



Transport Education Training Authority

*Driven by Vision*

Transport Education Training Authority

# DISCRETIONARY GRANT FUNDING FRAMEWORK

## Approval and Endorsement

Prepared for: Governance and Strategy  
Committee

Approved by: TETA Accounting Au-  
thority (Board)

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# REVISED



**Transport Education Training Authority**

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**DISCRETIONARY GRANTS FUNDING  
FRAMEWORK  
Financial Year 2025/26**

## 1.1. ACRONYMS AND ABBREVIATIONS

ACRONYM	DEFINITIONS
AA	Accounting Authority
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
ARC	Audit and Risk Committee
B-BBEE	Broad-Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COO	Chief Operations Officer
CS	Company Secretary
DG	Discretionary Grant
DHET	Department of Higher Education and Training
DoA	Delegation of Authority
EAP	Economically Active Population
EXCO	Executive Committee
G&S Committee	Governance and Strategy Committee
HRD	Human Resource Development
ICT	Information and Communication Technology
IDS	Integrated Digitalisation System
KPI	Key Performance Indicator
KRA	Key Result Area
M&E	Monitoring and Evaluation
MG	Mandatory Grant
NDP	National Development Plan 2030
NGO	Non-Governmental Organisation
NPO	Non-Profit Organisation
NSDP	National Skills Development Plan 2030
NQF	National Qualifications Framework
PFMA	Public Finance Management Act
PIVOTAL	Professional, Vocational, Technical and Academic Learning
PMO	Project Management Office
POPIA	Protection of Personal Information Act
QCTO	Quality Council for Trades and Occupations
SDA	Skills Development Act
SDL	Skills Development Levy
SETA	Sector Education and Training Authority
SLA	Service Level Agreement
SP	Strategic Plan
SSP	Sector Skills Plan
TVET	Technical and Vocational Education and Training
TETA	Transport Education and Training Authority
WSP	Workplace Skills Plan

## 2. INTRODUCTION AND POLICY CONTEXT

The Transport Education and Training Authority functions within a complex national environment that demands both economic competitiveness and social transformation. The transport sector remains one of the primary enablers of South Africa's economic development, connecting industries, communities, and opportunities. The Discretionary Grants Funding Framework is therefore designed as a strategic tool to direct resources toward the development of critical and scarce skills, promote innovation, and strengthen institutional capacity across all transport sub-sectors.

The framework draws its authority from the Skills Development Act of 1998, which establishes the role of Sector Education and Training Authorities in promoting structured, demand-driven skills development within their respective industries. It further complies with the Public Finance Management Act and the Treasury Regulations that guide public entities on financial accountability, risk management, and prudent allocation of resources. These legal instruments form the backbone of this framework, ensuring that every decision and investment made through the Discretionary Grant system meets the principles of transparency, efficiency, and value for money.

The National Skills Development Plan 2030 and the Medium-Term Strategic Framework 2024 to 2029 reinforce the importance of linking training investments to measurable employment outcomes and broader national priorities. Within this context, the framework translates policy commitments into a clear funding mechanism that supports programmes directly aligned to the Sector Skills Plan and to the strategic objectives of the Authority. It enables proportional and fair allocation of resources, while ensuring that scarce skills, transformation imperatives, and innovation remain at the centre of TETA's investment decisions.

This approach also responds to audit findings and institutional reviews that called for stronger controls, accountability, and improved reporting in grant administration. The framework introduces defined eligibility criteria, improved governance mechanisms, and more rigorous monitoring and evaluation systems to ensure that the impact of every funded project can be demonstrated and audited. It transforms the grant process from a routine administrative exercise into a performance-based funding model that rewards compliance, results, and developmental impact.

At its core, the framework expresses TETA's commitment to inclusive growth and equitable participation in the transport economy. Funding will intentionally prioritise programmes that empower women, youth, persons with disabilities, and learners from rural areas. Preference will also be given to employers and training partners who demonstrate a measurable commitment to absorption and sustainable job creation. Through this integrated and principled approach, TETA positions itself as a trusted steward of public resources and a strategic enabler of skills, transformation, and innovation in the transport sector.

## 3. PURPOSE OF THE FRAMEWORK

The Discretionary Grants Funding Framework serves as the authoritative guide for the planning, allocation, disbursement, and monitoring of TETA's Discretionary Grants. It provides a structured and transparent system that ensures all funding decisions are driven by strategy rather than discretion, performance rather than preference, and developmental impact rather than routine compliance.

The framework reinforces the central principle that every grant allocation must directly advance the strategic goals of the Authority and the national skills development agenda. It translates legislative mandates and policy priorities into actionable funding mechanisms that are predictable, measurable, and accountable. Through this framework, TETA seeks to cultivate a culture of disciplined financial management that links every rand invested to tangible outcomes in learning, employment, and transformation. The framework therefore ensures:

- Transparent and equitable utilisation of levy-funded resources that serve the interests of the transport sector.
- A clear strategic focus on priority skills development, innovation, and transformation imperatives identified in the Sector Skills Plan and the Annual Performance Plan.
- Strengthened governance and internal control mechanisms that guarantee accountability and eliminate opportunities for bias or mismanagement.
- Full alignment between financial allocations and institutional performance targets to achieve measurable developmental outcomes.
- A corrective and proactive response to weaknesses previously identified in audit and compliance reviews, ensuring continuous improvement in grant administration.

Through these measures, the framework positions the Discretionary Grant system as a credible development finance instrument that reinforces confidence among levy payers, public partners, and learners. It transforms TETA's funding model into a driver of national skills priorities, sustainable employment creation, and inclusive sectoral growth.

#### **4. OBJECTIVES OF THE FRAMEWORK**

The Discretionary Grants Funding Framework is designed to ensure that the allocation and management of resources advance both the strategic priorities of the Transport Education and Training Authority and the national developmental agenda. Its objectives are to:

- i. Ensure proportional allocation of Discretionary Grants in accordance with levy contributions, sectoral priorities, and identified scarce and critical skills.
- ii. Institutionalise the 80/20 principle to guarantee that eighty percent of the total Discretionary Grant budget supports PIVOTAL programmes that lead to qualifications, workplace training, and employment, while twenty percent funds non-PIVOTAL initiatives such as research, innovation, transformation projects, career guidance and strategic institutional priorities.
- iii. Enforce the 95 percent commitment rule to maintain fiscal discipline and ensure that at least ninety-five percent of the annual Discretionary Grant budget is contractually committed to approved projects within the financial year, thereby preventing underspending and improving audit performance.
- iv. Strengthen oversight and accountability through defined governance structures, including enhanced roles for the Accounting Authority, Executive Management, and internal control units responsible for monitoring, evaluation, and reporting.
- v. Promote equitable access to funding across subsectors, enterprises, and accredited institutions to expand participation and transformation throughout the transport sector.
- vi. Support strategic innovation, digitalisation, and transformation projects that align with TETA's institutional goals and strengthen the delivery of national priorities such as the National Skills Development Plan 2030.
- vii. Ensure full compliance with the Public Finance Management Act, Treasury Regulations, the Skills Development Act, and all applicable Grant Regulations governing public entities.

These objectives collectively create a disciplined, transparent, and performance-driven funding environment that guarantees the responsible use of levy resources, equitable benefit across all transport subsectors, and measurable impact on national development outcomes.

#### **5. FUNDING PRINCIPLES AND COMPLIANCE PROVISIONS**

The Discretionary Grants Funding Framework is underpinned by a set of funding principles that guide TETA's financial decision-making, strengthen accountability, and ensure alignment with legislative and policy imperatives. These principles translate the framework's objectives into enforceable standards that shape how Discretionary Grants are planned, approved, and managed

across the transport sector. They also ensure that financial discipline is maintained without compromising innovation or developmental reach.

### **5.1. Strategic Investment Principle**

All Discretionary Grant allocations must be strategically directed towards programmes that advance the national and sectoral priorities outlined in the Sector Skills Plan, the Strategic Plan, and the Annual Performance Plan. Funding decisions must support TETA's core mandate of developing critical and scarce skills, enhancing employability, and contributing to an efficient, safe, and live transport economy. Every allocation must therefore demonstrate a clear link between financial investment, strategic intent, and measurable outcomes.

### **5.2. Equity and Fair Access Principle**

The framework promotes equitable access to funding opportunities across all subsectors and stakeholder categories. This ensures that both large and small levy-paying employers, as well as public institutions and emerging training providers, are able to benefit from the Discretionary Grant system. Selection processes must remain transparent, competitive, and merit-based, with priority given to initiatives that advance transformation, inclusivity, and rural participation.

### **5.3. The 80/20 Composition Principle**

A balanced investment model is applied through the 80/20 ratio between PIVOTAL and non-PIVOTAL programmes. Eighty percent of the Discretionary Grant budget is allocated to PIVOTAL interventions that lead to formal qualifications, workplace learning, and employment. These include learnerships, apprenticeships, internships, and bursaries that address scarce and critical skills. The remaining twenty percent funds non-PIVOTAL initiatives such as institutional capacity-building, research, innovation, transformation projects, career guidance and digitalisation programmes. This ratio ensures that TETA fulfils its core training mandate while maintaining flexibility to support innovation and system improvement.

### **5.4. The 95 Percent Commitment Principle**

Fiscal discipline is reinforced through the 95 percent commitment rule. This requires that at least ninety-five percent of the total Discretionary Grant allocation be contractually committed to approved projects within the financial year. This principle ensures efficient utilisation of funds, prevents underspending, and enhances compliance with PFMA and Treasury requirements. The remaining five percent is retained as a prudent reserve to accommodate strategic adjustments, emerging opportunities, or unforeseen operational requirements that may arise during the financial year.

### **5.5. Accountability and Auditability Principle**

Every grant allocation must be fully auditable. Supporting documentation, contractual commitments, and performance evidence must be maintained in a manner that satisfies both internal and external audit requirements. This principle promotes transparency, strengthens governance, and enhances the credibility of TETA's financial management practices.

### **5.6. Transformation and Inclusivity Principle**

The framework prioritises inclusivity across all funded programmes. Preference is given to projects that advance the participation of women, youth, persons with disabilities, and learners from rural or under-resourced areas. Employers and training partners that demonstrate a commitment to absorbing learners into permanent employment or long-term skills pathways are incentivised through funding prioritisation and top-up grants where appropriate.

These principles collectively establish a culture of disciplined, transparent, and performance-driven grant management. They ensure that TETA's funding decisions are legally compliant, strategically aligned, and developmentally impactful, securing both public trust and institutional credibility.

## 6. SCOPE AND APPLICATION OF THE FRAMEWORK

This framework governs the allocation, management, and oversight of all Discretionary Grants administered through the Transport Education and Training Authority. It establishes the boundaries of authority, accountability, and responsibility in the funding process, ensuring that every grant awarded contributes directly to the strategic priorities of the transport sector and the national skills agenda. The framework applies to every phase of the Discretionary Grant lifecycle from planning and budgeting to implementation, monitoring, and reporting.

### 6.1. Governance and Accountability Structure

The Discretionary Grants system follows a structured sequence of accountability that ensures fairness, transparency, and compliance at every level of decision-making. Each stage of the process is managed by a designated authority with defined roles and responsibilities.

STAGE OF PROCESS	RESPONSIBLE STRUCTURE/ FUNCTIONARY	CORE RESPONSIBILITIES AND ACCOUNTABILITY
Administrative Evaluation	Project Management Office (PMO)	Conducts the administrative evaluation of all Discretionary Grant applications. Verifies eligibility, applies scoring criteria, and compiles evaluation reports. Ensures consistency with approved policy, funding criteria, and documentary evidence.
Financial Verification	Chief Financial Officer (CFO)	Verifies financial integrity of all proposed allocations. Confirms availability of funds, ensures alignment with the approved budget, and certifies compliance with financial prescripts and Treasury requirements.
Process Integrity & Submission	Chief Executive Officer (CEO)	Ensures all administrative activities are implemented according to approved policies and procedures. Reviews evaluation results, confirms the integrity of the process, and submits consolidated reports and recommendations to the Governance and Strategy Committee for adjudication.
Adjudication and Recommendation	Governance and Strategy Committee (G&S)	Performs the adjudication function. Reviews the evaluation outcomes, confirms fairness and compliance, and recommends the final list of successful applicants to the Board. Does not evaluate or score applications but exercises fiduciary and governance oversight.
Final Approval and Accountability	Board (Accounting Authority)	Acts as the final approving authority for all Discretionary Grant allocations. Confirms that every award is compliant with legislation, aligns with sectoral priorities, and reflects principles of equity and value for money. Ensures accurate reporting to the Department of Higher Education and Training and the National Treasury.
Legal Compliance and Contracting	Legal Services and Company Secretary's Office	Ensures that all contracts and funded projects are legally sound, properly documented, and compliant with statutory and governance obligations. Maintains a central register of Discretionary Grant contracts and advises on the enforceability of agreements.

