

FOREST INDUSTRIES EDUCATION & TRAINING AUTHORITY



**Discretionary Grants
2007
Criteria**

DUE 30 June 2007

FOREST INDUSTRIES EDUCATION AND TRAINING AUTHORITY (FIETA)

DISCRETIONARY GRANTS 2007

Introduction

The Forest Industries Education and Training Authority have the responsibility of improving the skills of the sector's employees through quality demand-led training. Inherent in that responsibility is the function of providing direction and leadership to the four sub sectors paying levies to the Authority. These four sub sectors – Forestry, Pulp & Paper, Wood Products and Furniture – are different from each other and command skills development necessities that are also vastly different.

To overcome the financial and human resources constraints, the Authority may offer a strategic grant called Discretionary Grant

The Discretionary Strategic Grant

- (1) A SETA may use any residual levy income, including any money that is not claimed by employers in respect of levy-based grants, to make the following categories of discretionary grants:
 - (a) Learnership grants
 - (b) Skills programme grants
 - (c) Sector grants
- (2) A SETA may only make a discretionary grant if there are sufficient funds available.
- (3) A SETA may only make a discretionary strategic grant to an employer if the employer qualifies to receive the workplace skills planning grant for the financial year concerned (2007 - 2008)

Learnerships

Please Note

(Applying for Learnership Discretionary grant is now the only route to access Learnership incentives– this procedure has been introduced to promote fairness, transparency and equity in the granting of learnership incentives awards)

- (a) Any employer may seek a grant from a SETA to support the implementation of learnerships.
- (b) There are two possible types of grants to support learnerships. The first is a grant to offset the costs of implementing a learnership, (e.g. off-the-job education and training provider fees). The second is a grant that may be paid to subsidise the learner's allowance if the learner was unemployed immediately before starting the learnership. (a section 18(2) learner). The learner allowance must be in terms of the Learnership Determination published by the Minister of Labour on 15 June 2001.

- (c) It is a matter for each SETA to decide how many and which applications it will support. Each SETA will need to make its decisions in the light of the priorities of its sector skills plan and the amounts of money it has available to support learnerships.
- (d) A SETA must inform an employer whether or not it will make a grant before the learnership starts. The SETA will agree with the employer when the grant will be paid, e.g. if this will be in staged payments or only once the learnership is successfully concluded.
- (e) Each SETA will establish and publicise its criteria for approving the learnership grants.

Skills Programmes

- (a) Any employer may claim a grant towards the costs of providing skills programmes. It is for each SETA to determine arrangements for the applications for grants and the amounts. Any application for a grant must be submitted to the appropriate SETA, and approved by it, before the skills programmes start.
- (b) It may be that a person completes a series of skills programmes that result in a full learnership qualification. If the employer receives grants for the skills programmes, the total of the grants that the employer receives must be no greater than the grants s/he would have got had the employee undertaken a learnership programme resulting in the same final qualification.

Sector Priorities, Scarce and Critical Skills

- (a) A major function of the SETAs is the implementation of their Sector Skills Plan. In order to do this a SETA may make a grant to an employer, to a training provider or to an individual. For example, a grant might be to finance research. The grants will be determined by FIETA.

FUNDING STRATEGY

The approach to funding is to use the available funds to maximum have impact on strengthening Skills Development in the sector. The funding strategy, therefore, seeks to distribute resources within the sector so that as many organisations as possible can benefit. The core elements of the funding strategy are described below.

1. Geographic Design

It is intended that a wide base of organisations should participate in the programme. Efforts will be made to ensure a reasonable geographic distribution of participating organisations – rural and urban; township and suburban; privileged and disadvantaged communities.

2. Chamber Allocation

While most funding categories are open to all member organisations in the sector, the funding category on learning programmes for enterprises and organisations allocates funds according to sub-sectors. This is to ensure that all constituencies benefit from the programme according to their need and in response to the circumstances of the sub-sector.

