria.....</i>	9
6.2	<i>Evaluation Criteria .....</i>	9
<b>7</b>	<b>Application process .....</b>	<b>9</b>
<b>8</b>	<b>About The merSETA.....</b>	<b>9</b>
<b>9</b>	<b>Conclusion.....</b>	<b>10</b>

## **Objectives of the project**

The primary purpose of the project is to establish strategic partnerships with other **public sector institutions** that require skills development funding aligned to their own District Development Model (DDM) strategy.

The key objectives are to:

- a) Impart knowledge and skills to South Africans to enable them to participate in DDM projects
- b) Assist public sector institutions to meet the skills demands of the DDM
- c) Enable achievement of merSETA's APP targets
- d) Develop skills aligned to merSETA priority occupations
- e) Implement well managed DDM skills development projects

## **1 Background**

### **1.1 District Development Model**

The (DDM) is a government led initiative to assist with service delivery across municipalities, it frames these challenges as opportunities for growth and development at a local level. The merSETA's approach to the DDM shall be implemented in collaboration with government departments and entities.

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.

In the past, merSETA has partnered with Offices of the Premier to empower local government to assist skills development and economic development through the provision of skills for solar installations and supporting candidate engineers in the areas of water and sanitation. Premier's offices are a key partner to the SETA in implementing the DDM. The merSETA will review requirements for skills in DDM projects as well as liaise with provinces in supporting their provincial skills development plans.

### **1.2 Rational of the strategic project**

Being a public entity, the merSETA is required to participate in the district development and fund initiated that are aligned to the District Development Model (DDM). The merSETA's intention to fund DDM-related skills development initiatives through Discretionary Grants (DG) stems from its strategic mandate to address systemic and structural barriers. By leveraging

DG funding, merSETA can support targeted interventions that align with the DDM, promoting more inclusive and regionally relevant skills development. This approach ensures that resources are directed toward infrastructure improvements, focusing on skills development, and more importantly in merSETA emerging and high demand occupations.

## 2 Requirements

### 2.1 APP Targets

Implementation of this strategic programme is aimed at addressing 2025-2026 merSETA Annual Performance Plan targets for Programme two (2) and three (3):

The proposal must be aligned to the following merSETA Annual Performance Plan performance indicators:

- f) 2.6 Number of established and emergent **cooperatives** trained on sector and national identified priority occupations or skills
- 2.7 Number of **small and emerging enterprises** trained on sector and national identified priority occupations or skills
  - g) 3.4 Number of unemployed learners registered for **WIL programmes from TVET**
  - h) 3.6 Number of unemployed learners registered for **WIL programmes from HEIs**
  - i) 3.8 Number of unemployed learners registered for **workplace experience/internships**
  - j) 3.10 Number of unemployed learners registered for **skills programmes**
  - 3.12 Number of unemployed learners registered for **learnership programmes**
    - k) 3.13 Number of unemployed learners completing **learnership programmes**
    - l) 3.14 Number of unemployed engineering graduates registered for **candidacy programmes**
    - m) 3.16 Number of unemployed learners registered for **bursary programmes (new entries)**
    - n) 3.17 Number of unemployed learners registered for **bursary programmes (continuing)**
  - 3.28 Number of learners registered for **trade / artisan qualifications** (new registrations)
    - o) 3.30 Number of learners entering **Artisan Recognition of Prior Learning (ARPL)** Programme
    - p) 3.36 Number of **CBOs/NGOs/NPOs** funded for skills to grow/develop and sustain their activities or organisations
- 3.38 Number of **rural development projects** supported through skills development
  - q) 3.39 Number of people trained on **entrepreneurship supported** to start their business (Number of people funded for enterprise growth/enterprise development skills)

## 2.2 Sectoral Priority Occupations List

The merSETA wants to address the following priority occupations that are identified in the 2025-30 merSETA Sector Skills Plans. The proposal should be focused on the skills related to the occupations below. However, merSETA may consider **other priority skills identified across the country in other sectors**.



