

merSETA

MANUFACTURING, ENGINEERING
AND RELATED SERVICES SETA

Final
SECTOR SKILLS PLAN UPDATE
2027/28

August 2026

Official Sign-off

Submission of required Final Sector Skills Plan (SSP) of 2027/2028 as per the update DHET Guidelines and Framework of 2025. It is hereby certified that this final version of the Sector Skills Plan considers all the relevant policies, legislation, and other mandates for which merSETA is responsible and accurately reflects the stipulated submission requirements as communicated by the Department of Higher Education and Training (DHET).

Ms. L. Harris

Acting Strategy and Research Executive

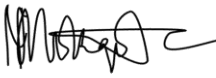
Mr. N. Mokgotsane

Acting Chief Executive Officer

Prof. H. Rasool

Chairperson: Accounting Authority


Signature: 28/08/2026 16:56:13(UTC+02:00) SIGNIFLOW®
Naphtaly Mokgotsane


Signature: 28/08/2026 SIGNIFLOW®
Hoosen Rasool


Signature: 28/08/2026 09:19:23(UTC+02:00) SIGNIFLOW®

Cover Letter

August 2026

The Manufacturing, Engineering and Related Services Sector Education and Training Authority (merSETA) hereby submits its Final Sector Skills Plan (SSP) Update 2027/28 in line with the Department of Higher Education and Training (DHET) requirements.

The Final SSP builds on the June 2026 draft and incorporates updated WSP/ATR data, official labour-market and education statistics, employer survey evidence, Chamber and stakeholder inputs, internal research and evaluation evidence, relevant policy and industry sources, and DHET feedback. Finalisation strengthened the credibility and triangulation of the evidence base, updated the economic and labour-market analysis, and improved traceability from sector findings to skills-planning implications and strategic priority actions.

The evidence informing the final SSP includes:

- Updated WSP/ATR and merSETA administrative data covering employer, employee, occupational, demographic, training and workplace-skills information;
- Current official labour-market, economic and education statistics, including Statistics South Africa and DHET Post-School Education and Training data;
- Primary research, including the SSP Employer Survey, learner tracer study and other merSETA-commissioned research and evaluation studies;
- Chamber, employer, organised labour and stakeholder engagements used to validate sector trends, hard-to-fill vacancies, skills gaps, emerging occupations and strategic priorities; and
- Relevant policy, economic, industrial and technology evidence informing the analysis of industrialisation, localisation, digitalisation and advanced manufacturing, the Just Energy Transition, new energy vehicles, the circular economy and other current and emerging skills requirements.

The Final SSP therefore represents the outcome of an integrated evidence, consultation, validation and governance process and provides merSETA consolidated assessment of the current and emerging skills needs of the manufacturing, engineering and related services sector. It further provides the evidence base for implementation and operationalisation through the Strategic Plan, Annual Performance Plan, Service Level Agreement, discretionary grant processes, research agenda, partnerships, monitoring and evaluation activities, and related sector interventions.

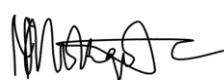
Ms. L. Harris

Acting Strategy and Research Executive


Signature: 28/08/2026 16:55:48(UTC+02:00).....SIGNIFLOW®

Mr. N. Mokgotsane

Acting Chief Executive Officer

Naphtaly Mokgotsane

Signature: 28/08/2026.....SIGNIFLOW®

Prof. Hoosen Rasool

Chairperson: Accounting Authority

Hoosen Rasool

Signature: 29/08/2026 09:19:46(UTC+02:00).....SIGNIFLOW®

Contents

Official Sign-off	2
Cover Letter	3
List of Figures.....	4
List of Tables.....	5
Acronyms.....	6
Research Processes and Methods	10
Chapter 1: Sector Profile	13
Chapter 2: Key Skills Change Drivers	28
Chapter 3: Sectoral Skills Demand and Supply Analysis.....	37
Chapter 4: SETA Partnerships.....	55
Chapter 5: SETA Monitoring and Evaluation	64
Chapter 6: Strategic Skills Priority Actions	71
Bibliography.....	76
ANNEXURE 1: Partnerships Register	77
ANNEXURE 2: 5 Digit Level SIC Code;	82
ANNEXURE 3: HTFV by OFO Code and reason	83

List of Figures

Figure 1: merSETA SSP Approval Process.....	10
Figure 2: Scope Coverage	14
Figure 3: Key PSET role players.....	15
Figure 4: Manufacturing employment, Q2 2025 to Q2 2026 (Stats SA)	20
Figure 5: mer Sector Employment Trend, 2010-Q1 2026.....	21
Figure 6: WSP Submissions by chamber and province.....	22
Figure 7: Number of employees by chamber and company size (merSETA Data, 2026/2027)	23
Figure 8: Employment by Occupational Group and Gender (merSETA Data, 2026/2027)	23
Figure 9: Employees by disability (merSETA data 2026/2027)	24
Figure 10: Equity and Occupational Group (merSETA Data, 2026/2027)	25
Figure 11: Employees by Province (merSETA Data, 2026/2027)	26
Figure 12: Employment by Occupational Groups (merSETA Data, 2026/2027)	26
Figure 13: Top Skills Gaps (merSETA data, 2025/26)	40
Figure 14: Factors Affecting Skills Gaps	42
Figure 15: PSET Enrolment by Institution Type	43
Figure 16: Public HEI enrolments and graduates by field, 2024	44
Figure 17: Employer Barriers to training	46
Figure 18: merSETA supported interventions and artisan certification 2024/25	50
Figure 19: merSETA Partnership Approach.....	55
Figure 20: merSETA Annual Organisational Performance: Targets and Achievement, 2015/16–2025/26 65	

List of Tables

Table 1: Primary data collection	11
Table 2: Secondary and administrative evidence analysed	11
Table 3: Stakeholder engagement and validation	12
Table 4: Key data sources used to update Chapter 1 (merSETA Data, 2026/2027)	13
Table 5: Chambers and SIC Description (merSETA Data, 2025/26).....	14
Table 6: Key role players (merSETA data 2026/27)	15
Table 7: Key sectoral developments and skills planning implications	17
Table 8: WSP Submissions by company size, merSETA data (2026/2027)	22
Table 9: Employment by Age and Occupational Group (merSETA Data, 2026/2027)	24
Table 10: Evidence sources used to identify key change drivers	28
Table 11: Key change drivers and their implications on skills planning	30
Table 12: Occupational changes and related skills implications	31
Table 13: Key Skills Development Policies and Plans for PSET	32
Table 14: Measures merSETA put in place to support JET implementation plan	34
Table 15: Measures in Place to Support MTDP Outcomes	35
Table 16: Sources and evidence used in Chapter 3	37
Table 17: HTFV by Occupation Group.....	38
Table 18: Reasons for HTFVs.....	39
Table 19: HTFVs across Chambers	39
Table 20: Skills Gaps and Reasons	40
Table 21: Evidence from Employer Survey 2025/2026.....	41
Table 22: TVET College Supply, 2024	45
Table 23: CET College Supply, 2024	45
Table 24: Sector responses and merSETA measures to address supply-side challenges.....	48
Table 25: Artisan enrolment	49
Table 26: Sector priority occupations	50
Table 27: Emerging Occupations	51
Table 28: Sectoral Priority Occupations and Planning Implications	52
Table 29: Priority occupations and interventions	53
Table 30: Strategic Partnerships	56
Table 31: Education and Training Partnerships.....	56
Table 32: Industry and Professional Bodies Partnerships.....	56
Table 33: Proposed partnerships	57
Table 34: Partnerships that address JET	57
Table 35: Partnerships supporting national and sectoral priorities.....	58
Table 36: Partnership Challenges and Mitigation Strategies	59
Table 37: Flagship projects	61
Table 38: M&E Approach.....	64
Table 39: Reflection on previous performance.....	65
Table 40: Key implementation and evaluation lessons	66
Table 41: Implementation focus	67

Table 42: Implementation status on National Strategies	68
Table 43: Strategic Priority Areas from previous cycle	68
Table 44: Key findings and their strategic implications	72
Table 45: Priority actions aligned to Chapter evidence	73
Table 46: Strategic skills priority action	73

Acronyms

Acronym	Meaning
4IR	Fourth Industrial Revolution
ABET	Adult Basic Education and Training
AI	Artificial Intelligence
AIDC	Automotive Industry Development Centre
AMSA	ArcelorMittal South Africa
APP	Annual Performance Plan
ARPL	Artisan Recognition of Prior Learning
ATR	Annual Training Report
BBBEE	Broad-Based Black Economic Empowerment
BCG	Boston Consulting Group
BER	Bureau for Economic Research
BUSA	Business Unity South Africa
CAD	Computer-Aided Design
CAD/CAM	Computer-Aided Design and Computer-Aided Manufacturing
CAM	Computer-Aided Manufacturing
CBO	Community-Based Organisation
CEO	Chief Executive Officer
CET	Community Education and Training
CNC	Computer Numerical Control
COGTA	Cooperative Governance and Traditional Affairs
COS	Centre of Specialisation
CSIR	Council for Scientific and Industrial Research
DBE	Department of Basic Education
DG	Discretionary Grant
DHET	Department of Higher Education and Training
DSD	Department of Social Development
DUT	Durban University of Technology
ECSA	Engineering Council of South Africa
EON	EON Knowledge Metaverse
ERRP	Economic Reconstruction and Recovery Plan
ESG	Environmental, Social and Governance
EV	Electric Vehicle
FESTO	FESTO automation and technical training partner
FESTO-TVET	FESTO Technical and Vocational Education and Training partnership
FS	Free State
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GETC	General Education and Training Certificate

Acronym	Meaning
HEI	Higher Education Institution
HRD	Human Resource Development
HTFV	Hard-to-Fill Vacancy
ICEV	Internal Combustion Engine Vehicle
ICT	Information and Communication Technology
IMF	International Monetary Fund
IRP	Integrated Resource Plan
IT	Information Technology
JET	Just Energy Transition
JET-IP	Just Energy Transition Implementation Plan
KZN	KwaZulu-Natal
M&E	Monitoring and Evaluation
MANCO	Management Committee
merSETA	Manufacturing, Engineering and Related Services Sector Education and Training Authority
MIS	Management Information System
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MTDP	Medium-Term Development Plan
N3	National Technical Certificate Level 3
N6	National Technical Certificate Level 6
NAACAM	National Association of Automotive Component and Allied Manufacturers
NAAMSA	National Association of Automobile Manufacturers of South Africa
NAMB	National Artisan Moderation Body
NATED	National Accredited Technical Education Diploma
NBI	National Business Initiative
NC	Northern Cape
NC(V)	National Certificate (Vocational)
NDP	National Development Plan
NEET	Not in Employment, Education or Training
NEV	New Energy Vehicle
NGO	Non-Governmental Organisation
NMU	Nelson Mandela University
NPPSET	National Plan for Post-School Education and Training
NQF	National Qualifications Framework
NSC	National Senior Certificate
NSDMS	National Skills Development Management System
NSDP	National Skills Development Plan
NSFAS	National Student Financial Aid Scheme
NUMSA	National Union of Metalworkers of South Africa
NYDA	National Youth Development Agency
OEM	Original Equipment Manufacturer
OFO	Organising Framework for Occupations
OHS	Occupational Health and Safety
PFMA	Public Finance Management Act
PG	Postgraduate
PhD	Doctor of Philosophy
PIVOTAL	Professional, Vocational, Technical and Academic Learning

Acronym	Meaning
PLC	Programmable Logic Controller
PMC	Project Management Committee
PMI	Purchasing Managers' Index
PSC	Project Steering Committee
PSC/PMC	Project Steering Committee / Project Management Committee
PSET	Post-School Education and Training
PV	Photovoltaic
PWD	Person(s) with Disabilities
PYEI	Presidential Youth Employment Initiative
Q1	Quarter 1
Q2	Quarter 2
Q3	Quarter 3
QCTO	Quality Council for Trades and Occupations
QES	Quarterly Employment Statistics
QLFS	Quarterly Labour Force Survey
QMR	Quarterly Management Report
QMS	Quality Management System
R&D	Research and Development
RMB	Rand Merchant Bank
RMI	Retail Motor Industry
RPL	Recognition of Prior Learning
SA	South Africa
SARETEC	South African Renewable Energy Technology Centre
SDL	Skills Development Levy
SEDFA	Small Enterprise Development and Financial Agency
SEIFSA	Steel and Engineering Industries Federation of Southern Africa
SET	Science, Engineering and Technology
SETA	Sector Education and Training Authority
SETMIS	Sector Education and Training Management Information System
SIC	Standard Industrial Classification
SIHIP	SETA Integrated High Impact Programme
SLA	Service Level Agreement
SME	Small and Medium Enterprise
SMME	Small, Medium and Micro Enterprise
SOH	Strait of Hormuz
SP	Strategic Plan
SPOI	Sectoral Priority Occupations and Interventions
SPVT	Solar Photovoltaic Technician
SSP	Sector Skills Plan
Stats SA	Statistics South Africa
STEM	Science, Technology, Engineering and Mathematics
TIPS	Trade and Industrial Policy Strategies
TUT	Tshwane University of Technology
TVET	Technical and Vocational Education and Training
UCT	University of Cape Town
UJ	University of Johannesburg
UWC	University of the Western Cape

Acronym	Meaning
VDQGBSA	Vehicle Damage Quantification Governance Board of South Africa
VR	Virtual Reality
WBL	Workplace-Based Learning
WC	Western Cape
WIL	Work-Integrated Learning
WITS	University of the Witwatersrand
WPPSET	White Paper for Post-School Education and Training
WSP	Workplace Skills Plan
WSP/ATR	Workplace Skills Plan and Annual Training Report

Research Processes and Methods

The merSETA Final 2027/2028 SSP Update was developed through a structured evidence, consultation and validation process. In line with the DHET SSP Framework, this section distinguishes between primary empirical research, secondary and administrative evidence, and stakeholder consultation and validation. Primary research refers to new data collected directly from respondents, while secondary research uses existing research and data. Administrative datasets are presented separately because they are existing organisational data analysed for SSP purposes. Stakeholder consultation is also shown separately because it is primarily used to test, interpret and validate the evidence rather than being treated as a standalone research study.

1. Research process followed

The SSP process began with research planning and evidence scoping, followed by review of secondary and administrative evidence, primary data collection, Chamber and stakeholder engagement, triangulation and synthesis, drafting, internal technical review, governance review and DHET feedback. Stakeholder participation is embedded across the process through employer surveys and interviews, Chamber engagements, labour and industry inputs, PSET stakeholder participation, internal data-owner review and governance structures.

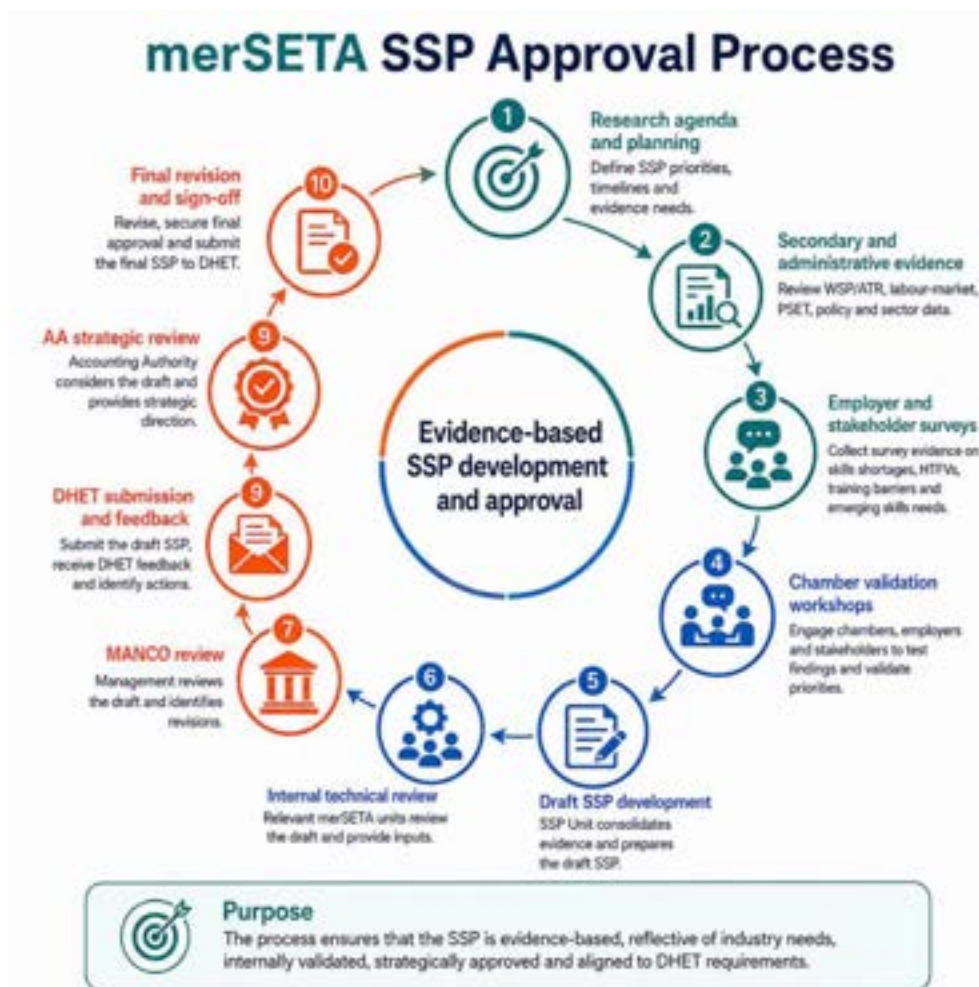


Figure 1: merSETA SSP Approval Process

2. Primary empirical research and evaluation studies

The following studies generated new empirical evidence for the SSP. Where a study also used desktop or administrative sources, those secondary components supported primary research but are not treated as separate primary data collection.

Table 1: Primary data collection

Primary study	Method / primary data collection	Participants / sample	Purpose	Period	SSP chapters
merSETA SSP Employer Survey Update 2025/2026	Quantitative cross-sectional employer survey. Structured online questionnaire consisting predominantly of closed-ended questions, with selected open-ended questions for explanatory comments.	679 employers across the six merSETA Chambers	Employer evidence on business performance, skills shortages, HTFVs, skills gaps, emerging occupations, green and digital skills, training barriers, and workplace needs.	2025/2026 SSP cycle	Ch. 1, 2, 3, 4
SMMEs and Skills Development in the mer-sector: Mapping Skills Needs of SMMEs	Mixed methods: online survey and stakeholder interviews as primary research, supported by desktop review.	SMMEs across the six Chambers and relevant stakeholders	Identify skills demand and supply challenges affecting SMMEs and inform targeted skills-development responses.	Oct 2024-Oct 2025	Ch. 2, 4, 6
Developing a Sector Skills Planning Methodology for Credible and Effective Skills Interventions	Mixed methods: interviews, online surveys, and workshops, supported by desktop research and data-processing work.	merSETA stakeholders and data users;	Strengthen SSP methodology, data analysis, evidence use and credibility of skills-planning inputs.	Nov 2024-Oct 2026	Ch. 1, 2, 3, 5, 6
SSP Support Project: Update of the SSP for the 2025-2030 Strategic Planning Period	Mixed methods: case studies, interviews, focus groups and stakeholder consultations, supported by desktop research.	Six Chambers; employer and labour representatives; relevant SSP stakeholders	Review the previous strategic period, analyse sector trends, and identify current and future skills needs.	Jul 2024-Jun 2025	Ch. 1-6
Tracking and Tracing Skills Interventions for merSETA-Funded Beneficiaries	Mixed methods: learner survey, employer interviews, and learner interviews, supported by desktop review and administrative records.	merSETA-funded beneficiaries, employers, learners and training providers.	Track learner destinations and assess employment pathways, learner outcomes, employer perceptions, and programme challenges.	Mar 2025-May 2026	Ch. 3, 5, 6
merSETA Rapid Evaluation: Occupational Qualifications Relevance	Qualitative rapid evaluation using internal interviews and stakeholder-session analysis, supported by document review.	Relevant internal and stakeholder participants; qualification-development evidence	Assess qualification relevance, implementation, curriculum, stakeholder participation, and workplace alignment.	2025/2026	Ch. 3, 5, 6
Wits Darkroom / Anticipatory Governance and Future Skills Workstreams	Qualitative and systems-innovation research using workshops, horizon scanning, workstream engagements and systems mapping.	Workstream participants and relevant stakeholders	Identify emerging change signals, future skills implications, learning innovation opportunities and system-level responses.	2025/2026-2028	Ch. 2, 4, 6

3. Secondary and administrative evidence analysed

Secondary and administrative evidence was analysed to establish the sector profile, labour-market context, training and occupational patterns, policy context and historical trends.

Table 2: Secondary and administrative evidence analysed

Secondary / administrative source	Data source	Use in the SSP	SSP chapters
WSP/ATR administrative data	2026/2027 employer WSP/ATR submissions and related internal administrative datasets.	Employer and employee profiles; occupations; equity and disability; provincial and Chamber distribution; training activity; workplace skills priorities.	Ch. 1, 2, 3, 6
merSETA internal administrative and programme records	Existing learner, programme, project, and performance records, including records used in research and evaluation studies.	Learner and programme trends; implementation performance; progression, certification, and programme monitoring.	Ch. 3, 5, 6
Official labour market, PSET and economic data	Existing official statistics and labour-market / sector data, including Stats SA and relevant PSET evidence.	Economic performance; employment and unemployment; labour-market trends; education and training supply.	Ch. 1, 2, 3
Existing sector, policy, and industry research	Published sector research, policy and strategy documents, industry evidence, and sector/master-plan material.	Change drivers; industrial and technology trends; policy alignment; current and future sector skills implications.	Ch. 1, 2, 3, 4, 6
merSETA research and evaluation evidence review	Review and synthesis of completed and ongoing research reports, evaluation outputs, project records, and close-out evidence.	Triangulate findings, identify recurring evidence and inform continuous-improvement and strategic-priority actions.	Ch. 2, 3, 5, 6

4. Stakeholder engagement and validation

Stakeholder engagements were used to interpret research findings, test whether the evidence reflected workplace realities, identify gaps and validate priority occupations and strategic skills actions. Chamber and stakeholder consultations are presented as a validation and participation process rather than as a separate research study, except where participants were formally sampled as part of a defined empirical study.

Table 3: Stakeholder engagement and validation

Stakeholder / structure	Engagement mechanism	Role in SSP development
Six merSETA Chambers and Chamber stakeholders	Chamber engagements and validation workshops	Evaluate sector trends, HTFVs, skills gaps, emerging occupations, Chamber differences, and priority actions.
Employers, including SMMEs	Employer surveys	Provide workplace evidence on demand, training barriers, workplace-based learning, technology change, and implementation feasibility.
Organised labour / labour representatives	Chamber/stakeholder engagements	Provide worker perspectives on occupational change, restructuring, reskilling, inclusion, and workplace realities.
Industry bodies and sector experts	Interviews, workshops, sector engagements, and research inputs	Validate technology, value-chain, industrial and occupational trends, and emerging skills needs.
TVET, HEI, CET, and training stakeholders	Survey and partnership engagements	Evaluate skills-supply, curriculum, provider, assessment, workplace, and institutional-capacity issues.
Internal merSETA units and data owners	Technical review and evidence verification	Confirm administrative evidence, data quality, implementation feasibility, responsibilities, and alignment with plans.
MANCO and Accounting Authority	Management and strategic governance review	Review the draft SSP, evaluate strategic alignment, provide direction, and approve the submission process.
DHET	Formal SSP submission and feedback process	Assess alignment with the SSP Framework and provide feedback for final revision and sign-off.

5. Triangulation, quality assurance and use of evidence

The evidence streams were analysed separately and then triangulated. Primary research findings were compared with WSP/ATR and other administrative data, official statistics, sector research and policy evidence. Chamber and stakeholder engagements were then used to test the interpretation of findings and validate priority skills needs. Internal technical review verified data quality, consistency and implementation feasibility, while MANCO, the Accounting Authority and DHET review provided governance and external quality-assurance stages. This process creates a clear line of sight from evidence collection and stakeholder participation to the findings in Chapters 1-5 and the strategic priority actions in Chapter 6.

Chapter 1: Sector Profile

1.1 Introduction

This chapter profiles the mer sector by outlining its scope, chamber structure, key role players, employer and employee profile, economic performance and labour market trends. It provides the sector context for the analysis of change drivers, demand and supply, partnerships, monitoring and evaluation, and strategic skills priority actions.

1.1.1 Key Data Sources Used in Chapter 1

Table 4: Key data sources used to update Chapter 1 (merSETA Data, 2026/2027)

Chapter 1 Area	Information Required	Primary Data Sources
Scope of Coverage	SIC codes, chamber demarcation, sector boundaries and subsector descriptions.	merSETA chamber demarcation records; SIC classification records; DHET SSP Framework.
Value Chains and Key Role Players	Sector value chains, chamber linkages, employer bodies, organised labour, training institutions, policy actors and emerging stakeholders.	Chamber reports; industry association reports; sector master plans; stakeholder consultation records; internal partnership records.
Economic Performance and Sectoral Development	GDP contribution, output trends, business confidence, investment, production, sales, exports, imports, sector risks and major developments.	Stats SA national accounts and time-series data ; BER ; SEIFSA ; Plastics SA ; NAAMSA ; NAACAM ; Quantec ; Stats SA QES.
National Labour Market Context	Official unemployment, expanded unemployment, youth unemployment, gender trends, provincial unemployment and labour absorption trends.	Stats SA Quarterly Labour Force Survey (QLFS).
Employment in the mer Sector	Employment trends, chamber-level employment, occupational group distribution and provincial distribution.	Stats SA QES; WSP/ATR data; merSETA administrative data.
Employer and Employee Profile	Employer size, chamber distribution, provincial location, demographics, occupational profile, equity profile and disability profile.	WSP/ATR data; merSETA NSDMS/MIS.

1.2 Scope of Coverage

The merSETA scope of coverage is defined through Standard Industrial Classification (SIC) codes and organised into six chambers, depicted below in Figure 2. The chapter presents the 3-digit SIC codes to show the main areas of sector coverage in a concise and readable format. The full 5-digit SIC code list is attached as Annexure 2 to provide complete detail and to address DHET's requirement for full sector coverage transparency. At the 1-digit SIC level, the merSETA coverage includes economic activities linked to manufacturing, wholesale and retail trade, construction, motor trade, financial intermediation, insurance, real estate and business services where these activities fall within the merSETA mandate. These activities are demarcated into chamber structures to support sector planning, stakeholder engagement, grants implementation, occupational prioritisation and labour market analysis.



Figure 2: Scope Coverage

A more detailed picture of the merSETA chambers and their SIC descriptions are provided in Table 5 below.

Table 5: Chambers and SIC Description (merSETA Data, 2025/26)

CHAMBER	CORE FOCUS (Main Activities)	VALUE CHAIN ROLE (Why it matters)	3-DIGIT SIC CODE COVERAGE	SUMMARY DESCRIPTION
 METAL & ENGINEERING	Basic metals, fabricated metal products, machinery, electrical equipment, electronics, transport equipment, technical services and related engineering activities.	 Industrial backbone supporting manufacturing, construction, transport, mining, energy and infrastructure value chains.	351-359; 361-366; 371-375; 380; 384-386; 503; 504; 614; 860; 882	Basic metals, fabricated metal products, machinery, electrical equipment, electronics, transport equipment, building installation, technical services and related activities.
 AUTO MANUFACTURING	Manufacture of fully built-up motor vehicles by Original Equipment Manufacturers (OEMs).	 Anchors the automotive production value chain and supports exports, industrialisation and advanced manufacturing.	381	Motor vehicles.
 AUTOMOTIVE COMPONENT MANUFACTURING	Manufacture of vehicle bodies, components, parts, accessories, trailers, semi-trailers and other transport equipment.	 Supplies OEMs and the aftermarket with parts, components and allied products.	382; 383; 387	Bodies for motor vehicles, trailers and semi-trailers; parts and accessories for motor vehicles and their engines; transport equipment n.e.c.
 MOTOR RETAIL & AFTERMARKET	Sale, maintenance and repair of motor vehicles, motorcycles, parts and accessories.	 Supports distribution, servicing, repair and maintenance after vehicle production.	631; 632; 633; 634	Sale of motor vehicles; maintenance and repair of motor vehicles; sale of motor vehicle parts and accessories; sale, maintenance and repair of motorcycles and related parts and accessories.
 NEW TYRE MANUFACTURING	Production of rubber products and tyres for passenger, commercial, industrial, mining and agricultural vehicles.	 Supports vehicle manufacturing, logistics, mining, agriculture and the replacement tyre market.	337	Rubber products.
 PLASTICS MANUFACTURING	Basic chemicals, plastic products, furniture-related manufacturing and recycling.	 Supplies packaging, automotive, construction, agriculture, electrical, engineering and consumer goods value chains.	334; 338; 390; 395	Basic chemicals; plastic products; furniture manufacturing n.e.c. and recycling; recycling n.e.c.

 Note: For readability, the chamber coverage is presented at 3-digit SIC code level in the main chapter. The complete 5-digit SIC code listing is provided in Annexure 1.

1.3 Key Role Players

This section outlines the key role players that support skills development, training provision, industry representation and labour market alignment within the mer sector. merSETA works with sector-specific role players that support labour market intelligence, occupational demand analysis, workplace-based learning and training provision across the mer sector. Industry bodies such as NAAMSA, NAACAM, SEIFSA, Plastics SA and RMI provide intelligence on sector trends, employer demand, technology shifts, hard-to-fill vacancies, occupational changes and priority skills needs. Employers across the six chambers provide workplace-based learning opportunities, apprenticeships, learnerships, internships, placements and WSP/ATR data that inform current and future skills demand. Organised labour, including NUMSA, and

relevant bargaining councils contribute worker perspectives, workplace-level insights, employment conditions and signals on restructuring, reskilling and occupational change.