3. Avoiding Duplication

All funding programmes are co-ordinated in an integrated manner so that the best use is made of the funds that are available. In order to avoid duplication between programmes, effort will be made to ensure that similar programmes are well co-ordinated and properly integrated. Inter chamber cooperation is encouraged

4. Beneficiary Framework

In all funding provided by FIETA, preference will be given to applications prioritising the previously disadvantaged beneficiaries using the percentages below;

- 85% - Black
- 54% - Women
- 4% - People with Disabilities

Scarce Skills / Critical Skills

Name of skills description/category of scarcity as identified by FIETA	Related occupation
Cable yarding	3922 Cable yarder operators
Environmentalist	21152 Environment consultants
45122 Fire Fighting (Advanced)	82993 Chemical Sprayer, Chemical Sprayer Supervisor
Fire Lookout	21141 Foresters
Fire Tender drivers	8319 Forestry workers
Chemical spraying - Management/Supervisory & Operators	121511 Owner / Managers Forestry (CONTRACTOR)
Foresters	7113 Forestry Plant Operators
Harvesting Chokerman	Technicians / 392 (SUPERVISOR OR PRODUCTION FOREMAN)
Small business management	2114 Forestry scientist
Supervisory management	
Tree breeding / Researchers	
Truck drivers s/haul/off road	
Mechanics, Artisans, Workshop Assistants (Forest industries Orientated)	Mechanics, Artisans, Workshop Assistants (Forest industries Orientated)
Boiler operators	72191 Engine / Boiler operator
Cable yarding	3922 Cable yard operators

Chemical engineer	21294 Chemical engineer
Chemical spraying	82993 Chemical Sprayer
Chief timekeepers	59922 Employment office clerk
Civil technicians	32212 Civil engineering technicians
CNC – technical management	Technicians
CNC machining	3922 CNC machinist
CNC machining centre management	1299 CNC Machine centre managers
Electrical engineer	21250 Electrical engineers
Environmentalist	21152 Environmental consultants
Fire detection systems installing	3112 Technicians
Fire fighting	
Fire lookout	
Fire Tender drivers	8319 Forestry workers
Foresters	21141 Foresters
Furniture designing	Professionals
Furniture Production management	12231 Production manager
General management	1113 General managers
Harvesting	8319 Forestry workers
Management accountants	23112 Management accountant
Mechanical engineers	21271 Mechanical engineer
Mill chemist	31111 Chemistry technical officer
Paper making	Technicians
Planning & systems managers	12140 Policy / planning managers
Production management	12231 Professionals
Quality superintendents	12930 Quality Assurance Managers
Rigging	84174 Construction rigger
Roll grinderman	7113 Plant operators
Saw operators	82921 Saw operators
Saw doctoring	32154 Saw doctors
Service technicians for fire fighting equipment	
Small business management	121511 Owner / Managers
Stacking	8222 Stackers
Store keeping	7411 Store man
Supervisory management	Technicians / 392
Tape edge machining	Skilled trade worker: Tape edge machinist
Technical buyers	63940 Retail buyer
Tree breeding	2114 Forestry scientist
Truck drivers	73111 Truck drivers

Truss assembly	8221 Assemblers
Tape edging	Technicians
Upholstery	39321 Upholsterer
Veneer grading	82942 Skilled veneer graders
Veneer manufacturing	7224 Skilled veneer machine operators
Vocational trainers	2522 Professionals
Wood finishing	39224 Wood finishers
Wood machining	39221 Wood machinist
Kiln operators	392 Wood trades workers
Pulp & Paper Technician s	
Converting Technicians	
Risk Assessment	
Marketing	
Industrial engineers	21295 Industrial engineers
Mining engineers	2128 Mining engineers
Metallurgical engineers	
Skilled junior management – Forestry	
Skilled fibreboard machine operators and grinders	
R & D Chemists	