### 6.2. Exclusion of Operational Committees in Evaluation and Adjudication

The evaluation and adjudication of Discretionary Grants must remain entirely independent from operational and management structures. No management forum, internal committee, or executive platform is permitted to evaluate, score, or recommend applications for funding. This independence is essential to preserve objectivity, eliminate bias, and maintain public confidence in the integrity of the funding process.

To safeguard this independence and enhance transparency, the Chief Executive Officer, with approval of the Board, must appoint a qualified service provider to design and implement an integrated information technology system that supports the evaluation process under the Project Management Office. The system must be capable of automating, scoring, verifying

eligibility, and maintaining a secure and auditable digital trail of all applications. Over time, this will establish a digital evaluation platform that minimises human intervention, prevents manipulation, and ensures that evaluation outcomes are objective and data-driven.

Management will remain responsible for the monitoring of project implementation and post-award performance. Once grants have been approved, management must oversee the execution of funded projects, ensure that deliverables and milestones are achieved, and confirm that contractual obligations are met. Monitoring reports must provide accurate, verifiable information on project progress, expenditure, and developmental impact. This accountability ensures that each approved project contributes to national skills development priorities and upholds the highest standards of governance and stewardship.

### 6.3. Scope of Application

This framework applies to the full spectrum of Discretionary Grant activities undertaken by the Transport Education and Training Authority. It serves as a binding governance instrument for all stakeholders involved in the planning, administration, and utilisation of Discretionary Grant funds. The framework ensures that every allocation, whether directed to external applicants or institutional projects, is executed in a manner that is fair, auditable, and aligned with national skills development priorities. The scope of application extends to the following areas:

- 6.1.1. All Discretionary Grant funding windows and special calls issued by the Authority, including targeted interventions aligned with sectoral or national priorities.
- 6.1.2. All categories of eligible applicants, which include levy-paying employers, public and private training institutions, professional associations, community-based organisations, and other entities accredited or recognised under the skills development framework.
- 6.1.2. All phases of the Discretionary Grant process, covering the entire lifecycle from strategic planning, application, and evaluation through to approval, contracting, implementation, monitoring, and performance reporting. Each phase must demonstrate transparency, efficiency, and measurable developmental outcomes.
- 6.1.3. Strategic institutional projects financed through Discretionary Grants, which advance the Authority's transformation and innovation objectives. These projects include flagship initiatives such as the TETA Safety App, the Integrated Digitalisation System, and the Crowdsourcing Innovation Programme. Each project must comply with the same governance, accountability, and reporting standards applicable to external grants.

In essence, this framework is applicable to every Discretionary Grant decision and activity under the Authority's mandate. It ensures that resources are distributed equitably, programmes are implemented responsibly, and the outcomes achieved contribute meaningfully to the growth, transformation, and modernisation of the transport sector.

## 7. LEGISLATIVE AND POLICY CONTEXT

The Discretionary Grants Funding Framework is guided by an established legal and policy architecture that ensures transparency, accountability, and effective use of public resources. The framework gives effect to the statutory responsibilities of the Transport Education and Training Authority and aligns its funding decisions with national development priorities and governance standards.

### 7.1. Skills Development Act and Grant Regulations

The Skills Development Act (Act 97 of 1998) and the Grant Regulations (Government Gazette No. 35940 of 3 December 2012) provide the legislative foundation for the administration of levy funds by Sector Education and Training Authorities. These instruments define how funds must be managed, distributed, and accounted for to achieve national skills development outcomes. In accordance with these prescripts:

- All monies received under the Skills Development Levies Act must be utilised strictly for administration, mandatory grants, and discretionary grants in line with the approved budget and national priorities

- A minimum of eighty percent of Discretionary Grant funding must be allocated to PIVOTAL programmes, which address scarce and critical skills through structured learning and workplace experience.
- At least ninety-five percent of the available Discretionary Grant funds must be committed by 31 March of each financial year to ensure full utilisation of levy income and compliance with fiscal discipline standards.
- Any unclaimed mandatory grant funds, as well as interest earned, must be transferred to the Discretionary Fund to maximise investment in national and sectoral skills development programmes.

These provisions collectively ensure that TETA's Discretionary Grant investments are demand-driven, auditable, and directly linked to the transformation of the transport skills landscape.

## 7.2. Public Finance Management Act and Treasury Regulations

The Public Finance Management Act (PFMA) and its associated Treasury Regulations impose clear obligations on TETA to uphold financial prudence, accountability, and integrity. Sections 38, 49, 51, and 53 of the PFMA require that the Authority maintain systems of effective, efficient, and transparent financial and risk management. TETA must prevent irregular, fruitless, or wasteful expenditure and must submit a balanced and compliant budget to the Executive Authority no later than six months before the start of each financial year.

## 7.3. National Skills Development Plan (NSDP 2030)

The NSDP 2030 establishes the national direction for skills development and promotes a demand-led system that responds to the needs of the economy and society. This framework operationalises those principles by ensuring that TETA's funding decisions are proportional, inclusive, and evidence-based. Allocations must respond to clearly identified skills gaps, promote equitable participation across subsectors, and strengthen institutional capacity for long-term impact.

## 7.4. King IV Report on Corporate Governance

The NSDP 2030 establishes the national direction for skills development and promotes a demand-led system that responds to the needs of the economy and society. This framework operationalises those principles by ensuring that TETA's funding decisions are proportional, inclusive, and evidence-based. Allocations must respond to clearly identified skills gaps, promote equitable participation across subsectors, and strengthen institutional capacity for long-term impact.

## 8. STRATEGIC AND OPERATIONAL ALIGNMENT

The Discretionary Grants Funding Framework reinforces the strategic intent and operational direction of the Transport Education and Training Authority. It ensures that every funding decision directly supports the Authority's mandate to develop a skilled, competitive, and transformed transport sector. The framework aligns fully with TETA's core planning instruments as shown below:

STRATEGIC INSTRUMENT	PURPOSE AND FOCUS	LINK TO THE FUNDING FRAMEWORK
Strategic Plan (2025–2030)	Defines the long-term vision, developmental goals, and policy direction that guide TETA's institutional priorities. It sets the outcomes that determine what the Authority must achieve over the five-year period.	Provides the overarching reference for all Discretionary Grant interventions. Ensures that funding decisions directly advance TETA's strategic outcomes and long-term developmental objectives.
Annual Performance Plan (2025/26)	Translates strategic intent into annual targets, performance indicators, and measurable outputs. It operationalises the Strategic Plan through annual milestones and deliverables.	Ensures that Discretionary Grant allocations contribute directly to programme performance indicators, with measurable outputs reported to the Department of Higher Education and Training.

STRATEGIC INSTRUMENT	PURPOSE AND FOCUS	LINK TO THE FUNDING FRAMEWORK
Sector Skills Plan (SSP)	Presents evidence-based analysis of sector priorities, scarce and critical skills, and future occupational trends. It identifies gaps, forecasts demand and proposes responses for skills development across subsectors.	Serves as the technical foundation of the Funding Framework, ensuring that funding decisions are data-driven and address verified skills shortages and emerging industry demands.

Through this alignment, the Funding Framework guarantees that all Discretionary Grant investments are purpose-driven, strategically coherent, and performance-oriented. Every funded initiative must clearly demonstrate its contribution to TETA’s institutional outcomes of Governance, Skills, Transformation, Partnerships, and Innovation.

This integration ensures that TETA’s investments are compliant, auditable, and impactful. It transforms the allocation of funds into a strategic tool for advancing the National Skills Development Plan 2030 and the broader national goal of building a modern, inclusive, and knowledge-based transport economy.

## 9. FUNDING STRATEGY AND PRIORITISATION LOGIC

The Funding Strategy outlines how the Transport Education and Training Authority allocates and prioritises its Discretionary Grant resources to achieve maximum developmental and socio-economic impact. It provides a deliberate and structured approach to the management of funds that promotes accountability, transparency, and tangible results. The strategy ensures that every allocation serves a purpose, creates value, and strengthens the national skills agenda.

This approach transforms the Discretionary Grant system from a routine administrative process into a dynamic investment mechanism focused on outcomes and measurable returns. TETA’s funding decisions are guided by a vision that positions the institution as a developmental investor in the transport economy. Each grant allocation is therefore treated as an investment that must contribute to economic growth, job creation, innovation, and transformation within the sector.

The Funding Strategy promotes responsible use of public funds and ensures that financial decisions are based on evidence, performance, and developmental need. It links every rand spent to a clear outcome that can be demonstrated, verified, and sustained.

Through this approach, TETA ensures that the grant system produces real economic value and supports the advancement of national priorities in education, employment, and industry development. The strategy is founded on several key intentions:

- Maximise developmental returns through targeted investment in programmes that create employment, expand access, and improve productivity within the transport sector.
- Strengthen institutional performance through alignment with the Strategic Plan, Annual Performance Plan, and Sector Skills Plan to ensure that funded projects contribute directly to defined outcomes.
- Advance transformation and inclusivity through focused incentives that promote the participation of women, youth, persons with disabilities, and rural learners in accredited training opportunities.
- Support innovation and digitalisation through funding of modern technologies, research, and digital systems that enhance efficiency, learning quality, and sector competitiveness.
- Promote fiscal responsibility and accountability through fair allocation models, clear performance indicators, and transparent reporting to all stakeholders.

This Funding Strategy moves TETA from a posture of compliance to one of strategic impact. It ensures that every funding decision represents a calculated investment in the future of the transport sector and the country. It promotes a culture where funding is not only spent but strategically applied to generate lasting social and economic benefits.

## 9.1. TETA's Funding Mandate

The Transport Education and Training Authority carries a national responsibility to manage and administer levy income in a manner that advances the development of skills, knowledge, and innovation within South Africa's transport sector. This mandate extends far beyond the basic functions of fund administration or financial compliance. It requires the Authority to apply public resources strategically, responsibly, and with a deliberate focus on producing outcomes that are measurable, equitable, and transformative.

TETA's funding mandate is both developmental and economic in nature. It seeks to create a transport sector that is globally competitive, socially inclusive, and equipped with a workforce that meets the demands of a rapidly evolving economy. The Authority views the Discretionary Grant system as a catalyst for transformation and productivity, a mechanism that builds human capital, strengthens institutions, and enhances national capacity to deliver sustainable economic growth.

The Authority's funding approach is guided by the principle of value creation. Every allocation must demonstrate a direct and traceable contribution to the public good. The intention is to ensure that each rand invested in training, research, or institutional support yields measurable returns in employment creation, enterprise development, and technological advancement. Accordingly, TETA's funding mandate focuses on the following strategic priorities:

- Expanding the supply of qualified, competent, and employable individuals in all subsectors of the transport industry through targeted investments in artisan development, learnerships, apprenticeships, and workplace learning programmes.
- Supporting transformation and inclusivity by promoting equitable access to education and training opportunities for historically disadvantaged individuals, women, youth, persons with disabilities, and communities located in rural or under-resourced areas.
- Strengthening institutional capacity within training providers, public entities, and industry partners to deliver responsive, high-quality skills programmes that meet emerging occupational demands and international standards.
- Promoting innovation, research, and digital readiness as critical enablers of competitiveness and future growth. This includes investment in digital systems, modern learning technologies, and sector-wide research that informs policy and practice.

This mandate is implemented through rigorous evidence-based planning, proportional allocation of resources, and governance mechanisms that ensure fairness, transparency, and accountability. All funding decisions are aligned with the Skills Development Act, the Grant Regulations, the Public Finance Management Act, and the National Skills Development Plan 2030.

Through this approach, TETA ensures that its funding activities do not merely comply with statutory obligations but actively contribute to South Africa's broader developmental goals. The Authority's stewardship of levy funds reflects a commitment to excellence, transformation, and sustainable impact across the transport sector and the national economy.

## 9.2. TETA Funding Mandate to Developmental Outcomes

FOCUS AREA	STRATEGIC INTENT	EXPECTED DEVELOPMENTAL OUTCOMES	PERFORMANCE INDICATORS
Skills Supply and Employability	Expand the pool of qualified, competent, and employable individuals within all transport subsectors.	Increased number of trained artisans, technicians, and professionals ready for absorption into the labour market.	Number of learners completing PIVOTAL programmes Percentage of learners absorbed into employment or internships
		Improved alignment of training outputs with sectoral needs and occupational standards	Reduction in identified scarce and critical skills gaps
Transformation and Inclusivity	Promote equitable access to education and training opportunities across all demographic and geographic groups.	Greater participation of women, youth, and persons with disabilities in transport-related occupations.	Percentage of female, youth, and disabled learners in funded programmes

FOCUS AREA	STRATEGIC INTENT	EXPECTED DEVELOPMENTAL OUTCOMES	PERFORMANCE INDICATORS
Transformation and Inclusivity	Promote equitable access to education and training opportunities across all demographic and geographic groups.	Expanded training access for rural and previously marginalised communities.	Number of rural-based training initiatives supported
			Percentage of beneficiaries from historically disadvantaged backgrounds
Institutional Capacity-Building	Strengthen the capability and quality of training providers, TVET colleges, and industry partners.	Improved institutional readiness to deliver accredited, demand-driven training.	Number of capacity-building initiatives for training institutions
			Number of accredited training providers supported
		Enhanced quality assurance, governance, and infrastructure within partner institutions	Improvement in audit compliance and quality ratings
Innovation, Research, and Digital Readiness	Promote innovation and digital transformation as enablers of competitiveness and future growth.	Enhanced digital infrastructure within the sector. Adoption of technology-driven training and operational systems.	Number of digital and innovation projects funded
			Implementation of digital platforms such as the TETA Safety App and Integrated Digitalisation System
		Evidence-based decision-making supported by applied research.	Number of research outputs informing policy and skills planning

### 9.3. Strategic Funding Priorities

The strategic funding priorities of the Transport Education and Training Authority are drawn from its Strategic Plan (2025–2030), Annual Performance Plan (2025/26), and Sector Skills Plan (SSP). Together, these instruments define the areas of greatest developmental value in the transport economy and provide the foundation for evidence-based investment decisions.