TVET colleges, universities, universities of technology and accredited skills development providers support the supply of artisan, technical, occupational, engineering, digital and higher-level skills required by the sector. The QCTO supports the development and quality assurance of occupational qualifications to ensure that training remains credible, relevant and aligned to workplace needs. Together, these role players strengthen merSETA’s ability to plan and support skills development interventions that respond to industry demand, workplace realities, training capacity and national priorities.

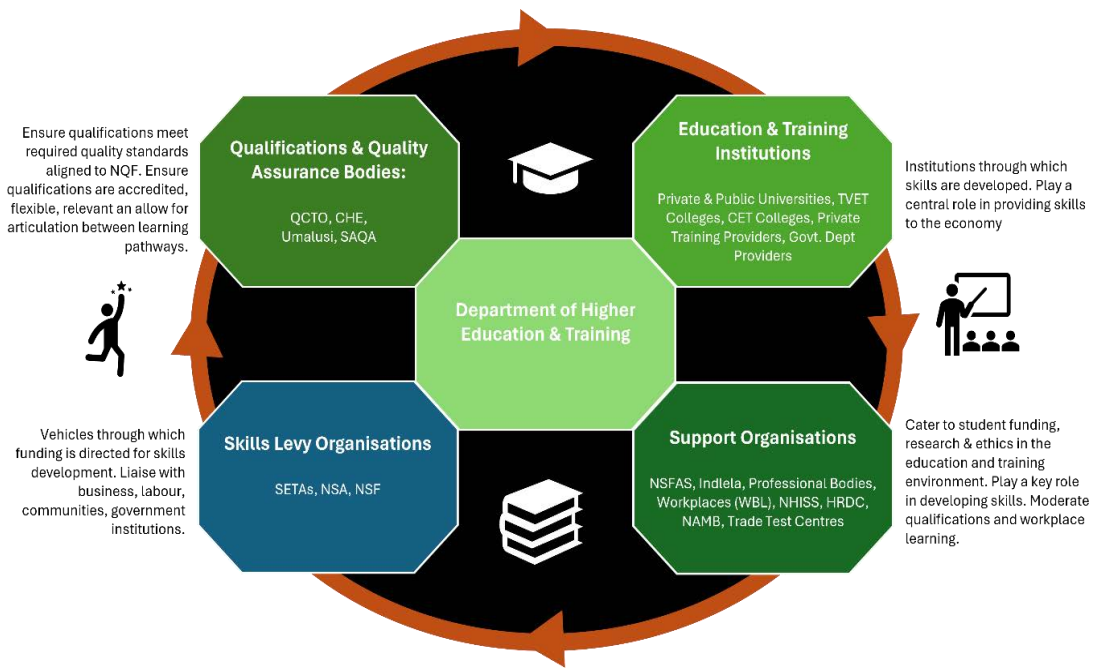


Figure 3: Key PSET role players

For merSETA, this partnership approach helps ensure that skills planning responds to employer needs, worker realities, industrial change and national priorities. The PSET system is coordinated by DHET and guided by the WPPSET, NPPSET and NSDP, which promote a responsive skills system aligned to labour market and national development priorities. Within this system, merSETA works with government, industry, employers, organised labour, bargaining councils, education and training institutions, quality assurance bodies and civil society partners. These role players support labour market intelligence, occupational demand analysis, workplace-based learning and training provision.

Table 6: Key role players (merSETA data 2026/27)

Summary of key stakeholder categories, representative organisations, roles in the sector skills system, and links to NSDP outcomes.

Role Player Category	Key Organisations	Role in the Sector Skills System	Link to NSDP Outcomes
 Government Departments	Department of Higher Education and Training (DHET); Department of Trade, Industry and Competition (dtic); Department of Science and Innovation (DSI); Department of Forestry, Fisheries and the Environment (DFFE); Department of Planning, Monitoring and Evaluation (DPME); Department of Small Business Development (DSBD).	Provide policy direction, legislative frameworks, industrial development priorities, innovation support, environmental transition priorities, monitoring and evaluation guidance, and support for SMMEs and entrepreneurship. These departments shape the national priorities to which skills planning must respond.	Outcome 2: Linking education and the workplace. Government policy and industrial plans influence the skills required by employers and the education and training system.
 Education and Training Institutions	Higher Education Institutions; TVET Colleges; Community Education and Training Colleges; Accredited private training providers.	Provide occupational, technical, professional and workplace-aligned learning pathways. These institutions support the development of a differentiated PSET system and are key partners in expanding access to relevant skills.	Outcomes 1, 2, 3, 4 and 5: Occupations in high demand; linking education and the workplace; improving workforce skills; increasing access to occupationally directed programmes; supporting the public college system.
 Employer Organisations and Industry Associations	SEIFSA; AMEO; RMI; NAAMSA; NAACAM; AIEC; SATMC; Plastics SA.	Represent employer interests, support collective industry engagement, provide labour market intelligence, contribute to skills planning, and assist in identifying demand, technological change, industry trends and workplace skills needs.	Outcomes 1, 2, 3, 4, 7 and 8: These organisations support demand-led planning, workplace-based learning, occupational training, worker development and career development services.
 Professional Organisations	Engineering Council of South Africa (ECSA).	Accredits engineering programmes, registers engineering professionals and regulates professional practice. Professional bodies help ensure that technical and professional skills remain relevant, credible and quality assured.	Outcomes 1, 2 and 3: Supports production of priority skills, alignment between education and the workplace, and improvement of workforce skills.
 Bargaining Councils	National Bargaining Forum (Automotive Sector); Metal and Engineering Industries Bargaining Council (MEIBC); Motor Industry Bargaining Council (MIBCO); Bargaining Council for the New Tyre Manufacturing Industry.	Support labour market regulation, collective bargaining, dispute resolution and sector-level agreements. They provide important insight into employment conditions, occupational trends and workplace challenges.	Outcomes 3 and 7: Improving workforce skills and supporting worker-initiated training through organised labour and employer networks.
 Labour Organisations	NUMSA; MEWUSA; Solidarity; NUM; UASA; MISA.	Represent worker interests, advocate for fair working conditions, support transformation and contribute to worker-driven skills development priorities. Labour organisations are important partners in identifying workplace skills needs and supporting lifelong learning.	Outcome 7: Encouraging and supporting worker-initiated training through employee representatives and union structures.
 Civil Society and Community-Based Organisations	Non-governmental Organisations (NGOs); Community-Based Organisations (CBOs); Faith-Based Organisations (FBOs).	Support community development, social inclusion, access to learning opportunities and skills interventions for vulnerable groups, unemployed persons and communities outside formal employment.	Outcomes 1, 2, 3 and 6: Supports access to skills, community-based learning, entrepreneurship and cooperative development.



These role players form part of the broader skills development ecosystem that supports the merSETA mandate. Their combined contributions strengthen labour market intelligence, improve linkages between education and the workplace, expand access to occupationally directed learning, and support national and sectoral development priorities.

Table 6 shows that effective merSETA skills planning depends on coordinated inputs from government, industry, training institutions, labour and communities to ensure skills interventions are demand-led, workplace-relevant and aligned to NSDP outcomes.

1.4 Labour Market Analysis

This section presents an integrated analysis of the economic and labour market conditions affecting the mer sector. It focuses on manufacturing performance, business confidence, employment trends, unemployment, youth labour market exclusion and the implications of these trends for skills planning. The analysis shows how weak economic growth, uneven manufacturing recovery, cost pressures and changing occupational demand influence the need for targeted, demand-led and productivity-focused skills development.

Key shifts since the June 2026 draft: the BER has retained its 2026 GDP growth forecast at 1.3% but revised 2027 growth to 1.4%; manufacturing confidence only edged from 30 to 31 in Q2 and production fell sharply in May; the official unemployment rate rose to 33.6% in Q2; and manufacturing employment declined by 15 000 quarter-on-quarter and 100 000 year-on-year. These developments point to a weaker and more uneven recovery than was evident at the June submission stage.

1.4.1 Economic Performance

Evidence released since the June 2026 draft indicates that South Africa's recovery remains fragile and increasingly uneven. The BER's third-quarter outlook retained real GDP growth at 1.3% for 2026 but revised 2027 growth to 1.4%. Although real GDP expanded by 0.5% quarter-on-quarter in Q1 2026, the stronger headline outcome masked weak household consumption and another contraction in fixed investment. During Q2, higher fuel and transport costs, weaker demand and renewed global uncertainty contributed to a deterioration in business and consumer confidence (BER, 2026).

Manufacturing remains a particular weak point. The RMB/BER Business Confidence Index declined from 47 to 39 in Q2 2026, while the manufacturing-specific Absa survey showed confidence edging only marginally from 30 to 31. Manufacturing production declined by 4.3% year-on-year in May and the BER assessed the sector as being at risk of a third consecutive quarterly contraction. The July Absa PMI remained below the neutral 50-point mark at 46.8, although business activity improved to 48.8 and new sales orders to 44.1. This points to some improvement in demand at the start of Q3, but not yet to a sustained manufacturing recovery (BER, 2026).

The investment outlook has also weakened. Total fixed investment is forecast to grow by only 0.3% in 2026, while private fixed investment is expected to contract by 1.5%. BER evidence indicates that weak demand, infrastructure constraints, municipal service-delivery pressures and uncertainty continue to delay projects and expansion decisions. For skills planning, this reinforces the need to prioritise productivity, maintenance, quality, supervisory capability, automation readiness, energy efficiency and technical adaptability, while recognising that training interventions must be aligned to actual employer demand and cannot on their own compensate for weak investment and job creation.

Table 7: Key sectoral developments and skills planning implications

Area	Updated Position	Implication for the sector	Skills Planning Implications	Proposed merSETA response / planning consideration
Business confidence	General business confidence fell from 47 to 39 in Q2 2026, while manufacturing confidence edged from 30 to 31. Confidence remains well below the 50-point neutral level (BER, 2026).	Firms are likely to remain cautious about expansion, capital investment and permanent hiring.	Demand is likely to favour productivity, supervision, operational efficiency, maintenance and workplace adaptability.	Target employer engagement and interventions that support productivity, resilience and retention; distinguish skills responses from wider demand-side constraints.
Production and activity	Manufacturing production declined by 4.3% year-on-year in May 2026. BER assessed manufacturing as at risk of a third consecutive quarterly contraction. GDP growth is forecast at 1.3% in 2026 and 1.4% in 2027 (BER, 2026).	Weak and uneven production limits expansion and increases employment vulnerability.	Priority needs remain maintenance, quality control, production efficiency, technical problem-solving and automation readiness.	Prioritise occupational programmes linked to plant reliability, production efficiency, maintenance, automation and technical adaptability.

Area	Updated Position	Implication for the sector	Skills Planning Implications	Proposed merSETA response / planning consideration
Domestic and export demand	The July Absa PMI fell to 46.8 from 47.3 in June. Business activity improved to 48.8 and new sales orders to 44.1, but domestic and export demand remained subdued (BER, 2026).	Firms may continue to prioritise cost containment and cautious production planning.	Skills in production planning, logistics, supply-chain management, export readiness, customer responsiveness and cost control remain important.	Use employer and Chamber validation to focus support on priority skills where training budgets and demand are constrained.
Metals and engineering	Heavy industry remains under pressure from weak domestic demand, elevated imports, operating costs and global overcapacity. The closure of AMSA's Newcastle Works illustrates the structural pressure on the value chain (BER, 2026).	Restructuring and plant closures can reduce employment while increasing the need for productivity and transition support in surviving firms.	Continued need for fitters and turners, welders, machinists, maintenance technicians, quality personnel and production supervisors, alongside reskilling for affected workers.	Align occupational programmes, ARPL/reskilling and partnerships to maintenance, welding, machining, tooling, quality and productivity.
Automotive and transport equipment	New vehicle sales remained relatively resilient in Q2, but the sector continues to operate in a weak-demand environment and remains exposed to export uncertainty and the transition to NEVs/EVs.	Technology transition and external demand uncertainty may reshape production, component demand and occupational requirements.	Growing importance of diagnostics, mechatronics, automation, high voltage/NEV skills, component manufacturing, assembly and quality control.	Align occupational programmes and partnerships to automotive transition, NEV readiness, component capability and worker reskilling.
Plastics, chemicals and rubber	Structural competitiveness pressures remain, including import exposure, energy and logistics costs. These subsectors remain important inputs to packaging, automotive, construction, consumer goods and industrial value chains.	Cost and demand pressures may delay investment, while circular-economy requirements change production processes.	Demand increasingly includes polymer processing, rubber production, recycling, circular-economy practice, machine operation and process optimisation.	Strengthen technical, recycling, green-manufacturing and process-optimisation skills linked to actual employer demand.
Investment and competitiveness	Total fixed investment is forecast to grow by only 0.3% in 2026, with private investment contracting by 1.5%. Municipal infrastructure and service-delivery constraints are increasingly affecting project and investment decisions (BER, 2026).	Delayed investment slows industrial upgrading, technology adoption and job creation.	Skills investment should support competitiveness, infrastructure reliability, energy efficiency, digitalisation and industrial upgrading.	Prioritise programmes tied to productive investment and strengthen partnerships that expand workplace and infrastructure-linked learning opportunities.

The deterioration in investment and hiring conditions also has implications for merSETA funding and programme design. Constrained firms may reduce employer-funded training or limit workplace-based learning opportunities at precisely the point when workers and new entrants require stronger exposure

to workplaces. This strengthens the case for targeted discretionary funding and partnership models that protect priority occupational pipelines, support productivity and worker transitions, and improve learner absorption. At the same time, the SSP should remain clear that skills interventions enable adjustment and employability but cannot substitute for stronger investment, industrial demand and job creation.

1.4.2 National Unemployment Context

Stats SA's Q2 2026 QLFS shows that labour market conditions weakened further after the June SSP draft. Between Q1 and Q2 2026, the working-age population increased by 121 000, while employment declined by 16 000 to 16.739 million and the number of unemployed persons increased by 345 000 to 8.481 million. The official unemployment rate rose by 0.9 percentage points to 33.6%. Labour-force participation increased to 59.6%, but the absorption rate edged down to 39.6%. The composite measure of labour underutilisation remained at a high 46.3% (Statistics South Africa, 2026).

The Q2 results indicate that the labour market challenge is not only one of unemployment, but also weak absorption and limited creation of sustainable work. Formal-sector employment declined by 41 000 while informal-sector employment increased by 34 000. Education outcomes remain strongly associated with labour market prospects: the unemployment rate for people without matric was 39.2%, compared with 12.4% for graduates. For merSETA, this reinforces the importance of occupationally directed programmes, apprenticeships, work-integrated learning, bridging support and employer partnerships that improve the transition from education and training into work, while maintaining a clear distinction between skills interventions and the wider constraints on labour demand.

Youth labour market exclusion remains a critical concern. There were approximately 10.4 million young people aged 15-24 years in Q2 2026, of whom 36.4% were not in employment, education or training (NEET). This was 1.2 percentage points higher than in Q2 2025, with the female NEET rate remaining higher than the male rate (Statistics South Africa, 2026). For merSETA, the persistence of youth exclusion supports continued prioritisation of artisan and occupational pathways, workplace exposure, career guidance, foundational technical and digital skills, learner placement support and stronger links between TVET colleges, employers and industry bodies.

1.4.3 Employment trends in the mer Sector

The Q2 2026 results materially change the short-term employment picture presented in the June draft. In Q1, manufacturing had recorded a quarter-on-quarter gain of 38 000 jobs. In Q2, manufacturing employment declined by 15 000 to 1.571 million. More importantly, employment was 100 000 lower than in Q2 2025, a year-on-year decline of 6.0%. The Q1 improvement should therefore be interpreted as a temporary quarterly gain rather than evidence of a sustained manufacturing employment recovery (Statistics South Africa, 2026).

The broader Q2 labour market also remained weak: total employment declined by 16 000 and seven of ten industries recorded job losses. The manufacturing decline occurred alongside losses in mining, agriculture, utilities and community and social services, while trade and construction recorded gains. High unemployment continues to strengthen the case for targeted skills planning and work-integrated learning, but training alone cannot resolve unemployment without stronger economic growth, investment and labour demand.

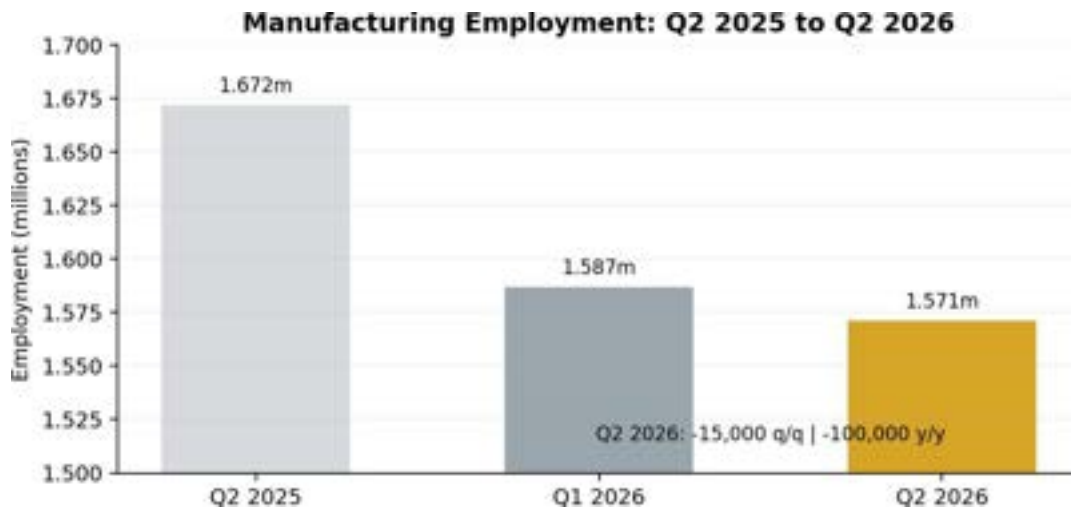


Figure 4: Manufacturing employment, Q2 2025 to Q2 2026 (Stats SA)

The decline in manufacturing employment is consistent with the weaker production and investment picture. The sector employed 1.571 million people in Q2 2026, down from 1.587 million in Q1 and 1.672 million in Q2 2025. This reinforces the need to monitor employment retention and absorption alongside vacancy and skills-shortage indicators, because occupational demand can remain strong in specific areas even while total sector employment is under pressure.

The occupational pattern also shifted between Q1 and Q2. Craft and related trades employment increased by 78 000 quarter-on-quarter and by 71 000 year-on-year, while plant and machine operator employment declined by 78 000 quarter-on-quarter and technicians declined by 25 000. On a year-on-year basis, technician employment was 105 000 lower. These movements show that aggregate occupational employment can be volatile and should not be used alone to determine skills priorities. For SSP purposes, QLFS signals should be triangulated with HTFV data, WSP/ATR information, employer survey evidence, Chamber inputs and sector research (Statistics South Africa, 2026).

For merSETA, the updated Q2 evidence supports a balanced response: protect artisan and technical pipelines where employers continue to report shortages; strengthen technician development and workplace exposure; support reskilling and upskilling of plant and machine operators as production technologies change; and use partnerships to improve absorption and retention. The combination of weak manufacturing employment, persistent unemployment and changing occupational demand also

reinforces the need for regionally and chamber-differentiated interventions rather than broad training expansion without demonstrated labour market demand.

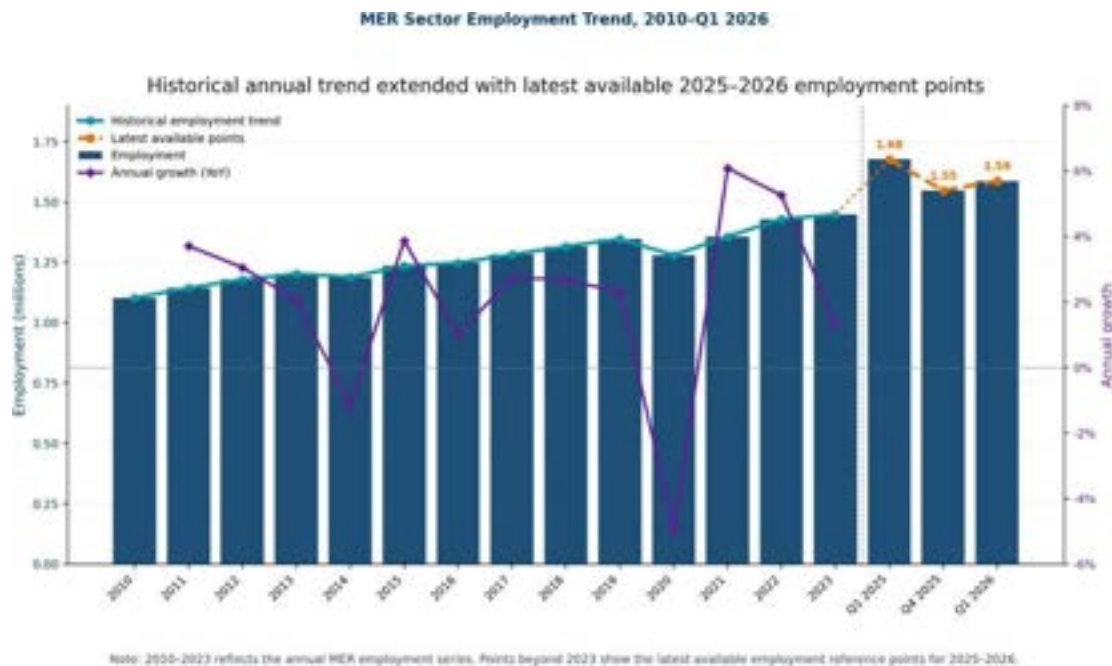


Figure 5: mer Sector Employment Trend, 2010-Q1 2026

(Statistics South Africa, 2026) Figure 5 shows that mer sector employment has fluctuated over time, with periods of gradual recovery followed by renewed pressure in the most recent period (Statistics South Africa, 2026). The latest 2025–2026 points suggest that employment remains below the recent peak and that recovery is uneven. This reinforces the need for skills planning that supports both employment retention and future growth, particularly through artisan development, technical upskilling, production-related skills, supervisory capability and workplace-based learning.

1.5 Employer Profile

This section presents the latest employer profile based on the 2026/27 WSP/ATR extraction. The dataset contains 4,205 WSP submission records and provides an updated view of submissions by chamber, province and company size. It strengthens the Chapter 1 evidence base for geographic, chamber and employer-size analysis, while ongoing validation and refinement remain part of merSETA's data-quality improvement processes.

1.5.1 Employers by Province and Chamber

The current WSP extraction is concentrated in the Metal chamber, which accounts for 2,402 submissions (57.1%), followed by Motor Retail & Aftermarket with 1,299 (30.9%). Plastics accounts for 268 submissions (6.4%), Automotive Component Manufacturing 148 (3.5%), Auto Manufacturing 62 (1.5%) and New Tyre Manufacturing 26 (0.6%). Provincially, Gauteng accounts for 2,082 submissions (49.5%), followed by the Western Cape (16.6%) and KwaZulu-Natal (13.4%). The remaining provinces each account for less than 6% of the current extraction.

Current WSP submission profile (n=4,205 records)

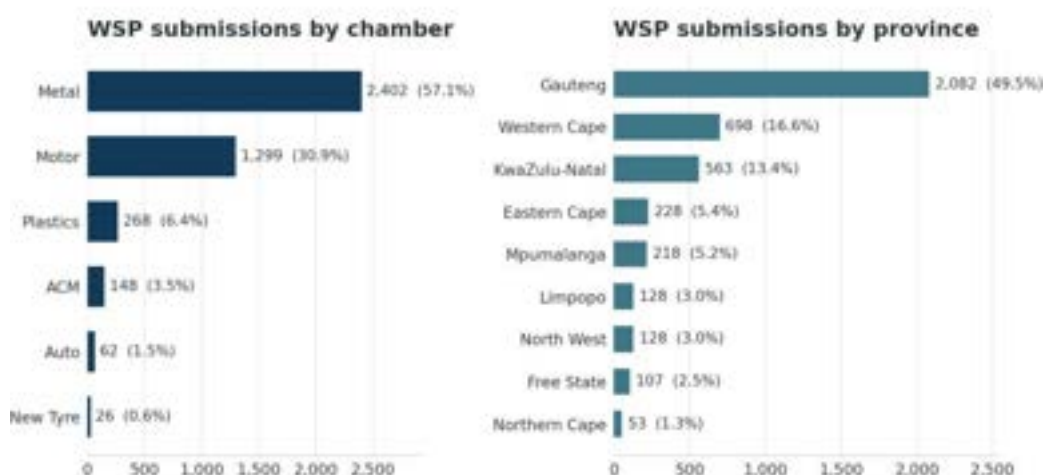


Figure 6: WSP Submissions by chamber and province

1.5.2 Employers by Size

Small firms dominate the current WSP extraction, accounting for 2,679 submissions (63.7%) of the 4,205 records. Medium firms account for 912 submissions (21.7%) and large firms for 614 (14.6%). This reinforces the importance of maintaining accessible planning, grant and workplace-support mechanisms for smaller employers.

Table 8: WSP Submissions by company size, merSETA data (2026/2027)

Company size	WSP submission records	Share of records
Small	2,679	63.7%
Medium	912	21.7%
Large	614	14.6%

The employer profile shows that small businesses make up most WSP submission records, while the employee profile below shows that large firms account for most reported employment. This distinction is important for skills planning: large employers provide scale for workplace-based learning and absorption, while SMMEs require targeted support to participate effectively in training, grants and workplace learning.

1.6 Employee Profile in the mer Sector

This section provides an overview of the workforce's composition and characteristics, offering insight into employees by company size and chamber, the demographic profile, geographic profile, and occupational profile of employees in the sector.

1.6.1 Employees by Chamber and Company Size

The latest merSETA employee extraction contains 418,602 records. Large firms account for 293,673 employees (70.2%), compared with 71,953 (17.2%) in medium firms and 52,976 (12.7%) in small firms. Metal and Engineering accounts for 217,134 employee records (51.9% of the total), followed by Motor Retail & Aftermarket with 114,303 (27.3%). Large firms dominate employment in every chamber, most strongly in Auto Manufacturing and New Tyre Manufacturing. This underscores the scale role of large employers in workplace-based learning while retaining the need for mechanisms that enable SMMEs to participate in training and grants. Figure 7 provides further detail.

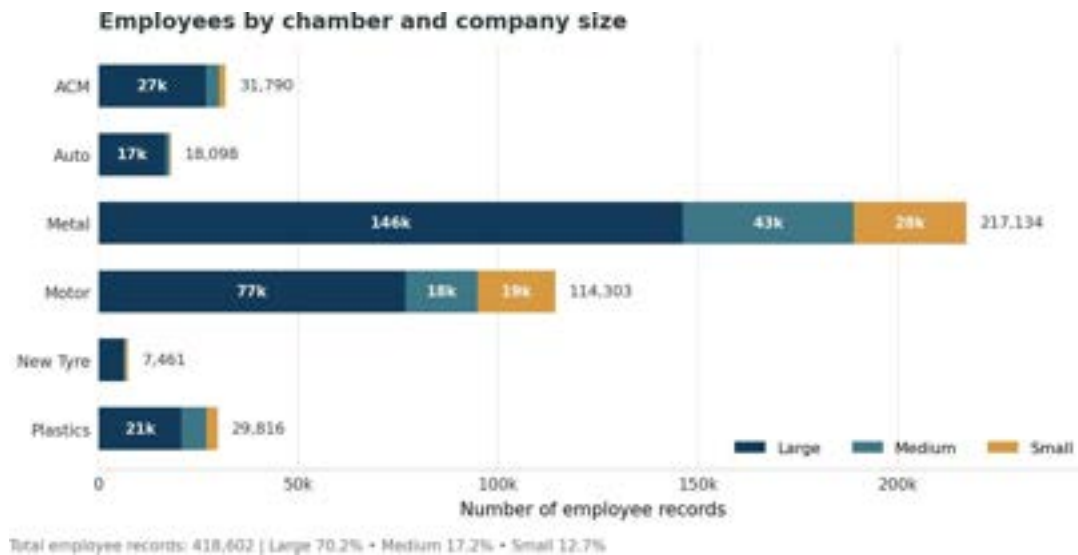


Figure 7: Number of employees by chamber and company size (merSETA Data, 2026/2027)

1.6.2 Employment by Occupational Group and Gender

Among employee records that are mapped to a major occupational group, men remain the majority in every reported category. Female representation is highest among technicians and associate professionals (43.0%) and clerical support workers (40.9%), followed by managers (29.8%) and professionals (25.2%). Women account for 19.1% of plant and machine operators, 18.2% of service and sales workers and 17.7% of skilled trades workers. The pattern supports targeted measures to expand women’s participation and progression in technical, production and trade occupations.