Sector Priorities

- ❑ Provision of ABET (Level I, II, III & IV)
- ❑ Development of Broad Based Black Economic Empowerment Institutions (BBBEE)
- ❑ ABET Practitioner development
- ❑ Development of unit standards, qualifications and learnerships
- ❑ Development of unit standards, qualifications and higher-level skills Learnerships
- ❑ Development and support for Centre(s) of Excellence including FET colleges
- ❑ Achieving of the Investors In People standard
- ❑ New Venture Creation learnerships
- ❑ Design of FIETA scarce and critical skills guides
- ❑ Development of sector specialists
- ❑ Support of forest industries sector NGO, CBOs and community based cooperatives
- ❑ Support for graduates from FET and HET institutions
- ❑ Small grower technical and business training
- ❑ Forest managerial, entrepreneurial and technical skills training for
- ❑ SMME's (skills to grow, harvest and transport timber)

Funding Windows (Table 1)

NO	WINDOWS
1	Scarce and or Critical Training Interventions (NSDS)
2	Development of Scarce and Critical Skills Guides (NSDS)
3	Development and support for Broad Based Black Economic Empowerment firms (NSDS)
4	SDF Capacity Building on Scarce and Critical Skills Guides (NSDS) Learnerships: Scarce and Critical Skills (NSDS)
	<u>Please Note</u>
5	(Applying for Learnership Discretionary grant is now the only route to access Learnership incentives – this procedure has been introduced to promote fairness, transparency and equity in the granting of learnership incentives awards)
6	Provision of Adult Basic Education and Training (NSDS)
7	Development and support for non levy paying enterprises (NGOs, CBOs and community based cooperatives (NSDS)
8	Work Experience Grant for FET and HET graduates (NSDS)
9	New Venture Creation grant (NSDS)
10	NSF Constituency Capacity Building and Advocacy (NSDS)
11	Development and support for Institutes of Sectoral or Occupational Excellence (NSDS)
12	Research and Impact Studies
13	JIPSA / ASGISA Initiatives

GENERAL CRITERIA FOR FUNDING

Consistent with the priorities presented in table 1, the following criteria are to be noted as the basis upon which funding decisions will be made.

1. Funds will be allocated according to the primary areas of funding and stated priorities that are scarce and critical skills. These priorities are consistent with the circumstances of the respective chambers, the strategic vision of the SETA, the priorities of the National Skills Development strategy and the current Sector Skills Plan
2. Application proposals should be submitted according to the format and guidelines provided by FIETA
3. All proposals must clearly indicate and substantiate the potential contribution to Workplace Skills Development and gains towards Forest industries as a sector
4. All funding applications must demonstrate capacity to successfully implement the proposed project.
5. The funding programme for the respective organisations should have one designated coordinator. The coordinator will generally be the contact person.
6. Services that are normally undertaken by the SDF are generally excluded from this application process.
7. All applications must serve to promote the ideals of FIETA Funding strategy
8. Training must be accredited.
9. There must be a clear statement of who will benefit from training. Beneficiary forms must be submitted before funds are allocated.
10. Application forms must be complete and all attachments must be appended as required.
11. Cost of training should not exceed allocated amounts.
12. All interventions are for one specific year. They must have a start and an end date
13. Only posted or hand delivered applications would be considered

CLAIMING GRANTS: GENERAL INFORMATION

- (a) Employers who are up-to-date with the payment of the skills levy can claim skills grants from FIETA.
- (b) Training providers and workers may also seek grants from FIETA. These grants may be given to projects, programmes and research activities if they support the implementation of the sector skills plan or FIETA's strategic objectives

ELIGIBILITY REQUIREMENTS

- c) All levy paying companies in the Forest Industries Education & Training Authority are invited to apply in any of the funding windows
- d) The applying company must be up to date with its levies at the South African Revenue Services (SARS)
- e) Other stakeholders, who may not be paying levies to FIETA, may apply. Proof of how the application would benefit the Forest Industries sector must be provided