### The merSETA Sectoral Priority Occupations List (ranked)

Rank	OFO Code	Occupation
1	2021-122102	Sales Manager
2	2021-652301	Metal Machinist
3	2021-651202	Welder
4	2021-653101	Automotive Motor Mechanic
5	2021-653306	Diesel Mechanic
6	2021-671101	Electrician
7	2021-652302	Fitter and Turner
8	2021-122101	Sales and Marketing Manager
9	2021-653303	Mechanical Fitter
10	2021-311904	Manufacturing Technician
11	2021-312201	Production / Operations Supervisor (Manufacturing)
12	2021-522303	Automotive Parts Salesperson
13	2021-331201	Credit or Loans Officer
14	2021-734402	Forklift Driver
15	2021-332302	Purchasing Officer
16	2021-684904	Panelbeater
17	2021-431102	Cost Clerk
18	2021-642702	Refrigeration Mechanic
19	2021-643201	Industrial Spraypainter
20	2021-214101	Industrial Engineer
21	2021-671202	Millwright
22	2021-214401	Mechanical Engineer
23	2021-121101	Finance Manager
24	2021-121901	Corporate General Manager
25	2021-718905	Engineering Production Systems Worker
26	2021-651302	Boiler Maker
27	2021-311501	Mechanical Engineering Technician

Rank	OFO Code	Occupation
28	2021-671208	Transportation Electrician
29	2021-132104	Engineering Manager
30	2021-226302	Safety, Health, Environment and Quality (SHE&Q) Practitioner
31	2021-432101	Stock Clerk / Officer
32	2021-411101	General Clerk
33	2021-132401	Supply and Distribution Manager
34	2021-243301	Industrial Products Sales Representative
35	2021-652201	Toolmaker
36	2021-311301	Electrical Engineering Technician
37	2021-311801	Draughtsperson
38	2021-431101	Accounts Clerk
39	2021-643202	Vehicle Painter
40	2021-121905	Programme or Project Manager
41	2021-215101	Electrical Engineer
42	2021-522302	Motorised Vehicle or Caravan Salesperson
43	2021-214104	Production Engineering Technologist
44	2021-432201	Production Coordinator
45	2021-714101	Rubber Production Machine Operator
46	2021-242303	Human Resource Advisor
47	2021-311401	Electronic Engineering Technician
48	2021-671204	Lift Mechanic
49	2021-132107	Quality Manager
50	2021-714204	Plastics Production Machine Operator (General)
51	2021-524903	Sales Clerk / Officer
52	2021-684305	Quality Controller (Manufacturing)
53	2021-714208	Plastics Manufacturing Machine Minder

Rank	OFO Code	Occupation
54	2021-653307	Heavy Equipment Mechanic
55	2021-132402	Logistics Manager
56	2021-251201	Software Developer
57	2021-712101	Metal Processing Plant Operator
58	2021-311201	Civil Engineering Technician
59	2021-325705	Safety Inspector
60	2021-642701	Air-conditioning and Refrigeration Mechanic
61	2021-313916	Manufacturing Production Technicians
62	2021-242101	Management Consultant
63	2021-714202	Plastic Compounding and Reclamation Machine Operator
64	2021-351201	ICT Communications Assistant
65	2021-712201	Electroplater
66	2021-241102	Management Accountant
67	2021-313501	Metal Manufacturing Process Control Technician
68	2021-214605	Metallurgist
69	2021-652205	Master Toolmaker
70	2021-132102	Manufacturing Operations Manager
71	2021-121908	Quality Systems Manager
72	2021-214103	Production Engineer
73	2021-721901	Product Assembler
74	2021-311905	Industrial Engineering Technician
75	2021-122103	Director of Marketing
76	2021-862919	Mechanic Trade Assistant
77	2021-641502	Carpenter
78	2021-332301	Retail Buyer
79	2021-671203	Mechatronics Technician

Rank	OFO Code	Occupation
80	2021-333903	Sales Representative (Business Services)
81	2021-351302	Geographic Information Systems Technicians
82	2021-651401	Metal Fabricator
83	2021-651403	Steel Fixer
84	2021-522301	Sales Assistant (General)
85	2021-653301	Industrial Machinery Mechanic
86	2021-214102	Industrial Engineering Technologist
87	2021-332201	Commercial Sales Representative
88	2021-243103	Marketing Practitioner
89	2021-333905	Supply Chain Practitioner
90	2021-524901	Materials Recycler
91	2021-672105	Instrument Mechanician
92	2021-214501	Chemical Engineer
93	2021-652204	Patternmaker
94	2021-215102	Electrical Engineering Technologist
95	2021-122105	Customer Service Manager
96	2021-541401	Security Officer
97	2021-432102	Dispatching and Receiving Clerk / Officer
98	2021-441903	Program or Project Administrators
99	2021-132301	Construction Project Manager
100	2021-712102	Metal Manufacturing Machine Setter and Minder

### **2.3 Recruitment of beneficiaries**

The merSETA policy principles require a fair, transparent and equitable process of recruiting beneficiaries. The Disaggregation of Beneficiaries (where applicable) must at minimum target Women: 30%, Target Youth: 50%, and Target People with Disability (PwD): 2%.