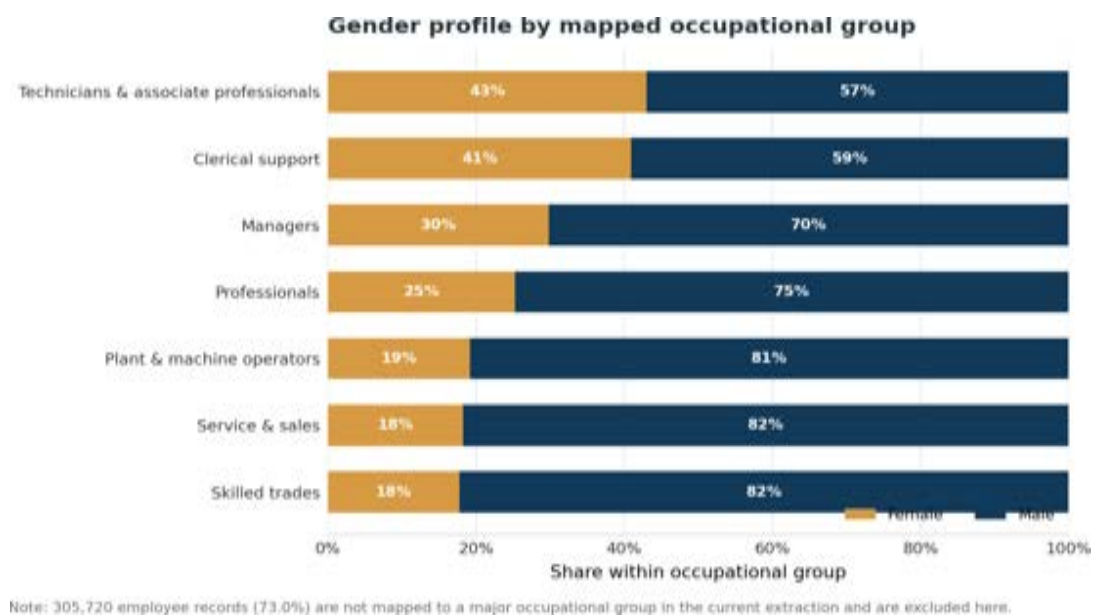


Figure 8: Employment by Occupational Group and Gender (merSETA Data, 2026/2027)

The chart reveals persistent gender disparities across most occupational groups. These patterns inform workforce planning, equity initiatives, and targeted skills development programs. This points to the need to strengthen female participation in artisan, technician, supervisory, production and digital manufacturing pathways.

1.6.3 Employment by Age and Occupational Group

Table 9: Employment by Age and Occupational Group (merSETA Data, 2026/2027)

Occupational Category	15-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65+
1. MANAGERS	1%	4%	9%	14%	18%	16%	15%	11%	8%	5%
2. PROFESSIONALS	3%	12%	18%	18%	15%	12%	10%	6%	4%	2%
3. TECHNICIANS AND ASSOCIATE PROFESSIONALS	3%	9%	15%	17%	17%	14%	11%	8%	5%	2%
4. CLERICAL SUPPORT WORKERS	8%	14%	16%	15%	14%	11%	9%	6%	4%	2%
5. SERVICE AND SALES WORKERS	3%	10%	15%	17%	18%	14%	11%	7%	4%	2%
6. SKILLED CRAFT AND RELATED TRADES WORKERS	4%	11%	17%	18%	17%	12%	9%	6%	4%	1%
7. PLANT AND MACHINE OPERATORS	4%	11%	16%	17%	17%	13%	10%	6%	4%	1%
8. ELEMENTARY OCCUPATIONS	9%	17%	18%	16%	14%	10%	7%	5%	2%	1%
Grand Total	5%	12%	16%	17%	16%	13%	10%	7%	4%	2%

The data highlights clear age-related occupational trends and the need to support upward mobility from low- to high-skilled jobs. The age profile supports the need for succession planning for older managerial roles, while the concentration of younger workers in elementary occupations creates an opportunity to strengthen youth entry pathways, artisan development and progression into technical roles.

1.6.4 Disability

Employees by disability

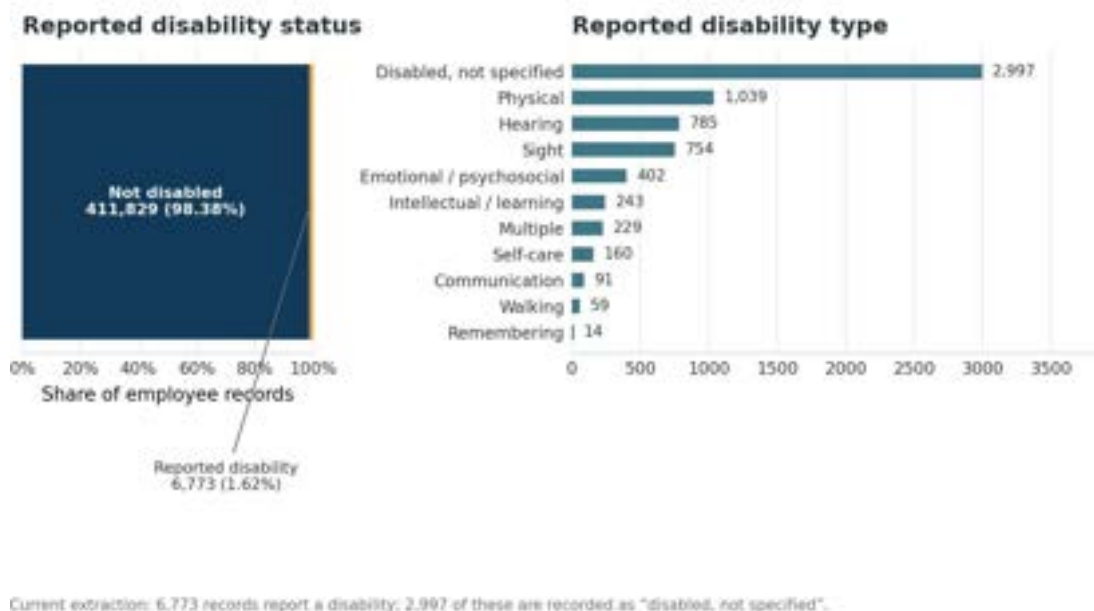


Figure 9: Employees by disability (merSETA data 2026/2027)

Of the 418,602 employee records in the current extraction, 411,829 (98.38%) are recorded as not disabled and 6,773 (1.62%) have a reported disability. Within the disability records, 2,997 are recorded as "disabled but not specified", followed by physical disability (1,039), hearing (785) and sight (754). The result highlights both low reported representation and the need to improve the completeness and consistency of disability reporting for equity planning.

Among employees with disabilities whose occupational group is mapped (3,781 records), clerical support workers account for 30%, followed by plant and machine operators (16%), technicians (13%) and skilled trades workers (12%). Representation is lower in professional (6%) and managerial roles (9%), suggesting a need to strengthen disability inclusion in higher-level occupational pathways.

1.6.5 Equity by Occupational Groups

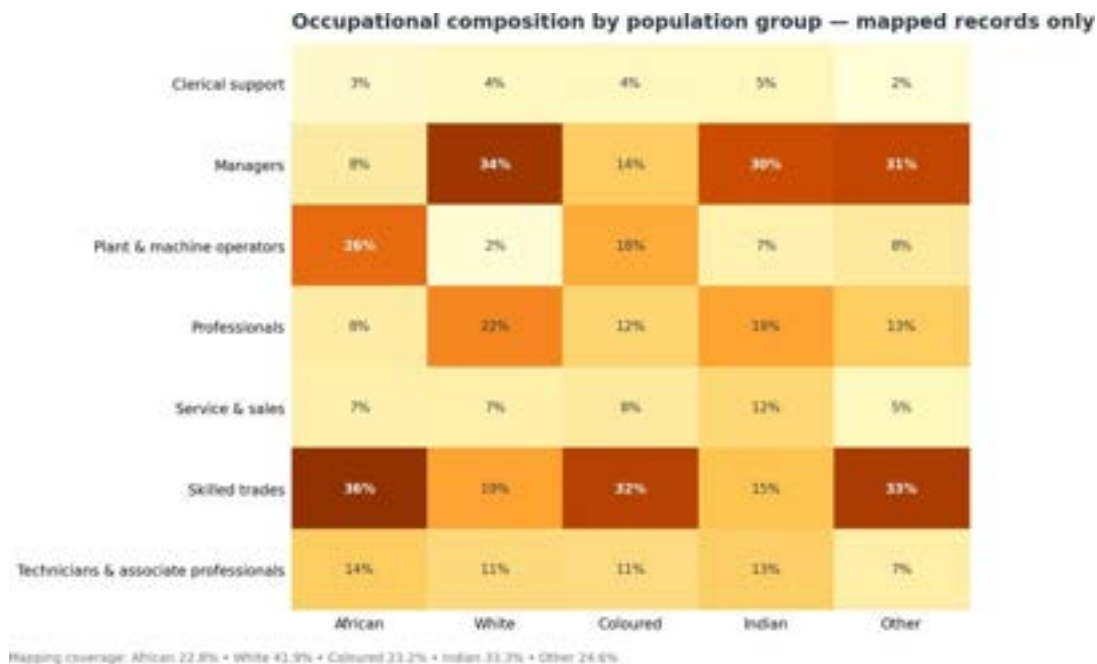


Figure 10: Equity and Occupational Group (merSETA Data, 2026/2027)

Error! Reference source not found. Figure 10 above shows occupational distribution by race within the merSETA sectors. Within the available mapped occupational records, White and Indian employees show a higher concentration in managerial and professional roles, while African and Coloured employees are more strongly represented in skilled trades and plant and machine operator roles. For example, managers account for 34% of mapped White records and 30% of mapped Indian records, compared with 8% of mapped African records, while skilled trades account for 36% of mapped African records and 32% of mapped Coloured records. While occupational mapping coverage varies across population groups, the available data provides a useful indication of continuing differences in occupational representation. These patterns reinforce the importance of ongoing transformation, upskilling and career progression initiatives that support broader access to higher-level technical, professional and managerial roles.

1.6.6 Employees by Province

Employees remain geographically concentrated in the main industrial provinces. Gauteng accounts for 50.47% of reported employee records, followed by KwaZulu-Natal at 21.95% and the Western Cape at 12.25%. The Eastern Cape accounts for 5.25%, Free State 4.56% and Mpumalanga 3.10%, while North West, Limpopo and Northern Cape each account for less than 2%. The pattern supports differentiated regional planning that protects training scale in high-employment provinces while expanding access to workplace-based learning in under-represented regions.

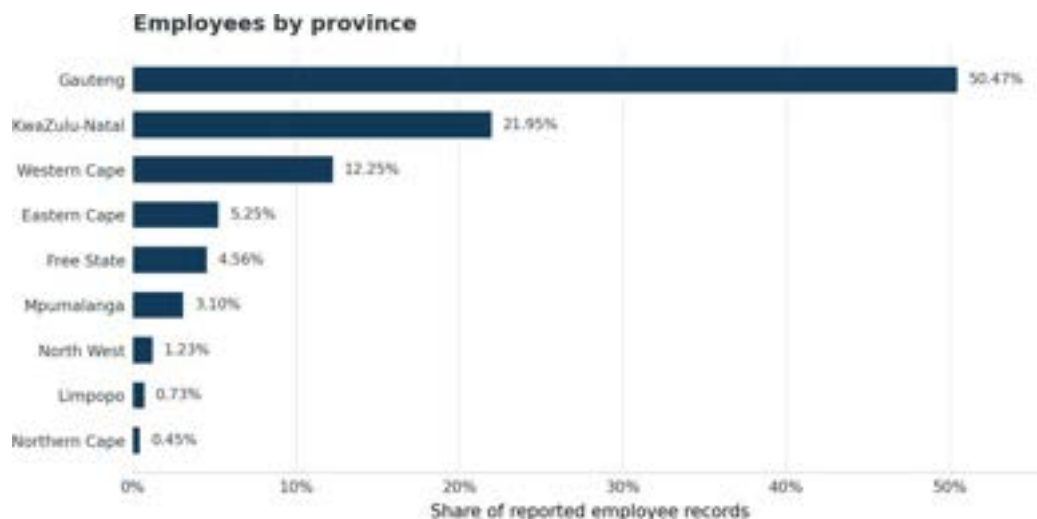


Figure 11: Employees by Province (merSETA Data, 2026/2027)

Regional planning should prioritise high-employment provinces while expanding access in underrepresented provinces through targeted partnerships.

1.6.7 Occupational Profile

The mapped occupational profile differs across chambers. Skilled trades form the largest mapped group in Automotive Component Manufacturing and Metal and Engineering, while plant and machine operators are particularly prominent in Auto Manufacturing and New Tyre Manufacturing. Motor Retail & Aftermarket has a relatively stronger mix of managers, service and sales workers, technicians and skilled trades. Plastics shows a mixed profile led by plant and machine operators, skilled trades and managers. These chamber patterns support differentiated occupational planning, but the current extraction has low occupational mapping coverage across all chambers, and the results should be triangulated with other demand evidence.

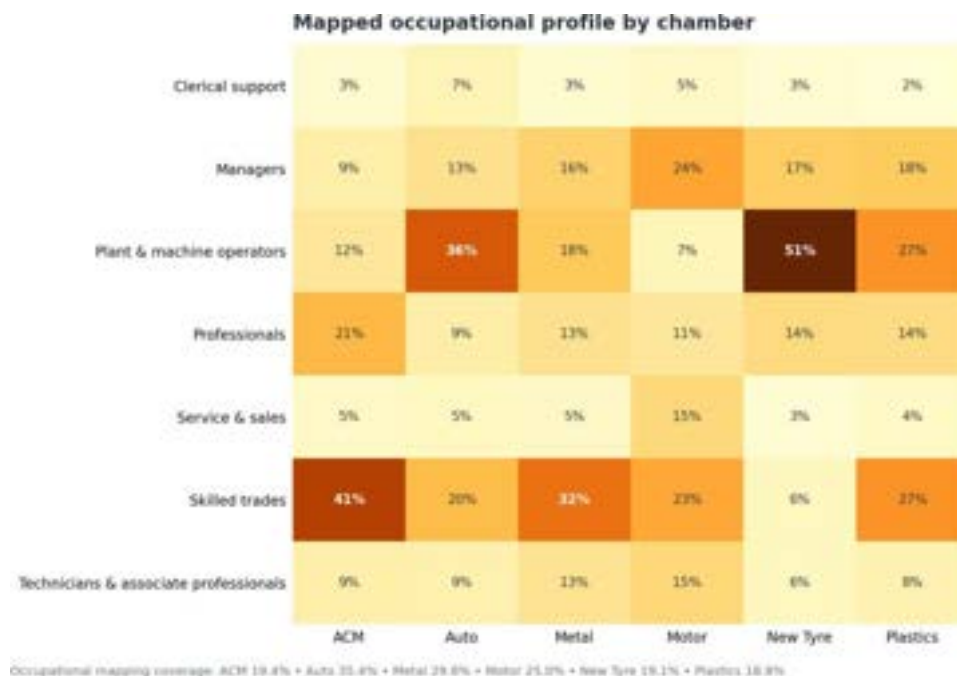


Figure 12: Employment by Occupational Groups (merSETA Data, 2026/2027)

These mapped occupational patterns provide a directional input into occupations in demand, hard-to-fill vacancies and priority interventions discussed in Chapter 3.

1.7 Conclusion

Chapter 1 shows that the mer sector continues to operate in a constrained economic and labour market environment. Manufacturing remains under pressure from weak output, high input costs, fragile

business confidence, subdued demand and uneven employment performance. At the same time, high unemployment, youth exclusion, gender and population-group disparities, low reported representation of persons with disabilities, and regional concentration remain important skills planning concerns. These trends reinforce the need for demand-led, inclusive and occupation-focused skills development that supports productivity, workplace-based learning, artisan and technician pipelines, succession planning, transformation and regional responsiveness across the mer sector.

Chapter 2: Key Skills Change Drivers

2.1 Introduction

This chapter identifies and analyses the key skills change-drivers affecting the Manufacturing, Engineering and Related Services (mer) sectors. In line with the DHET SSP Framework, the chapter focuses on how occupational patterns and skills are changing in response to shifts in the economy, technological advances and other labour market changes, and on the implications of national strategies and plans for skills development in the sector. The chapter therefore does not duplicate the detailed occupational shortages, hard-to-fill vacancies, skills gaps and supply-side analysis that are dealt with in Chapter 3; instead, it explains the drivers that shape those demand and supply patterns.

Chapter 2 focuses on the key factors that are driving changes in occupational patterns and skills demand and supply in the mer sector. For the purposes of the SSP, skills change drivers are defined as structural or systemic forces that bring about changes in the type, level, volume, location or composition of skills required by the sector, or in the way those skills need to be developed and supplied. Not all factors affecting skills planning are therefore treated as change drivers. The chapter distinguishes between change drivers that directly influence occupational and skills change; economic and societal conditions that affect the sector's ability to respond to these changes; and policy and regulatory directives that shape the skills-development environment. This distinction enables the SSP to identify more clearly the factors driving occupational change, their implications for skills demand and supply, and the appropriate merSETA skills-planning response.

The analysis draws on multiple sources of evidence, including merSETA Workplace Skills Plan and Annual Training Report submissions, employer survey evidence, chamber and stakeholder inputs, primary research, Stats SA labour market data, BER economic outlooks, relevant sector master plans, national policy frameworks and industry intelligence from bodies such as NAAMSA, NAACAM, SEIFSA and Plastics SA. AI, automation, robotics, digitalisation, advanced manufacturing, green technologies, NEVs, hydrogen, advanced materials and circular-economy activities are reshaping occupational content and future skills demand. The evidence is used to distinguish whether each change driver affects skills demand, skills supply, or both, and to identify the occupational groups most likely to be affected.

2.2 Factors Affecting Skills Demand and Supply

This section identifies and describes the major change drivers impacting skills demand and supply in the mer sector. It explains how the factors were identified, how they affect demand for or supply of skills, and what the implications are for sector skills planning. Evidence sources used to identify key change drivers is shown in Table 10 below.

Table 10: Evidence sources used to identify key change drivers

Evidence source	How it informs Chapter 2
WSP/ATR and merSETA administrative data	Provides employer, employee, occupational and training information submitted by levy-paying and participating employers.
Employer survey and stakeholder inputs	Provides employer views on operational challenges, green skills, technology adoption, business outlook and changing skills needs.
Stats SA QLFS/QES and economic datasets	Provides national labour market, employment, unemployment and sector employment trends.
BER and sector economic outlook sources	Provides context on manufacturing confidence, output, demand, investment, energy, trade and macroeconomic risks.

Evidence source	How it informs Chapter 2
National policies and sector master plans	Includes the NSDP, MTDP, ERRP, NDP, PSET policy, JET-related frameworks, Hydrogen SA and relevant sector master plans.

2.2.1 Key Change Drivers and How They Were Identified

Skills change drivers are factors that change the sector and influence the type, level and location of skills required. In the mer sector, the main drivers are technological change, economic and industrial conditions, global trade and supply chain shifts, labour market pressures, the green transition, innovation and regulatory change. These drivers are interconnected. For example, weak demand and global competition increase the need for productivity and cost-control skills, while digitalisation and green transition pressures change both production processes and training requirements.

The merSETA Sector Skills Plan (SSP) Update Employer Survey for 2025/2026 confirms that the mer sector's main change drivers are both structural and operational. Skills shortages, weak demand, global competition, digitalisation, green transition pressures, training constraints and emerging occupational changes are directly affecting skills demand and supply. Table 11 below details these change drivers (merSETA, 2026).

Table 11: Key change drivers and their implications on skills planning

No.	Change Driver	Description	Implications for Skills Planning	Demand/Supply/Both
1	Technological Advancements digitalisation and automation	Industry 4.0, AI, robotics, CAD, automation and digital systems are changing production, maintenance, design and administration. Employers identified digital transformation, Industry 4.0 and AI/automation as medium- to high-impact trends.	Demand: More digital, automation, robotics, data and technical-digital skills. Supply: Update curricula, short courses and workplace upskilling for digital manufacturing.	Both
2	Economic industrial restructuring	Employers reported mixed performance, with 268 stable, 199 growing and 136 declining. For the next 12 months, 47.75% expect stability and 14.31% expect decline. These conditions, together with productivity and competitiveness pressures, are reshaping business models, investment and workforce requirements.	Demand: Greater need for productivity, quality, maintenance, cost control, business resilience and multi-skilling. Supply: Reskilling and upskilling must support firms adapting to changing production and market conditions.	Both
3	Global competition, trade shifts and supply-chain pressure	198 employers identified global competition as a key challenge. Global instability and supply-chain disruptions also increase the need for local value-chain resilience and export readiness.	Demand: Need for logistics, export readiness, quality assurance, supply-chain and innovation skills. Supply: Provide training in lean production, trade readiness, customs compliance and market responsiveness.	Both
4	Green transition, ESG and circular economy	Sustainability and low-carbon production are changing sector requirements. The employer survey identified waste reduction and recycling initiatives, ESG compliance, renewable energy adoption and growing demand for solar, hydrogen, waste-management, recycling and sustainable product-design skills.	Demand: New and changing skills in renewable energy, ESG, recycling, waste management, sustainable product design and low-carbon production. Supply: Integrate green skills into artisan, technician, production and management programmes, including short and workplace-based learning aligned to JET priorities.	Both
5	Innovation, R&D and product changes	New products, services and innovation are changing occupational requirements. 20.6% of employers reported new or emerging occupations in the past two to three years	Demand: More skills in prototyping, technical design, innovation, product development and advanced manufacturing. Supply: Strengthen industry-PSET collaboration, applied research and technical innovation pathways.	Both
6	Changing nature of work and flexible work models	Remote and hybrid work continue in administrative, design, engineering and project functions, while digital tools are increasingly used in factory planning and collaboration.	Demand: Digital collaboration, virtual project management, cloud-based design and adaptive work skills. Supply: Include digital workplace tools, communication and work-readiness in training programmes.	Both

2.3 Occupational Changes and Skills Implications

Occupational change in the mer sector is being shaped by digitalisation, automation, green transition pressures, weak demand, global competition and changing employer requirements. The employer survey confirms that digital transformation, Industry 4.0, green technologies, the circular economy and AI/automation are already influencing skills needs. Employers also reported growing demand for CAD, robotics, automation, green skills, industry-specific technical skills, adaptability and innovation (merSETA, 2026).

The key change is that many existing occupations are becoming more complex rather than being replaced completely. Artisans, technicians, plant and machine operators, supervisors and managers increasingly require a combination of technical, digital, problem-solving, compliance and sustainability-related skills. The employer survey found that 20.6% of employers reported new or emerging occupations. These were mainly driven by new products and services, changing customer demand, digital transformation, Industry 4.0 and compliance requirements (merSETA, 2026).

Table 12: Occupational changes and related skills implications

Occupational area	Nature of change	Key skills required
Plant and machine operators	Shift towards digitally monitored and automated production	Machine setting, digital interfaces, quality monitoring, troubleshooting
Artisans and skilled trades	More complex equipment, automation and energy systems	Diagnostics, mechatronics, automation, electrical and green maintenance
Technicians and associate professionals	Greater role in technical analysis and production support	CAD, data interpretation, automation support, technical problem-solving
Managers and supervisors	Increased focus on productivity, compliance and change management	Planning, leadership, digital reporting, ESG awareness
Design and engineering support roles	Growth in digital and sustainable product design	CAD, prototyping, sustainable design, innovation
Compliance and sustainability roles	Increased ESG and environmental reporting requirements	ESG auditing, environmental compliance, waste and energy management

These occupational shifts confirm that skills development in the mer sector must prioritise continuous upskilling, reskilling and workplace-based learning, with a stronger focus on digital, technical, green, supervisory and innovation-related capabilities.

2.4 Policy Frameworks Affecting Skills Demand and Supply

National skills-development and PSET frameworks define merSETA's mandate and planning parameters. The Skills Development Act, Skills Development Levies Act and National Qualifications Framework Act, together with the NSDP and PSET policy framework, require sector skills planning to support a responsive and coordinated system linked to labour-market and national development priorities.

2.4.1 Key Skills Development Policies and Plans for PSET

(InsideEducation, 2026) Recent national policy signals emphasise stronger SETA performance, employer participation, workplace placement and measurable employment outcomes. This reinforces the need for merSETA planning to remain demand-led, employer-informed and focused on value for industry and learners.

Table 13: Key Skills Development Policies and Plans for PSET

Policy / strategy	Core skills planning implication for merSETA	Demand / supply focus	Linked NSDP outcome
ERRP	Demand: skills for reindustrialisation, localisation, SMME growth, energy security and the green economy. Supply: occupational programmes and workplace learning aligned to these priorities.	Demand and supply	Outcomes 2, 4 and 6
MTDP 2024–2029	Demand: critical and emerging skills for growth, competitiveness and innovation. Supply: responsive programmes, stronger industry partnerships and data-driven planning.	Demand and supply	Outcomes 2, 7 and 8
Presidential Youth Employment Initiative	Demand: work-ready youth for identified employment opportunities. Supply: bridging, career guidance, entrepreneurship support and workplace-based learning.	Supply and workplace entry	Outcomes 3, 5, 7 and 8
NSDP 2030	Demand: closer alignment to occupational and workplace needs. Supply: occupational programmes, workplace-based learning and research-informed provision.	Demand and supply	All NSDP outcomes, especially 1, 2, 4 and 7
NPPSET / WPPSET	Demand: improved PSET responsiveness to employer and sector needs. Supply: stronger coordination across universities, TVETs, CETs, providers and employers.	Supply	Outcomes 1, 2, 3 and 4
Skills Development Act and Skills Development Levies Act	Demand: WSPs and employer participation signal workplace skills needs. Supply: levy-funded PIVOTAL programmes and other skills-development interventions.	Demand and supply	Outcomes 2, 4 and 7
NQF Act / QCTO occupational qualifications and legacy transition	Demand: shift towards occupational qualifications as legacy programmes phase out. Supply: provider, assessment-centre and workplace readiness for occupational delivery.	Supply	Outcomes 1, 2 and 4
Industrial and sector master plans	Demand: sector-specific technical and occupational skills priorities. Supply: training and workplace learning aligned to industrial, localisation and competitiveness priorities.	Demand	Outcomes 2, 4 and 7
JET and green transition policy signals	Demand: NEV/EV, renewable-energy, circular-economy, energy-efficiency and green-manufacturing skills. Supply: updated curricula, provider capacity, workplace learning and reskilling pathways.	Demand and supply	Outcomes 2, 4, 5 and 7

2.4.2 Funding and Skills Systems Policy Developments

This SSP notes the proposed skills development levy reform to double the mandatory grant payable by a SETA to employers from 20% to 40% of levies paid, with a further 10% linked to employer funding of unemployed learners on PIVOTAL programmes (Budget Speech, 2026). Detailed funding architecture, costing and budget allocations are addressed through the Strategic Plan, Annual Performance Plan and related grant policies. For skills planning, the signal is important because it may strengthen employer participation, workplace-based learning, PIVOTAL uptake and WSP/ATR data quality, while reducing the discretionary funding envelope available for long-cycle and unemployed-learner interventions.

As the sector authority responsible for skills planning and skills development within the mer sector, merSETA's role extends beyond describing sector trends. The SSP provides a clear planning direction by identifying priority skills needs, signalling where funding may consider being targeted, and guiding how discretionary grants, mandatory grants, partnerships and research investments can respond to sector change drivers. The funding model should therefore be considered as part of the sector response to economic pressure, technological change, the Just Energy Transition, reindustrialisation, SMME development and workplace-based learning. At a high level, this requires funding to be directed toward priority occupations, scarce and critical skills, reskilling and upskilling, occupational programmes, employer-led training, public provider capacity, and strategic partnerships that support national and sector priorities.

2.4.3 Skills implications of the JET Implementation Plan for the Sector

The Just Energy Transition Implementation Plan has significant skills implications for the mer sector, particularly in automotive manufacturing, automotive components, metals and engineering, and motor retail and aftermarket services. This is confirmed by the NAACAM study on the employment impacts of South Africa's transition from Internal Combustion Engine Vehicles (ICEVs) to New Energy Vehicles (NEVs), in which merSETA participated through stakeholder interviews. The report notes that the automotive industry is currently geared towards ICEV production, while the shift to NEVs requires different components, production processes and skills capabilities (NAACAM, 2026).

While automotive manufacturing represents an important area of JET exposure for the mer sector, the transition has implications across a wider range of manufacturing value chains. In plastics, the shift towards a circular economy is increasing the emphasis on product and packaging redesign, recycled materials, reuse, recycling and improved resource recovery. South African work by the CSIR identifies reduce, redesign, reuse and recycle as core strategies for advancing circularity, while emphasising the need for a just transition across the plastics value chain. Industry developments through the SA Plastics Pact similarly demonstrate growing investment in circular production, recycling capacity and recycled-content use (CSIR and World Bank, 2022) (SA Plastics Pact, 2026)

The transition also has implications for metals, engineering and other heavy manufacturing value chains. NBI modelling indicates that South Africa's transition to net zero could increase demand for locally produced steel, aluminium and other manufactured inputs required for renewable-energy, transport and infrastructure investment, while simultaneously requiring these industries to decarbonise their own production processes. This creates skills requirements in areas such as energy-efficient and low-carbon production, green metals, process engineering, automation, materials efficiency, recycling, maintenance and renewable-energy integration (NBI, 2023)

These developments reinforce the need for merSETA to use chamber and value-chain intelligence to identify the different occupational, reskilling and qualification implications of the JET across automotive, metals and engineering, plastics and recycling, and other affected manufacturing activities.

The transition presents both employment risks and new skills opportunities. For the automotive sector, the NAACAM report estimates that a severe contraction in ICEV export markets could place about 8 200 direct jobs at risk, particularly in exhaust systems, catalytic converters, engines and transmission-related components (NAACAM, 2026). This means that workers in ICEV-dependent occupations will require targeted reskilling to remain employable as demand shifts towards NEV technologies.

The key skills implication is that many existing occupations will change rather than disappear immediately. Motor mechanics, auto electricians, artisans, technicians, production operators, process engineers, quality engineers, millwrights and maintenance workers will increasingly need additional competencies in high-voltage safety, EV diagnostics, battery systems, electronics integration, thermal management systems, data-enabled diagnostics and green manufacturing processes. The NAACAM report notes that some current ICEV skills, such as lean manufacturing, quality control, health and safety, production management and technical problem-solving, are transferable to NEV production, but that the main gap is component-specific NEV technical knowledge (NAACAM, 2026).

At the same time, the transition creates new opportunities in areas such as High Voltage Wire Harnesses, Thermal Management Systems and Hydrogen Fuel Cells. The NAACAM report estimates that NEV-related growth could create or sustain up to 8 600 gross direct jobs by 2035, depending on OEM investment, policy certainty, localisation and infrastructure support (NAACAM, 2026). Emerging skills include CNC operation, automation engineering, electronics integration, data and diagnostics, quality engineering, chemical engineering, laboratory technology and hydrogen-related production.