The priorities ensure that every Discretionary Grant allocation contributes meaningfully to the Authority’s broader mandate of building a skilled, competitive, and transformed transport sector. The allocation of funds will therefore focus on five central pillars of developmental impact:

#### 9.3.1. Artisan and Technical Training in Critical Occupations

TETA places the highest emphasis on expanding the supply of qualified artisans, engineers, and technicians who form the backbone of South Africa’s transport and logistics economy. Strategic funding will support occupationally directed training in sectors such as maritime, aviation, rail, road freight, ports, and logistics.

Programmes funded under this priority must address identified scarce and critical skills as outlined in the Sector Skills Plan and must demonstrate measurable employment or placement outcomes. This focus ensures the creation of a technically competent workforce capable of supporting infrastructure expansion, operational safety, and innovation across all transport modes.

#### 9.3.2. Youth Employability and Graduate Placement

Youth unemployment remains one of the most pressing challenges in South Africa’s labour market. TETA’s funding strategy therefore prioritises opportunities that promote the employability of young people through learnerships, internships, apprenticeships, and graduate placement programmes.

Preference will be given to employers and training projects that demonstrate strong workplace integration models and high absorption rates after training completion. Through this focus, TETA seeks to convert training opportunities into sustainable employment pathways that enhance livelihoods and contribute to economic growth.

#### 9.3.3. Research, Digitalisation, and Innovation for the Transport Economy

A modern and competitive transport system relies on innovation, research, and digital transformation. TETA will support applied research and technology-driven initiatives that improve operational efficiency, safety, and sustainability within the sector. This includes investment in automation, artificial intelligence, smart logistics, green technologies, and digital learning platforms.

These interventions will not only modernise the training environment but also prepare the sector for global competitiveness and the Fourth Industrial Revolution. Research partnerships with institutions of higher learning, think tanks, and private innovators will be encouraged to ensure that funding generates practical, evidence-based solutions for the transport economy.

#### 9.3.4. Gender Equity and Rural Empowerment

Transformation and inclusivity remain at the heart of TETA's developmental mandate. Funding will target programmes that expand the participation of women in technical, leadership, and entrepreneurial roles within the transport industry. Simultaneously, priority will be given to projects that extend training opportunities to rural and underdeveloped areas where access to formal learning remains limited.

This strategic focus supports national imperatives for gender equality, rural development, and balanced economic growth. It ensures that the benefits of the Discretionary Grant system are shared broadly and fairly across society.

#### 9.3.5. Institutional Capacity-Building within Public Training Providers

Sustainable skills development requires strong, capable, and well-resourced training institutions. TETA will invest in strengthening the institutional and technological capacity of TVET colleges, universities, and other accredited providers to deliver responsive, industry-aligned training.

Funding under this priority will cover infrastructure enhancement, curriculum modernisation, trainer development, and quality assurance systems. The goal is to ensure that public training institutions become centres of excellence capable of producing the skills and competencies demanded by the transport sector.

These strategic funding priorities ensure that Discretionary Grant investments remain targeted, evidence-based, and transformative. They guarantee that every allocation contributes to both national development objectives and sectoral competitiveness, positioning TETA as a driver of inclusive and sustainable economic growth.

### 9.4. Skills Planning and Demand Mapping

The process of identifying and refining funding priorities within the Transport Education and Training Authority is rooted in a disciplined and evidence-based approach to skills planning and demand analysis. This ensures that all funding decisions are informed by verified data, institutional intelligence, and stakeholder insights rather than assumptions or historical allocation patterns. It provides a strategic and forward-looking view of the transport sector's evolving skills landscape and ensures that every rand allocated delivers maximum developmental value and measurable impact.

TETA's approach to skills planning is both systematic and adaptive, recognising that the transport economy is influenced by rapid technological change, shifting labour demands, and transformation imperatives. Through this continuous process,

the Authority maintains a dynamic understanding of the sector's present and future human capital needs, ensuring that resources are directed to programmes with the highest potential to close skills gaps, stimulate employment, and drive innovation. The planning and demand mapping process encompasses the following key activities:

#### 9.4.1. Analysis of Levy Contribution Data

The analysis of levy contribution data forms the empirical foundation of TETA's funding logic. Each year, the Authority conducts a detailed examination of levy submissions across all registered transport sub-sectors to determine financial capacity, workforce size, and the degree of participation in training and skills development. This analysis is not a mere compliance exercise; it serves as a diagnostic instrument that reveals how economic performance, employment patterns, and training participation vary within the sector.

Through this process, TETA establishes an accurate picture of who contributes to the Skills Development Levy, at what scale, and with what developmental potential. This data enables proportional allocation of Discretionary Grants that reflect actual industry participation, ensuring fairness and strategic equity across all sub-sectors. It also supports the Authority in identifying sub-sectors that may require targeted developmental support due to limited levy bases, thereby promoting balanced growth within the transport economy.

#### 9.4.2. Review of Workplace Skills Plans (WSPs) and Annual Training Reports (ATRs)

The systematic review of Workplace Skills Plans and Annual Training Reports is central to maintaining a demand-driven funding system. TETA subjects all employer submissions to rigorous analysis to identify occupational shortages, emerging skill demands, and underfunded areas within the sector. This process transforms employer data into actionable intelligence, ensuring that Discretionary Grants are allocated based on verifiable evidence rather than administrative patterns or historical habits.

Through this review, the Authority gains a detailed understanding of current training gaps, future workforce projections, and areas where industry innovation may redefine skills requirements. It also enables the detection of underperforming sectors or training categories where funding has not translated into measurable employment outcomes. The insights derived from these reports guide the design of funding windows and ensure that grant allocations align precisely with industry demand and national development priorities.

#### 9.4.3. Continuous Updating of the Sector Skills Plan (SSP)

The Sector Skills Plan serves as the technical backbone of TETA's funding and planning architecture. Continuous updating of this plan ensures that it reflects real-time economic shifts, technological advancements, and evolving policy imperatives. The SSP is not a static document; it is a living strategy that must evolve alongside the transport sector's transition toward automation, artificial intelligence, digital logistics, green transport, and sustainable mobility solutions.

TETA's ongoing refinement of the SSP allows for timely incorporation of labour market intelligence, regulatory developments, and transformation imperatives that shape skills demand. This dynamic approach ensures that funding priorities remain relevant and future-focused, linking every investment to broader sectoral transformation goals and to national frameworks such as the National Skills Development Plan (NSDP 2030). In doing so, the SSP guarantees that TETA's funding model remains responsive, evidence-based, and aligned with the country's socio-economic trajectory.

#### 9.4.4. Structured Engagement with Social Partners

TETA recognises that sustainable and credible skills development requires collaboration across the entire ecosystem of industry stakeholders. Structured engagement with social partners, employer associations, organised labour, professional bodies, training institutions, and community representatives forms a cornerstone of TETA's demand-mapping methodology. These engagements go beyond consultation; they are platforms for validation, knowledge exchange, and

consensus-building.

Through these interactions, TETA verifies the authenticity of industry data, tests projections, and ensures that all sub-sectors are represented in funding decisions. This inclusivity strengthens governance, improves transparency, and nurtures shared ownership of outcomes among the Authority’s partners. It also allows TETA to align its funding programmes with industry transformation agendas and sectoral innovation initiatives, reinforcing the Authority’s commitment to collaborative and participatory governance.

#### 9.4.5. Collaboration with Research and Academic Institutions

The Authority’s collaboration with universities, research agencies, and think tanks anchors its funding framework in empirical evidence and intellectual rigour. These partnerships are instrumental in generating labour market forecasts, sectoral performance studies, and innovation metrics that enhance TETA’s ability to make informed and strategic funding decisions.

Through collaborative research, TETA gains deeper insight into global transport trends, emerging technologies, and the evolving skill sets required to sustain competitiveness in an increasingly digital economy. The outputs of these partnerships inform the design of Discretionary Grant windows, guide policy refinement, and support long-term forecasting of sectoral human capital needs.

This research-driven collaboration ensures that the Authority’s funding system is both forward-looking and adaptive. It strengthens institutional credibility and positions TETA as a knowledge leader in the transport education and training landscape—an entity that invests not only in today’s skills but in the capabilities that will define the transport workforce of the future.

#### 9.4.6. Skills Planning Data Framework

The following is the skills planning data framework. This integrated approach to skills planning ensures that the Transport Education and Training Authority remains responsive to changing industry conditions, aligned to national priorities, and accountable for the measurable impact of its funding interventions.

CORE ACTIVITY	PURPOSE	STRATEGIC OUTCOME
Levy Contribution Analysis	To assess the financial participation, employment scale, and training investment capacity of each transport subsector.	Enables proportional allocation of Discretionary Grants based on verified economic activity and sectoral contribution levels.
Review of Workplace Skills Plans (WSPs) and Annual Training Reports (ATRs)	To identify current and emerging occupational shortages, training gaps, and underfunded areas.	Aligns funding windows with the real needs of employers and improves responsiveness to market demand.
Continuous Updating of the Sector Skills Plan (SSP)	To integrate evolving industry data, policy shifts, and technological changes such as automation, digitalisation, and green transport.	Ensures that TETA’s funding priorities remain relevant, evidence-based, and aligned with national policy frameworks.
Structured Engagement with Social Partners	To validate data, test assumptions, and promote shared ownership among employer associations, labour, professional bodies, and training institutions.	Strengthens collaboration, transparency, and balanced representation in funding decisions.
Collaboration with Research and Academic Institutions	To generate labour market intelligence, innovation insights, and forecasts that inform the design of Discretionary Grant windows.	Enhances policy precision and ensures that funding decisions are informed by credible research and measurable evidence.

## 9.5. Proportional Allocation Model

The Proportional Allocation Model is the cornerstone of financial fairness and strategic equity in the administration of Discretionary Grants. It ensures that every subsector within the transport industry benefits from the Skills Development Levy system in a manner that is both transparent and proportionate to its contribution to the overall levy pool. This model embeds accountability, promotes balanced sectoral growth, and ensures that TETA's funding decisions are informed by verified financial data and aligned to developmental priorities.

### 9.5.1. Objective

The objective of the Proportional Allocation Model is to establish a structured and equitable approach to the distribution of Discretionary Grants across TETA's chambers and sub-sectors. The model guarantees fairness, consistency, and transparency in how funds are allocated, ensuring that no sub-sector is unfairly disadvantaged or disproportionately advantaged.

It operationalises TETA's commitment to fiscal responsibility and developmental justice by linking funding directly to the actual contribution made through levy payments. In doing so, it strengthens stakeholder confidence, supports efficient financial planning, and ensures that every rand disbursed contributes to measurable sectoral and national outcomes.

### 9.5.2. The distribution structure

The allocation of Skills Development Levy income follows the funding architecture prescribed in the Skills Development Act and the 2012 Grant Regulations. This structure balances national priorities, employer benefits, sector development, institutional stewardship, and quality assurance. It presents the full picture of levy flows so that totals reach one hundred.

COMPONENT	ALLOCATION (%)	PURPOSE
National Skills Fund	20	Amount transferred directly to the National Skills Fund for national and cross sector priorities determined by the Minister.
Mandatory Grants	20	Paid to levy paying employers that submit approved Workplace Skills Plans and Annual Training Reports. This promotes accredited workplace learning and employer participation.
Discretionary Grants	49	Allocated to programmes that address sector priorities, scarce and critical skills, innovation, transformation, and institutional development. A minimum of eighty percent of this allocation funds PIVOTAL programmes in terms of the Grant Regulations.
Administration	10.5	Provides for operational effectiveness, governance, monitoring, compliance, and risk management in line with the PFMA and Treasury Regulations.
QCTO Contribution	0.5	Transferred to the Quality Council for Trades and Occupations for national quality assurance and qualification development.
<b>Total</b>	<b>100</b>	

This distribution structure upholds the legal thresholds and funding principles established in the Grant Regulations and reflects TETA's commitment to fiscal discipline, compliance, and developmental impact. It ensures that levy income is applied in a manner that directly contributes to measurable outcomes in skills development, transformation, and innovation within the transport sector.