GRANT MANAGEMENT PROCESSES AND GUIDELINES

1. All grant applications will be received at the Skills Planning Department. Receipt will be acknowledged and any missing documentation or information will be communicated to the contact person for the organisation (SDF).
2. Learnership applications would be forwarded to the Learnership Department. The FIETA ETQA will review the applications on Learnership.
3. Applications would be evaluated and recommendations made to each chamber for approval
4. Organisations will be informed of approval, and, with proper documentation, contracts will be set in place and disbursements will be made
5. A sample of the projects will be monitored by the Skills Planning Department and monitoring reports written for auditing purposes. We will use contract Skills Development Facilitators for this purpose

MONITORING

We will follow two processes for verifying and monitoring progress on the projects funded through the discretionary grants

a) Desktop monitoring

The Skills Planning Department would verify most of the information provided by the applicants over the telephone and complete a monitoring report for applicant

b) Sampled Site Visits

The responses for the discretionary funds might be overwhelming for us to do monitoring site visits for each applicant. However we are still required to do some visits to verify information provided by applicants.

We would do a random selection of companies (sample) to be visited or use the previous audit lists used by the Auditor-General

c) Monitoring Reports

In the file of each recipient of FIETA discretionary funds would be a monitoring report completed on site visit or through desktop assessment

CONDITIONS AND TERMS OF PAYMENT

Understanding the terms and conditions of payment are critical before completing applications, making commitments or scheduling services. Terms and conditions are enumerated briefly below. They are set out to ensure accountability, to speed up the implementation of projects and the disbursement of funds, to enable cash flow planning and to ensure that the expectations are clear. These terms and conditions represent the most expeditious way of handling the process and managing results.

The conditions are noted below.

1. Payments will generally be made in tranches and per discussed deliverables. For research the pattern of payment may change, depending on the nature of the task and the proposal of the service provider
2. Invoices must be prepared by the Service Provider, but must be submitted through the recipient organisation that is responsible for the funded project.
3. Payment will be made directly to the recipient organisation. All invoices must contain a VAT Number and the address of the Service Provider.
4. Proper documentation must accompany each invoice for payment. Documentation differs with the nature of the project.
5. Funds cannot be disbursed unless procurement guidelines are followed. Financial procedures and procurement requirements must be verified before binding commitments are made.
6. All accounts, accompanied by appropriate support documentation, will be settled within 30 days of the submission of invoices.
7. To avoid delay, all invoices must be submitted to the Skills Planning Department for processing.

Category of funding	Information (Deliverable) to be submitted for grant payments		
	First Payment	Second Payment	Final Payment
RESEARCH	<ol style="list-style-type: none"> 1. Completed applications with Attachments 2. Project Implementation Plan 3. Payment Schedule with Deliverables 4. Properly prepared Invoice 	<ol style="list-style-type: none"> 1. Stage Deliverables 2. Properly prepared Invoice 	<ol style="list-style-type: none"> 1. Research report 2. Presentation to FIETA
SCARCE AND CRITICAL SKILLS TRAINING	<ol style="list-style-type: none"> 1. Completed application forms with Beneficiary Forms 2. Training dates and schedule 3. Course Outline 4. Verification of Course Fees 5. Properly prepared Invoice 		<ol style="list-style-type: none"> 1. Attendance register 2. Verification of successful completion 3. Performance of Candidates 4. Properly prepared Invoice
ABET	<ol style="list-style-type: none"> 1. Completed application forms with Beneficiary Forms 2. Training dates and schedule 3. Course Outline 4. Verification of Course Fees 5. Provider accreditation certificate 6. Properly prepared Invoice 		<ol style="list-style-type: none"> 1. Attendance register 2. Verification of Successful completion 3. Performance of Candidates 4. Properly prepared Invoice