The transition also has important supply-side implications. TVET colleges, universities, Centres of Specialisation and accredited providers will need updated curricula, lecturer development, industry exposure, provider accreditation and practical training infrastructure to deliver NEV-related programmes. This includes EV training bays, insulated tools, battery handling equipment, high-voltage safety training and charging demonstration infrastructure. From an inclusion perspective, the JET must support affected workers, youth, women and semi-skilled employees in automotive regions such as Nelson Mandela Bay, Tshwane and eThekweni, where unemployment is already high and where ICEV-related job losses could deepen existing vulnerabilities (NAACAM, 2026).

Table 14: Measures merSETA put in place to support JET implementation plan

JET support area	Measures put in place / planned by merSETA	Skills planning implication
NEV and green skills programme development	Develop NEV-focused occupational and short skills programmes, including EV Technician, Hybrid Technician, Service Assistant, diagnostics, battery safety and high-voltage technical modules.	Builds a pipeline of workers with EV, hybrid, battery, diagnostics and high-voltage safety skills.
Alignment to national and sector priorities	Align JET responses to the NDP, MTDP, HRD Strategy, JET-IP, IRP and Automotive Master Plan 2035 through structures such as the Electromobility Task Team and industry inputs.	Ensures SSP priorities support the green transition, localisation, industrialisation and automotive transition.
Research, evidence and foresight	Integrate JET and NEV themes into SSP research, chamber skills reviews, tracer studies, foresight work and planned JET-related studies from 2026 onwards.	Strengthens evidence on emerging occupations, affected occupations, skills gaps and future interventions.
Workplace-based learning and worker transition support	Align learnerships, internships, apprenticeships, bursaries, WIL, ARPL and reskilling interventions to JET and NEV-related areas, with placements supported through employers, RMI, NAACAM and OEMs.	Expands practical workplace exposure while supporting transition pathways for workers affected by ICEV-to-NEV shifts.
Provider and infrastructure readiness	Support TVET and HEI partnerships, Centres of Specialisation, lecturer exposure, workshop upgrades, EV training bays, insulated tools, battery	Builds institutional capacity to deliver practical NEV, green

JET support area	Measures put in place / planned by merSETA	Skills planning implication
	handling equipment and charging demonstration units.	manufacturing and circular economy training.
Sector dialogue and knowledge exchange	Participate in colloquia, conferences, study tours and sector dialogues on NEV skills, battery lifecycle, green manufacturing and circular economy issues.	Improves sector awareness and supports a shared understanding of emerging JET-related skills needs.

The SSP implication is that merSETA must strengthen skills anticipation, accelerate NEV occupational programme development, expand workplace-based learning, and support reskilling pathways so that the transition is both economically responsive and socially just. Overall, the JET Implementation Plan implies that skills planning in the mer sector must shift towards a more integrated green, digital and technology-responsive approach. The priority is to prepare new entrants and existing workers for changing occupational requirements, strengthen provider and lecturer readiness, expand workplace-based learning in JET-related areas, and build partnerships with industry to ensure that training remains aligned to the pace of technological and industrial change.

2.4.4 Measures in Place to Support MTDP Outcomes

The MTDP outlines South Africa's strategic vision for addressing critical socio-economic challenges over the next five years. Anchored in the principles of inclusive growth, poverty reduction, and the development of a capable and ethical state, the MTDP serves as a roadmap for transforming the nation's Post-School Education and Training (PSET) system. It emphasizes the need for a skilled workforce to support key sectors such as renewable energy, advanced manufacturing, and localisation. The plan aligns with national priorities to promote social cohesion, reduce inequality, and create sustainable employment opportunities.

Incorporating the MTDP into the SSP is essential to ensure that skills development strategies directly address the priorities identified by the government. By aligning the SSP with the MTDP, merSETA can effectively contribute to building a resilient and inclusive economy. This integration ensures the workforce is equipped with relevant skills to meet future industry demands while supporting critical initiatives such as the Just Energy Transition, workplace-based learning, and governance improvements in the PSET sector.

The merSETA has implemented a range of measures to support the Medium-Term Development Plan (MTDP) as part of its broader strategic realignment for the 2025–2030 period. These measures are framed around improving internal capacity, aligning with national priorities, and enhancing operational efficiency.

Table 15: Measures in Place to Support MTDP Outcomes

Policy/Strategy	merSETA Planned Measures	Demand / Supply Focus	Linked NSDP Outcome(s)
Medium-Term Development Plan (MTDP) 2024–2029	- Organisational redesign through the TransfoMER Project to strengthen delivery capacity. - Adoption of comprehensive M&E framework and data-driven decision-making. - Strategic alignment with national policies (NSDP, ERRP, PYEI). - Strengthened partnerships with SETAs, employers, TVETs and local government (esp. rural development, youth employment, digital access). - Enhanced discretionary grant evaluation and project management.	Both (internal capacity building and sectoral alignment)	Outcome 2: Link education and work; Outcome 7: Improve workplace-based learning; Outcome 8: Strengthen career development

Policy/Strategy	merSETA Planned Measures	Demand / Supply Focus	Linked NSDP Outcome(s)
Economic Reconstruction and Recovery Plan (ERRP)	- Support reindustrialisation and localisation programmes. - Expand support for SMMEs to create job opportunities. - Develop innovative small business support interventions. - Promote skills for energy security and the green economy.	Supply (skills programmes, SMME support) and Demand (aligning training to industrial growth)	Outcome 4: Increase access to occupational programmes; Outcome 6: Support transformation and equity; Outcome 2: Link education and work
Presidential Youth Employment Initiative (PYEI)	- Introduce flexible bridging interventions for youth entry into growth industries. - Support township and rural economy entrepreneurship initiatives. - Strengthen workplace-based experience opportunities. - Align training rapidly to industry demand through demand-led skilling.	Both (workplace entry and demand-led training)	Outcome 3: Improve foundational learning; Outcome 5: Improve equity in skills development; Outcome 8: Support career development services

2.5 Conclusion

Chapter 2 shows that skills demand and supply in the mer sector are being shaped by economic pressure, digitalisation, automation, green transition requirements, policy shifts and changing funding signals. These drivers are affecting production processes, occupational requirements, workplace-based learning and provider readiness. The implications provide the basis for Chapter 3's analysis of occupational shortages, skills gaps, supply-side constraints and priority occupations, and for Chapter 6's strategic priority actions.

Chapter 3: Sectoral Skills Demand and Supply Analysis

3.1 Introduction

This chapter analyses skills demand and supply in the Manufacturing, Engineering and Related Services (mer) sector. It identifies occupational shortages, hard-to-fill vacancies (HTFVs), skills gaps, occupational supply, supply-side constraints, merSETA-supported learning pathways, sectoral priority occupations and the interventions required to respond to them. The chapter provides the evidence base for priority occupations, grants planning, partnerships, workplace-based learning and strategic skills priority actions.

The update draws on merSETA WSP/ATR data, the merSETA SSP Update Employer Survey 2025/26, the 2026/27 merSETA administrative data extract, DHET Post-School Education and Training statistics, Stats SA QLFS Q1:2026, merSETA programme records, tracer study evidence, chamber inputs and sector research. The 2026/27 administrative data is useful for employer distribution, WSP submissions, employee profiles, HTFVs and occupational trends. Although duplicated records presented initial data constraints, this chapter draws on valid 2026/27 WSP records to provide reliable directional evidence, with a focus on robust HTFV patterns and clearly defined occupational trends.

3.1.1 Data Sources for Chapter 3

The chapter triangulates administrative, survey, labour market and supply-side evidence because no single dataset fully captures demand, supply, skills gaps and employer absorption capacity.

Table 16: Sources and evidence used in Chapter 3

Data area	Primary sources used	Application in Chapter 3
Occupational demand and HTFVs	merSETA WSP/ATR 2025/26 and 2026/27 administrative data; employer survey inputs	Identify vacancies, hard-to-fill occupations, reasons for scarcity, chamber and provincial patterns, and demand-side occupational signals.
Skills gaps	Employer survey evidence; WSP/ATR skills-gap fields; chamber and research inputs	Identify technical, digital, green, supervisory, management, communication and workplace-readiness gaps. Skills-gap extraction constraints are noted where data quality affects ranking.
PSET supply pipeline	DHET Statistics on Post-School Education and Training in South Africa, 2024; PSET enrolment and completion tables	Update HEI, TVET, CET, private HEI and private college supply statistics relevant to merSETA occupations.
Labour market context	Stats SA Quarterly Labour Force Survey, Q1:2026	Contextualise unemployment, labour absorption, NEET rates and youth labour market exclusion.
merSETA skills supply	merSETA Annual Report, QMR data, SETMIS, tracer study and internal programme records	Assess apprenticeship, learnership, skills programme, artisan and certification trends, including learner readiness and employer feedback.

Source: merSETA WSP/ATR data; merSETA SSP Update Employer Survey 2025/26; DHET Statistics on Post-School Education and Training in South Africa, 2024; Stats SA QLFS Q1:2026

3.2 Occupational Shortages and Skills Gaps

Occupational shortages are identified through employer-reported vacancies, WSP/ATR submissions, HTFV data, sector research and stakeholder inputs. The 2025/26 employer survey confirms that 45% of surveyed employers experienced hard-to-fill vacancies, mainly affecting skilled trades workers, technicians and associate professionals, managers and professionals. Priority occupations therefore need to reflect both current shortages and occupations whose skills content is changing because of new technologies, industrial restructuring, the green transition and emerging value chains.

3.3 Sectoral Occupational Demand and Priority Occupations

3.3.1 Hard-to-Fill Vacancies

HTFV by OFO Code and reason are outlined in detail in¹ ANNEXURE 3: HTFV by OFO Code and reason which shows that hard-to-fill vacancies in the mer sector are mainly driven by experience and specific skills shortages, rather than a general shortage of formal qualifications. Hard-to-fill vacancies constitute positions that employers could not fill for 12 months, in summing those across all employers, the list of hard to fill vacancies are indicated for occupations in which there were five or more vacancies.

The 2026/27 HTFV data confirm that shortages are concentrated in technical and artisan occupations. A total of 447 hard-to-fill vacancies were recorded. The largest share was reported for Skilled Trades Workers, with 155 HTFVs, representing 35% of the total. This was followed by Managers with 107 HTFVs or 24%, Professionals with 85 HTFVs or 19%, and Technicians and Associate Professionals with 51 HTFVs or 11%. Plant and Machine Operators accounted for 21 HTFVs or 5%, while Service and Sales Workers accounted for 19 HTFVs or 4%. Clerical Support Workers and Elementary Workers each represented 1% of reported HTFVs. These are depicted in table below

Table 17: HTFV by Occupation Group

OFO major group	HTFV count	Share
Skilled Trades Workers	155	35%
Managers	107	24%
Professionals	85	19%
Technicians and Associate Professionals	51	11%
Plant and Machine Operators	21	5%
Service and Sales Workers	19	4%
Clerical Support Workers	5	1%
Elementary Workers	4	1%
Total	447	100%

Source: merSETA WSP/ATR 2026/2027 submission

The shortages are concentrated in occupational groups central to production, maintenance, supervision, technical support, engineering, sales and operational continuity. The findings support continued prioritisation of artisan development, technician pathways, professional technical capability, supervisory development and workplace-based learning.

3.3.2 Reasons for Hard-to-Fill-Vacancies

The main reason for HTFVs is that candidates lack specific skills, accounting for 177 vacancies or 40% of the total. This is followed by candidates not having the right experience, at 118 vacancies or 26%, and candidates lacking specific qualifications, at 82 vacancies or 18%. Other reasons include equity considerations affecting recruitment, poor remuneration, remote or difficult-to-access locations, and candidates not having the required personal characteristics or attitudes.

HTFV by OFO Code and reason are outlined in detail in annexure 3ANNEXURE 3: HTFV by OFO Code and reason which shows that hard-to-fill vacancies in the mer sector are mainly driven by experience and specific skills shortages, rather than a general shortage of formal qualifications. Across the listed occupations, employers most frequently report that candidates either do not have the right workplace experience or lack occupation-specific technical and practical skills. The pressure is spread across several occupational groups, including managers, technicians, clerical support workers, service and sales workers, skilled trades, plant and machine operators, and elementary workers. This confirms that the sector's vacancy challenge is broad-based and requires a combination of interventions, including

¹ HTFV by OFO Code and reason are outlined in detail in ANNEXURE 3: HTFV by OFO Code and reason on page 83.

workplace-based learning, artisan development, trade testing support, targeted short skills programmes, mentoring, supervisory training and occupation-specific upskilling aligned to real workplace requirements.

Table 18: Reasons for HTFVs

Reason for HTFV	Count	Share
Candidates lack specific skills	177	40%
Candidates do not have the right experience	118	26%
Candidates lack specific qualifications	82	18%
Equity considerations make it difficult to find candidates	35	8%
Poor remuneration	17	4%
Vacancy situated in remote / difficult-to-access location	10	2%
Candidates do not have the right personal characteristics / attitudes	8	2%
Total	447	100%

Overall reasons for hard to fill vacancies suggest that employers are discerning in terms of experience and specific skills rather than actual qualifications which suggests that there would be a higher demand for specific skills related courses and programmes rather than whole qualifications for each of the occupations.

3.3.3 Detailed HTFV Signals by Occupation

The detailed occupation-level records show repeated HTFV signals in management, technical, sales, artisan, operator and quality-related occupations. The extract includes occupations such as Sales Manager, Sales and Marketing Manager, Manufacturing Technician, Production / Operations Supervisor, Automotive Parts Salesperson, Industrial Spray Painter, Fitter and Turner, Automotive Motor Mechanic, Mechanical Fitter, Diesel Mechanic, Heavy Equipment Mechanic, Electrician, Quality Controller, Panel beater, Metal Manufacturing Machine Setter and Minder, Plastics Production Machine Operator and Forklift Driver. Across these occupations, the repeated reasons are lack of specific skills, lack of experience and lack of specific qualifications.

Table 19: HTFVs across Chambers

Occupation / occupational area	Main reason signal in the data
Sales Manager / Sales and Marketing Manager	Experience gaps, lack of specific skills and some location or personal-characteristic constraints
Manufacturing Technician / Production or Operations Supervisor	Specific skills, qualifications, experience and workplace-readiness constraints
Automotive Parts Salesperson / Motorised Vehicle or Caravan Salesperson	Experience and occupation-specific sales skills
Fitter and Turner / Mechanical Fitter / Diesel Mechanic / Automotive Motor Mechanic	Specific skills, qualifications and experience gaps
Electrician / Heavy Equipment Mechanic / Panel beater / Industrial Spray Painter	Qualifications, specific skills, experience and remuneration constraints

Occupation / occupational area	Main reason signal in the data
Quality Controller / Machine Setter and Minder / Plastics Production Machine Operator / Forklift Driver	Specific skills, compliance, machine operation and location or remuneration constraints

3.3.4 Skills Gaps

Skills gaps refer to capabilities that existing workers or potential recruits need to perform effectively in current and changing workplaces. The WSP/ATR and employer evidence point to both technical and transversal gaps. The 2025/26 Employer Survey shows that employers most frequently identified problem-solving (42%), supervisory skills (40%), planning and organising (36%), communication (29%), and management and leadership (29%) as key skills gaps. These gaps cut across occupational groups and indicate that technical skills development must be complemented by workplace-readiness, communication, planning, leadership and supervisory capability.

The 2026/27 skills-gap extraction identifies a broader list of reported gap areas, including technical job-specific skills, teamwork, supervisory skills, reading, writing and numeracy, project management, production, problem solving, planning and organising, office administration, occupational health and safety, new work processes, new technology, new products, marketing and sales, management and leadership, legal governance and risk, language barriers, relevant qualifications and experience, interpersonal skills, first aid, financial and accounting skills, customer service, written and oral communication, basic computer skills and advanced computer, IT and software skills. However, the source flags repeated values across occupational groups. The list should therefore be treated as a validated set of reported gap areas.

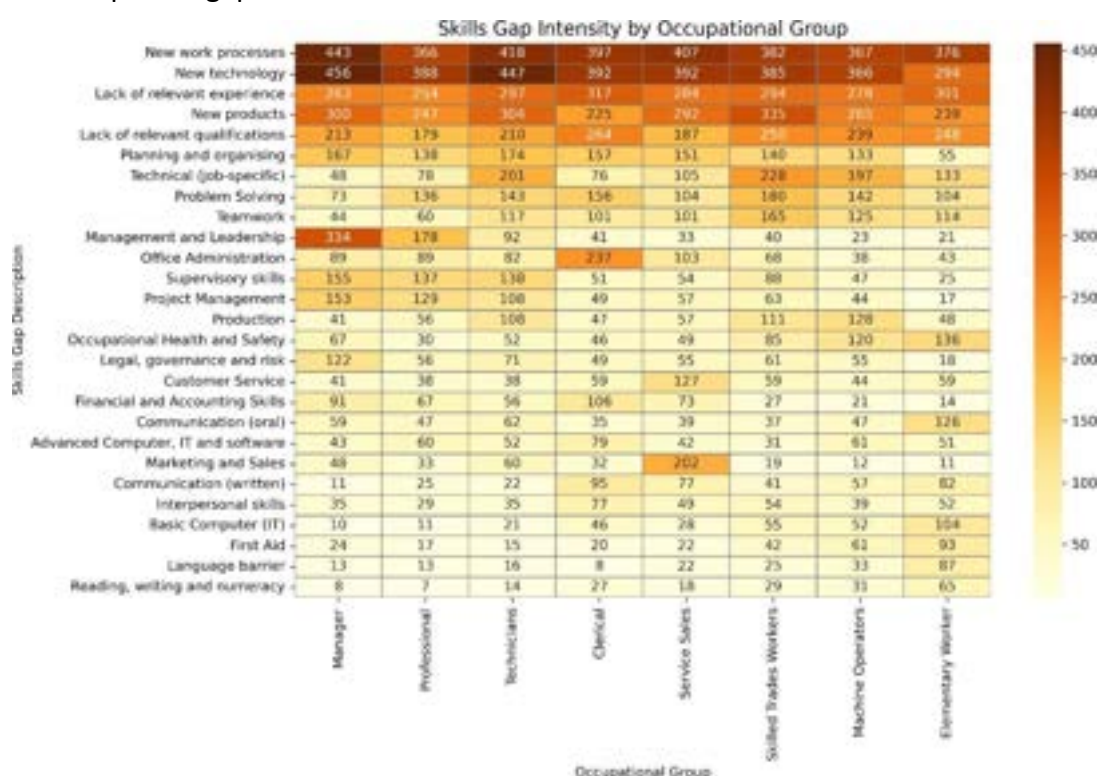


Figure 13: Top Skills Gaps (merSETA data, 2025/26)

Table 20: Skills Gaps and Reasons

Skills gap area	Affected occupational groups	Skills planning implication
Technical and job-specific skills	Artisans, technicians, operators, supervisors and professionals	Strengthen occupation-specific programmes, workplace exposure, practical assessment, simulation and employer-led technical upskilling.

Skills gap area	Affected occupational groups	Skills planning implication
New technology and digital tools	Managers, professionals, technicians, artisans, operators and clerical workers	Increase digital literacy, CAD, data use, automation awareness, machine-interface skills, robotics, PLC and applied digital manufacturing capabilities.
New work processes	Supervisors, technicians, artisans, operators and quality roles	Support process improvement, lean production, maintenance planning, quality systems, OHS and workplace-based upskilling.
New products, materials and sustainable design	Engineers, designers, artisans, technicians and production workers	Strengthen product development, materials handling, testing, tooling, sustainable product design and manufacturing innovation.
Problem-solving and troubleshooting	Artisans, operators, technicians and supervisors	Build root-cause analysis, fault-finding, troubleshooting, practical simulations and workplace problem-solving.
Management, supervisory and leadership skills	Managers, supervisors, team leaders and project administrators	Support frontline leadership, production planning, mentoring, compliance, communication and people-management capability.
Communication, teamwork and workplace readiness	Learners, new entrants, operators, clerical workers and supervisors	Embed workplace conduct, communication, teamwork, self-management, time management and adaptability in learning programmes.
Green, circular economy and compliance skills	Production, maintenance, engineering, plastics, automotive and environmental roles	Build renewable energy, waste management, recycling, ESG compliance, circular economy and environmental reporting capabilities.

3.3.5 Employer Survey Evidence on Demand and Skills Gaps

The merSETA SSP Update Employer Survey 2025/26 provides useful employer-validated evidence to triangulate WSP/ATR findings. A total of 679 businesses participated, with the largest share from Metal and Engineering (61.7%), followed by Motor Retail and Aftermarket (16.5%), Automotive Manufacturing (8.5%), Automotive Components Manufacturing (6.6%), Plastics Manufacturing (6.2%) and New Tyre Manufacturing (0.4%). The survey confirms that skills shortages, changing technologies, green transition pressures and workplace-readiness gaps remain central skills planning issues for the sector.

Table 21: Evidence from Employer Survey 2025/2026

Survey area	Current statistic	Skills planning implication
Business challenges	Skills shortages were reported by 255 businesses (42%); declining demand by 245 businesses (40.6%); and global competition by 198 businesses.	These pressures may increase the importance of productivity, technical upskilling, competitiveness and business resilience skills, particularly in firms operating under weak demand and cost constraints.
Hard-to-fill vacancies	45% of respondents experienced HTFVs, mainly in skilled trades, technicians/associate professionals, managers and professionals.	Occupational demand is likely to remain concentrated in artisan, technician, supervisory, managerial and professional technical roles.
Reasons for HTFVs	Main reasons were lack of specific skills (43%), lack of experience (31%) and lack of qualifications (12%).	The evidence points to the importance of combining occupational qualifications with workplace exposure, mentoring, targeted

Survey area	Current statistic	Skills planning implication
		short skills programmes and experience-building pathways.
Skills gaps	Problem-solving (42%), supervisory skills (40%), planning/organising (36%), communication (29%) and management/leadership (29%).	Skills gaps are not only technical; they also relate to workplace readiness, supervision, planning, communication and problem-solving capabilities across occupational groups.
Green skills	Renewable energy technologies (39%), waste management/recycling (39%), sustainable product design (29%) and ESG auditing/compliance (19%).	Green transition and ESG requirements may increase demand for renewable energy, circular economy, sustainable production, environmental compliance and related technical skills.
Training barriers	Cost of training (41%) and time constraints (30%) were the leading barriers.	Training access may be constrained by affordability and operational pressures, increasing the relevance of flexible, modular, blended and workplace-based training approaches.

The chart shows that new work processes and new technology are the strongest reported drivers of skills gaps across most occupational groups. The highest levels appear among managers, technicians and associate professionals, and clerical support workers, suggesting that both operational and administrative roles are being affected by changes in how work is organised and performed. New products also contribute to skills gaps, but at lower levels across all groups, indicating that process and technology changes are currently the more significant pressure points for skills development.

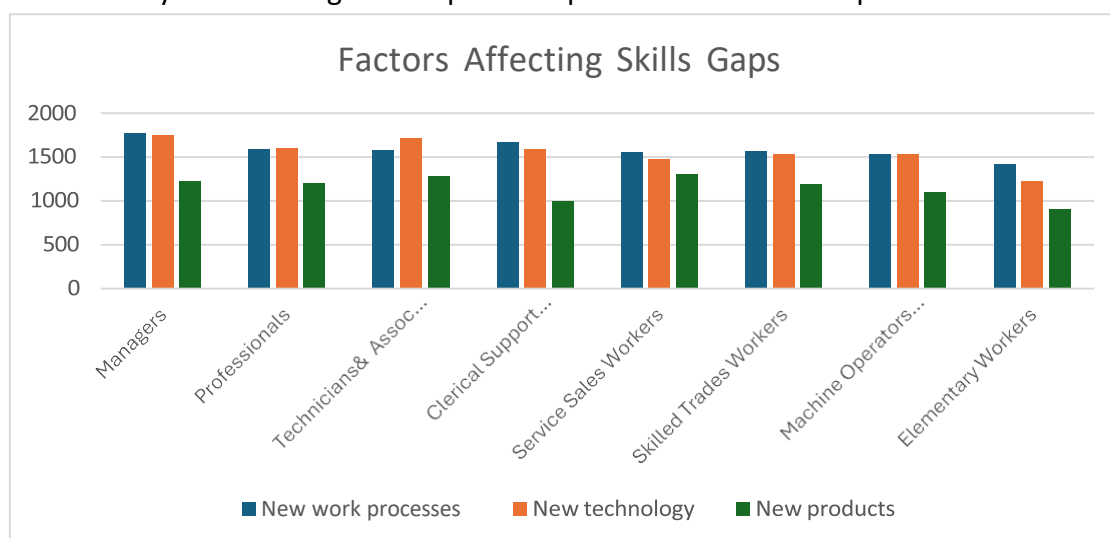


Figure 14: Factors Affecting Skills Gaps

3.4 Supply Side Analysis

3.4.1 Transition to Occupational Qualifications

The transition from legacy qualifications to occupational qualifications remains a key skills development issue for the mer sector. While the shift is intended to strengthen workplace-based learning, improve alignment with industry needs and support more credible occupational pathways, implementation is placing pressure on providers, employers and learners. Current challenges include the phasing out of legacy qualifications, limited accreditation readiness among some training providers, insufficient assessment centre capacity, and increased training costs. These constraints are particularly important for artisan, technician and trade-related occupations, which remain central to the manufacturing, engineering, automotive, plastics, tyre and motor retail sectors. The merSETA should therefore prioritise support for provider accreditation, workplace approval, assessment readiness, employer participation and closer coordination with QCTO, NAMB, TVET colleges and industry partners to ensure that the transition does not weaken skills supply in priority occupations. The occupational qualification transition

should be managed as an end-to-end learner and delivery pipeline, with qualification-level readiness assessed across learner continuity, provider and practitioner capacity, workplace availability, funding, delivery, assessment, certification and governance, supported by flexible pathways including RPL, part-qualifications, skills programmes, modular learning and workplace-based learning

3.4.2 Extent of Occupational Supply

The 2024 DHET PSET statistics provide the most current national supply-side baseline for this update. The transition process of occupational qualifications in South Africa is a significant milestone, with outdated qualifications phased out and new ones aligned with industry needs. The Quality Council for Trades and Occupations (QCTO) manages this transition, enhancing the supply of relevant skills in the workforce. The process also ensures that qualifications meet workplace demands, driving economic growth and employment opportunities. The merSETA is closely monitoring this process through the QCTO to assist stakeholders in understanding and implementing it accordingly.

Public HEIs account for the largest share of PSET enrolment (1 115 580) followed by TVET colleges (560 446); this indicates that skills supply is still heavily concentrated in HE and traditional TVET pathways.

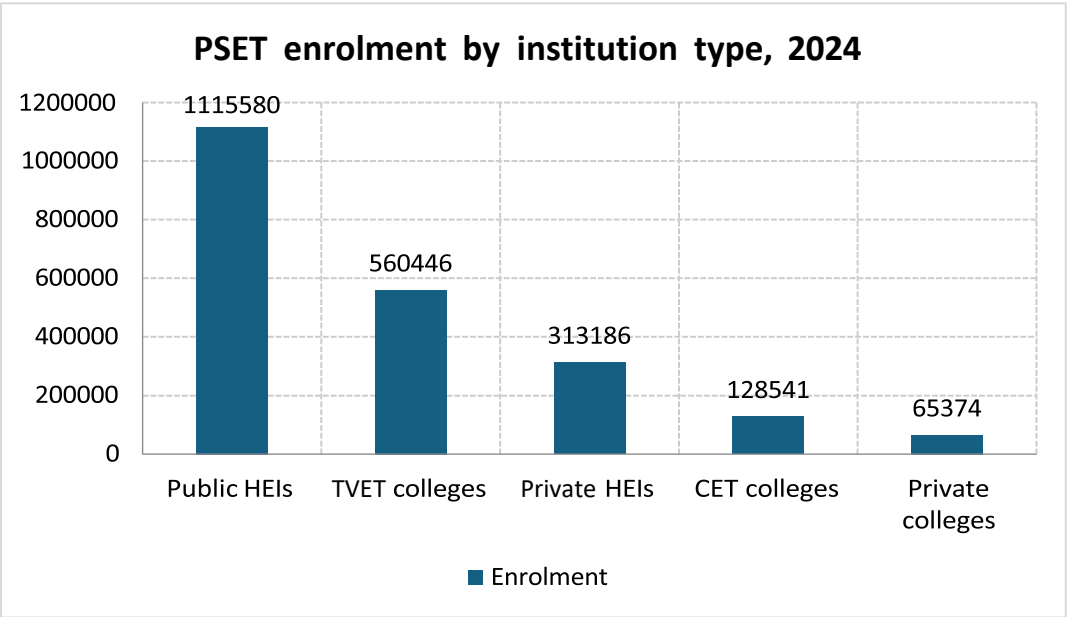


Figure 15: PSET Enrolment by Institution Type
Source: DHET, Statistics on Post-School Education and Training in South Africa, 2024, Table 3.1.

3.4.3 Schooling and STEM Pipeline

The schooling pipeline remains a critical constraint on future skills supply. Engineering, artisan, technician, ICT, mechatronics, automotive and advanced manufacturing pathways depend on Mathematics, Physical Science, technical subjects and foundational literacy and numeracy. Weaknesses in these gateway subjects reduce the number of learners who can access SET-related qualifications, occupational programmes and trade pathways.

The 2024 NSC results show improvement in Mathematics at the 30% level from 63.5% in 2023 to 69.1% in 2024, and at the 40% level from 43.6% to 47.9%. Physical Science weakened slightly, with the 30% pass

rate declining from 76.2% in 2023 to 75.6% in 2024 and the 40% pass rate declining from 51.1% to 49.9%. For merSETA, this reinforces the need for career guidance, maths and science support, technical subject promotion and bridging pathways into TVET, artisan and engineering programmes.