### **2.4 Placement of learners at workplace**

Where required, learners need to be placed in workplaces to complete their training. It is important to note that some interventions require approved workplace. Workplaces may have been approved by merSETA or any other SETA. The proposal must detail the approach to selection of workplaces, obtaining Workplace approval (where required) and placing learners at workplaces.

### **2.5 Absorption of learners**

The ultimate purpose of the merSETA is to ensure that learners have skills that allow them to participate in the economy. Secondly, the Workplace Based Learning regulations require SETAs to trace and report on the placement of learners 6 months after completion. Therefore, the proposal must address the approach to maximizing the absorption of learners.

### **2.6 Project Management**

Due to the strategic importance of the projects. The merSETA expects the applicant to implement a project management office to oversee the project as awarded. The DG funding policy allows for a maximum of 7.5% project management.

### **2.7 Strategic Importance**

Due to the nature of the partnerships, it is expected that the Accounting Officer of the applicant must support the submission. This must be done in the form of a signed letter on the letter head of the applicant.

## **3 Key project deliverables**

Each strategic project will be expected to deliver the following:

### **A. Training Deliverables:**

- 1) Recruitment of learners
- 2) Completion of Learning Agreements with Learners
- 3) Registration of learner agreements with merSETA
- 4) Provision of Personal Protective Equipment (PPE) and Tools

- 5) Payment of stipends
- 6) Training Learners and/or assessment of learners
- 7) Placement of Learners with workplaces where required
- 8) Completion and closeout of learners
- 9) Absorption of learners into employment

#### **B. Project Management:**

- 1) Detailed Project Implementation Plan
- 2) Learner Monitoring Plan
- 3) Project Initiation and Launch
- 4) Monthly Project Status Reports
- 5) Periodic Press Releases

#### **C. Key Project Events**

- 1) Project Launch Event
- 2) Completion Event

### **4 Content of submissions**

The applicant must submit a proposal detailing the **following items:**

- 1) District/s targeted by the proposal
- 2) Alignment to the merSETA Strategy, APP targets and Occupations
- 3) Learner interventions proposed with targeted number of beneficiaries
- 4) Recruitment approach
  - a) Approach to targeting Women: 30%
  - b) Approach to targeting Youth: 50%
  - c) Approach to targeting People with Disability (PwD): 2%
- 5) Approach to workplace placement of learners
- 6) Approach to learner monitoring
- 7) Approach to learner absorption post training
- 8) Project Management approach
- 9) High project implementation plan
- 10) Risk Management Approach
- 11) Total comprehensive budget inclusive of tools of trade allowances, rural allowances and accommodation allowances, disability allowances where applicable.
- 12) Cover Letter Signed by the Accounting Officer.

### **5 Closing date**

The closing date for submissions to be considered for this project shall be **25 August 2025**



## 6 Application Verification

The merSETA shall perform verification based on relevance of the application and quality of the proposal and required supporting documents based on the requirements.

### 6.1 Disqualification criteria

Applications with following limitations will not be considered:

- 1) Applications submitted after the closing date
- 2) Applications submitted by non-public sector institutions
- 3) Applications that do not address DDM needs
- 4) **Applications without a Cover Letter signed by the Accounting Officer**

### 6.2 Evaluation Criteria

All applications will be evaluated on a scale of 1 to 5 against the following criteria:

- 1) Alignment to the DDM (District focused implementation)
- 2) Alignment to merSETA occupations
- 3) Alignment to merSETA Strategic Outcomes/APP Targets
- 4) Quality of learner recruitment and target disaggregation
- 5) Quality of learner absorption approach
- 6) Quality of Project Management Approach
- 7) Quality of Implementation plan
- 8) Quality of learner monitoring plan
- 9) Quality of risk management approach
- 10) Quality of learner placement approach (work placed based learning)
- 11) Performance on previous or current merSETA agreements

Applications that score an aggregate score **below 3** will not be considered further.

## 7 Application process

The application must be submitted to the following email address:

**ddm@merseta.org.za**

## 8 About The merSETA

The merSETA is the Manufacturing, Engineering and Related Services Education and Training Authority established through the Skills Development Act (Act 97 of 1998). It is one of 21 SETAs that facilitates skills development for the metals & engineering, automotive

manufacturing, motor retail, automotive components manufacturing, new tyre manufacturing and plastics manufacturing sectors.

## **9 Conclusion**

The merSETA reserves the right not to award a grant or award a partial grant based on availability of funds, progress against AA targets.