The model also embeds flexibility for targeted funding within the Discretionary Grant category to support strategic initiatives approved by the Board, provided that all allocations remain within the prescribed regulatory limits and are transparently reported to the Department of Higher Education and Training and the National Treasury.

### 9.5.3. Regulatory and Governance Compliance Matrix

This compliance matrix confirms that the TETA administers all levy income in strict accordance with the Skills Development Act, the Grant Regulations (2012), the PFMA, and the King IV Code on Corporate Governance.

Every component of the Funding Framework from allocation ratios to reporting protocols has been designed to ensure legality, transparency, and developmental impact. Through this governance model, TETA displays unwavering accountability to its stakeholders, the DHET, and the broader public, ensuring that every rand spent advances South Africa’s skills, innovation, and transformation agenda.

LEGISLATIVE / GOVERNANCE FRAMEWORK	REGULATORY PROVISION	TETA COMPLIANCE ACTION	OUTCOME / ASSURANCE
Skills Development Act (Act No. 97 of 1998)	Establishes the framework for the collection, management, and utilisation of the Skills Development Levy to promote skills development across all sectors of the economy.	Levy income received from SARS is applied strictly for purposes of skills development, quality assurance, and administration in accordance with the Act.	Compliance confirmed through annual audits by the Auditor-General of South Africa (AGSA) and oversight by the Department of Higher Education and Training (DHET).
Grant Regulations (Government Gazette No. 35940 of 3 December 2012)	Regulation 3: Allocation of levy income, 20% to the National Skills Fund (NSF), 20% to mandatory grants, a minimum of 49.5% to discretionary grants, a maximum of 10.5% for administration, and 0.5% to the QCTO.	TETA applies the prescribed allocation ratios without deviation. All disbursements are approved by the Board and reflected in audited annual financial statements.	Full compliance; no variance from statutory requirements.
	Regulation 4(1)(b): A minimum of 80% of the discretionary fund must support PIVOTAL programmes.	The Funding Framework enforces the 80/20 PIVOTAL rule and embeds quarterly compliance monitoring through Finance and the Governance & Strategy Committee.	Continuous adherence to DHET guidelines and measurable contribution to NSDP 2030 outcomes.
Public Finance Management Act (PFMA) and Treasury Regulations	Sections 38–53: Require effective financial management, transparent systems of internal control, and accountable use of public funds.	TETA operates under a PFMA-compliant financial governance framework supported by internal audit, risk management, and quarterly reporting to DHET and National Treasury.	Strengthened accountability, improved audit outcomes, and reduction in irregular and wasteful expenditure.
King IV Code on Corporate Governance (2016)	Principles 11–13: Promote ethical leadership, governance integrity, and accountability in decision-making.	Delegations of Authority, Board oversight, and committee structures ensure ethical governance, segregation of duties, and transparent adjudication of funding decisions.	Demonstrated governance maturity, ethical stewardship, and consistency in decision-making.
National Skills Development Plan (NSDP) 2030	Advocates demand-driven, inclusive, and transformative skills development aligned to economic growth and employment creation.	TETA’s funding priorities, proportional allocation model, and transformation incentives directly support NSDP 2030 outcomes and the Government’s socio-economic objectives.	Strong alignment with national development agenda and measurable sectoral impact.

## 9.6. Sub-sector Allocation

Each transport sub-sector under the TETA, namely Aviation, Maritime, Rail, Road Freight, Road Passenger, Freight Handling, Forwarding and Clearing, and Aerospace, receives a proportional share of the Discretionary Grant pool based on audited levy income.

This proportional distribution ensures that each sub-sector receives funding that reflects its economic participation, contribution to levy income, and demonstrated investment in training and development. The approach guarantees equity across the transport value chain and ensures that even smaller sub-sectors remain part of the national skills development drive.

Allocations are refined each year to ensure that developmental objectives and transformation priorities are achieved. Sub-sector allocations may be adjusted where specific industries show high levels of scarce skills shortages, national infrastructure significance, or strategic economic importance. These adjustments are not arbitrary but are guided by data, national priorities, and the Authority's transformation and inclusivity goals.

Sub-sector allocations are reviewed annually using a structured process that draws on verified levy data, sector demand trends, performance indicators, and inclusivity outcomes. The purpose is to maintain a balance between fairness and flexibility while ensuring that funding remains responsive to changing industry realities.

The Sub-sector Allocation Model represents TETA's commitment to fairness, prudence, and measurable developmental impact. It elevates the Discretionary Grant process into a results-oriented investment system that ensures resources are directed where they create the greatest social and economic value.

Through this model, TETA strengthens the link between financial contribution and developmental return. It ensures that smaller sub-sectors remain viable contributors to South Africa's transport economy while prioritising national transformation and innovation.

## 9.7. Compliance and Governance Controls

The proportional allocation model operates within a controlled and transparent governance system designed to safeguard integrity, maintain fiscal discipline, and ensure accountability at all stages of the funding process. The following controls apply to all allocation decisions and adjustments:

### 9.7.1. Proportional Integrity

Allocations are derived directly from audited levy income. No sub-sector receives funding beyond its proportional entitlement unless a data-driven justification, aligned with national priority needs, is presented and approved by the Board.

### 9.7.2. Maximum Deviation

No sub-sector may exceed a ten percent variation above its proportional share without prior approval of the Board. This measure maintains equity and prevents overconcentration of resources in one sub-sector unless such a deviation is justified through verified data and national priority needs.

### 9.7.3. Reallocation of Uncommitted Funds

Funds that remain uncommitted after the third quarter of the financial year are returned to the general Discretionary Grant pool for reallocation to approved high-impact projects during the same financial cycle. This control prevents underutilisation and ensures that all available resources contribute to tangible outcomes within the financial year.

#### 9.7.4. Financial Oversight and Reporting

The Chief Financial Officer must submit quarterly reports to the Governance and Strategy Committee detailing levy inflows, proportional allocations, expenditure trends, and variances across sub-sectors. This ongoing reporting ensures transparency, strengthens financial governance, and allows early corrective action where deviations or risks are detected.

#### 9.7.5. Inclusivity Assurance Mechanism

The proportional allocation model promotes inclusivity through transparent and verifiable funding decisions that are grounded in real sector data. Each sub-sector, regardless of its size or financial base, benefits from an allocation that reflects its contribution to the transport economy and its participation in accredited training initiatives.

This approach ensures that smaller or developing sub-sectors continue to have access to Discretionary Grant funding that supports growth, transformation, and innovation. It removes artificial thresholds while maintaining equity through data-driven planning and oversight.

When a sub-sector demonstrates high developmental importance or transformation potential despite a modest levy contribution, the Board may approve targeted interventions within the existing Discretionary Grant pool. Such interventions strengthen national impact without distorting the overall proportional balance or exceeding approved financial limits.

The inclusivity assurance principle reinforces TETA's commitment to fairness, transparency, and balanced development. It ensures that the funding system remains equitable and aligned with the broader national agenda of inclusive economic growth and social progress within the transport sector.

### 9.8. PIVOTAL and Non-PIVOTAL Funding

TETA's Discretionary Grant funding framework is structured to support both PIVOTAL and Non-PIVOTAL programmes in accordance with the Grant Regulations (Government Gazette No. 35940 of 3 December 2012). This dual-track approach ensures that the Authority delivers measurable skills outcomes while simultaneously driving transformation, innovation, and institutional excellence across the transport sector.

#### 9.8.1. PIVOTAL Programmes

PIVOTAL stands for Professional, Vocational, Occupational, Technical, and Academic Learning programmes that lead to accredited qualifications and formal recognition of skills within the National Qualifications Framework (NQF). These programmes represent the highest developmental priority within TETA's Discretionary Grant funding framework and include learnerships, apprenticeships, bursaries, internships, cadetships, and occupationally directed training.

PIVOTAL programmes are designed to strengthen the alignment between education, training, and employment in the transport sector. They create a direct pathway from learning to productive work by equipping learners with both theoretical knowledge and practical workplace experience. This ensures that graduates are not only qualified but also competent, employable, and ready to contribute immediately to national productivity, operational safety, and sectoral innovation.

The PIVOTAL funding stream anchors TETA's strategic commitment to the National Skills Development Plan (NSDP 2030) and the Skills Development Act, ensuring that public funds are channeled toward initiatives that yield measurable socio-economic returns. In accordance with the Grant Regulations, at least eighty percent of the Discretionary Grant pool is dedicated to PIVOTAL programmes. This ensures that the majority of financial resources are invested in sustainable, qualification-based learning with long-term developmental impact.

Priority within this funding category is afforded to initiatives that deliver high-impact outcomes, including:

- Multi-year continuation learners which will ensure the completion of existing cohorts to prevent dropouts and safeguard the continuity of learning investments.
- Occupations identified in the Sector Skills Plan that are targeting scarce and critical skills in areas such as aviation maintenance, maritime navigation, rail operations, freight logistics, road safety, and transport engineering.
- Supporting programmes that guarantee placement or absorption, formal employment opportunities or structured workplace experience upon completion, reinforcing the employability objective of the NSDP 2030.

In addition to these priorities, the PIVOTAL funding stream also supports:

- Collaborative partnerships between employers, TVET colleges, universities, and public entities that expand access to accredited programmes.
- Transformation-driven interventions that increase participation of women, youth, and persons with disabilities in technical and leadership training.
- Innovation-oriented learning models that integrate digitalisation, automation, and green transport technologies to prepare the sector for future demands.

The impact of PIVOTAL programmes extends beyond skills delivery. They serve as a strategic investment in national competitiveness, reducing unemployment, promoting social inclusion, and improving operational efficiency across all modes of transport. Through the sustained implementation of PIVOTAL interventions, TETA strengthens the link between education and work, ensuring a consistent pipeline of qualified professionals and artisans who support the growth, safety, and sustainability of South Africa's transport economy.

#### 9.8.2. Non-PIVOTAL Programmes

Non-PIVOTAL programmes refer to initiatives that do not result directly in a formal qualification but nonetheless make a substantial contribution to the growth, innovation, and sustainability of the transport sector. These programmes are essential enablers of transformation, organisational excellence, research, and system improvement. They strengthen the environment within which formal learning takes place and ensure that the transport sector remains adaptive, efficient, and globally competitive.

Non-PIVOTAL funding serves as a strategic investment mechanism that allows TETA to address developmental areas not covered through accredited learning. These initiatives include sectoral research, institutional capacity-building, innovation pilots, technology-driven solutions, and community development projects that advance the broader objectives of the National Skills Development Plan (NSDP 2030) and the Skills Development Act. The primary focus of Non-PIVOTAL funding is to support programmes that:

- Enhance sectoral performance and competitiveness through research, innovation, and modernisation.
- Strengthen institutional capacity within TVET colleges, universities, and training providers to improve quality, governance, and responsiveness to industry needs.
- Promote transformation and inclusivity by enabling small enterprises, non-governmental organisations, and community-based structures to participate in the national skills ecosystem.
- Facilitate digital transformation and knowledge creation across the transport value chain to improve operational efficiency and service excellence.

Through these interventions, TETA ensures that Non-PIVOTAL investments deliver measurable developmental outcomes even where formal qualifications are not the immediate result. The programmes complement PIVOTAL initiatives by building institutional readiness, promoting research-based decision-making, and strengthening partnerships that sustain long-term sectoral growth.

To maintain transparency, accountability, and equitable access to resources, TETA applies strict governance controls to all Non-PIVOTAL allocations:

- No single organisation may receive more than ten percent of the total Non-PIVOTAL budget within its subsector in any financial year. This prevents overconcentration and ensures that funding reaches a wide and diverse pool of beneficiaries.
- Any proposed deviation from the ten percent limit must be fully motivated in writing, supported jointly by the Chief Executive Officer and the Governance and Strategy Committee, and approved formally by the Board. This requirement ensures that all exceptions are strategic, justified, and subject to transparent oversight.

These controls preserve fairness, prevent dependency, and ensure that Non-PIVOTAL funds achieve maximum developmental reach. They also promote broad participation among institutions that drive transformation, research, and innovation across the transport economy.

Through its Non-PIVOTAL funding stream, TETA sustains a balanced and comprehensive approach to national skills development. It ensures that the system remains not only qualification-driven but also innovation-led, institutionally strong, and socially inclusive, contributing to the long-term transformation and competitiveness of South Africa's transport sector.

### 9.8.3. Equitable Access and Allocation Limits

TETA promotes equitable access to funding to widen participation and ensure balanced development across the transport sector. The allocation system is designed to distribute opportunities fairly among established and emerging entities while prioritising those that contribute to transformation and social advancement. To achieve this, the following measures apply:

- Funding is distributed proportionally across large, medium, and small enterprises, ensuring broad-based participation in national skills development.
- Oversubscription is managed through scaling of project budgets to reach a larger pool of beneficiaries without compromising quality or compliance.
- Preference is given to new entrants, non-governmental organisations, and community-based entities that demonstrate commitment to transformation, employment creation, and empowerment of marginalised groups.