3.4.4 Higher Education Supply

Public HEIs remain the largest PSET supply route. In 2024, public HEIs enrolled 1 115 580 students, a 4.1% increase from 2023. The Science, Engineering and Technology (SET) field had the largest share of public HEI enrolments at 334 032 students, or 29.9% of public HEI enrolment. Public HEIs produced 237 571 graduates in 2024, with SET accounting for 69 058 graduates, or 29.1% of total public HEI graduates. This is positive for higher-level technical supply, but the sector still requires stronger alignment between graduates and workplace readiness.

SET produced 69 058 public HEI graduates in 2024 the largest graduate field but enrolments remain spread across SET business education and humanities.

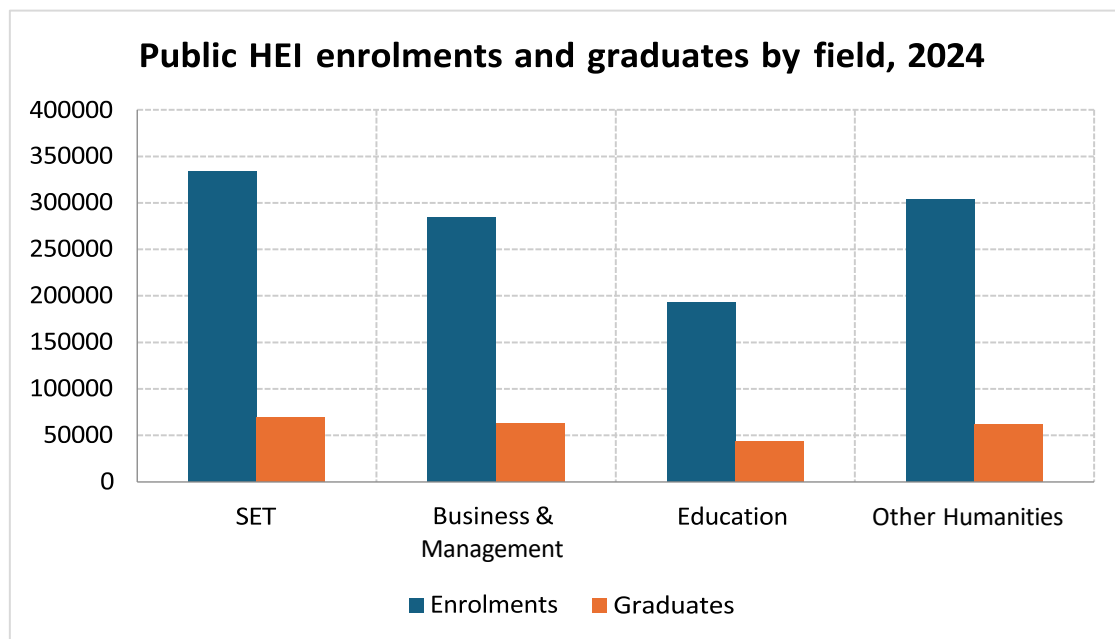


Figure 16: Public HEI enrolments and graduates by field, 2024

Source: DHET, Statistics on Post-School Education and Training in South Africa, 2024, HEI sections and summary of findings.

3.4.5 TVET College Supply

TVET colleges are the most important public college pipeline for artisan development, technical occupations, operators, maintenance personnel and occupationally directed programmes. In 2024, TVET enrolment cycle count was 560 446, a 0.6% decline from 564 089 in 2023. Almost seven in ten TVET enrolments were in Report 191 programmes (387 887 or 69.2%), followed by NC(V) programmes (141 070 or 25.2%). Gauteng recorded the highest share of TVET enrolment at 135 927, followed by KwaZulu-Natal at 107 209. Completion remains a major supply constraint. In 2024, 51 237 students completed key TVET exit levels. Completion rates were 66.8% for NC(V) Level 4, 63.9% for N6 and 47.1% for N3. At N6 level, 35 698 students completed, but only 3 802 completed N6 Engineering Studies, compared with 31 896 in Business Studies. This is a critical signal for merSETA because engineering and technical completions are central to the artisan, technician and manufacturing pipeline.

Table 22: TVET College Supply, 2024

TVET indicator	2024 statistic
Total TVET enrolment	560 446
Report 191 enrolment	387 887 / 69.2%
NC(V) enrolment	141 070 / 25.2%
Key exit-level completions	51 237
N6 Engineering Studies completions	3 802; completion rate 42.0%

Source: DHET, Statistics on Post-School Education and Training in South Africa, 2024, TVET sections and Tables 5.1 and 5.11.

3.4.6 CET Colleges, NEET and Access Pathways

CET colleges provide an important access route for adults, out-of-school youth, NEETs and communities requiring foundational, digital, employability and livelihood skills. In 2024, CET colleges enrolled 128 541 students, a 7.0% increase from 120 081 in 2023. Most CET enrolments were in Grade 12 (59 583 or 46.4%) and GETC: ABET Level 4 (47 485 or 36.9%). The CET system remains far below the NDP target of one million enrolments by 2030, which limits its ability to provide large-scale second chance and bridging pathways. Labour market exclusion increases the importance of CET and bridging interventions. In Q1:2026, there were about 10.3 million young people aged 15-24 years, of whom 37.6% were not in employment, education or training (NEET). The NEET rate for females was 39.2%, compared with 36.0% for males. This highlights the need for accessible, modular and work-linked pathways that can move young people into employability, entrepreneurship, occupational programmes and workplace learning.

Table 23: CET College Supply, 2024

CET / youth access indicator	Current statistic
CET enrolment	128 541 in 2024; +7.0% from 2023
Main CET programme areas	Grade 12: 59 583; GETC: ABET Level 4: 47 485
GETC: ABET Level 4 completions	11 652; completion rate 39.0%
Youth NEET rate	37.6% of youth aged 15-24 in Q1:2026

Source: DHET, Statistics on Post-School Education and Training in South Africa, 2024; Stats SA QLFS Q1:2026.

3.4.7 Private Colleges and Private HEIs

Private providers continue to form part of the broader supply ecosystem. In 2024, private HEIs enrolled 313 186 students and produced 69 616 graduates. Private colleges enrolled 65 374 students, in Report 191 programmes. In the private college sector, 12 054 students completed key exit levels in 2024, with completion rates of 50.3% for N3, 57.1% for N6 and 46.6% for NC(V) Level 4. N6 Engineering Studies completions in private colleges were 1 601, with a completion rate of 42.9%. These providers may support supply expansion where programmes are accredited, quality-assured and aligned to merSETA priority occupations.

3.5 Supply-Side Challenges Experienced by Employers

The demand and supply evidence points to persistent supply-side challenges affecting employers in the mer sector. Employer survey results reinforce the WSP/ATR findings that skills shortages were identified

by 255 businesses (42%) as a top operational challenge, while 186 employers (41%) identified training cost and 136 employers (30%) identified time constraints as major barriers to training. These challenges are not only about the number of graduates or learners produced, but also about whether learners have the right technical skills, workplace exposure, adaptability and readiness to operate in changing production environments. From a skills supply perspective, high unemployment reinforces the need for work-integrated learning, occupational programmes and targeted interventions that improve employability. At the same time, the effectiveness of training depends on the availability of workplaces, employer demand and absorption capacity. This requires skills planning to be closely aligned with real labour market demand and workplace opportunities.

3.5.1 Employer-Reported Training Barriers and merSETA Programme Engagement

Employer feedback from the merSETA tracer study indicates that merSETA-funded programmes are broadly relevant and technically aligned to workplace needs, but several implementation and workplace-readiness challenges remain. The strongest employer-reported concerns relate to communication with merSETA, administrative turnaround times, and administrative or financial support during programme implementation. Employers also indicated that while learners demonstrate strong technical competence, some require additional preparation in workplace behaviour, time management, initiative, self-management, communication, teamwork and digital literacy. This suggests that the supply-side challenge is not only about producing technically trained learners, but also about ensuring that learners are workplace-ready, supported through structured mentorship, and connected to sustainable employment pathways after completion.

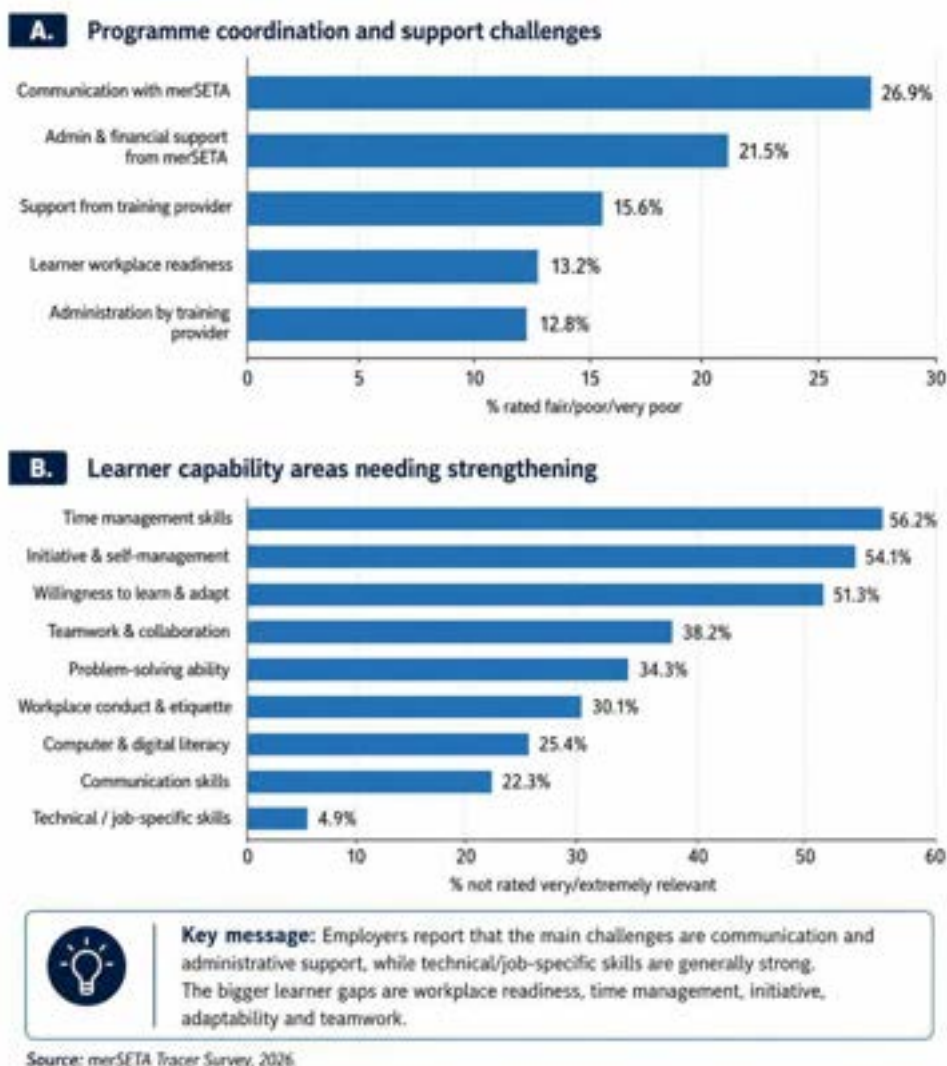


Figure 17: Employer Barriers to training

A key supply-side constraint is the declining availability of approved workplaces for apprenticeships and learnerships. This affects the sector's ability to expand workplace-based learning and may limit learner access to practical training. This highlights the need to strengthen workplace readiness, employer participation and the capacity of approved workplaces to host learners.

3.5.2 Measures to Address Supply-Side Challenges

The supply-side challenges identified require responses from employers, education and training providers, quality-assurance bodies and merSETA. Table 24 distinguishes broader sector responses from the measures that merSETA will implement or facilitate within its mandate.

Table 24: Sector responses and merSETA measures to address supply-side challenges

Supply-side challenge	General sector response	merSETA measure
Training not sufficiently aligned to industry needs	Providers and employers should strengthen alignment between training, technology and workplace requirements.	Strengthen partnerships with TVETs, CETs, HEIs and industry to improve programme relevance, lecturer exposure and pathways into priority occupations.
Limited workplace exposure and work readiness	Employers should expand workplace opportunities, mentoring and practical exposure.	Fund and facilitate apprenticeships, learnerships, internships and WIL , including workplace and mentorship support.
Cost, time and capacity constraints affecting training	Employers and providers should use more flexible and workplace-responsive training approaches.	Support targeted and flexible skills interventions , with particular attention to SMMEs and employers with limited training capacity.
Technical and emerging skills gaps	Training provision must respond more quickly to technological and production changes.	Prioritise skills programmes informed by HTFVs, skills gaps and employer evidence , including digital, automation, JET, NEV and green skills.
Artisan and occupational qualification pipeline constraints	Employers, providers and quality-assurance bodies should strengthen progression, assessment and qualification delivery.	Support artisan development, trade-test progression and implementation of relevant occupational qualifications , while monitoring supply risks.
Mismatch between skills supply and occupational demand	Employers and industry bodies should provide credible evidence on changing occupational requirements.	Use WSP/ATR, employer surveys, research and chamber validation to inform SPOI priorities, grants and programme interventions.
Unequal access to technical skills pathways	Employers and providers should strengthen inclusive recruitment, access and learner support.	Apply transformation and inclusion priorities to funded interventions and partnerships , with monitoring by gender, race, youth, disability and geography where feasible.

3.5.3 Extent of Occupational Supply and merSETA-Supported Programmes

The occupational supply context is changing as South Africa transitions from legacy qualifications to QCTO-aligned occupational qualifications and part-qualifications. The merSETA should continue to monitor the pipeline from entry to completion, including apprenticeship, learnership, skills programme and trade test outcomes. Attention should be given to occupations where employers report shortages, but the supply pipeline is weak, delayed or poorly aligned to workplace requirements.

The current evidence points to the need to balance long-term qualifications with modular interventions. Full qualifications remain critical for artisans, technicians, engineers and regulated occupations, while targeted skills programmes are important for digital upskilling, technology adaptation, supervision, quality control, sustainability, safety and new production processes. The merSETA has undertaken a detailed analysis of learner enrolment and artisan certification trends for the approved trades over the period 2023 to 2025.

Table 25: Artisan enrolment

OFO Code	Trade Name	2023	2024	2025	Total	Trend / Comment
651401	Metal Fabricator	27	29	3	59	Highest uptake, but sharp decline in 2025
651301	Sheet Metal Worker	4	1	0	5	Declining uptake, with no registrations in 2025
652206	Die Sinker	2	0	0	2	Uptake recorded only in 2023
671206	Electrical Equipment Mechanic	1	2	0	3	Slight increase in 2024, but no registrations in 2025

Registrations were concentrated on Metal Fabricator, which accounted for the largest uptake over the three-year period. However, the sharp decline in 2025 across all trades suggests weakening participation in these trade pathways and highlights the need to investigate employer demand, learner access, workplace placement availability and the continued relevance of these trades for sector skills planning.

3.6 merSETA-Supported Learning Programmes and Artisan Supply

merSETA-supported learning remains central to occupational supply because it links structured learning with the workplace. Nationally, 187 372 learners registered for SETA-supported learning programmes in 2024/25, representing a 25.8% increase from 2023/24. Of these, 101 784 were in skills programmes, 72 382 in learnerships and 13 206 in internships. Certifications reached 105 078 in 2024/25, with 59 759 in skills programmes, 36 053 in learnerships and 9 266 in internships.

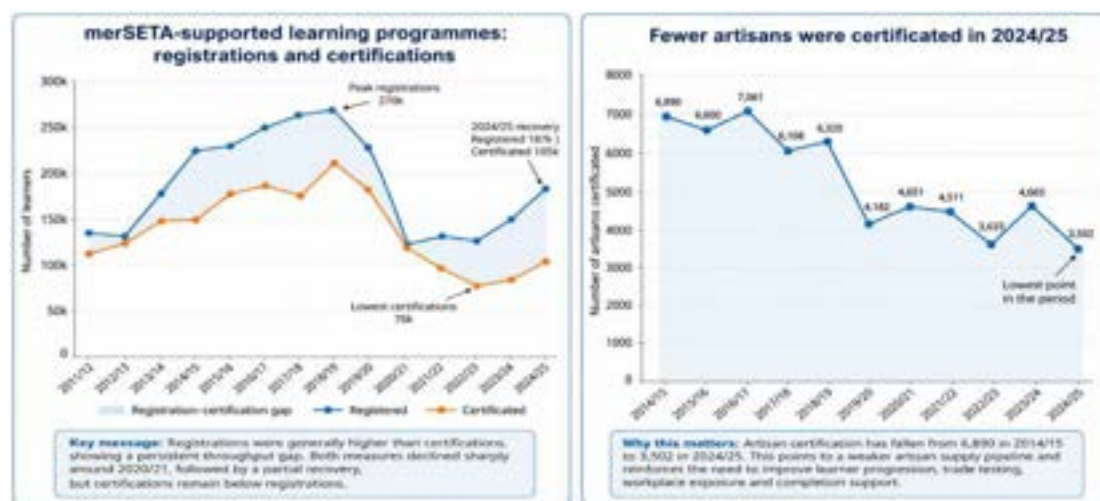


Figure 18: merSETA supported interventions and artisan certification 2024/25

3.7 Sectoral Priority Occupations and Interventions

3.7.1 Methods & Processes Followed to Compile Priority Lists

The 2025/26 priority list was compiled by triangulating SSP research and forecasting, Chamber consultations, previous SSP priority lists, WSP/ATR evidence and vacancy signals. Occupations were ranked using reported vacancy volumes and representation across chambers. The list was reviewed by MANCO, signed off by the Acting CEO, validated with Chambers and approved by the Accounting Authority.

Table 26: Sector priority occupations

Learning pathway	2024/25 current statistic	Skills planning implication
SETA-supported registrations	187 372 nationally	Workplace-based learning remains essential for converting learning into employability.
SETA-supported certifications	105 078 nationally	Certification output is improving but must be tracked against sector demand and completion rates.
Skills programmes	101 784 registrations; 59 759 certifications	Useful for rapid upskilling in digital, green, process, quality and occupationally specific skills.
Learnerships	72 382 registrations; 36 053 certifications	Important for structured occupational learning and youth employment pathways.
Artisanal learning programmes	22 094 entries; 16 133 completions nationally	Core artisan supply route for mechanical, electrical, welding, fitting, diesel and automotive trades.
merSETA artisan contribution	5 101 entries; 2 739 completions in 2024/25	Requires continued support for workplace learning, trade testing, employer participation and completion improvement.

Source: DHET, Statistics on Post-School Education and Training in South Africa, 2024, SETA-supported learning and artisan tables

3.7.2 Emerging Occupations and Rationale

Across the merSETA scope, emerging demand is concentrated around digitalisation, new manufacturing processes, green and circular-economy activities, NEVs and renewable energy. Computer literacy is increasingly crosscutting, while technology shifts are particularly visible in automotive, metals and plastics value chains. These signals may alter existing occupations as well as create new roles.

Emerging occupations were identified by comparing historical priority lists with current WSP/ATR data, employer surveys, research, foresight and workplace engagement. “Emerging” therefore refers to occupations or skills whose demand is increasing, not only newly created occupations. The resulting list will continue to be validated with sector stakeholders.

Table 27: Emerging Occupations

Occupation	OFO code	Intervention focus	NQF level	Indicative quantity needed	Quantity to be supported	Rationale
Mechatronics Technician	2021-671203	Occupational/skills programmes; WIL; PLC, robotics, automation and digital diagnostics; lecturer and workplace mentor development	5	60	20	Digitisation and Industry 4.0 are increasing demand for robotics, automation and digital systems skills.
Automotive Motor Mechanic - NEV/Hybrid specialisation	2021-653101	Apprenticeships, ARPL, EV diagnostics, high-voltage safety, battery systems and workplace-based learning	4	50	20	Existing automotive occupations are changing as EV, hybrid, battery and high-voltage systems are introduced.
Industrial Engineer - Digital/Advanced Manufacturing	2021-214101	Bursaries, internships, candidacy, WIL, data analytics, automation, lean production and industry projects	7	30	10	Advanced manufacturing requires stronger production systems, automation and data-driven capability.
Solar Installer	2021-642602	Occupational and short skills programmes, RPL, solar PV installation and maintenance, energy efficiency and WBL	4	120	40	Renewable-energy demand is growing through the green transition and energy-security needs.
Environmental and Occupational Health Inspector	2021-325701	ESG, environmental compliance, OHS, carbon/environmental reporting and waste-management compliance	6	60	20	Regulatory, environmental and sustainability requirements are increasing compliance skills needs.
Metallurgical Engineer - Advanced and Sustainable Materials	2021-214603	Bursaries, internships, candidacy, advanced materials, sustainable product design, cleaner production and digital process optimisation	7	60	20	Advanced manufacturing and green production require sustainable materials and cleaner production capability.

3.7.3 Sectoral Priority Occupations by Chamber

The table below retains the chamber-specific view of priority occupations. It should be used with the intervention table to ensure that priorities are not only listed, but are linked to practical responses such as apprenticeships, learnerships, skills programmes, bursaries, internships, workplace placements, trade testing support and qualification development.

The heat map shows that some occupations cut across several chambers, especially Production / Operations Supervisor, Electrician, Mechanical Engineer, General Clerk, Engineering Production Systems Worker, Panel Beater and Quality Controller. These cross-cutting occupations are important for sector-wide skills planning because they indicate areas where training interventions may benefit more than one chamber.

Table 28: Sectoral Priority Occupations and Planning Implications

Occupation	OFO code	Number of chambers	Planning implication
Production / Operations Supervisor (Manufacturing)	2021-312201	4	High cross-chamber supervisory and production capability need.
Electrician	2021-671101	3	Core maintenance and electrical trade demand across manufacturing and services.
Engineering Production Systems Worker	2021-714905	3	Supports production continuity, process efficiency and operational systems.
General Clerk	2021-411101	3	Supports administration, compliance, records and workplace systems.
Mechanical Engineer	2021-214401	3	High-level technical and maintenance capability.
Panel Beater	2021-684904	3	Important for automotive and related repair value chains.
Quality Controller (Manufacturing)	2021-684305	3	Supports product quality, compliance and production standards.
Diesel Mechanic	2021-653306	2	Important for transport, heavy equipment and maintenance value chains.
Industrial Engineer	2021-214101	2	Supports productivity, systems optimisation and advanced manufacturing.
Mechanical Fitter	2021-653303	2	Core manufacturing, plant maintenance and mechanical repair trade.
Mechatronics Technician	2021-671203	2	Supports automation, robotics and digitally enabled production.
Welder	2021-651202	2	Core artisan skill across metal, fabrication and manufacturing value chains.

Source: merSETA chamber inputs, WSP/ATR analysis and SSP research.

3.7.4 Priority Occupations and Recommended Interventions

The priority occupations point to five broad intervention areas: high-level engineering and technical capability, artisan and trade development, production and machine operation skills, supervisory and quality capability, and commercial or workplace support skills. This clustering allows merSETA to link

occupations to practical interventions such as apprenticeships, trade test support, recognition of prior learning, skills programmes, internships, workplace-based learning and targeted short courses.

Table 29: Priority occupations and interventions

Priority occupation cluster	Included occupations	Recommended intervention focus	Rationale
Engineering and high-level technical occupations	Mechanical Engineer; Industrial Engineer; Electrical Engineer	Bursaries, internships, candidacy support, workplace-integrated learning and industry projects	Strengthens high-level technical, design, maintenance and innovation capability required for advanced manufacturing and industrial competitiveness.
Artisan and trade occupations	Welder; Metal Machinist; Fitter and Turner; Automotive Motor Mechanic; Mechanical Fitter; Diesel Mechanic; Electrician; Panel beater; Toolmaker; Millwright; Mechanical Engineering Technician	Apprenticeships, trade test support, artisan RPL, workplace placement and targeted short skills programmes	Addresses reported artisan and trade scarcity, experience gaps and technical skills shortages across manufacturing, automotive, engineering and maintenance-related occupations.
Production, machine operation and assembly occupations	Engineering Production Systems Worker; Metal Processing Plant Operator; Rubber Production Machine Operator; Product Assembler; Plastics Production Machine Operator; Plastics Manufacturing Machine Minder	Skills programmes, occupational certificates or part-qualifications, workplace coaching and machine-specific training	Supports production continuity, safety, quality, machine operation, process control and adaptation to new production processes and equipment.
Supervisory, quality and middle-level technical occupations	Mechatronics Technician; Production / Operations Supervisor; Quality Controller	Learnerships, skills programmes, internships, workplace-based learning and supervisory development	Builds middle-level technical, quality assurance, supervisory and productivity capability required for workplace performance and improved operational efficiency.
Commercial, sales and workplace support occupations	Sales Manager; General Clerk; Motorised Vehicle or Caravan Salesperson; Automotive Parts Salesperson	Learnerships and skills programmes in sales, operations, digital systems, customer service, administration and workplace communication	Responds to demand for commercial, operational, administrative and customer-facing skills, especially in motor retail, aftermarket and related service environments.

3.8 Skills Planning Implications

The updated evidence shows that merSETA's skills response must strengthen artisan, trade, technician and supervisory pathways while linking qualifications more directly to workplace experience, mentoring and practical learning. Priority interventions should combine full qualifications with targeted short skills programmes in digital systems, automation, quality, safety, production processes, customer service, green skills, JET and circular economy capabilities. At the same time, merSETA must focus on improving inclusive access for youth, women, persons with disabilities and under-served provinces, while strengthening WSP/ATR data quality through better validation and feedback loops.

3.9 Conclusion

Chapter 3 confirms that the mer sector's skills pipeline is affected by both demand-side and supply-side constraints. On the demand side, employers report HTFVs concentrated in skilled trades, managers, professionals, technicians and associate professionals, with shortages driven by lack of specific skills, lack

of experience and lack of qualifications. On the supply side, HEIs, TVET colleges, CET colleges, private providers and SETA-supported learning programmes remain important, but the evidence points to gaps in learner progression, engineering completions, workplace readiness, certification, workplace placement and employer absorption.

Future supply responses need to strengthen artisan, technician, operator, engineering, sales, service and supervisory pathways, while also responding to emerging demand for digital, Industry 4.0, AI, automation, green technologies, new-energy vehicles, circular economy practices and advanced manufacturing skills. These findings provide a direct link to Chapter 4, where partnerships with employers, TVET colleges, HEIs, CET colleges, industry bodies and other stakeholders are positioned as key mechanisms for improving training relevance, workplace exposure, learner progression and absorption into the sector.

Chapter 4: SETA Partnerships

4.1 Introduction

This chapter provides an overview of the merSETA partnership landscape and shows how partnerships support skills development, workplace-based learning, institutional capacity, research, innovation and sector responsiveness. Partnerships enable merSETA to work with employers, education and training institutions, industry bodies, government, labour, communities and research partners to respond to skills demand and supply challenges in the manufacturing, engineering and related services sector.

The chapter outlines the merSETA approach to partnerships, reviews existing and proposed partnerships, highlights partnerships that support national and sector priorities, and reflects on key implementation challenges. It also identifies areas where partnerships can be strengthened to improve delivery, accountability, evidence generation and measurable skills development impact.

4.2 Approach to Partnerships

The merSETA partnership approach is based on shared accountability between the SETA and its partners. The merSETA provides strategic direction, labour market intelligence, funding support, quality assurance requirements, monitoring mechanisms and alignment to NSDP and SSP priorities. Partners contribute complementary capacity, including workplaces, training infrastructure, learner support, research capability, industry expertise, curriculum input, occupational standards, innovation platforms and implementation reach.

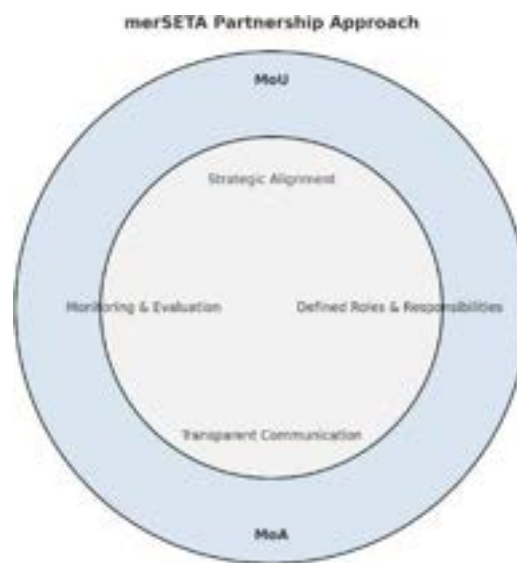


Figure 19: merSETA Partnership Approach

Partnerships are formalised through Memoranda of Agreement, project agreements, collaboration arrangements or other approved instruments. This helps to clarify responsibilities, deliverables, timelines, evidence requirements and reporting arrangements. The current partnership landscape reflects a maturing portfolio, with most partnerships already in implementation stage, while also highlighting the need for stronger evidence management, output tracking, learner transition reporting and close-out reports.

4.3 Analysis of Existing SETA Partnerships

The purpose of partnerships can be varied, but they primarily serve to support the SETA in fulfilling its skills development mandate. To this end, the partnerships are all related to the merSETA strategy in terms of its strategic focus areas, aligning with the outcomes of the NSDP. The merSETA partnership analysis is

presented in the table below, which outlines the type of partnership, the partner organization, the start and end dates of the partnership, its objectives, and the value added by the partnership.

