

## **Notice to AgriSETA's valued stakeholders regarding payment of Discretionary Grants (DG) for the financial year 2020/21**

### **1. Discretionary Grants**

Discretionary Grants are available to employers, Associations or organisations, training providers, workers, and the unemployed that meet the criteria for the payment of such a grant. In the case of an employer, it is considered if the company has submitted an application for a discretionary grant in the prescribed application form, determined by AgriSETA and if it meets the requirements for funding.

- a. An application however, is not a guarantee that the grant will be awarded.
- b. Grant funding is not a year-on-year probability, as AgriSETA makes every attempt to distribute the funds across the sector and the country's borders. This is done in accordance to the industry's needs and government's priority sectors.
- c. Grants are awarded on discretion, as the name indicates and on the basis that the money will be spent within the prescribed timeframes. If it is not spent, the funds are transferred back to the National Skills Fund (NSF), and AgriSETA considers this not meeting the organisation's obligations to other needy applicants who were not successful in their first application.

### **2. Funding Criteria**

Our funding criteria is not static and is according to skills that are imperative to the sector, which is ever changing.

AgriSETA, as with all other SETA's, is responsible for producing a Sector Skills Plan (SSP) which maps the way forward for the agriculture sector and is aligned with government priorities, and strategic frameworks. The plan is revised every year and takes into account changes in the labour market, economic performance, technological advances, and other factors that may influence skills needs. The analyses form the basis in the formulation of the scarce and sectoral priority occupations (PIVOTAL) skills list.

### **3. Demand vs Supply**

AgriSETA received a flurry of DG submissions during the second window application period. As noted in point 2, the funds are disbursed according to the Sector Skills Plan, which is a framework that responds to needs in the agriculture sector. This framework analyses the skills demand and supply trend in the sector and it serves to identify potential mismatches. This year, the demand for skills grants far outweighs available resources.

### **4. How is demand determined?**

Research serves as the greatest tool in determining what are priority skills, in this regard, it is informed by qualitative and quantitative research surveys, workplace skills surveys with employers, the Annual Training Reports (ATRs), Quarterly Labour Market Forecasts, and Stats SA, among others.

## **5. Partnership strategies for greater impact – together we do more**

AgriSETA has found that forming partnerships with identified sectors, in prioritising the necessary steps, greatly accelerate the demands and needs required by the sector.

AgriSETA aims to strengthen its existing partnerships by engaging industry partners to meet its occupational shortages, skills gaps and hard to fill vacancies (HTVs).

New partnerships, especially with other government entities, align AgriSETA's priority skills areas and Sectoral Priority Occupations (PIVOTAL) skills lists to national interests – it does so in:

- a. Identifying prospective partners;
- b. Inviting and receiving proposals;
- c. Evaluating proposals;
- d. Approving proposals;
- e. Signing MoUs, MoAs and SLAs;
- f. Monitoring and evaluating milestones on a monthly basis;
- g. Measuring the impact.

## **6. A call to applicants regarding unused funds that do not meet the contract timeframe**

We are putting out a call to grant recipients of the second window period, to inform us of their plans and to allow us to re-direct the funds if they are not going to be used. This will give previous unsuccessful \*applicants a chance to be considered once again, on the proviso that that they can spend the funding within the allocated timeframe.

[\*according to the criteria and level of priority within the sector]

Sincerely

**Mr Zenzele Myeza**  
**Chief Executive Officer**