These provisions ensure that the Discretionary Grant system promotes both excellence and equity, driving an inclusive skills development agenda that reflects the social and economic diversity of South Africa's transport sector.

### 9.8.4. Integrated Developmental Impact

The combined investment in PIVOTAL and Non-PIVOTAL programmes forms the cornerstone of TETA's developmental mandate. Together, these two funding streams create a balanced and responsive skills development ecosystem that strengthens human capability, institutional performance, and sectoral competitiveness across the transport economy.

PIVOTAL programmes drive formal, qualification-based learning that expands the pool of technically skilled and professionally competent individuals. Non-PIVOTAL programmes complement this by supporting innovation, research, and institutional strengthening, ensuring that the learning system remains dynamic, inclusive, and aligned to future industry needs.

This integrated approach ensures that funding does not operate in isolation but contributes collectively to TETA's strategic outcomes of Governance, Skills Development, Transformation, Partnerships, and Innovation. It reinforces the principle that sustainable growth and transformation in the transport sector depend not only on the number of qualified individuals produced but also on the systems, institutions, and innovations that enable their continued development and

success.

Through the deliberate integration of PIVOTAL and Non-PIVOTAL funding, TETA positions itself as a catalyst for change. It ensures that every investment whether in human capital, institutional capacity, or sectoral innovation delivers measurable socio-economic value and supports South Africa's long-term vision for a skilled, inclusive, and globally competitive transport system.

## 9.9. Incentive Based Funding Measures

TETA's incentive-based funding model is designed to reward good performance, promote inclusivity, and stimulate transformation within the transport sector. It ensures that the Discretionary Grant system does not only allocate funds but also drives behaviour that contributes to national priorities such as employment creation, gender equality, disability inclusion, and rural development. Incentives are applied within approved financial parameters and linked directly to measurable outcomes.

### 9.9.1. Inclusivity Incentives

Inclusivity remains central to TETA's developmental philosophy. The Authority encourages projects that expand access to learning opportunities for persons with disabilities and communities located in rural or underdeveloped areas. Such projects receive additional consideration during evaluation and may qualify for top-up funding in recognition of their social and developmental contribution.

This measure promotes equality of opportunity and ensures that the benefits of the national skills development agenda reach all geographic and social segments of society. Inclusive projects also strengthen the link between training and social upliftment, ensuring that skills investments contribute to long-term community resilience and sustainable employment creation.

Priority is given to initiatives that demonstrate accessible learning environments, inclusive recruitment strategies, and partnerships with institutions that specialise in training persons with disabilities. Projects operating in rural areas are supported to overcome barriers such as limited infrastructure, travel constraints, and resource shortages through dedicated financial and logistical support.

### 9.9.2. Absorption Incentives

Sustainable impact is achieved when training leads to meaningful and permanent employment. To encourage employers to integrate trained learners into the workforce, TETA provides incentives to organisations that demonstrate strong post-training absorption rates.

Employers who absorb at least forty percent of learners into permanent or long-term employment following programme completion may qualify for additional discretionary funding in subsequent funding cycles. This incentive encourages a shift from training for compliance to training for real economic participation.

Absorption incentives create measurable value for both the learner and the employer. Learners gain stability, dignity, and practical experience, while employers benefit from a consistent pipeline of skilled personnel trained to meet their operational needs. The result is a more productive, inclusive, and competitive transport workforce.

### 9.9.3. Gender and Transformation Incentives

Gender transformation is a national and institutional priority. TETA gives preference to projects that increase the participation of women in technical, operational, and leadership roles across traditionally male dominated fields within the transport industry.

Gender equity is a mandatory criterion in all funding evaluations and forms part of the scoring model for both PIVOTAL and Non-PIVOTAL programmes. Programmes that include women in artisan training, engineering apprenticeships, or management development initiatives receive additional recognition during adjudication.

These incentives reinforce TETA's commitment to building a transport sector that reflects the diversity of South Africa's workforce and leadership potential. They promote fairness, equal opportunity, and social cohesion while contributing to the broader objectives of national transformation.

#### 9.9.4. Strategic Impact of Incentive Measures

The incentive-based funding measures create a funding environment that rewards developmental excellence rather than compliance alone. They ensure that every rand invested in skills development contributes not only to individual learning but also to social equity, institutional transformation, and economic inclusion.

Through these measures, TETA positions itself as an enabler of national development outcomes and a strategic partner in building a transport system that is skilled, inclusive, and globally competitive.

#### 9.9.5. Incentive Implementation Framework

All incentives are applied within approved budget ceilings and are subject to transparent governance, financial control, and performance monitoring.

No incentive shall create an automatic entitlement to additional funding; it must be justified through measurable impact, compliance with reporting standards, and alignment to TETA's Strategic Plan, Annual Performance Plan, and the National Skills Development Plan 2030

INCENTIVE CATEGORY	ELIGIBILITY CRITERIA	FUNDING ADVANTAGE / SUPPORT MEASURE	INTENDED DEVELOPMENTAL OUTCOME
Inclusivity Incentive	Projects that enroll learners with disabilities.	Additional weighting during evaluation.	Broader participation of marginalised groups.
	raining initiatives implemented in rural or underdeveloped areas.	Top-up grant to cover specialised equipment, travel support, or accessibility costs	Increased rural skills access and social inclusion.
	Institutions that demonstrate inclusive infrastructure or adaptive learning support.	Extended implementation period where required.	Strengthened community-based development.
Absorption Incentive	Employers that employ at least forty percent of learners permanently after completion of training.	Additional Discretionary Grant allocation in the next funding cycle.	Increased employment and retention of trained learners.
	Demonstrated workplace integration through payroll or HR evidence.	Recognition as a preferred partner for future projects.	Sustainable transfer of skills to the workplace.
	Strong compliance with monitoring and reporting requirements.	Fast-tracked evaluation for renewal of successful projects.	Reduction in post-training unemployment.
Gender and Transformation Incentive	Projects that increase participation of women in technical, engineering, and leadership programmes.	Enhanced scoring during adjudication.	Improved gender balance in technical and leadership roles.
		Additional financial weighting for gender-focused projects.	Accelerated transformation within male-dominated sub-sectors.
	Demonstrated inclusion of youth and historically disadvantaged individuals.	Public recognition in TETA performance reports.	Greater equity and social cohesion.

INCENTIVE CATEGORY	ELIGIBILITY CRITERIA	FUNDING ADVANTAGE / SUPPORT MEASURE	INTENDED DEVELOPMENTAL OUTCOME
Gender and Transformation Incentive	Alignment with transformation objectives in TETA's Strategic Plan.		
Innovation and Research Incentive	Initiatives that introduce new technologies, digital learning systems, or innovative solutions for training delivery.	Additional funding support for piloting or scaling innovations.	Strengthened knowledge base and innovation culture in the transport sector
	Research projects that generate practical policy recommendations or industry innovations.	Recognition through TETA's innovation portfolio.	Enhanced efficiency, safety, and competitiveness
	Collaborative projects between academia and industry.	Access to future strategic partnership opportunities.	Evidence-based decision-making and policy improvement.

### 9.10. Strategic projects

The Funding Framework authorises the allocation of a defined portion of Discretionary Grant resources to strategic and flagship projects that advance national, cross-sectoral, and institutional priorities. These initiatives are aligned with the National Skills Development Plan (NSDP 2030), the TETA Strategic Plan (2025–2030), and the national objectives of digital transformation, safety enhancement, and regional integration.

The purpose of these projects is to position TETA as a catalyst for innovation, collaboration, and sustainability within the transport sector. They extend the impact of skills development funding beyond training delivery toward long-term system improvement, knowledge creation, and digital modernisation. The current portfolio of strategic projects includes:

#### 9.10.1. TETA Safety App

A sector-wide digital platform designed to promote safety awareness, incident reporting, and compliance monitoring across all transport modes. The application enhances workplace safety culture, supports data-driven decision-making, and provides a unified mechanism for real-time safety performance management.

#### 9.10.2. Integrated Digitalisation System

A comprehensive and centralised grants management and performance monitoring system that improves transparency, accountability, and efficiency in the administration of Discretionary Grants. The system enables seamless reporting, electronic verification, and automated data analytics, ensuring governance integrity and operational modernisation.

#### 9.10.3. Crowdsourcing Innovation Programme

An open-innovation mechanism that invites industry stakeholders, researchers, and innovators to propose practical solutions to operational and developmental challenges in the transport sector. The programme promotes collaboration between business, academia, and public entities, generating scalable innovations that strengthen competitiveness and resilience.

#### 9.10.4. Africa Skills Mobility and Knowledge Exchange Initiative

A continental collaboration platform that supports the exchange of expertise, best practice, and technical skills across African transport systems. The initiative strengthens South Africa's leadership role in regional skills development and promotes mutual growth, alignment of standards, and enhanced continental competitiveness.

These strategic projects represent TETA's forward-looking response to the changing technological landscape and the imperatives of the Fourth Industrial Revolution. They demonstrate institutional foresight, innovation leadership, and a sustained commitment to building a transport sector that is safe, efficient, digitally empowered, and globally competitive.

### 9.10.5. Strategic Impact Summary

The strategic project portfolio represents TETA's institutional commitment to future-focused development, digital transformation, and sustainable skills investment. Through these initiatives, TETA ensures that its funding decisions extend beyond compliance toward building a transport sector that is modern, resilient, and globally competitive.

Each project contributes to the Authority's overarching outcomes of Governance, Skills Development, Transformation, Partnerships, and Innovation, anchoring TETA's position as a leading force in the advancement of South Africa's transport and logistics economy

PROJECT TITLE	STRATEGIC OBJECTIVE	EXPECTED OUTCOMES AND DELIVERABLES	ALIGNMENT WITH NATIONAL AND CONTINENTAL PRIORITIES
TETA Safety App	To strengthen occupational safety management, compliance monitoring, and incident reporting across all transport modes.	<ul style="list-style-type: none"> <li>Improved safety culture and proactive incident prevention.</li> <li>Real-time data collection for evidence-based decision-making.</li> <li>Integrated national database for safety performance.</li> </ul>	<ul style="list-style-type: none"> <li>NSDP 2030: Enhancing quality workplaces and sectoral compliance.</li> <li>NDP 2030: Promoting safe and reliable infrastructure.</li> <li>Occupational Health and Safety Act compliance.</li> </ul>
Integrated Digitalisation System	To modernise TETA's Discretionary Grant administration, monitoring, and reporting systems.	<ul style="list-style-type: none"> <li>Transparent, fully automated grants management platform.</li> <li>Enhanced data integrity and governance compliance.</li> <li>Improved turnaround time for project approvals and reporting</li> </ul>	<ul style="list-style-type: none"> <li>NSDP 2030: Institutional excellence through innovation.</li> <li>PFMA and Treasury Regulations: Governance and accountability.</li> <li>Fourth Industrial Revolution (4IR) readiness.</li> </ul>
Crowdsourcing Innovation Programme	To harness industry-led innovation through open collaboration, research, and solution development.	<ul style="list-style-type: none"> <li>New digital, technical, and operational innovations for the transport sector.</li> <li>Stronger partnerships between industry, academia, and research institutions.</li> <li>Practical solutions addressing sector-specific challenges.</li> </ul>	<ul style="list-style-type: none"> <li>NSDP 2030: Innovation-driven skills development.</li> <li>NDP 2030: Building a knowledge-based economy.</li> <li>Agenda 2063: Advancing innovation and industrialisation in Africa.</li> </ul>
Africa Skills Mobility and Knowledge Exchange Initiative	To promote regional integration, mobility of skilled professionals, and collaborative capacity development across Africa.	<ul style="list-style-type: none"> <li>Strengthened partnerships with African training authorities and institutions.</li> <li>Shared technical expertise and alignment of occupational standards.</li> <li>Regional centres of excellence for transport skills.</li> </ul>	<ul style="list-style-type: none"> <li>NSDP 2030: Regional collaboration and continental positioning.</li> <li>African Continental Free Trade Area (AfCFTA): Labour mobility and cooperation.</li> <li>Agenda 2063: A prosperous Africa based on inclusive growth and sustainable development.</li> </ul>

## 10. FUNDING LIFECYCLE AND GRANT AWARDING PROCESS

The Discretionary Grant funding lifecycle follows a transparent, accountable, and performance-driven process that ensures fairness, compliance, and alignment with TETA's Strategic Plan, Annual Performance Plan, and the Grant Regulations. Each phase of the lifecycle is designed to uphold governance integrity while facilitating efficient disbursement of funds to qualifying applicants.

The process is guided by principles of equity, accountability, and developmental responsiveness. It also reinforces the separation of administrative, evaluative, and governance functions to protect the integrity of funding decisions and to ensure that every allocation produces measurable developmental outcomes.