4.3.1 Strategic Partnerships

Table 30: Strategic Partnerships

Institution/Partner Organisation	Start–End Date	Objectives	Value-Add
DHET, NSFAS, DBE, DSD, Offices of the Premier	2016–2028	Align skills with national priorities; train youth, inmates, and support economic initiatives	Supports systemic policy alignment and high-impact interventions
Provincial & Local Government Departments	2019–2028	Local skills alignment, support community development through apprenticeships, ARPL	Boosts regional employment and transformation
Local NGOs, CBOs, Cooperatives	2015–2026	Community-level interventions: youth development, GBV support, rural skills	Addresses social issues while enabling employability
HEIs, Private Research Bodies, Chambers	2020–2028	Enable data-driven planning, foster innovation, and applied research	Provides insights for policy, strengthens evidence-based decisions
NSFAS, Ikusasa, University Foundations	2021–2026	Fund higher education and reduce student debt	Increases access to tertiary education, promotes equity
World Skills SA	2022–2026	Prepare learners for international skills competitions	Enhances national competitiveness and learner confidence

4.3.2 Education and Training Partnerships

Table 31: Education and Training Partnerships

Institution/Partner Organisation	Start–End Date	Objectives	Value-Add
Universities – UWC, UCT, NMU, DUT, etc.	2016–2028	Support qualification and lecturer development, research, and bursaries	Improves HEI capacity, enhances sector-specific research and innovation
CET Colleges (FS, KZN, NC, WC)	2022–2026	Support adult education and second-chance learning opportunities	Improves literacy, numeracy, and employability of adult learners
Centres of Specialisation (COS)	2024–2027	Develop trade-specific specialisation capacity	Strengthens TVET trade readiness, raises training quality

4.3.3 Industry and Professional Bodies Partnerships

Direct employer and workplace engagement remains essential for identifying how AI, automation, green technologies and new production systems are changing jobs in practice.

Table 32: Industry and Professional Bodies Partnerships

Institution/Partner Organisation	Start–End Date	Objectives	Value-Add
NUMSA (Labour Union)	2021–2026	Fund targeted bursaries for union members	Ensures labour representation and equity in skills development

The detailed partnership landscape is provided in Annexure 1. This level of detail moves the analysis beyond a list of partners and shows how each partnership contributes to skills planning, programme implementation, research, institutional capacity or national priority areas.

4.4 Proposed Partnerships

New and strengthened partnerships are required to respond to areas of the sector where skills needs are changing faster than traditional delivery systems can respond. Existing partnerships provide a strong foundation for research, institutional capacity-building, workplace-based learning, artisan development, youth support and programme delivery. However, future partnerships need to be more targeted towards the Just Energy Transition, new energy vehicles, digital manufacturing, circular economy practices, reindustrialisation, SMME support, data quality and improved workplace access.

The proposed partnership areas are intended to close gaps that are not yet fully addressed by the current portfolio. Priority should be given to partnerships that increase employer participation, expand workplace-based learning, improve lecturer and institutional capacity, strengthen occupational data and create clear pathways from training into employment, self-employment or further learning.

Table 33: Proposed partnerships

Proposed partnership focus	Potential partners	Strategic focus
JET-IP, renewable energy and green skills	TVET colleges in Renewable Energy Development Zones, SARETEC, Eskom, CSIR, municipalities, green energy firms	Solar PV, energy efficiency, renewable energy maintenance, green manufacturing and reskilling pathways.
NEV and battery systems	OEMs, NAAMSA, NAACAM, AIDC, component manufacturers, universities and TVET colleges	High-voltage safety, diagnostics, battery systems, EV/NEV components, mechatronics and future automotive technologies.
Digital manufacturing, AI and extended reality	EON Knowledge Metaverse, UJ, TUT, smart TVET hubs, technology firms and employers	Simulation-based training, AI, robotics, digital design, diagnostics, data analytics and smart factory capabilities.
Circular economy and advanced materials	Plastics SA, tyre sector partners, recyclers, CSIR, Mintek, municipalities and waste-sector employers	Recycling, waste beneficiation, circular product design, materials recovery and sustainable production.
Reindustrialisation and localisation	SEIFSA, AIDC, OEMs, component manufacturers, UCT, Stellenbosch University and industry chambers	Production, tooling, maintenance, quality, industrial engineering, design and localisation-linked skills.
Youth, SMME and township/rural industrialisation	NYDA, SEDFA, provincial governments, local municipalities, CBOs and cooperatives	Youth entry pathways, SMME support, entrepreneurship, community-based technical skills and local economic development.
Research, forecasting and occupational data quality	UJ, Wits, DHET, collaborating SETAs and research institutions	SSP methodology, OFO clean-up, labour market intelligence, forecasting and evaluation of skills interventions.

4.5 Partnerships that address skills implication of JET

The Just Energy Transition introduces new skills requirements across the mer sector, particularly in renewable energy, new energy vehicles, battery systems, green manufacturing, energy efficiency, waste management and worker reskilling. Partnerships are therefore important for ensuring that training institutions, employers and industry bodies can respond to these changing skills needs.

Table 34: Partnerships that address JET

JET partnership focus	Current / potential partnership response	Skills focus	Improvement required
Solar PV and renewable energy	TVET 4.0/SPVT, SARETEC, TVET colleges and renewable energy partners.	Solar PV installation, maintenance, electrical skills and energy efficiency.	Strengthen lecturer capacity, accreditation, workplace exposure and learner output tracking.

JET partnership focus	Current / potential partnership response	Skills focus	Improvement required
NEV transition	OEMs, NAAMSA, NAACAM, AIDC, TVET colleges and universities.	High-voltage safety, diagnostics, battery systems, electronics and mechatronics.	Develop structured NEV skills pathways and stronger employer-hosted WBL.
Battery and charging systems	Energy storage firms, municipalities, automotive employers and training providers.	Battery safety, repair, charging infrastructure and recycling.	Build specialised skills pipelines and practical training capacity.
Green manufacturing	SEIFSA, engineering bodies, manufacturers and technical experts.	Energy management, cleaner production, process optimisation and carbon reduction.	Link green manufacturing training to firm-level productivity and competitiveness.
Circular economy	Plastics SA, tyre sector partners, recyclers, municipalities and employers.	Recycling, waste beneficiation, materials recovery and circular product design.	Strengthen sector-specific green skills programmes and employer participation.
Worker transition support	Employers, labour, TVET colleges, HEIs and community partners.	Reskilling and upskilling of affected workers.	Identify vulnerable occupations and create reskilling pathways linked to changing occupational demand.

The table shows that JET-related partnerships must move beyond broad policy alignment and focus on practical implementation. The main requirement is to strengthen the capacity of training institutions, employers and industry bodies to respond to emerging skills needs in renewable energy, NEVs, green manufacturing and circular economy activities. For the merSETA, this requires stronger collaboration with employers, TVET colleges, HEIs, industry associations, labour and research partners to ensure that JET-related skills interventions are demand-led, workplace-informed and responsive to occupational change.

4.6 Partnerships Supporting National and Sector Priorities

Partnerships translate national and sector priorities into practical skills development responses. The table below highlights the key priorities affecting the mer sector, the related skills implications, current partnership responses and areas for strengthening.

Table 35: Partnerships supporting national and sectoral priorities

National strategy / priority	Skills implication	Existing partnership response	Gap / strengthening action
JET-IP	Renewable energy, NEV, battery systems, green manufacturing, circular economy and reskilling.	TVET 4.0/SPVT, green skills partnerships, TVET and HEI partnerships.	Expand employer-linked JET partnerships in NEV, battery systems, green manufacturing and reskilling.
HRD Strategy	Stronger education-to-work transitions, lecturer development and advanced skills.	HEI, TVET, CET and research partnerships.	Strengthen articulation, WIL, lecturer exposure and graduate transition tracking.
MTDP / industrialisation	Artisan, technician, operator, maintenance, tooling, quality and production skills.	TVET colleges, COS, industry partners and employer-hosted WBL.	Increase employer participation and align partnerships to localisation and reindustrialisation priorities.
PYEI / youth employment	Youth access to training, workplace exposure and employability pathways.	Government, NGOs, CBOs, cooperatives and	Improve learner transition tracking and post-programme employment evidence.

National strategy / priority	Skills implication	Existing partnership response	Gap / strengthening action
		youth-focused partnerships.	
Digital transformation / 4IR	AI, robotics, simulation, diagnostics, data analytics and smart manufacturing.	FESTO-TVET, EON Knowledge Metaverse and digital training partnerships.	Improve occupational alignment, utilisation evidence and impact reporting.

4.7 Partnership Challenges and Mitigation Strategies

The merSETA has reflected on partnership challenges and continually strives to ensure that partnerships are successful; however, challenges still arise. The table below summarises common challenges and mitigation strategies across key partnership types. Partnerships strengthen the reach and responsiveness of skills development, but they also carry implementation risks. Common challenges include uneven partner readiness, limited workplace-based learning opportunities, infrastructure constraints, evidence gaps, implementation delays and weak links between partnership outputs and SSP evidence. These challenges require active management so that partnerships remain delivery instruments rather than administrative arrangements.

Table 36: Partnership Challenges and Mitigation Strategies

Partnership Area	Implementation Challenge	Strengthening Action	Expected Improvement
TVET partnerships	Uneven college capacity to implement programmes, prepare proposals and respond to funding opportunities.	Provide structured onboarding, proposal-writing support and regular information sessions on merSETA programmes and grant processes.	Improved readiness, stronger proposals and better programme uptake.
	Limited engagement between some colleges and industry.	Strengthen college–industry forums and link colleges to employers, chambers and professional bodies.	Better alignment between training provision and workplace demand.
	Reduced workplace availability for practical learning.	Use complementary models such as simulations, virtual learning, shared facilities and university-supported mentoring.	Expanded access to practical learning opportunities.
	Infrastructure and equipment constraints affect the quality of training.	Prioritise partnerships that strengthen practical training capacity and improve learner support from enrolment to completion.	Improved training quality and learner progression.
	Low employer participation in workplace-based learning.	Intensify employer mobilisation and include workplace commitments in partnership agreements.	Increased workplace placement and stronger employer accountability.
HEI partnerships	Low uptake of some programmes and difficulty recruiting suitable learners.	Strengthen career awareness, align programmes to industry demand and use targeted bursary support.	Improved learner participation and relevance of programmes.
	Limited workplace exposure for learners.	Develop structured internships, work-integrated learning and industry placement pathways.	Stronger education-to-work transitions.
	Weak upfront clarity on outputs and outcomes can create delivery misalignment.	Define deliverables, timelines, indicators and reporting requirements at project inception.	Clearer accountability and improved delivery performance.

Partnership Area	Implementation Challenge	Strengthening Action	Expected Improvement
Government partnerships	Slow implementation and limited traction after agreements are signed.	Conduct readiness assessments and develop joint implementation plans with clear roles, timelines and deliverables.	Faster implementation and stronger coordination.
	Uneven partner capacity to support projects.	Include capacity-building support, coordination mechanisms and regular governance engagements in agreements.	Improved partner participation and project continuity.
merSETA-commissioned research	Delays due to limited respondent availability and slow stakeholder participation.	Use flexible methods such as virtual interviews, online surveys and broader respondent pools.	Improved response rates and reduced project delays.
	Loadshedding, weak planning and limited access to facilities may disrupt delivery.	Use digital tools, visual resources and alternative engagement platforms to maintain continuity.	More resilient research implementation.
Chamber-commissioned research	Limited capacity to conceptualise and review research proposals.	Continue building research capability among chamber members and provide proposal development support.	Better-quality research proposals and stronger evidence generation.
	Weak coordination or slow decision-making among members.	Establish project leads, timelines, governance arrangements and escalation mechanisms.	Improved coordination and timely delivery.
	Research topics may not always align strongly with sector priorities.	Align topics to labour market intelligence, chamber priorities, national strategies and SSP evidence.	Research that is more relevant to sector skills planning.

Overall, the analysis shows that effective partnerships require more than formal agreements. They require readiness to implement, clear accountability, active employer participation, strong governance, and continuous monitoring. The mitigation strategies therefore focus on improving the quality of partnership design, strengthening partner capacity, and ensuring that partnership outputs contribute directly to skills planning, workplace-based learning, institutional capacity and sector responsiveness.

4.8 Successful Flagship Partnerships

merSETA has established national and international partnerships that support skills development, sector intelligence, skills planning and innovation. This section highlights selected flagship partnerships with strategic significance, clear sector relevance, strong potential for replication and a demonstrable contribution to skills planning or delivery. They provide practical lessons on how partnerships can be structured, governed and scaled to address complex skills challenges.

Table 37: Flagship projects

Flagship partnership	Partner(s)	Strategic intention	Value-add	Lesson for future partnerships
TVET 4.0 / Solar Photovoltaic Technician Qualification	Gert Sibande TVET College, Lephalale TVET College, Esayidi TVET College, Ikhala TVET College, Northern Cape Rural TVET College, Ingwe TVET College and related implementation partners	Build TVET readiness for Solar Photovoltaic Technician training and support green skills delivery.	Supports the Just Energy Transition through lecturer development, institutional readiness, occupationally directed programmes and renewable energy skills capacity.	Employer linkages, accreditation, lecturer outputs, learner tracking and workplace exposure must be built into implementation from the start.
UJ SSP Methodology Project	University of Johannesburg	Strengthen SSP methodology, data analysis and evidence-based skills planning	Improves labour market intelligence, data processing, methodological rigour and the credibility of skills planning evidence.	Data owners, datasets, milestones and evidence outputs must be confirmed early to support timely delivery and internal uptake.
Wits Darkroom Project	University of the Witwatersrand	Strengthen research, innovation and advanced skills development through a structured university partnership.	Supports applied research, innovation capability, project-based learning and stronger links between higher education expertise and sector skills priorities. The PSC/PMC governance structure provides a model for coordinated project oversight.	Large strategic partnerships require clear governance, workstream accountability, early confirmation of deliverables and regular reporting to ensure research and innovation outputs translate into skills planning and implementation value.
Virtual Reality / Artificial Intelligence Partnership	EON Knowledge Metaverse	Support AI, extended reality and simulation-based skills development.	Builds future-oriented digital capability and creates potential for scalable training where workplaces, equipment or physical training spaces are constrained.	Utilisation, occupational alignment and learning impact must be measured to confirm value for skills development and workplace readiness.
WorldSkills South Africa Support	DHET and collaborating SETAs / technical partners	Promote artisan excellence and support learner participation in skills competitions.	Strengthens artisan visibility, learner confidence, technical excellence and national skills development participation.	Quarterly alignment reviews should track performance against MoA deliverables, learner participation and competition-readiness outcomes.
Industrialisation Fellowship	University of Cape Town and related consortium partners / Stellenbosch University where applicable	Support reindustrialisation and localisation through advanced skills, product development and industrialisation pathways.	Builds postgraduate capability linked to local manufacturing, product development, innovation and industrialisation.	Innovation partnerships should include pathways for industry uptake, skills transfer, commercialisation potential and measurable skills outputs.
FESTO-TVET 4IR Skills Development Centre	FESTO, selected TVET colleges and implementation partners	Establish 4IR skills centres and strengthen TVET capacity for Industry 4.0 training.	Provides equipment, curriculum exposure, lecturer development and practical 4IR learning opportunities in selected TVET colleges.	Technology partnerships require sustained lecturer support, equipment utilisation plans, maintenance

Flagship partnership	Partner(s)	Strategic intention	Value-add	Lesson for future partnerships
				arrangements and evidence of learner exposure.
New Tyre Chamber Career Map Tool	New Tyre Chamber and technical development partners	Support career pathway mapping for key occupations in the new tyre chamber.	Provides structured occupational role profiles, technical and soft skills requirements, qualification links and OFO alignment.	Career pathway tools should be updated regularly and linked to employer engagement, career guidance and occupational prioritisation.

Table 37 reflects on selected flagship partnerships and highlights their strategic intention, value-add and lessons for future implementation. The purpose is to show what makes these partnerships significant and how their lessons can strengthen the broader partnership model.

4.9 Conclusion

Partnerships are a key mechanism through which merSETA delivers its mandate. The chapter shows a broad and active portfolio supporting workplace-based learning, curriculum alignment, research and innovation, public college and university capacity, artisan development, youth pathways, digital and green skills, SMME support and provincial skills development. The next improvement area is to move more consistently from partnership activity to measurable skills outcomes through clearer accountability, evidence requirements, monitoring and evaluation.

Chapter 5: SETA Monitoring and Evaluation

5.1 Introduction

This chapter outlines merSETA's approach to Monitoring and Evaluation (M&E) and explains how performance, evaluation and research evidence are used to strengthen sector skills planning. The chapter reflects on previous performance against strategic priorities, draws lessons for implementation, and identifies actions to inform the next planning cycle. It assesses how strategic skills priorities are translated into the Strategic Plan, Annual Performance Plan (APP), Service Level Agreement (SLA), discretionary grant allocations and partnership interventions. The chapter is informed by APP and quarterly monitoring data, learner and employer information, tracer and evaluation evidence, stakeholder feedback, preliminary 2025/26 performance information, and the merSETA Evaluation Guideline and Annual Evaluation Plan.

5.2 merSETA Monitoring and Evaluation Approach

merSETA uses M&E as a management and learning function. Monitoring provides routine information on whether planned activities, outputs and targets are being implemented as approved. Evaluation assesses whether interventions remain relevant, efficient, effective, impactful and sustainable, and whether they are contributing to sector skills outcomes. Together, monitoring and evaluation support accountability, early identification of implementation constraints, corrective action and evidence-based planning. The Evaluation Guideline strengthens this approach by standardising evaluation principles, criteria, processes, roles, quality assurance and the use of findings for decision-making.

Table 38: M&E Approach

M&E element	Application in skills planning
Routine monitoring	Tracks implementation progress, outputs, expenditure, learner registrations, completions, and quarterly APP/SLA performance trends.
Evaluation criteria	Assesses relevance, efficiency, effectiveness, impact and sustainability of programmes, projects, partnerships, and systems.
Tiered evaluation approach	Uses routine monitoring, rapid evaluations, targeted studies, and full programme evaluations, depending on the risk, scale and evidence need.
Results chain logic	Links inputs, activities, outputs, outcomes, and impact to test whether funded interventions are producing meaningful change.
Use of findings	Feeds evidence into the SSP, APP, discretionary grant design, programme improvement, resource allocation, and management responses.

This approach links the SSP evidence base to the Strategic Plan, APP, budgeting, implementation, reporting and evaluation. Findings from quarterly and annual reports inform decisions on whether further evaluation is required. Where an evaluation is commissioned, findings and recommendations are fed back into the SSP, APP, discretionary grant design and resource allocation.

5.3 Use of M&E Information for Planning

M&E information is used to test whether merSETA interventions are responding to the skills issues identified in Chapters 1 to 4. M&E converts evidence from Chapters 1–4 into Chapter 6 priorities. Learner, employer, provider and performance data are triangulated with economic, labour market and stakeholder evidence to identify implementation gaps, refine interventions and strengthen accountability. Monitoring and evaluation should test whether funded interventions remain responsive to changing technologies, occupations and industrial priorities:

- identify performance trends and risks against APP and SLA targets;
- inform DG funding windows and allocations linked to sectoral priority occupations and national priorities;
- track learner registration, completion, ARPL, artisan development, WIL and absorption outcomes;

- assess whether partnerships and special projects are contributing to planned skills outcomes;
- prioritise evaluation questions linked to the SSP, APP, programme portfolio, organisational risks and learning needs; and
- support management responses, recommendation tracking and improvement plans.

5.4 Reflection on Previous Performance and Strategic Priorities

Performance evidence shows improvement in organisational delivery, although some priority areas require continued intervention. Preliminary 2025/26 performance indicates that merSETA achieved 86% of annual indicators, with strong performance in Skills Planning, Learning Programmes and Projects, and Quality Assurance.

A review of merSETA's organisational performance over the period 2015/16 to 2025/26 shows considerable year-on-year variation, followed by a sustained improvement in recent years. Performance declined to 26% in 2021/22, before improving to 47% in 2022/23, 61% in 2023/24 and 63% in 2024/25. The preliminary 2025/26 results indicate a further significant improvement. The longer-term trend is shown in Figure 20 below and provides important context for assessing institutional performance, implementation capability and the priorities requiring continued management attention.

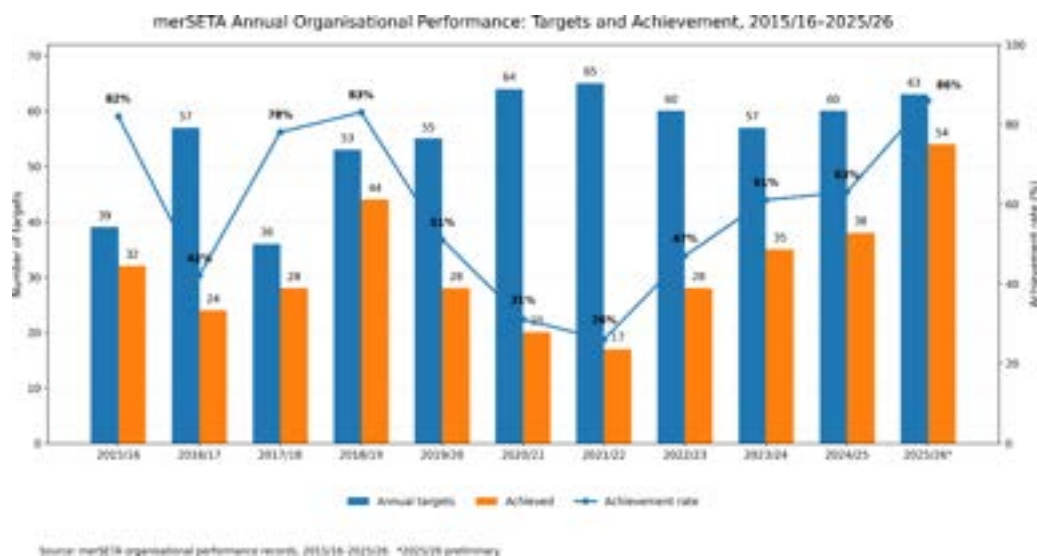


Figure 20: merSETA Annual Organisational Performance: Targets and Achievement, 2015/16–2025/26

Table 39: Reflection on previous performance

Performance area	Key evidence	Skills planning implication
Overall APP performance	86% of 2025/26 annual indicators achieved against 63% in 2024/25.	Maintain performance discipline and use early warning data to address weak indicators.
Learner targets	25,343 learners supported against a target of 21,207, reflecting 120% achievement.	Sustain learner reach while strengthening evidence on completion, absorption, and workplace relevance.
Unemployed learners	13,413 achieved against 6,575, representing 204% achievement and 53% of total learners supported.	Continuing youth access interventions and link delivery more strongly to placement and employability outcomes.
Artisan registrations and completions	Artisans achieved 4,572 against 8,500, with artisan registrations and completions remaining difficult to achieve.	Treat the artisan pipeline as a strategic evaluation and implementation priority.

Performance area	Key evidence	Skills planning implication
Non-learner targets	23 of 31 non-learner targets achieved, equal to 74%.	Target weak areas such as CET participation, SMME conversion, employer partnerships, and elementary skills allocations.

5.5 Key Implementation and Evaluation Lessons

The implementation and evaluation lessons below highlight the areas where merSETA's planning and delivery approach needs to be strengthened in the next planning cycle. While performance evidence shows progress in learner delivery, skills planning and programme implementation, the findings also show that outputs must be translated into measurable outcomes. This means that learner enrolments and funded interventions should be assessed in terms of completion, certification, absorption, self-employment, progression and value to employers. The lessons also point to the need for stronger readiness support for employers, SMMEs, CET colleges, providers and workplaces, as well as improved quality assurance and utilisation of evaluation findings to inform programme design, discretionary grant criteria, partnerships and management decisions.

Table 40: Key implementation and evaluation lessons

Lesson	Planning implication
Learner delivery must translate into outcomes	Exceeded learner targets require follow-up evidence on certification, absorption, self-employment, progression, and employer value.
Artisan development requires system-level intervention	Underperformance is linked to occupational qualification transition, provider and assessment capacity, workplace placement, and cost constraints.
Demand-led implementation needs readiness support	Employer, SMME and CET targets are affected by weak applications, verification failures, and limited responsiveness to funding windows.
Evaluation must be utilisation-focused	Findings must inform programme design, learner support, funding models, DG criteria, partnerships, and management decisions.
Quality assurance is essential	Terms of Reference, inception reports, tools, draft reports, and final reports require technical review, stakeholder validation, and practical recommendations.

5.6 Plan of Action to Inform the Next Planning Cycle

merSETA's plan of action focuses on improving organisational performance, strengthening implementation systems, and ensuring that strategic skills priorities are translated into measurable outcomes. The organisation is in a transition period for the 2025–2030 planning cycle and is implementing measures to improve project management, discretionary grant processes, MoA management, data quality, risk mitigation and evaluation practice.

5.6.1 Measures to Strengthen Institutional Capability and Implementation

To improve implementation during the 2025–2030 planning cycle, merSETA is strengthening institutional capability, data systems, risk management, evaluation practice and programme delivery processes. The TransfoMER organisational redesign is being implemented to align the organisational structure, mandate, strategy, staff capacity and business processes with the requirements of a high-performing SETA. This is supported by strengthened risk management, audit action planning and improved internal controls to address risks affecting governance, ICT, data quality, performance information, stakeholder relations, institutional memory and contract management.

Reliable data remains central to effective planning, monitoring and reporting. merSETA has reviewed its ICT, NSDMS and MIS environments to identify system improvements required to strengthen learner tracking, performance reporting, data quality and decision-making. Improved data governance will support a stronger link between the SSP, APP, SLA, discretionary grant allocations and programme implementation. The organisation is undertaking business process re-engineering focused on core delivery processes.

merSETA will continue to align its interventions with national strategies and plans, including the NSDP, ERRP, MTDP, sector master plans and SIHIP. This alignment will be implemented through discretionary grant funding, workplace-based learning, artisan development, unemployed learner support, SMME and entrepreneurship support, partnerships and sector-focused projects. Greater emphasis will be placed on tracking how these interventions contribute to measurable outcomes, including learner completion, certification, absorption, workplace relevance and sector impact.

To strengthen evidence-based improvement, merSETA will implement its Annual Evaluation Plan and expand the use of tracer studies, learner absorption analysis and programme evaluations. These evaluations will assess the relevance, efficiency, effectiveness, impact and sustainability of key skills interventions and will inform programme design, funding decisions, partnership models and Chapter 6 strategic skills priority actions.

Table 41: Implementation focus

Improvement area	Implementation focus
Organisational capability	Implement TransfoMER, strengthen governance, internal controls, risk management, and performance accountability.
Data systems	Improve NSDMS, MIS, learner tracking, performance reporting, and data governance.
National strategy alignment	Track implementation linked to the NSDP, ERRP, MTDP, sector master plans and SIHIP.
Programme evaluation	Implement the Annual Evaluation Plan and use findings to improve programme design and delivery.
Tracer studies	Strengthen evidence on learner completion, certification, absorption, self-employment, and progression.
DG and MoA management	Improve window planning, application readiness, contract management, monitoring, and turnaround times.

5.7 Implementation of Interventions and Measures in Support of National Strategies and Plans

During the previous planning cycle, merSETA continued to align its skills development interventions to the NSDP, ERRP, MTDP outcomes, sector master plans and other national priorities through its Strategic Plan, APP, SLA, discretionary grant processes, partnerships and learning programme targets. Implementation has been strongest in learner support, workplace-based learning, skills programmes, unemployed learner interventions, WSP/ATR approvals, TVET and HEI-linked interventions, and discretionary grant allocations for high- and intermediate-level skills. The 2025/26 preliminary performance information shows improved organisational delivery, with merSETA achieving 86% of annual targets, compared with 63% in 2024/25. Learner delivery was particularly strong, with 25,343 learners supported against a target of 21,207, representing 120% achievement, and unemployed learners accounting for 53% of all learners supported.

Table 42: Implementation status on National Strategies

National strategy / plan	Status and implementation reflection
NSDP 2030	Implementation is active and progressed. The strongest progress is in learner support, WSP/ATR approvals and programme delivery. However, artisan registration and completion remain below target and require focused improvement.
ERRP and economic recovery priorities	Implementation is largely on track, especially in expanding access for unemployed learners and supporting skills linked to recovery. The main gap is ensuring that recovery-linked interventions translate into stronger completion, absorption and measurable labour market outcomes.
MTDP outcomes and national development priorities	Implementation is progressing, but uneven across programme areas. Strong delivery is evident in learner and skills planning indicators, while administration-related and stakeholder-facing indicators require further strengthening.
Sector Master Plans	Implementation is ongoing through sector-linked discretionary grant funding, occupational priorities, partnerships and workplace-based learning. The next cycle should strengthen explicit tracking of how specific master plan priorities translate into occupations, interventions, targets and outcomes.
SIHIP and public-sector skills priorities	Implementation is emerging and should be strengthened through clearer project-level tracking, stronger partnership mobilisation and improved reporting on SIHIP-aligned outcomes.
SMME, cooperative and entrepreneurship support	Implementation is partial. The main improvement area is to strengthen outreach, pre-application support, verification readiness and regional mobilisation to improve conversion from applications to funded and implemented interventions.
CET, TVET and HEI skills pipeline support	TVET and HEI implementation is progressing well, but CET implementation remains weak. Targeted engagement with the DHET CET Branch and capacity-building support for CET colleges is required.
Artisan development and occupational qualifications transition	Implementation is constrained and requires urgent attention. Priority actions include strengthening partnerships with NAMB and QCTO, supporting provider and assessment centre accreditation, improving learner tracking systems and reviewing grant support for artisan learners.

5.8 Implementation of Strategic Skills Priorities from the Previous Planning Cycle

Overall, the previous planning cycle shows that merSETA has made meaningful progress in implementing its strategic skills priorities, especially in learner support, unemployed learner access, ARPL, WSP/ATR approvals, skills planning and quality assurance. However, the implementation evidence also shows persistent constraints in artisan development, employer partnerships, CET participation, SMME support, elementary skills allocations, data quality and governance-related indicators. These areas should be carried forward into Chapter 6 as priority improvement areas, with stronger emphasis on implementation readiness, provider and assessment capacity, employer participation, learner absorption, evaluation use and measurable sector outcomes.

Table 43: Strategic Priority Areas from previous cycle

Strategic skills priority from previous cycle	Work done so far	Status and implementation reflection
Expand access to learning programmes and workplace-based learning	merSETA continued to fund and implement learnerships, internships, skills programmes, bursaries, WIL and workplace-based learning interventions for employed and unemployed learners. In 2025/26, unemployed learner support significantly exceeded target, with 13,413 achieved against 6,575 targeted , and employed learner support reached 4,231 against 3,460 targeted .	Strong progress. The priority has been substantially implemented, particularly for unemployed and employed learners. The next focus should be on completion, certification, absorption and stronger tracking of outcomes.

Strategic skills priority from previous cycle	Work done so far	Status and implementation reflection
Strengthen artisan development and occupational qualifications	Artisan development remained a priority through trade/artisan registrations and completions. However, artisan performance remained below target, with artisans achieving 4,572 against 8,500 in the learner summary. The dashboard identifies artisan entry, and completion targets as difficult to achieve.	Partially implemented / constrained. The priority remains critical, but implementation has been affected by the transition from legacy qualifications, limited accredited provider and assessment centre capacity, and training cost pressures. Stronger partnerships with QCTO, NAMB, providers and employers are required.
Support unemployed learners, youth and transformation priorities	merSETA expanded support to unemployed learners, who accounted for 53% of all learners supported in 2025/26. This shows continued implementation of access and inclusion priorities linked to youth employment and transformation.	Strong progress. Implementation is well advanced, but outcome tracking must be strengthened through tracer studies, learner absorption measures and evaluation evidence.
Improve recognition of prior learning and upskilling pathways	ARPL implementation exceeded target in 2025/26, with 2,806 achieved against 2,392 targeted , representing 117% achievement .	Good progress. ARPL is contributing to worker progression and recognition of existing skills. The next cycle should maintain performance and link ARPL more clearly to scarce and priority occupations.
Support entrepreneurship, SMMEs and small enterprises	Entrepreneurship learner targets were exceeded, with 170 achieved against 150 targeted . However, broader SMME-related implementation was constrained: the indicator on small and emerging enterprises trained achieved 306 against 630 , mainly due to application and verification challenges.	Mixed progress. Entrepreneurship learner support is progressing, but SMME implementation requires improved outreach, pre-application support, verification readiness, and regional mobilisation.
Strengthen employer partnerships and workplace access	merSETA continued to use partnerships and discretionary grants to support workplace-based learning and sector priorities. However, SETA-employer partnerships remained below target and were identified as difficult to achieve due to applications not meeting verification criteria and the effect of compulsory BBBEE criteria on employer applications.	Partially implemented. Employer partnership conversion needs improvement through clearer application guidelines, targeted funding windows, pre-application support and stronger chamber/regional mobilisation.
Strengthen TVET, HEI and CET skills pipelines	merSETA achieved several TVET, HEI and WSP-related indicators. Programme-level performance was strong in Skills Planning at 88% , Learning Programmes and Projects at 89% , and Quality Assurance at 91% . However, CET partnerships and CET college funding targets underperformed due to limited CET participation, weak project scoping and non-responsiveness to funding windows.	Good progress for TVET/HEI, weak for CET. CET implementation requires targeted engagement with the DHET CET Branch, capacity-building and stronger project scoping support.
Improve skills planning, data use and evidence-based decision-making	merSETA continued to use learner data, QMR data, employer trends, tracer information and discretionary grant data to inform SSP priorities, monitor targets and guide funding allocations. The Evaluation Guideline further strengthens evidence use through routine monitoring, rapid	Progressing. The foundation for evidence-based planning has improved. The next cycle should deepen the use of evaluation findings, tracer results and recommendation tracking to inform SSP, APP, DG and partnership decisions.

Strategic skills priority from previous cycle	Work done so far	Status and implementation reflection
	evaluations, targeted studies and full evaluations.	
Improve organisational capability and implementation systems	merSETA implemented performance improvement measures, including organisational redesign, improved discretionary grant processes, end-to-end MoA management and QMS process improvements.	Progressing but not complete. These measures are strengthening implementation, but performance remains uneven across programmes and requires continued attention to data quality, internal controls, contract management and governance.
Strengthen monitoring, evaluation and learning	merSETA has developed an Evaluation Guideline and Annual Evaluation Plan to standardise evaluation practice, improve evidence use, strengthen accountability and guide evaluations linked to SSP, APP, programme performance, risks and learning needs.	Implementation is strengthening. The next step is to institutionalise management responses, recommendation tracking, quality assurance and regular reporting on how evaluation findings are used.

5.9 Conclusion

The monitoring and evaluation evidence confirms that merSETA has strengthened its use of performance information, research and evaluation to support sector skills planning. Improved APP performance, strong learner delivery and the introduction of a structured evaluation approach show progress in linking the SSP evidence base to implementation and learning. However, the evidence also points to persistent delivery constraints in artisan registrations and completions, CET participation, employer partnership conversion, SMME participation, elementary skills allocations and data quality. The next planning cycle should therefore focus on strengthening the Annual Evaluation Plan, improving the use of tracer and impact evidence, enhancing data governance, tracking management responses to evaluation findings, and ensuring that discretionary grant and partnership decisions are informed by credible evidence. These actions will strengthen accountability, improve implementation of the SSP, Strategic Plan and APP, and provide clearer evidence base for the strategic skills priority actions in Chapter 6.

Chapter 6: Strategic Skills Priority Actions

6.1 Introduction

This chapter consolidates the key findings and skills-planning implications from Chapters 1 to 5 and translates them into strategic priority actions for the next planning cycle. It follows the approach used in the previous SSP Chapter 6 by first summarising the skills findings from the preceding chapters and then setting out planned strategic priority actions. The chapter is not an operational plan; rather, it provides a focused set of priorities to guide the merSETA Strategic Plan, Annual Performance Plan (APP), Service Level Agreement (SLA), discretionary grant funding windows, partnerships, monitoring and evaluation, and programme implementation.

The strategic priorities are grounded in the sector profile, change-driver analysis, demand and supply evidence, partnership review and monitoring and evaluation findings. The priorities also respond to national policy imperatives, including the NSDP, MTDP, ERRP, HRD Strategy, PYEI, JET Implementation Plan, SIHIP and sector master plans. The overall intention is to ensure that merSETA interventions remain demand-led, inclusive, evidence-based and responsive to industrial change.

6.2 Findings from Previous Chapters

The preceding chapters point to a consistent set of skills implications for the mer sector. Across Chapters 1 to 5, the evidence shows a sector operating in a constrained and rapidly changing environment shaped by economic pressures, transformation gaps, digitalisation, automation, the green and Just Energy Transition, and emerging technologies such as NEVs and hydrogen. These changes are contributing to persistent shortages and skills gaps across artisan, technical, production, engineering, supervisory and managerial occupations, while supply is constrained by workplace readiness, learner progression, provider and assessment capacity, and the transition to occupational qualifications. The findings also highlight the importance of stronger workplace-based learning and absorption pathways, SMME and transformation support, effective PSET–industry partnerships, and improved use of monitoring, evaluation and data to strengthen delivery, accountability and evidence-based funding and planning decisions. The findings are outlined in detail in Table below:

Table 44: Key findings and their strategic implications

Key skills finding	Relevant preceding chapter(s)	Evidence emerging from the chapters	Strategic implication
1. Strengthen artisan, technician and occupational skills pipelines	Chapters 1, 3 and 5	Technical occupations remain important to the sector; shortages are concentrated among artisans, technicians, operators and engineering-related occupations, while artisan registrations, completions and progression remain implementation concerns.	Strengthen apprenticeships, occupational programmes, trade testing, ARPL, workplace placement and completion support.
2. Accelerate digital, automation and advanced manufacturing skills	Chapters 2 and 3	Digitalisation, AI, robotics, automation and advanced manufacturing are changing occupational content and increasing demand for hybrid technical-digital capabilities.	Prioritise reskilling and upskilling in automation, mechatronics, digital maintenance, data, AI-enabled production and related advanced manufacturing capabilities.
3. Build skills for the JET, NEV and green transition	Chapters 2, 3 and 4	JET, NEVs, ESG requirements, renewable energy and sustainability are changing skills demand and creating new requirements across automotive and manufacturing value chains. Partnerships are required to build provider and workplace capability.	Support green, NEV, renewable-energy, circular-economy and sustainability skills through targeted programmes, reskilling and industry-provider partnerships.
4. Improve workplace-based learning, work readiness and absorption	Chapters 3, 4 and 5	Supply constraints include workplace readiness and access to workplace learning, while implementation evidence shows the need to track outcomes beyond enrolment to completion, certification, absorption and employer value.	Expand employer-linked WBL, mentoring and workplace placement and strengthen tracking of learner progression and post-programme outcomes.
5. Strengthen transformation and inclusive access to technical pathways	Chapters 1, 3 and 5	The sector continues to experience transformation and participation gaps, requiring greater access for youth, women, persons with disabilities and historically marginalised groups.	Embed transformation and inclusion in occupational programmes, WBL, partnerships, funding and learner-support interventions.
6. Improve responsiveness of the skills supply system	Chapters 3 and 4	Provider capacity, assessment capacity, occupational-qualification transition and workplace availability constrain the sector's ability to respond quickly to changing skills needs.	Strengthen provider, QCTO, assessment-centre, employer and PSET partnerships and improve qualification and programme responsiveness.
7. Strengthen support for SMMEs and regional skills access	Chapters 1, 3, 4 and 5	Employer capacity and access to skills development are uneven, while SMME support and conversion remain implementation challenges.	Develop SMME-responsive funding, training, workplace and partnership models, with greater regional responsiveness.
8. Strengthen evidence-based planning, implementation and evaluation	Chapter 5, informed by Chapters 1–4	Better evidence is needed on completion, certification, absorption, employer value and long-term impact, alongside stronger data governance and use of evaluation findings.	Strengthen tracer studies, evaluations, data quality, management responses and the use of evidence to inform DG funding, partnerships and programme design.

6.3 Strategic Skills Priority Actions

The strategic priority actions for the next planning cycle build on the previous SSP priorities but are refined to respond to the updated evidence base. The direction of the priorities has not fundamentally changed: merSETA must continue to strengthen internal implementation, support national and sector

priorities, and improve the link between skills planning and measurable outcomes. What changes in this update is the sharper emphasis on occupational qualification transition, artisan and technician pathways, digital and green skills, learner absorption, SMME participation, partnership accountability and evaluation-informed implementation.

Table 45: Priority actions aligned to Chapter evidence

Priority Action	Evidence source
Artisan and technical skills	Chapter 3 HTFVs, skills gaps and priority occupations
Digital and advanced manufacturing	Chapter 2 change drivers and employer survey
JET/NEV/green skills	Chapter 2 JET section and Chapter 4 partnerships
SME support	Chapter 1 employer profile and Chapter 3 training barriers
Youth, women and PWD inclusion	Chapter 1 demographics and Chapter 3 supply-side analysis
Partnership expansion	Chapter 4 partnership evidence
M&E improvement	Chapter 5 lessons and planning cycle

Table 46 summarises the alignment between the strategic skills priority actions identified through the SSP evidence and the key national strategies and plans guiding merSETA's response. The chapter references in brackets indicate where the underlying evidence for each priority is primarily located, providing a clear link between the findings of Chapters 1 to 5, the resulting strategic actions and their contribution to national skills, industrial and development priorities.

Table 46: Strategic skills priority action

Strategic Skills Priority Action	Relevant National Strategy / Plan
Strengthen artisan, technician and occupational qualification pathways (Chapters 3 and 5)	NSDP; MTDP; ERRP; relevant sector master plans
Accelerate digital, AI, advanced manufacturing and green-transition skills (Chapters 2 and 3)	NSDP; JET-IP; MTDP; ERRP; HRD Strategy; sector master plans
Expand workplace-based learning, completion and absorption pathways (Chapters 3, 4 and 5)	NSDP; PYEI; ERRP; MTDP
Support SMMEs, entrepreneurship and inclusive participation (Chapters 1, 3 and 5)	NSDP; MTDP; ERRP; SIHIP; PYEI
Strengthen strategic, industry and PSET partnerships (Chapters 3 and 4)	NSDP; JET-IP; HRD Strategy; SIHIP; sector master plans
Improve evidence-based planning, implementation and M&E (Chapter 5, informed by Chapters 1–4)	NSDP; DHET SSP Framework; PFMA planning and reporting requirements

6.3.1 Actions for improved SETA performance and reporting priorities

Chapter 5 confirms that stronger institutional capability is essential to achieving merSETA's strategic skills priorities. In the next cycle, merSETA should strengthen discretionary grant planning and implementation, MoA management, data quality, reporting, workplace-readiness checks and tracking of learner progression, completion, certification, trade testing and absorption, supported by stronger coordination across planning, grants, regional, programme and M&E functions. The proposed increase in the mandatory grant from 20% to 40% also creates an opportunity to improve employer participation, WSP/ATR data quality, PIVOTAL uptake, workplace-based learning commitments and evidence of return on levy investment. These improvements should be embedded through the Strategic Plan, APP, SLA, discretionary grant policy, QMS, Evaluation Guideline, Annual Evaluation Plan and data-governance processes to strengthen implementation, accountability and evidence-based decision-making.

6.3.2 Actions in support of sectoral and national priorities

The following priority actions translate the evidence from Chapters 1 to 5 into focused implementation areas. Each action should be reflected in the SP, APP, SLA, discretionary grant windows, partnership plans and evaluation agenda.

- **Strengthen artisan, technician and occupational qualification pathways**

The evidence from Chapters 1 and 3 confirms continued reliance on technical, production, craft and operator occupations, while Chapter 5 highlights persistent constraints in artisan registrations and completions. merSETA should prioritise artisan, technician and related occupational qualification pathways, with specific attention to workplace placement, provider and assessment readiness, QCTO and NAMB alignment, trade testing, completion support and cost assumptions that affect employer participation. This action responds directly to HTFVs, priority occupations and the transition to occupational qualifications.

- **Expand workplace-based learning, completion, certification and absorption pathways**

High unemployment, youth exclusion and workplace-readiness gaps require stronger pathways from learning into work. merSETA should strengthen apprenticeships, learnerships, internships, candidacy, work-integrated learning and placement models by improving employer onboarding, confirming workplace access before funding approval, and tracking learners from recruitment through completion, certification, employment, self-employment or progression. Tracer evidence should test labour-market outcomes and employer value, while programme selection remains aligned to demonstrated demand and workplace availability.

- **Accelerate digital, advanced manufacturing, AI, automation, green and JET-related skills**

Chapter 2 confirms that digitalisation, automation, AI, advanced manufacturing, ESG, circular economy practices, NEVs, renewable energy, hydrogen and JET are reshaping skills demand. merSETA should support reskilling and upskilling in robotics, automation, mechatronics, CAD/CAM, data analytics, digital maintenance, AI-enabled production, additive manufacturing, energy efficiency, renewable energy, green manufacturing, NEV-related capabilities and sustainable production. These interventions should be delivered through short skills programmes, micro-credentials, occupational programmes, simulated learning and targeted workplace-based upskilling where appropriate.

- **Support SMMEs, entrepreneurship, regional access and inclusive participation**

Chapter 1 shows that small enterprises make up most employers, while Chapters 2 and 3 highlight training affordability, access constraints, youth unemployment, gender disparities and low reported disability representation. merSETA should provide grant-readiness support to SMMEs, strengthen flexible and modular training options, expand rural and township access through partnerships, and link entrepreneurship and cooperative development to sector value chains. Inclusion should be mainstreamed through improved access for youth, women and persons with disabilities, supported by mentorship, learner support and reasonable accommodation where required.

- **Deepen strategic partnerships and PSET-industry alignment**

Partnerships remain central to delivery. The next cycle should focus on fewer but stronger partnerships with measurable outcomes. Partnerships with employers, TVET colleges, HEIs, research institutions, industry bodies, professional bodies, government and community partners should be linked to workplace placement, curriculum alignment, lecturer development, infrastructure, applied research, JET, digitalisation, CET/TVET/HEI capacity and sector master plan priorities. MoUs and MoAs should include clear roles, timeframes, learner targets, reporting requirements and review points.

- **Strengthen evidence-based planning, DG implementation and M&E use**

The findings from Chapters 1 to 5 confirm the need for a stronger evidence loop between SSP priorities, funding decisions, implementation and evaluation. merSETA should institutionalise the Annual Evaluation Plan, learner tracer studies, rapid evaluations, impact evidence, management responses and

recommendation tracking. This will help test what works, improve DG design, strengthen partnership decisions, identify implementation risks early and shift reporting beyond outputs towards outcomes such as completion, certification, absorption, employer value and sector responsiveness.

6.4 Implementation and Monitoring of Priority Actions

The priorities should be implemented through existing planning and reporting instruments rather than through a separate process. After the SSP is adopted, the priorities should inform the review of the Strategic Plan, APP, SLA, discretionary grant policy, DG funding windows, operational plans and partnership implementation plans. Each priority should be linked to accountable programme owners, partner roles, budget alignment, timeframes, targets and indicators. Monitoring should focus on whether interventions produce meaningful results, not only whether activities were completed. Key evidence sources should include APP and SLA reports, QMRs, NSDMS/MIS data, DG allocation and implementation records, partnership performance reports, learner tracer studies, employer feedback, evaluation reports, management response trackers and annual SSP update evidence. This will strengthen the link between planning, implementation, learning and accountability. Funding and partnerships should increasingly target AI, automation, robotics, advanced manufacturing, NEV, renewable-energy, advanced-materials and circular-economy capabilities identified through sector evidence.

6.5 Conclusion

Evidence from Chapters 1 to 5 confirms the need for focused, demand-led and future-oriented skills interventions. The priority actions should guide planning, funding, partnerships and monitoring, with emphasis on artisan and technician pathways, workplace-based learning, digital and green skills, SMME support, strategic partnerships and stronger evidence use.

Bibliography

- BER. (2025). *ABSA Manufacturing Survey : Quarterly Analysis of Manufacturing Activity*. Cape Town: BER.
- BER. (2025). *Economic Snapshot May 2025*. Cape Town: BER.
- BER. (2026). *Absa Manufacturing Survey Q1 2026*. BER.
- BER. (2026). *Economic Prospects: Economic activity expected during 2026 and 2027, Third Quarter 2026, Vol. 42 No. 3*. Cape Town: Stellenbosch University Bureau of Economic Research.
- Budget Speech . (2026, February 25). Retrieved from <https://www.gov.za/2026BudgetSpeech>
- CSIR and World Bank. (2022). *Advancing Circular Economy in South Africa: Barriers, Opportunites and Recommendations for Advancing Circularity in Plastics Packaging and Single-Use Plastic Products*. Washington: World Bank.
- DHET. (2023). *Statistics on PSET*. Pretoria: DHET.
- InsideEducation. (2026, May 26). [www.insideeducation.co.za](https://insideeducation.co.za/manamela-tightens-seta-oversight/). Retrieved from <https://insideeducation.co.za/manamela-tightens-seta-oversight/>
- merSETA. (2026). *Sector Skills Plan Update Survey 2025/26*. Johannesburg: merSETA.
- NAACAM. (2026). *NAACAM- Research on the employment impacts of South Africa's transition from Internal Combustion Engine Vehicles (ICEVs) to New Energy Vehicles (NEVs)*. Pretoria: NAACAM.
- NAAMSA. (2024). *2024 Statistics and announces that SA Auto Industry Celebrates a Century of Automotive Excellence*. naamsa.
- National Treasury. (2026). *Budget Review 2026: Annexure D- Public sector infrastructure and public-private partnerships*. Pretoria: National Treasury.
- NBI. (2023). *Decarbonising South Africa's Heavy Manufacturing Sector: Just Transition and Climate Pathways Study for South Africa. In partnership with Business Unity South Africa (BUSA) and Boston COnsulting Group (BCG)*. Johannesburg: National Business Initiative.
- SA Plastics Pact. (2026). *SA Plastics Pact Impact Report 2024*. SA Plastics.
- SEIFSA. (2024). *SEIFSA report outlines risks for Metals & Engineering sector in 2024*.
- Statistics South Africa. (2025, March 04). *Gross Domestic Product*. Retrieved from www.statssa.gov.za.
- Statistics South Africa. (2025). *Quarterly Labour Force Survey (QLFS)*. Pretoria.
- Statistics South Africa. (2026). *Quarterly Labour Force Survey Quarter 1:2026 Statistical Release*. Pretoria: Statistics South Africa.
- Stats SA. (2024). *Gross Domestic Product (GDP), 1st Quarter 2024*. Pretoria: Stats SA.
- StatsSA. (2025). *Quarterly Labour Force Survey Q2 2025*. Pretoria: StatsSA.
- TIPS. (2024). *Industry Report: Plastics*. Pretoria: TIPS.

ANNEXURE 1: Partnerships Register

merSETA Partnership Register					
Partnership / project	Partner institution(s)	Partnership category	Status timeframe	SSP / national focus	Output / value-add
UJ SSP Methodology Project	University of Johannesburg	Research Partnership	In progress; 2024–2026	Research / labour market intelligence	Methodology support, data processing approach, project records and SSP-related technical inputs
WITS Darkroom Project	University of the Witwatersrand	Research Partnership	In progress; 2026–ongoing	Research / labour market intelligence	Supports applied research, innovation capability, project-based learning and stronger links between higher education expertise and sector skills priorities.
OFO Clean-Up Project	DHET and collaborating SETAs / relevant technical partners	Government / Intergovernmental Partnership	In progress; 2024–ongoing	Research / labour market intelligence	Terms of reference, technical inputs, project records and improved OFO management approach.
WorldSkills South Africa Support	DHET and collaborating SETAs / relevant technical partners	Education and Training Partnership	In progress; 2022 -2026	Artisan development	Funding allocation and associated implementation deliverables for Skills Development support.
TVET 4.0 project	Gert Sibande TVET college, Lephalale TVET college, Esayidi TVET college and Ikhala TVET college, Northern Cape Rural TVET, Ingwe TVET College.	Education and Training Partnership	In progress; 3 years	Green skills / Just Energy Transition	Lecturers qualify as Electricians; Same Lecturers qualify as Solar Photovoltaic service technicians
Professional Development of TVET lecturers	University of Western Cape	Education and Training Partnership	In progress; 3yrs and extended	Outcome 4: Increase access to occupationally directed programmes	Trained and capacitated TVET lecturers.

merSETA Partnership Register						
Partnership / project	Partner institution(s)	Partnership category	Status / timeframe	SSP / national focus	Output / value-add	
Research Chair for Technology Enabled TVET	Tshwane University of Technology	Education and Training Partnership	In progress; 3yrs	Digital transformation / 4IR	Revised/Enhanced Advanced Diploma TVET qualification. Development of Technology Enabled PG Diploma	
TVET 4.0 project Continuation project	Ekurhuleni TVET college, Vuselela TVET college, Goldfields TVET college, West Coast college	Education and Training Partnership	In progress; 3yrs	Outcome 4: Increase access to occupationally directed programmes		
UCT Industrialisation Fellowship	University of Cape Town	Education and Training Partnership	In progress; 02/10/2023–31/06/2027	Artisan development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns)	
Provincial Skills Development Eastern Cape	Office of the Premier Eastern Cape	Government / Intergovernmental Partnership	In progress; 12/12/2023–ongoing	Artisan development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns,)	
Provincial Skills Development Northern Cape	Office of the Premier Northern Cape	Government / Intergovernmental Partnership	In progress; 31/03/2023–ongoing	Artisan development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns,)	
Provincial Skills Development Free State	Office of the Premier Free State	Government / Intergovernmental Partnership	In progress; 06/10/2023–ongoing	Artisan development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns,)	
Provincial Government Partnership	Office of the Premier Limpopo	Government / Intergovernmental Partnership	In progress; 30/01/2024–ongoing	Artisan development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns,)	
Provincial Skills Development Mpumalanga	Office of the Premier Mpumalanga	Government / Intergovernmental Partnership	In progress; 31/03/2026–ongoing	Artisan development	Qualified and employable youth (apprenticeships,)	

merSETA Partnership Register					
Partnership / project	Partner institution(s)	Partnership category	Status / timeframe	SSP / national focus	Output / value-add
					Learnerships, Graduate interns, etc.)
Provincial Skills Development Northwest	Office of the Premier Northwest	Government / Intergovernmental Partnership	In progress; 30/03/2026–ongoing	Artisan development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns,)
Skills Development Programmes	National Youth Development Agency	Strategic Partnership	In progress; 2025/02/27–ongoing	Artisan development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns,)
Skills Development Programmes	Small Enterprise Development & Financial Agency (SEDFA)	Strategic Partnership	In progress; 01/04/2024–ongoing	Artisan development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns,)
Skills Development Programmes	AE Manufacturing	Strategic Partnership	In progress; 01/03/2025–ongoing	Artisan development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns,)
SMMEs	AIDC Eastern Cape	Strategic Partnership	In progress; 01/03/2025–ongoing	SMME entrepreneurship / cooperatives	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns,)
Reserve Force Soldiers Skills Development Programmes	Department of Defence	Government / Intergovernmental Partnership	In progress; 01/04/2024–ongoing	Artisan development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns)
Missing Middle Bursaries	NSFAS	Strategic Partnership	In progress; 18/09/2023–ongoing	TVET / HEI capacity development	Industry knowledgeable and capable TVET lecturers
Professional Development of TVET lecturers	West Coast TVET	Education and Training Partnership	In progress; 31/03/2025–ongoing	TVET / HEI capacity development	Industry knowledgeable and capable TVET lecturers

merSETA Partnership Register					
Partnership / project	Partner institution(s)	Partnership category	Status / timeframe	SSP / national focus	Output / value-add
TVET Infrastructure	Umfoloji TVET	Government / Intergovernmental Partnership	In progress; 30/03/2026–ongoing	Artisan development	Equipped workshops for the workshop ready learners.
VHEMBE-Beijing	Vhembe TVET	Government / Intergovernmental Partnership	In progress; 30/03/2026–ongoing	TVET / HEI capacity development	Industry knowledgeable and capable TVET lecturers
Virtual Reality/Artificial Intelligence	EON Knowledge Metaverse	International Partnership	In progress; 28/06/2022–ongoing	Digital transformation / 4IR	4th industrial revolution
Candidacy	Northwest COGTA	Government / Intergovernmental Partnership	In progress; 31/03/2023–ongoing	Artisan development	Qualified and ECSA certified engineers
Rural Empowerment Vocational Advancement Programme	Umfoloji TVET college and South Cape TVET college	Research Partnership	Not started; 3yrs	Research / labour market intelligence	Industry knowledgeable and capable TVET lecturers
Technical High Schools Equipment	Gauteng Department of Education	Government / Intergovernmental Partnership	Completed; 21/04/2023–30/12/2025	TVET / HEI capacity development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns, etc.)
Provincial Skills Development KwaZulu Natal/ Moses Kotane Institute	Moses Kotane Research Institute	Government / Intergovernmental Partnership	On hold; 18/09/2023–ongoing	Artisan development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns,)
Bursaries (employed)	Retail Motor Industry / TUT	Industry and Professional Bodies Partnership	In progress; 16/10/2024–ongoing	Artisan development	Bursaries for employees in the retail motor industry
Skills Development Programmes	Hesto Harness	Strategic Partnership	In progress; 01/04/2024–ongoing	Artisan development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns,)

merSETA Partnership Register					
Partnership / project	Partner institution(s)	Partnership category	Status / timeframe	SSP / national focus	Output / value-add
Skills Development Programmes	Steel & Engineering Industry Federation of South Africa (SEIFSA)	Strategic Partnership	In progress; 27/03/2026–ongoing	Artisan development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns)
Vehicle Quantifiers RPL	Vehicle Damage Quantification Governance Board of South Africa (VDQGBSA)	Industry and Professional Bodies Partnership	In progress; 19/03/2026–ongoing	Artisan development	Qualified vehicle body quantifiers
Provincial Skills Development Western Cape	Office of the Premier Western Cape	Government / Intergovernmental Partnership	Not started; Not specified	Artisan development	Qualified and employable youth (apprenticeships, Learnerships, Graduate interns,)
Support for Industrialisation Fellowship	Stellenbosch University	Education and Training Partnership	In progress; 3yrs	Reindustrialisation / localisation	Master's & PhD conferred

ANNEXURE 2: 5 Digit Level SIC Code;

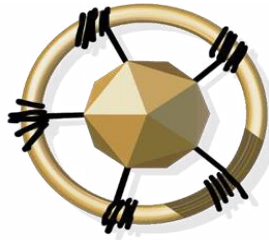
Chamber	SIC CODE	DESCRIPTION
Plastics	33431	Manufacture of plastic bags
New Tyre	33711	Manufacture of tyres and tubes
New Tyre	33712	Rebuilding and retreading of tyres
New Tyre	33790	Manufacture of other rubber products
New Tyre	33791	Calendaring
New Tyre	33792	Compounding
Plastics	33801	Injection moulding
Plastics	33802	Blow moulding
Plastics	33803	Extrusion
Plastics	33804	Plastics processes
Metal	35101	Basic iron and steel industries, except steel pipe and tube mills
Metal	35102	Steel pipe and tube mills
Metal	35201	Refining of precious metals, e.g. gold, silver, platinum
Metal	35202	Manufacture of primary non-ferrous metal products
Metal	35310	Casting of iron and steel
Metal	35320	Casting of non-ferrous metals
Metal	35411	Manufacture and/or repairs of movable metal structure and other metal parts
Metal	35412	Manufacture of basic metals, fabricated metal products, machinery, and equipment
Metal	35419	Manufacture and/or repairs of structural metal products and components including doors, windows, and gates.
Metal	35420	Manufacture of tanks, reservoirs, and similar container
Metal	35430	Manufacture of steam generators, except central heat
Metal	35510	Forging, pressing, stamping, and roll-forming of metal; powder metallurgy
Metal	35520	Treatment and coating of metals; general mechanical
Metal	35521	Treating and coating of metals
Metal	35522	General mechanical engineering on a fee or contract basis
Metal	35530	Manufacture of cutlery, hand tools and general
Metal	35592	Manufacture of cables and wire products
Metal	35593	Manufacture of springs (all types)
Metal	35594	Manufacture of metal fasteners
Metal	35599	Manufacture of other metal products n.e.c.