STAGE	PROCESS DESCRIPTION	RESPONSIBLE OFFICE OR STRUCTURE	EXPECTED OUTPUT
Call for Applications	Discretionary Grant funding windows are announced publicly through TETA's website, communication platforms, and other approved channels. The call specifies the eligibility criteria, application timelines, funding focus areas, and alignment with the Authority's Annual Performance Plan targets. The communication process promotes openness, inclusivity, and equal access to all qualifying institutions and employers.	Skills Planning and Project Management Office (PMO)	Public notice of funding window and publication of application guidelines.
Application Receipt and Screening	All applications are submitted electronically through the designated digital portal or as prescribed in the official call. The PMO screens submissions for completeness, compliance with eligibility requirements, and adherence to the prescribed formats before evaluation.	Project Management Office	Verified list of compliant applications ready for evaluation.
Evaluation and Scoring	The PMO conducts the evaluation using a Board-approved evaluation matrix that applies consistent criteria such as strategic alignment, transformation impact, readiness, and cost-effectiveness. The process ensures impartiality and evidence-based scoring without managerial interference.	Project Management Office	Evaluation scores, ranking reports, and consolidated evaluation summary.
Adjudication	The Governance and Strategy Committee performs an oversight review of the evaluation outcomes to ensure compliance with the Funding Framework and TETA's governance standards. The Committee does not re-evaluate or score applications but verifies procedural fairness and policy consistency. It then recommends the final list of proposed allocations to the Board for approval.	Governance and Strategy Committee	Adjudication report and recommendation for Board consideration.
Approval and Disbursement	The Chief Executive Officer certifies procedural compliance, while the Chief Financial Officer confirms budget availability and financial control compliance. The Accounting Authority (Board) grants the final approval of all recommended allocations. Once approved, contracts are issued, and disbursements are processed according to the approved cash flow schedule and milestones.	Chief Executive Officer, Chief Financial Officer, and TETA Board	Board resolution, signed funding agreements, and disbursement authorisation.
Appeals Process	Applicants who are not successful may lodge a written appeal within thirty calendar days of notification. Appeals are managed by the Legal and Compliance Unit, which reviews procedural adherence and fairness. The outcome is communicated formally to the appellant and recorded for audit and oversight purposes.	Legal and Compliance Unit	Appeals register, adjudication outcome report, and closure confirmation.

Each phase of the funding lifecycle is subject to internal control, audit verification, and governance oversight. The process embodies the principles of transparency, equity, and accountability set out in the Public Finance Management Act, Skills Development Act, and Grant Regulations.

Through this structured lifecycle, TETA ensures that every Discretionary Grant allocation is transparent, compliant, and aligned with the broader objectives of the National Skills Development Plan 2030, ultimately contributing to a skilled, transformed, and sustainable transport sector.

## **11. ROLES AND GOVERNANCE OF CHAMBER COMMITTEES**

The Chamber Committees serve as important advisory structures within TETA's governance ecosystem. Their role is to provide insight, monitor performance, and ensure that the implementation of funded projects reflects the developmental priorities of each transport sub-sector. The revised governance model redefines the role of these Committees to strengthen oversight and eliminate any potential conflict with the formal grant adjudication and approval process.

### **11.1. Revised Role of Chamber Committees**

Under the revised funding framework, Chamber Committees no longer participate in the selection, scoring, or recommendation of Discretionary Grant beneficiaries. Their function has evolved into a governance and advisory role, ensuring that the implementation of projects remains aligned with sectoral priorities, performance expectations, and transformation objectives. The Committees focus on three key areas of oversight and strategic contribution:

- i. Monitoring the progress of funded projects  
Chamber Committees track implementation progress within their sub-sectors, reviewing milestones, timelines, and achievement of intended outcomes. They ensure that funded projects remain consistent with TETA's strategic objectives and that lessons learned inform future planning cycles.
- ii. Reviewing performance reports and raising implementation concerns  
Committees receive and review performance reports prepared by the Project Management Office and other operational units. They identify constraints, risks, or areas requiring management attention, thereby strengthening accountability and continuous improvement in project execution.
- iii. Advising on emerging trends and skills needs  
Through ongoing interaction with industry stakeholders, the Committees provide TETA with valuable intelligence on technological shifts, regulatory changes, and new occupational demands within the transport sector. This advisory function enhances the responsiveness of TETA's Sector Skills Plan and future Discretionary Grant windows.

The redefined role of the Chamber Committees ensures that their work contributes directly to TETA's strategic direction, operational efficiency, and long-term sectoral impact.

### **11.2. Governance Safeguards**

The governance framework introduces strict safeguards to preserve transparency, prevent undue influence, and protect the integrity of TETA's funding processes. These safeguards establish clear boundaries between advisory responsibilities and decision-making authority.

#### **11.2.1. Conflict of Interest Declarations**

All Chamber Committee members are required to submit conflict of interest declarations before participating in any deliberation relating to funded projects or sectoral priorities. This requirement reinforces ethical conduct and institutional accountability.

### 11.2.2. Advisory Nature of Committee Inputs

All observations, recommendations, and advisory notes from Chamber Committees are non-binding and purely advisory in nature. Final decisions on Discretionary Grant allocations rest solely with the Accounting Authority (Board) following the established evaluation and adjudication process.

### 11.2.3. Formal Reporting Lines

All Chamber Committee observations and reports flow formally through the Office of the Chief Executive Officer and are tabled with the Governance and Strategy Committee for noting or strategic consideration. This reporting structure ensures that sectoral intelligence is integrated into institutional planning without compromising governance integrity.

## 11.3. Governance Rationale

This separation of roles between advisory and decision-making structures strengthens TETA's governance maturity and compliance posture. It prevents any perception of bias or conflict in the grant adjudication process while ensuring that Chamber Committees remain actively engaged in advancing sectoral knowledge, transformation, and stakeholder collaboration.

Through this refined governance model, TETA upholds the highest standards of ethical leadership, accountability, and transparency, ensuring that every Discretionary Grant allocation remains defensible, auditable, and strategically aligned with the Authority's developmental mandate.

## 12. GOVERNANCE ASSURANCE PROCESS

The governance assurance process establishes a transparent line of oversight across all stages of the Discretionary Grants Funding cycle. It ensures that financial integrity, policy compliance, and performance accountability are maintained through a structured, multi-level review and approval system.

This process is guided by the principles of ethical leadership, segregation of duties, and performance-based accountability. The flow of responsibilities is illustrated below:

### 12.1. Process Description

#### 12.1.1. Project Management Office (PMO)

The PMO is responsible for operational coordination, administrative verification, and the integrity of the Discretionary Grants application and evaluation process. It ensures that all applications are properly assessed, documented, and aligned with the Funding Framework before submission for financial validation. Key outputs: evaluation reports, project compliance checklists, and performance tracking schedules.

#### 12.1.2. Chief Financial Officer (CFO)

The CFO performs financial validation and budget confirmation for all proposed allocations. This function includes verifying fund availability, confirming adherence to allocation ratios, and ensuring that all commitments comply with the PFMA and Grant Regulations. The CFO prepares quarterly financial performance reports detailing levy inflows, proportional allocations, commitments, and variances. Key outputs: quarterly financial statements, commitment tracking reports, and financial assurance certifications.

#### 12.1.3. Governance and Strategy Committee (G&S Committee)

This committee exercises fiduciary oversight over the Discretionary Grants process. It reviews all evaluated and financially validated applications to ensure that they comply with policy, governance, and strategic priorities. The

Committee makes formal recommendations for funding approval to the Accounting Authority. Key outputs: funding recommendation reports, compliance assurance statements, and governance review summaries.

#### 12.1.4. Audit and Risk Committee (ARC)

The ARC provides independent oversight of internal controls, financial management, and risk mitigation within the grants process. It evaluates the effectiveness of internal audit findings and monitors implementation of corrective measures related to grant management. Key outputs: audit assurance reports, internal control evaluations, and risk management updates.

#### 12.1.5. Accounting Authority (TETA Board)

The Board serves as the final approving authority for all Discretionary Grant allocations. It ensures that funding decisions are consistent with the Skills Development Act, PFMA, Grant Regulations, and the approved TETA Strategic Plan. The Board ratifies recommendations from the G&S Committee and provides strategic direction to ensure developmental impact and compliance. Key outputs: Board resolutions, funding approval schedules, and quarterly governance reports.

#### 12.1.6. Department of Higher Education and Training (DHET) and Auditor-General of South Africa (AGSA)

The DHET performs regulatory oversight, monitoring, and evaluation of SETA performance and compliance. The AGSA conducts independent financial and performance audits to verify adherence to laws, regulations, and governance frameworks.

*Key outputs: DHET compliance assessments, AGSA audit reports, and management letters confirming full statutory alignment.*

### 13. MONITORING, REPORTING, AND EVALUATION FRAMEWORK

Effective monitoring, reporting, and evaluation form the backbone of accountable grant management. TETA's monitoring framework ensures that every funded project delivers measurable results and that performance data is consistently tracked, verified, and reported. This process guarantees that the Discretionary Grant system achieves both compliance and impact, aligning institutional performance with national development priorities. The Transport Education and Training Authority has adopted a structured and evidence-driven approach to monitoring, reporting, and evaluation to ensure that all funded projects achieve measurable developmental outcomes. This approach promotes transparency, accountability, and continuous improvement throughout the Discretionary Grant lifecycle.

The process integrates digital systems, performance scorecards, and independent verification mechanisms to ensure that every funded project contributes to TETA's strategic outcomes of Governance, Skills Development, Transformation, Partnerships, and Innovation. The system is designed to track progress in real time, detect variances early, and enable corrective action before risks escalate.

The table below presents a detailed outline of the monitoring and evaluation process, clarifying the institutional responsibilities, expected outputs, and governance linkages that ensure full accountability from project initiation to final evaluation. It provides a concise yet comprehensive view of how the Authority maintains compliance, measures impact, and reinforces the integrity of its funding decisions. The monitoring and evaluation framework operates under the following principles:

MONITORING AND EVALUATION COMPONENT	PURPOSE AND DESCRIPTION	RESPONSIBLE UNIT / OVERSIGHT AUTHORITY	EXPECTED OUTPUT / DELIVERABLE
Standardised Performance Tracking	Each approved project is tracked through a standardised Grant Performance Scorecard which captures learner enrollments, completion rates, financial expenditure, absorption outcomes, and transformation impact. The scorecard ensures consistent reporting across sub-sectors and promotes evidence-based decision-making.	Project Management Office (PMO)	<ul style="list-style-type: none"> <li>Grant Performance Scorecards</li> <li>Consolidated Performance Dashboard</li> </ul>
Digital Grant Register	The PMO maintains a centralised Digital Grant Register that records all approved projects, allocations, milestones, and disbursements. The register is continuously updated and accessible to the CFO, Legal Services, and Internal Audit for assurance purposes. This system enhances transparency, internal control, and audit readiness.	PMO, CFO, Legal Services, and Internal Audit	<ul style="list-style-type: none"> <li>Updated Digital Grant Register</li> <li>System Access Reports</li> </ul>
Performance Variance Management	Variances exceeding ten percent of approved milestones or budgets trigger immediate management action. The variance is escalated to the CEO for investigation, correction, and formal reporting to the Audit and Risk Committee. This ensures proactive management and fiscal discipline.	PMO, CEO, Governance and Strategy Committee and the Board	<ul style="list-style-type: none"> <li>Variance Reports</li> <li>Corrective Action Plans</li> <li>ARC Variance Reports</li> </ul>
Internal Audit and Independent Verification	The Internal Audit Unit performs quarterly compliance and performance reviews to verify delivery, expenditure accuracy, and adherence to contracts. Findings are submitted to the Audit and Risk Committee with recommendations for improvement. Irregularities are escalated for corrective or disciplinary action.	Internal Audit Unit and Audit and Risk Committee (ARC)	<ul style="list-style-type: none"> <li>Quarterly Audit Reports</li> <li>Audit Findings Register</li> <li>Management Response Tracker</li> </ul>
Evaluation and Continuous Learning	At project completion, an evaluation process assesses efficiency, effectiveness, and developmental impact. Lessons learned are compiled into institutional knowledge reports that inform future funding cycles, strengthen programme design, and promote continuous improvement.	Monitoring & Evaluation Unit (M&E), PMO	<ul style="list-style-type: none"> <li>Project Evaluation Reports</li> <li>Lessons Learned Compendium</li> <li>Recommendations for Next Cycle</li> </ul>

The monitoring and evaluation framework represents more than a reporting mechanism; it is an assurance instrument that strengthens the integrity of the Discretionary Grant system. It ensures that decisions are evidence-based, delivery is traceable, and outcomes are measurable against institutional targets and national priorities.

Findings from monitoring, variance reports, and evaluation exercises are formally integrated into TETA's governance and assurance structures through quarterly submissions to the Audit and Risk Committee, Governance and Strategy Committee, and ultimately the Accounting Authority. This ensures that oversight bodies receive credible, data-backed insights on performance, compliance, and value for money.

Through this linkage between monitoring and governance, TETA maintains a transparent cycle of planning, implementation, evaluation, and accountability. The lessons drawn from the monitoring process directly inform risk registers, strategic adjustments, and funding policy reviews creating a continuous feedback loop that drives organisational excellence and reinforces public confidence in the management of levy funds.