ANNEXURE 3: HTFV by OFO Code and reason

OFO Group	OFO Code	Occupation	Reason for Vacancy	Sum of HTFV
1. Managers	2021-122101	Sales and Marketing Manager	Candidates do not have the right experience	1
1. Managers	2021-122101	Sales and Marketing Manager	Candidates lack specific skills	1
1. Managers	2021-122102	Sales Manager	Candidates do not have the right experience	7
1. Managers	2021-122102	Sales Manager	Candidates do not have the right personal characteristics / attitudes	1
1. Managers	2021-122102	Sales Manager	Candidates lack specific skills	11
1. Managers	2021-122102	Sales Manager	Equity considerations make it difficult to find candidates	1
1. Managers	2021-122102	Sales Manager	Vacancy situated in remote / difficult-to-access location	1
1. Managers	2021-122105	Customer Service Manager	Candidates do not have the right experience	1
1. Managers	2021-122105	Customer Service Manager	Candidates lack specific skills	1
2. Professionals	2021-216302	Industrial Designer	Candidates do not have the right experience	1
3. Technicians and Associate Professionals	2021-311904	Manufacturing Technician	Candidates lack specific qualifications	1
3. Technicians and Associate Professionals	2021-311904	Manufacturing Technician	Candidates lack specific skills	1
3. Technicians and Associate Professionals	2021-311904	Manufacturing Technician	Equity considerations make it difficult to find candidates	1
3. Technicians and Associate Professionals	2021-312201	Production / Operations Supervisor (Manufacturing)	Candidates do not have the right personal characteristics / attitudes	1
3. Technicians and Associate Professionals	2021-312201	Production / Operations Supervisor (Manufacturing)	Candidates lack specific skills	4
3. Technicians and Associate Professionals	2021-312201	Production / Operations Supervisor (Manufacturing)	Vacancy situated in remote / difficult-to-access location	1
3. Technicians and Associate Professionals	2021-313916	Manufacturing Production Technicians	Candidates lack specific skills	1
3. Technicians and Associate Professionals	2021-332302	Purchasing Officer	Poor remuneration	1
4. Clerical Support Workers	2021-441903	Program or Project Administrators	Candidates lack specific skills	1
5. Service and Sales Workers	2021-522302	Motorised Vehicle or Caravan Salesperson	Candidates do not have the right experience	1
5. Service and Sales Workers	2021-522303	Automotive Parts Salesperson	Candidates do not have the right experience	4
5. Service and Sales Workers	2021-522303	Automotive Parts Salesperson	Candidates lack specific skills	1
5. Service and Sales Workers	2021-541401	Security Officer	Candidates lack specific skills	2
6. Skilled Trades Workers	2021-643201	Industrial Spray painter	Candidates do not have the right experience	1
6. Skilled Trades Workers	2021-643201	Industrial Spray painter	Candidates lack specific skills	1
6. Skilled Trades Workers	2021-652301	Metal Machinist	Candidates do not have the right personal characteristics / attitudes	1
6. Skilled Trades Workers	2021-652302	Fitter and Turner	Candidates do not have the right experience	1
6. Skilled Trades Workers	2021-652302	Fitter and Turner	Candidates lack specific qualifications	4
6. Skilled Trades Workers	2021-652302	Fitter and Turner	Candidates lack specific skills	13
6. Skilled Trades Workers	2021-652302	Fitter and Turner	Vacancy situated in remote / difficult-to-access location	1
6. Skilled Trades Workers	2021-653101	Automotive Motor Mechanic	Candidates do not have the right experience	1
6. Skilled Trades Workers	2021-653101	Automotive Motor Mechanic	Candidates lack specific qualifications	10
6. Skilled Trades Workers	2021-653101	Automotive Motor Mechanic	Candidates lack specific skills	7
6. Skilled Trades Workers	2021-653101	Automotive Motor Mechanic	Vacancy situated in remote / difficult-to-access location	2
6. Skilled Trades Workers	2021-653303	Mechanical Fitter	Candidates do not have the right experience	2
6. Skilled Trades Workers	2021-653303	Mechanical Fitter	Candidates lack specific qualifications	1
6. Skilled Trades Workers	2021-653303	Mechanical Fitter	Candidates lack specific skills	3

6. Skilled Trades Workers	2021-653306	Diesel Mechanic	Candidates do not have the right experience	2
6. Skilled Trades Workers	2021-653306	Diesel Mechanic	Candidates lack specific qualifications	11
6. Skilled Trades Workers	2021-653306	Diesel Mechanic	Candidates lack specific skills	13
6. Skilled Trades Workers	2021-653306	Diesel Mechanic	Poor remuneration	1
6. Skilled Trades Workers	2021-653307	Heavy Equipment Mechanic	Candidates do not have the right experience	1
6. Skilled Trades Workers	2021-653307	Heavy Equipment Mechanic	Candidates lack specific qualifications	1
6. Skilled Trades Workers	2021-671101	Electrician	Candidates lack specific qualifications	6
6. Skilled Trades Workers	2021-671101	Electrician	Candidates lack specific skills	3
6. Skilled Trades Workers	2021-671101	Electrician	Equity considerations make it difficult to find candidates	1
6. Skilled Trades Workers	2021-671101	Electrician	Poor remuneration	1
6. Skilled Trades Workers	2021-684305	Quality Controller (Manufacturing)	Candidates lack specific skills	1
6. Skilled Trades Workers	2021-684305	Quality Controller (Manufacturing)	Equity considerations make it difficult to find candidates	1
6. Skilled Trades Workers	2021-684904	Panel beater	Candidates do not have the right experience	1
6. Skilled Trades Workers	2021-684904	Panel beater	Candidates lack specific qualifications	11
6. Skilled Trades Workers	2021-684904	Panel beater	Candidates lack specific skills	4
7. Plant and Machine Operators	2021-712102	Metal Manufacturing Machine Setter and Minder	Candidates lack specific skills	2
7. Plant and Machine Operators	2021-712102	Metal Manufacturing Machine Setter and Minder	Vacancy situated in remote / difficult-to-access location	1
7. Plant and Machine Operators	2021-714204	Plastics Production Machine Operator (General)	Candidates lack specific skills	1
7. Plant and Machine Operators	2021-714204	Plastics Production Machine Operator (General)	Equity considerations make it difficult to find candidates	1
7. Plant and Machine Operators	2021-714204	Plastics Production Machine Operator (General)	Poor remuneration	1
7. Plant and Machine Operators	2021-734402	Forklift Driver	Candidates lack specific skills	2

Source: merSETA WSP/ATR 2026/27 submissions. Note: repeated occupation rows indicate different reported reasons for the same occupation



merSETA

MANUFACTURING, ENGINEERING
AND RELATED SERVICES SETA

FINAL RESEARCH AGENDA

2027/28 Update | August 2026

CONTENTS

1	Introduction and Mandate	4
2	Purpose and Guiding Research Principles	4
2.1	DHET-aligned guiding principles.....	4
3	Strategic Alignment and Research Ecosystem	5
3.1	Relationship to the SSP 2027/28	5
4	Development of the Research Agenda.....	6
4.1	Accounting Authority and Chamber influence	6
5	SSP Evidence Gaps and Research Priorities	6
5.1	Research drivers for the 2026–2030 period.....	7
6	Existing Research Portfolio and Non-Duplication.....	8
6.1	Non-duplication protocol	9
7	Priority Research Window 2026–2030	9
8	Research Sequencing, Utilisation and Governance	10
9	Conclusion	10
10	Sign-off.....	11

ABBREVIATIONS AND ACRONYMS

Acronym	Meaning
AA	Accounting Authority
APP	Annual Performance Plan
ARPL	Artisan Recognition of Prior Learning
ATR	Annual Training Report
CRWG	Collaborative Research Working Group
CET	Community Education and Training
DG	Discretionary Grant
DHET	Department of Higher Education and Training
DTIC	Department of Trade, Industry and Competition
ERRP	Economic Reconstruction and Recovery Plan
HEI	Higher Education Institution
ICEV	Internal Combustion Engine Vehicle
JET	Just Energy Transition
LMI	Labour Market Intelligence

Acronym	Meaning
M&E	Monitoring and Evaluation
MTDP	Medium-Term Development Plan
NAMB	National Artisan Moderation Body
NDP	National Development Plan
NEV	New Energy Vehicle
NPPSET	National Plan for Post-School Education and Training
NSDP	National Skills Development Plan
PIVOTAL	Professional, Vocational, Technical and Academic Learning
PSET	Post-School Education and Training
QCTO	Quality Council for Trades and Occupations
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprise
SP	Strategic Plan
SSP	Sector Skills Plan
TVET	Technical and Vocational Education and Training
WBL	Workplace-Based Learning
WIL	Work-Integrated Learning
WSP	Workplace Skills Plan

1 INTRODUCTION AND MANDATE

The Manufacturing, Engineering and Related Services Sector Education and Training Authority (merSETA) is established in terms of the Skills Development Act and is responsible for facilitating skills development across the metal and engineering, automotive manufacturing, automotive components, motor retail and aftermarket, new tyre manufacturing, and plastics manufacturing subsectors. A central statutory function is the development and implementation of a credible Sector Skills Plan (SSP) that identifies sector trends, current and emerging skills needs, and strategic skills-development priorities.

Research is therefore not a separate activity from skills planning. It provides the evidence required to understand labour market change, test assumptions, identify occupational demand and supply constraints, evaluate the effectiveness of interventions, and inform merSETA planning, funding, partnerships, and programme design. The Research Agenda is the mechanism through; this research agenda outlines the purpose and policy mandate and unpacks the priority areas and topics. Ultimately, a research agenda is a guide to action research that meets the research needs of the merSETA and supports the development of credible and suitable skills development interventions. This research agenda brings to the fore the research that will be undertaken by the merSETA.

h which these evidence requirements are organised and prioritised for the 2025–2030 strategic planning period.

This 2027/28 update is aligned to the Final merSETA SSP Update 2027/28 and reflects the evidence, consultations and governance inputs used in finalising the SSP in August 2026. It also incorporates completed and ongoing research so that innovative studies build cumulatively on available evidence rather than repeating work already undertaken.

2 PURPOSE AND GUIDING RESEARCH PRINCIPLES

The purpose of the Research Agenda is to provide a focused, organisation-wide programme of research and evaluation that strengthens the credibility, responsiveness, and practical use of merSETA sector intelligence. It communicates priority evidence needs, guides the commissioning and sequencing of studies, supports collaboration with research and industry partners, and creates a clear feedback loop from research findings to the SSP, Strategic Plan, Annual Performance Plan (APP), Service Level Agreement (SLA), discretionary grant design, partnerships and programme implementation.

Core principle: The Research Agenda is an evidence programme that supports the SSP and its implementation; it is not a parallel planning instrument.

2.1 DHET-ALIGNED GUIDING PRINCIPLES

In line with the DHET SSP Framework and Guidelines (2025), merSETA research will be guided by the following principles:

- **Evidence-based and credible:** Use systematic evidence, appropriate methods, transparent analysis, and a clear line of argument.
- **Contextual and demand-led:** Ground research in the realities of the mer sector, its chambers, workplaces, regions, and skills system.
- **Strategically analytical:** Move beyond description to explain causes, implications, trade-offs, and the decisions required.
- **Systems-oriented:** Consider interactions between employers, learners, providers, qualifications, workplaces, funding, policy, and labour market outcomes.
- **Collaborative:** Use chambers, employers, Labour, PSET institutions, government, research partners, and other SETAs to strengthen evidence and validation.
- **Practical and implementable:** Produce findings, tools, roadmaps, dashboards, and recommendations that can be translated into feasible interventions.

- **Inclusive and transformation-focused:** Analyses differences by chamber, province, employer size and relevant demographic dimensions, including gender, race, disability, youth, and geography, wherever feasible.
- **Cumulative and non-duplicative:** Begin with an evidence scan of completed and ongoing work and make explicit how each new study closes a residual evidence or implementation gap.



Figure 1: Linking the Research Agenda to the SSP Cycle

This feedback loop is central to the 2027/28 Agenda: research strengthens demand and supply analysis; evidence supports priority occupation and intervention decisions; findings inform funding and implementation; and evaluation evidence is then used to refine the SSP and future research priorities.

3 STRATEGIC ALIGNMENT AND RESEARCH ECOSYSTEM

The Research Agenda provides the strategic framework for merSETA research across the 2025–2030 planning period. It is anchored in the Final SSP Update 2027/28, the merSETA Strategic Plan and Annual Performance Plan, and national policy and planning priorities that shape skills demand, supply, and implementation. Key reference points include the NSDP 2030, NDP 2030, MTPD, NPPSET, Human Resource Development priorities, the Just Energy Transition Implementation Plan, industrial and sector master plans, localisation and reindustrialisation priorities, youth employment initiatives, and the transition to QCTO occupational qualifications.

This Research Agenda also recognises that research quality depends on a wider evidence ecosystem. merSETA draws on WSP/ATR and administrative data, official labour-market and education statistics, employer and learner research, evaluations, chambers, organised labour, industry associations, employers, PSET institutions, government, and research institutions. Participation in platforms such as the DHET Collaborative Research Working Group, SETA cluster engagements, JET skills initiatives, and research partnerships help strengthen comparability, avoid duplication, and connect sector evidence to broader PSET and industrial-policy debates.

3.1 RELATIONSHIP TO THE SSP 2027/28

The SSP is the primary evidence base for identifying sector skills priorities, while the Research Agenda identifies where deeper investigation, evaluation, or implementation research is required. The relationship is therefore iterative: the SSP identifies evidence gaps and strategic priorities; commissioned studies address those gaps; and research findings are then fed back into the SSP updates, planning instruments, and implementation decisions.

Key source documents: Final merSETA SSP Update 2027/28 (August 2026); DHET SSP Framework and Guidelines (2025); merSETA Strategic Plan 2025–2030 and APP; Annual Evaluation Plan and related evaluation evidence; completed and ongoing merSETA research; and Accounting Authority, chamber, and stakeholder inputs.

4 DEVELOPMENT OF THE RESEARCH AGENDA

The 2027/28 Research Agenda was developed through triangulation of five evidence streams: (1) the SSP 2027/28 evidence base and Chapter 6 strategic skills priority actions; (2) completed and ongoing merSETA research and evaluation studies; (3) Accounting Authority strategic discussions; (4) chamber and stakeholder inputs; and (5) national policy, industrial and PSET developments. This approach ensures that research priorities are linked to demonstrable evidence needs rather than being developed as a standalone list of projects.

4.1 ACCOUNTING AUTHORITY AND CHAMBER INFLUENCE

Accounting Authority discussions emphasised evidence-led priorities, testing formal plans against actual industry outcomes, stronger demonstration of public value, transformation, and more effective implementation. Chamber input highlighted technological change, qualification transition risks, workplace learning constraints, SMME access, worker transition, production pressures, circular-economy developments, and the need for stronger collaboration between merSETA and industry.

Table 1: Governance and chamber signals translated into research priorities.

Strategic / chamber signal	Evidence and implication	Research response
Policy, performance, and public value	Need to evaluate long-term outcomes, effectiveness, transformation, and value for money.	Project 1: Impact Evaluation of merSETA
Inclusive participation and transformation	Need practical evidence and tools to improve disability inclusion in training and workplaces.	Project 2: Disability Inclusion Toolkit
JET, new-energy technologies, and worker transition	NEVs, green manufacturing, circular value chains, restructuring, and employment risks require occupation- and region-specific evidence.	Project 3: JET Employment, Occupations and Skills
Qualification continuity and delivery readiness	Legacy qualification expiry, provider and assessment capacity, workplace readiness and delivery-cost constraints require an implementation roadmap.	Project 4: Occupational Qualifications Transition Readiness
Artisan pipeline, trade testing, and absorption	Persistent artisan completion and absorption constraints require end-to-end pathway evidence.	Project 5: Artisan Development, Absorption and Career Pathways
SMME access and differentiated delivery	Smaller firms require modular, pooled, regional, and production-friendly training models.	Project 6: SMME Skills Development and Regional Delivery Models
Stakeholder trust, collaboration, and implementation	Need clearer stakeholder roles, stronger partnership performance, and alignment to APP priorities.	Project 7: Industry and Stakeholder Partnership Strategy

Chamber specific inputs further sharpened the agenda. Automotive and Automotive Components highlighted NEV transition, smart manufacturing, supplier capability, qualification lag and labour absorption; Plastics highlighted circular value chains, SMME-dominated demand, modular delivery and qualification continuity; Metals and Engineering highlighted beneficiation, value-chain analysis and stronger data intelligence; and New Tyre highlighted advanced manufacturing, materials, shop floor greening and qualification relevance. Motor Retail and Aftermarket priorities will continue to be validated through the annual SSP and chamber engagement cycle.

5 SSP EVIDENCE GAPS AND RESEARCH PRIORITIES

The Final SSP Update 2027/28 identifies a focused set of strategic priority actions. The Research Agenda translates these priorities into evidence of questions that require deeper research, evaluation, or implementation of testing. This provides a direct line of sight between the SSP and the planned research portfolio.

Table 2: SSP evidence to research alignment

SSP priority	Residual evidence / implementation gap	Research response	Intended use
Artisan, technician, and occupational qualification pathways	Evidence is required on qualification continuity, provider and assessment of readiness, trade testing, workplace capacity, costs, and learner progression.	Projects 4 and 5	Support stronger qualification delivery, artisan progression, and occupational supply.
Workplace-based learning, completion, certification, and absorption	Training volumes alone do not show whether learners complete, certify, secure employment, remain employed or progress.	Projects 1 and 5; tracer evidence	Strengthening pathways from learning to employment, self-employment, and progression.
Digital, AI, advanced manufacturing, green and JET-related skills	Need occupation-, value-chain-, worker- and region-specific evidence on technological and low-carbon transition.	Project 3; WITS Darkroom and SSP methodology work	Inform reskilling, qualifications, partnerships, and future-oriented skills investment.
SMMEs, entrepreneurship, regional access, and inclusive participation	Existing evidence identifies access constraints; implementation models and differentiated delivery approaches need to be evaluated.	Projects 2 and 6	Improve inclusive participation, smaller employee access, and regional delivery.
Strategic partnerships and PSET-industry alignment	Need evidence on stakeholder coverage, trust, partner performance, workplace access, and contribution to APP outcomes.	Project 7	Shift towards fewer, stronger, and measurable partnerships.
Evidence-based planning, DG implementation, and M&E use	Need stronger evidence on institutional contribution, value for money, implementation of performance, and use of evaluation findings.	Project 1 and Annual Evaluation Plan	Strengthen accountability, funding decisions, and the evidence feedback loop.
Cross-cutting transformation and data quality	Research must account for chamber, province, employer size, and demographic differences and strengthen common data standards.	All projects	Improve the credibility, comparability, and inclusiveness of sector intelligence.

5.1 RESEARCH DRIVERS FOR THE 2026–2030 PERIOD

The agenda therefore focuses on six interrelated research drivers that are directly aligned to the SSP identified strategic priority actions:

- **Economic and industrial restructuring:** production pressure, competitiveness, localisation, reindustrialisation, changing value chains and regional employment effects.
- **Technological and occupational change:** AI, automation, robotics, advanced manufacturing, digital maintenance, data-enabled production, and emerging occupations.
- **Green, JET, and circular-economy transition:** NEVs, renewable energy value chains, low-carbon manufacturing, green metals, plastics circularity, recycling, resource efficiency, and worker transition.
- **Occupational qualification and provider readiness:** qualification continuity, accreditation, assessment centre capacity, workplaces, practitioners, materials, costs, and flexible pathways such as ARPL, part-qualifications and skills programmes.
- **Workplace learning, progression, and absorption:** workplace availability, completion, certification, trade testing, placement, retention, self-employment, and employer value.
- **Transformation, SMME participation and implementation capability:** differentiated access for smaller employers, youth, women, and persons with disabilities; regional delivery; stakeholder trust; data quality; evaluation use and measurable outcomes.

6 EXISTING RESEARCH PORTFOLIO AND NON-DUPLICATION

The Research Window is designed to close residual evidence and implementation gaps. New studies will therefore begin from the existing merSETA evidence base and make clear how they extend, deepen or operationalise previous work. The portfolio below consolidates key complete and ongoing studies for the planned window.

Flagship research project – WITS–merSETA Darkroom. The WITS–merSETA Darkroom is a flagship research and innovation partnership between merSETA and the University of Witwatersrand that provides a cross-cutting platform for future skills planning, learning, and institutional capability. It has five connected workstreams which comprise:

- Wits Innovation Centre (WIC) – Systems Change, which applies systems and design thinking to problem framing, co-design, and prototyping.
- The Centre for Researching Education and Labour (REAL) – Skills Changes, which examines occupational change, local skills ecosystems, and place-based skills responses.
- Tayarisha – Anticipatory Governance, which strengthens horizon scanning, signal tracking, and GovTech capability.
- Future of Learning, which explores AI, extended and virtual reality (XR/VR), competency mapping, sector data tools, and new learning models; and
- Neurotechnology Learning, which investigates immersive virtual reality, portable EEG and other cognitive tools together with ethics, safety, and responsible innovation.

Collectively, these workstreams strengthen foresight, research translation and experimentation, and complement the targeted empirical studies in the Research Window.

Table 3: Existing research and its relationship to the planned Research Window

Existing study / initiative	Status	Evidence already available	How the new window avoids duplication
SMMEs and Skills Development in the mer Sector: Mapping Skills Needs of SMMEs	Completed (2025/26)	Maps SMME skills and participation constraints.	Project 6 is positioned as a Phase 2 implementation study that evaluates scalable delivery models rather than repeating the needs diagnostic.
SSP update for the 2025–2030 strategic planning period	Completed (2025/2026)	Provides integrated sector, labour-market, demand, supply, and strategic priority evidence.	All planned projects address deeper evidence or implementation gaps identified through the SSP.
Tracking and tracing merSETA-funded beneficiaries	Completed (2025/2026)	Provides learner destinations, employment pathways, and programme-outcome evidence.	Inputs to Projects 1 and 5; Project 5 narrows the analysis to the full artisan pathway.
Rapid Evaluation: Occupational Qualifications Relevance	Completed (2025/26)	Provides qualitative evidence on relevance, curriculum, stakeholder participation, and workplace alignment.	Project 4 moves from relevance to system readiness, qualification continuity, and implementation planning.
WITS Darkroom Project	2026-2028	Builds foresight, systems-thinking and anticipatory capability around the future of work.	Project 3 complements the foresight work with empirical employment, occupational, regional, and worker-transition analysis.
Sector Skills Planning Methodology Project	2025-2027	Strengthens skills-planning methodology, forecasting, data integration, and system modelling.	Provides methods and infrastructure that support all projects, especially Projects 1 and 3.
Lecturer Development / TVET capability work	Current	Strengthens industry-relevant teaching and learning capacity.	Evidence informs Projects 3 and 4 on provider and practitioner readiness.
Student / industrialisation fellowship	Current	Documents industrialisation pathways and student-related challenges.	Provides complementary evidence on industrialisation and skills pathways.

Existing study / initiative	Status	Evidence already available	How the new window avoids duplication
Alignment of occupational programmes	Current	Assesses relevance, capacity, and alignment of TVET programmes with manufacturing and engineering needs.	Provides an input to Project 4 and reduces the need to repeat programme-alignment analysis.

6.1 NON-DUPLICATION PROTOCOL

- Each commissioned study will include an inception-stage evidence scan of merSETA research, evaluations, SSP evidence and relevant external studies.
- Terms of reference will state the residual evidence gap and identify existing work that must be used as an input rather than repeated.
- Where studies overlap in stakeholders or datasets, fieldwork and data requests will be coordinated to reduce stakeholder fatigue and improve comparability.
- Common definitions, demographic variables, and data standards will be applied where feasible so that findings can be combined across the research portfolio.
- Final deliverables will include a utilisation plan showing how findings feed into the SSP, APP, SP, SLA, discretionary grant design, partnerships, or programme implementation.

7 PRIORITY RESEARCH WINDOW 2026–2030

The consolidated Research Window converts the evidence of priorities above into seven defined research and evaluation projects. Together, they are intended to strengthen organisation-wide impact evidence, transformation and inclusion, JET and worker-transition readiness, occupational qualification continuity, artisan outcomes, SMME participation and merSETA relationships with industry and key stakeholders.

All projects are expected to produce practical implementation outputs and, wherever feasible, analyse evidence by chamber, province, employer size and relevant demographic variables, including gender, race, disability, youth, and geography. Research designs should combine robust evidence with stakeholder validation and clearly distinguish findings, implications, and recommended actions.

Table 4: Planned Research Projects for 2026–2023

No.	Upcoming project	Core research focus	Primary contribution and relationship to existing evidence
1	Impact Evaluation of merSETA	Longitudinal assessment of merSETA contribution from 2001 to the present across relevance, effectiveness, efficiency, impact, transformation, sustainability, and value for money.	Provides institution-wide accountability and public value evidence. Use tracer and programme evidence as inputs rather than duplicating individual outcome studies.
2	Development of the merSETA Disability Inclusion Toolkit	Sector-wide disability inclusion diagnostic covering employer and provider readiness, reasonable accommodation, training, workplace participation, placement, and retention; followed by toolkit development and piloting.	Translates transformation commitments into practical sector-specific tools and implementation guidance.
3	The Impact of the Just Energy Transition on Employment, Occupations and Skills across merSETA Manufacturing Value Chains	Assess employment, occupational and skills impacts of decarbonisation across automotive/NEV, components, metals and engineering, plastics/circular economy and other relevant merSETA value chains; include worker vulnerability, transferable skills, reskilling, and regional transition.	Provides an empirical JET skills investment and worker-transition roadmap. Complements WITS Darkroom foresight rather than duplicating it.
4	Occupational Qualifications Transition Readiness and Sector Implementation Roadmap	Map qualification continuity and replacement status; provider and assessment capacity; workplace readiness; learning and assessment materials; practitioner capacity; delivery costs; funding; ARPL and flexible pathways.	Builds on the rapid relevance evaluation and programme-alignment work to produce a transition-risk dashboard and chamber implementation plans.

No.	Upcoming project	Core research focus	Primary contribution and relationship to existing evidence
5	Artisan Development, Labour-Market Absorption and Career Pathways	Track artisan entry, workplace learning, completion, trade testing, certification, employment, employer retention, self-employment, ARPL and career progression.	Extends tracer evidence through an artisan-specific end-to-end pathway study focused on absorption and longer-term outcomes.
6	SMME Skills Development and Regional Training Delivery Models	Segment SMMEs; assess participation barriers; design and test pooled-demand, regional-cohort, modular delivery and shared workplace-learning models; identify scalable pilots.	Explicit Phase 2 to the completed SMME skills-needs mapping study, moving from diagnosis to implementation models.
7	merSETA Industry and Stakeholder Mapping, Engagement and Partnership Strategy	Undertake detailed stakeholder mapping, relationship and trust diagnostic, partnership portfolio review, and APP-to-stakeholder alignment; develop differentiated engagement and partnership strategies.	Extends SSP partnership mapping by assessing relationship quality, coverage, performance, and measurable contribution to implementation.

8 RESEARCH SEQUENCING, UTILISATION AND GOVERNANCE

The Research Window will be implemented as an integrated portfolio to balance strategic evidence requirements, implementation urgency, stakeholder capacity, procurement timelines, and opportunities to reuse data and fieldwork.

Table 5: Indicative sequencing utilization

Sequence	Projects	Primary use
Foundation / strategic evidence	Projects 1, 3 and 4	Establish institution-wide impact evidence, JET transition requirements, and qualification-system readiness. Findings should inform major funding, programme, qualification, and partnership decisions.
Implementation design	Projects 2, 5 and 6	Translate evidence into practical inclusion, artisan and SMME delivery tools, pilots, and pathway improvements.
Partnership and institutionalisation	Project 7, informed by Projects 1–6	Align stakeholders and partnership arrangements to the evidence, implementation responsibilities and APP priorities emerging from the portfolio.

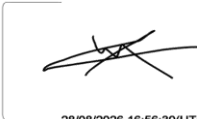
Annual update: The Research Agenda should be reviewed alongside each SSP update to reflect new evidence, completed studies, changing sector conditions, DHET requirements and governance or chamber priorities. Projects may be reprioritised where evidence needs to change, but changes should be documented and justified against the SSP evidence base.

9 CONCLUSION

The merSETA Research Agenda 2027/28 provides a focused evidence framework for the 2025–2030 strategic planning period. It links the SSP evidence base, DHET research principles, completed and ongoing studies, Accounting Authority direction and chamber level industry intelligence to a defined programme of future research and evaluation. The revised agenda is deliberately narrower and more implementation focused. It concentrates on the evidence gaps most directly connected to merSETA strategic priorities: institutional impact and public value; disability inclusion; JET and manufacturing value-chain transition; occupational qualification readiness; artisan progression and absorption; SMME delivery models; and stronger industry and stakeholder partnerships. Its effectiveness will ultimately be measured by the extent to which research improves decisions, programme design, partnerships, and measurable skills-development outcomes.

10 SIGN-OFF

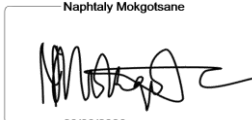
Laura Harris

Signature:  28/08/2026 16:56:39(UTC+02:00) 

Acting Strategy & Research Executive (ASRE)

Date: _____

Naphtaly Mokgotsane

Signature:  28/08/2026 

Acting Chief Executive Officer (ACEO)

Date: _____