### 13.1. Monitoring and Evaluation Matrix

The Monitoring and Evaluation Matrix provides a structured representation of how performance oversight, data management, and institutional accountability are operationalised within TETA's Discretionary Grant system. It translates the monitoring framework into clear roles, reporting cycles, and deliverables to ensure that every funded project is tracked, verified, and evaluated with precision.

This matrix reinforces the Authority's commitment to transparency, evidence-based decision-making, and continuous improvement. It integrates the responsibilities of operational units, executive management, and governance structures to create a closed loop of assurance from project implementation to final reporting. Through this structured approach, TETA guarantees that performance information is credible, audit-ready, and aligned to both institutional priorities and national development outcomes.

MONITORING FUNCTION	RESPONSIBLE STRUCTURE / AUTHORITY	KEY RESPONSIBILITIES	FREQUENCY OF REPORTING	ASSURANCE OUTPUT / DELIVERABLE
Strategic Monitoring	Chief Executive Officer (CEO)	<ul style="list-style-type: none"> <li>Provides overall oversight of project implementation and performance monitoring.</li> <li>Approves consolidated quarterly reports for submission to the Governance and Strategy Committee.</li> <li>Ensures corrective action for underperforming projects</li> </ul>	Quarterly	<ul style="list-style-type: none"> <li>CEO Performance Monitoring Report.</li> <li>Consolidated Discretionary Grants Implementation Report.</li> </ul>
Operational Tracking	Project Management Office (PMO)	<ul style="list-style-type: none"> <li>Tracks all funded projects using standardised scorecards.</li> <li>Maintains the Digital Grant Register.</li> <li>Monitors enrollments, completions, expenditure, and absorption outcomes.</li> <li>Flags performance variances and initiates corrective actions.</li> </ul>	Monthly	<ul style="list-style-type: none"> <li>Updated Grant Register.</li> <li>Monthly Performance Dashboard.</li> <li>Variance Management Log.</li> </ul>
Financial Performance Monitoring	Chief Financial Officer (CFO)	<ul style="list-style-type: none"> <li>Monitors disbursements and financial performance of approved grants.</li> <li>Ensures budget utilisation aligns with approved allocations.</li> <li>Reports deviations and corrective actions to the Governance and Strategy Committee.</li> </ul>	Monthly and Quarterly	<ul style="list-style-type: none"> <li>Quarterly Financial Performance Report.</li> <li>Levy vs Allocation Analysis.</li> <li>Financial Variance Summary.</li> </ul>
Performance Verification	Internal Audit Unit	<ul style="list-style-type: none"> <li>Conducts quarterly verification of reported outputs and financial claims</li> <li>Assesses adherence to contracts, targets, and milestones.</li> <li>Provides assurance on reliability of reported results.</li> </ul>	Quarterly	<ul style="list-style-type: none"> <li>Internal Audit Verification Report.</li> <li>Audit Findings Register.</li> <li>Compliance Confirmation Memo.</li> </ul>
Impact Evaluation	Monitoring and Evaluation Unit (M&E)	<ul style="list-style-type: none"> <li>Measures outcomes against APP and SSP indicators.</li> <li>Evaluates efficiency, effectiveness, and socio-economic impact.</li> <li>Consolidates lessons learned for institutional improvement.</li> </ul>	Annually	<ul style="list-style-type: none"> <li>Impact Evaluation Report.</li> <li>Lessons Learned Brief.</li> <li>Recommendations for Future Funding Cycles.</li> </ul>

## 14. GOVERNANCE, RISK, AND COMPLIANCE

TETA's governance, risk, and compliance framework establishes the institutional architecture that safeguards integrity, transparency, and accountability across the Discretionary Grant value chain. It ensures that all funding decisions, financial transactions, and operational activities are executed within the parameters of applicable legislation, ethical standards, and national policy directives.

The framework integrates multiple layers of assurance from internal controls and risk management to independent oversight creating a governance ecosystem that promotes responsible stewardship of public funds. It also aligns institutional processes with the Public Finance Management Act (PFMA), the Skills Development Act, the Grant Regulations, and the King IV principles of ethical leadership and sound governance.

The table below outlines the key governance components, responsible structures, and assurance outputs that collectively uphold the Authority's credibility, strengthen financial discipline, and reinforce public confidence in TETA's ability to manage levy resources effectively and lawfully.

GOVERNANCE COMPONENT	PURPOSE AND DESCRIPTION	RESPONSIBLE STRUCTURE / AUTHORITY	ASSURANCE OUTPUT / DELIVERABLE
Governance and Accountability Framework	The governance architecture ensures that all financial approvals, delegations, and decision-making processes are executed within the provisions of the Public Finance Management Act (PFMA), the Skills Development Act, and the Grant Regulations. The Revised Delegation of Authority (2025/26) prescribes approval thresholds, accountability lines, and reporting responsibilities. This framework establishes clear separation of duties and collective accountability among the Chief Executive Officer, Chief Financial Officer, and the Accounting Authority (Board).	Accounting Authority (Board), Chief Executive Officer (CEO), Chief Financial Officer (CFO)	<ul style="list-style-type: none"> <li>Approved Delegation of Authority</li> <li>Governance Compliance Report</li> <li>Annual Statement of Accountability</li> </ul>
Oversight of Audit and Risk Committee (ARC)	The Audit and Risk Committee provides independent oversight over financial management, governance control, and risk mitigation processes. It reviews internal and external audit findings, tracks the implementation of recommendations, and reports quarterly to the Board on the adequacy of internal controls, governance performance, and institutional risk posture.	Audit and Risk Committee (ARC)	<ul style="list-style-type: none"> <li>Quarterly ARC Oversight Report.</li> <li>Internal and External Audit Review Reports</li> <li>Corrective Action Implementation Tracker</li> </ul>
Risk Management and Mitigation	The Authority maintains a comprehensive Institutional Risk Register that identifies potential vulnerabilities within the funding value chain, including operational, financial, and reputational risks. Mitigation plans are developed, monitored, and reviewed quarterly under the Risk Management Framework. These measures ensure proactive prevention and swift response to emerging threats.	Risk Management Unit and Governance & Strategy Committee	<ul style="list-style-type: none"> <li>Institutional Risk Register</li> <li>Quarterly Risk Mitigation Report</li> <li>Executive Risk Dashboard</li> </ul>
Combined Assurance Model	The combined assurance model integrates the roles of Risk Management, Compliance, Internal Audit, and the Auditor-General of South Africa. This multi-layered system ensures complete coverage of governance, risk, and control processes while preventing duplication of oversight. It strengthens institutional credibility and public confidence in the management of Discretionary Grants.	Risk and Compliance Units, Internal Audit, Auditor-General of South Africa (AGSA)	<ul style="list-style-type: none"> <li>Combined Assurance Plan</li> <li>Annual Assurance Report</li> <li>Audit and Compliance Integration Report</li> </ul>

GOVERNANCE COMPONENT	PURPOSE AND DESCRIPTION	RESPONSIBLE STRUCTURE / AUTHORITY	ASSURANCE OUTPUT / DELIVERABLE
Compliance and Ethical Conduct	All officials and board members involved in the Discretionary Grant lifecycle are bound by TETA's Code of Conduct, Fraud Prevention Policy, and Conflict of Interest Framework. These instruments ensure ethical governance, prevent undue influence, and uphold decision-making integrity. Non-compliance triggers corrective and disciplinary measures, ensuring that governance principles remain uncompromised.	Legal and Compliance Unit, Human Resources, Internal Audit	<ul style="list-style-type: none"> <li>Compliance Review Reports</li> <li>Conflict of Interest Declarations</li> <li>Disciplinary Action Logs</li> </ul>
Institutional Governance Outcome	The combined governance, risk, and compliance system guarantees a transparent, accountable, and resilient funding environment. It ensures that all Discretionary Grant transactions withstand legislative scrutiny, deliver measurable socio-economic value, and support national development objectives.	Accounting Authority and DHET Oversight	<ul style="list-style-type: none"> <li>Annual Governance and Compliance Report</li> <li>AGSA Audit Opinion</li> <li>DHET Performance Review</li> </ul>

#### 14.1. Governance, Risk, and Compliance Matrix

The Governance, Risk, and Compliance Matrix defines the lines of accountability and assurance mechanisms that safeguard the integrity of TETA's Discretionary Grant administration. It provides a structured framework through which governance oversight, financial control, and risk management are coordinated to ensure full compliance with national legislation and institutional policy directives.

This matrix reinforces TETA's commitment to ethical leadership, transparency, and performance accountability. It integrates strategic governance functions with financial stewardship, risk mitigation, and independent oversight ensuring that every decision and disbursement can withstand scrutiny from internal and external assurance bodies. The framework aligns with the Public Finance Management Act (PFMA), the Skills Development Act, the Grant Regulations, and the King V principles of governance.

GOVERNANCE FUNCTION	RESPONSIBLE AUTHORITY / STRUCTURE	CORE RESPONSIBILITIES	FREQUENCY OF REPORTING	ASSURANCE OUTPUT / DELIVERABLE
Strategic Governance	Accounting Authority (TETA Board)	<ul style="list-style-type: none"> <li>Approves all Discretionary Grant allocations.</li> <li>Ensures compliance with the PFMA, Skills Development Act, and Grant Regulations.</li> <li>Reviews institutional governance performance and risk exposure.</li> </ul>	Quarterly and Annually	<ul style="list-style-type: none"> <li>Board Resolutions and Minutes.</li> <li>Annual Governance Statement.</li> <li>Board Oversight Report.</li> </ul>
Governance Oversight	Governance and Strategy Committee (G&S Committee)	<ul style="list-style-type: none"> <li>Reviews evaluation and adjudication outcomes</li> <li>Confirms alignment with the Strategic Plan and Annual Performance Plan (APP).</li> <li>Monitors performance and provides recommendations to the Board.</li> </ul>	Quarterly	<ul style="list-style-type: none"> <li>Committee Report to Board.</li> <li>Strategic Alignment Statement.</li> <li>Sectoral Progress Report.</li> </ul>

GOVERNANCE FUNCTION	RESPONSIBLE AUTHORITY / STRUCTURE	CORE RESPONSIBILITIES	FREQUENCY OF REPORTING	ASSURANCE OUTPUT / DELIVERABLE
Financial Governance and Control	Chief Financial Officer (CFO)	<ul style="list-style-type: none"> <li>Ensures financial stewardship, budget integrity, and proportional allocation compliance.</li> <li>Reviews expenditure variances and recommends corrective measures.</li> <li>Provides financial assurance to the Governance and Strategy Committee.</li> </ul>	Monthly and Quarterly	<ul style="list-style-type: none"> <li>Financial Control Reports.</li> <li>Budget Utilisation Statement.</li> <li>Variance Analysis Report.</li> </ul>
Risk Management	Risk Management Unit	<ul style="list-style-type: none"> <li>Maintains the institutional risk register.</li> <li>Identifies funding vulnerabilities and emerging risks.</li> <li>Coordinates mitigation strategies and reviews control effectiveness.</li> </ul>	Quarterly	<ul style="list-style-type: none"> <li>Institutional Risk Register.</li> <li>Risk Mitigation Report.</li> <li>Updated Risk Dashboard.</li> </ul>
Internal Assurance	Audit and Risk Committee (ARC)	<ul style="list-style-type: none"> <li>Provides independent oversight of internal control systems.</li> <li>Reviews internal and external audit findings.</li> <li>Monitors implementation of audit recommendations.</li> </ul>	Quarterly	<ul style="list-style-type: none"> <li>ARC Oversight Report.</li> <li>Audit Implementation Tracker.</li> <li>Assurance Statement.</li> </ul>
Compliance and Legal Assurance	Legal and Compliance Unit	<ul style="list-style-type: none"> <li>Oversees adherence to legislation, institutional policies, and the Delegation of Authority.</li> <li>Manages conflict of interest disclosures and appeals.</li> <li>Ensures ethical governance and procedural integrity.</li> </ul>	Quarterly and Ongoing	<ul style="list-style-type: none"> <li>Compliance Assessment Reports.</li> <li>Appeals Register.</li> <li>Conflict of Interest Compliance Report.</li> </ul>
External Oversight	Department of Higher Education and Training (DHET) and Auditor-General of South Africa (AGSA)	<ul style="list-style-type: none"> <li>Conduct independent audits and regulatory reviews.</li> <li>Validate financial statements, governance systems, and developmental outcomes.</li> <li>Provide external assurance to Parliament and the public.</li> </ul>	Annually	<ul style="list-style-type: none"> <li>AGSA Audit Opinion.</li> <li>DHET Compliance Report.</li> <li>Management Letter and Corrective Action Plan.</li> </ul>

This matrix institutionalises a unified assurance model that ensures coordination between governance, finance, risk, and compliance functions. It promotes accountability across all levels of decision-making and embeds risk consciousness within operational and strategic activities.

Through this structure, TETA sustains a culture of ethical governance and transparency, ensuring that every allocation and project delivers measurable value, withstands audit scrutiny, and contributes meaningfully to South Africa's national skills development agenda.

## 15. EFFECTIVE DATE

This framework comes into effect on 01 November 2025 and remains applicable until superseded by a revised version approved by the TETA Board.

## 16. REVIEW AND AMENDMENT

This Discretionary Grants Funding Framework is a living governance instrument that must evolve in response to emerging national priorities, economic conditions, and institutional performance insights. It is subject to periodic review to ensure continued relevance, compliance, and alignment with the legislative environment governing the skills-development landscape.

The Governance and Strategy Committee is responsible for initiating and coordinating the review process. Proposed amendments must be supported by evidence from monitoring and evaluation findings, risk-management reports, and policy changes.

Once reviewed, the revised framework will be submitted to the TETA Board for consideration and formal approval. Upon Board approval, updates will be communicated to all stakeholders, including DHET, internal management structures, and industry partners. The updated version will take effect immediately upon publication on TETA's official platforms and will replace all previous editions.

The framework shall undergo a comprehensive review every three years, or earlier if warranted by legislative amendments, sectoral developments, or strategic shifts approved by the Board. This ensures that TETA's funding model remains dynamic, transparent, and responsive to the evolving needs of the transport sector and the national skills agenda.

## 17. CONCLUSION

The Transport Education and Training Authority's Discretionary Grants Funding Framework establishes a disciplined, transparent, and development-oriented system for managing levy resources. It ensures that every allocation is guided by evidence, governed by integrity, and aligned with national priorities that strengthen South Africa's transport economy.

The framework embodies the principles of accountability, equity, and performance excellence. It integrates strategic planning, financial control, monitoring, and assurance mechanisms to guarantee that skills investments yield measurable socio-economic returns. Through its proportional allocation model, rigorous evaluation processes, and commitment to transformation, TETA reinforces its role as a catalyst for inclusive growth, innovation, and competitiveness in the transport sector.

This document serves as both a governance instrument and a developmental blueprint. It provides a clear line of sight from the collection of levies to the delivery of tangible outcomes that contribute to national human-capital formation and institutional strengthening. The Authority remains committed to continuous improvement and adaptive governance, ensuring that its funding model evolves in step with technological advances, industry shifts, and the strategic imperatives of the state.

This framework reflects TETA's enduring commitment to building a skilled, ethical, and future-ready transport workforce that drives economic transformation and sustains South Africa's global competitiveness.

## 18. ANNEXURES

### 18.1. Annexure A: Glossary of Terms and Definitions

TERM	DEFINITION
Accounting Authority (Board)	The highest governing body of TETA responsible for approving policies, strategic direction, and accountability for financial management in line with the PFMA.
Annual Performance Plan (APP)	The operational plan that translates TETA's strategic priorities into measurable annual outcomes and deliverables approved by DHET.
Appeals Process	A formal mechanism through which applicants may contest discretionary-grant decisions within thirty days of notification, managed by TETA's Legal and Compliance Unit.
Audit and Risk Committee (ARC)	A subcommittee of the Board providing independent oversight of internal control, governance, and financial management processes.
Baseline Allocation (5%)	The minimum proportional funding guarantee maintained for each subsector to ensure equitable access and operational continuity in the Discretionary Grant allocation.
Board Oversight Report	A comprehensive report compiled annually for DHET detailing the outcomes, governance decisions, and performance of the Board in relation to its oversight responsibilities.
Chief Executive Officer (CEO)	The Accounting Officer of TETA, responsible for day-to-day management, policy implementation, and compliance with legislation and Board decisions.
Chief Financial Officer (CFO)	The executive responsible for financial management, budget control, and assurance of compliance with the PFMA and Treasury Regulations.
Chamber Committees / Subsector Forums	Advisory bodies representing each transport subsector, mandated to monitor implementation progress, review project performance, and advise on emerging skills priorities.
Combined Assurance	A structured assurance model integrating inputs from Risk Management, Compliance, Internal Audit, and AGSA to ensure comprehensive oversight of governance and control systems.
Conflict of Interest Declaration	A formal disclosure signed by officials or committee members to prevent bias or undue influence in decision-making processes related to discretionary-grant funding.
Discretionary Grant (DG)	Funds allocated by TETA to employers, institutions, and strategic partners to address sectoral skills needs, transformation, and innovation priorities as defined in the SSP.
Evaluation and Continuous Learning	The process of assessing completed projects for effectiveness and impact, consolidating lessons learned, and integrating them into future funding cycles.
Financial Stewardship	The responsible management of public funds to ensure efficiency, compliance, and optimal developmental returns in accordance with Treasury prescripts.
Grant Regulations (2012)	Legal framework governing levy allocation, prescribing that 20% be allocated to mandatory grants, a minimum of 49.5% to discretionary grants, and a maximum of 10.5% to administration, with 0.5% to the QCTO.
Governance and Strategy Committee (G&S Committee)	A Board subcommittee responsible for strategic alignment, governance oversight, and adjudication of discretionary-grant recommendations.
Grant Performance Scorecard	A standardised tool used to track project indicators such as enrollments, completions, expenditure, and outcomes, ensuring data integrity and comparability.
Integrated Digitalisation System	A digital management platform developed by TETA to automate grant evaluation, monitoring, and reporting processes to minimise human error and improve transparency.
Institutional Risk Register	A structured record identifying key risks, their likelihood, potential impact, and corresponding mitigation measures across TETA's operations.
King IV Principles	The South African code of corporate governance promoting ethical leadership, transparency, accountability, and stakeholder inclusivity in decision-making.
Mandatory Grant	A statutory grant constituting 20% of an employer's total skills-levy contribution, payable upon submission and approval of a Workplace Skills Plan and Annual Training Report.
Monitoring and Evaluation (M&E)	A systematic process of collecting, analysing, and reporting data to assess the efficiency, effectiveness, and impact of funded projects within the transport sector.
Non-PIVOTAL Programmes	Initiatives that do not lead directly to a formal qualification but enhance institutional capacity, research, innovation, and transformation within the transport sector.
Performance Variance Management	A mechanism used to identify and address deviations between planned and actual performance or expenditure to maintain compliance and budget discipline.

TERM	DEFINITION
PIVOTAL Programmes	Professional, Vocational, Occupational, Technical, and Academic Learning initiatives that lead to accredited qualifications and support employability.
Project Management Office (PMO)	The operational unit responsible for coordinating grant administration, maintaining the Digital Grant Register, and overseeing project implementation and reporting.
Public Finance Management Act (PFMA)	National legislation that prescribes financial accountability, transparency, and reporting obligations for all public entities.
Quality Council for Trades and Occupations (QCTO)	The statutory body responsible for developing and quality-assuring occupational qualifications and accreditation of training providers.
Risk Management Framework	The institutional process for identifying, assessing, and mitigating financial, operational, and reputational risks across all TETA functions.
Sector Skills Plan (SSP)	A research-driven document that analyses the transport sector's skills landscape, identifies scarce and critical skills, and informs discretionary-grant priorities.
Strategic Plan (SP)	A five-year planning instrument defining TETA's long-term strategic objectives, outcomes, and performance measures.
Transformation and Inclusivity Incentives	Special funding measures designed to encourage participation by women, youth, persons with disabilities, and rural-based learners in the transport skills value chain.
Variance Reporting Threshold (10%)	The predetermined variance limit that, when exceeded, triggers immediate management intervention and reporting to the Audit and Risk Committee.
Workplace Skills Plan (WSP)	A planning document submitted annually by levy-paying employers, outlining proposed training programmes and employee development priorities.

## 18.2. Annexure B: Policy and Legislative References

### 18.2.1. Legislative Framework

The Discretionary Grants Funding Framework is grounded in the national legislative instruments that govern public finance, skills development, and corporate governance. These statutes collectively establish the Authority's mandate, financial management obligations, and accountability standards.

LEGISLATION / REGULATION	PURPOSE AND APPLICABILITY TO TETA
The Constitution of the Republic of South Africa, 1996	Establishes the legal foundation for public accountability, transparency, and equitable access to education and training.
The Skills Development Act, 1998 (Act No. 97 of 1998)	Defines the objectives of skills development, the establishment of SETAs, and their roles in managing and disbursing levy funds for sectoral skills advancement.
The Skills Development Levies Act, 1999 (Act No. 9 of 1999)	Provides for the imposition, collection, and distribution of the Skills Development Levy, which constitutes the primary source of revenue for SETAs.
The Grant Regulations Regarding Monies Received by a SETA (Government Gazette No. 35940 of 3 December 2012)	Prescribes the allocation and utilisation of levy income, including the proportions for mandatory grants, discretionary grants, administration, and QCTO contributions.
The Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999)	Governs financial management and accountability of public entities, including TETA, ensuring effective, efficient, and transparent use of public resources.
The Treasury Regulations (2005, as amended)	Operationalises the PFMA by setting detailed rules for budgeting, reporting, and financial control applicable to all Schedule 3A public entities.
The National Qualifications Framework Act, 2008 (Act No. 67 of 2008)	Establishes the NQF and the Quality Council for Trades and Occupations (QCTO), mandating alignment of occupational qualifications with national standards.
The Occupational Health and Safety Act, 1993 (Act No. 85 of 1993)	Promotes safe learning and working environments across all funded projects, ensuring compliance with workplace safety regulations.
The Protection of Personal Information Act (POPIA), 2013 (Act No. 4 of 2013)	Regulates the lawful processing of personal data collected during grant administration and monitoring processes.
The Employment Equity Act, 1998 (Act No. 55 of 1998)	Promotes transformation, equality, and fair representation in training and employment opportunities funded through discretionary grants.

LEGISLATION / REGULATION	PURPOSE AND APPLICABILITY TO TETA
The Promotion of Administrative Justice Act (PAJA), 2000 (Act No. 3 of 2000)	Ensures that all discretionary-grant decisions are fair, lawful, and procedurally just, granting applicants the right to appeal or request review.
The Labour Relations Act, 1995 (Act No. 66 of 1995)	Supports collaboration between employers, organised labour, and training institutions in the planning and implementation of skills programmes.

### 18.2.2. Policy Framework

The framework is further informed by national and institutional policies that provide direction on governance, skills planning, transformation, and accountability.

POLICY / FRAMEWORK	PURPOSE AND LINK TO DISCRETIONARY FUNDING
National Skills Development Plan (NSDP 2030)	Provides a long-term national vision for a skilled and capable workforce, forming the foundation for TETA's funding priorities and performance targets.
National Development Plan (NDP 2030)	Outlines South Africa's overarching development agenda, emphasising inclusive economic growth, youth employment, and industrial competitiveness.
White Paper for Post-School Education and Training (2013)	Guides the transformation of the post-school education system and defines the strategic role of SETAs in linking education, training, and employment.
King IV Report on Corporate Governance (2016)	Provides principles of ethical leadership, transparency, stakeholder inclusivity, and sustainable value creation that underpin TETA's governance model.
TETA Strategic Plan (2025–2030)	Defines the Authority's long-term vision, strategic outcomes, and sectoral priorities, serving as the foundation for discretionary-funding allocation.
TETA Annual Performance Plan (2025/26)	Translates the Strategic Plan into annual operational targets, measurable indicators, and financial allocations linked to the Discretionary Grant system.
TETA Delegation of Authority (Revision 06 – 2025/26)	Establishes decision-making thresholds, approval powers, and accountability lines that govern all financial and operational decisions related to discretionary grants.
TETA Risk Management Framework (2025/26)	Provides guidelines for identifying, assessing, and mitigating institutional risks, ensuring proactive governance and sustainable performance.
TETA Code of Conduct and Ethics Policy	Promotes ethical conduct, impartiality, and professional behaviour in all decisions and actions relating to the management of levy funds.
TETA Fraud Prevention and Whistle-Blowing Policy	Defines procedures for reporting, investigating, and addressing any acts of fraud, corruption, or unethical behaviour in grant administration.
TETA Conflict of Interest Policy	Ensures that all individuals involved in evaluation, adjudication, or approval processes act with impartiality and declare any potential conflicts of interest.

### 18.3. Annexure C: Standard Project Proposal Template

The Standard Project Proposal Template serves as a mandatory submission tool for all applicants seeking funding under TETA's Discretionary Grant windows. It ensures that every application is presented in a uniform, complete, and auditable manner, enabling transparent evaluation, equitable comparison, and efficient decision-making.

This structured format standardised the collection of technical, financial, and strategic information required to assess project feasibility, alignment with sectoral priorities, and anticipated developmental impact. It also ensures compliance with the Skills Development Act, Grant Regulations, and the institutional funding principles outlined in this Framework.

All applicants including levy-paying employers, public institutions, non-profit organisations, and strategic partners must complete every section of the template in full. Incomplete or non-compliant submissions will not be considered for evaluation.

### 18.3.1. Standard Project Proposal Template

SECTION	INFORMATION REQUIRED	PURPOSE AND EVALUATION FOCUS
A. Applicant Details	Legal entity name, company registration number, levy number (if applicable), physical and postal address, and contact details of the project lead.	Establishes applicant identity, legal standing, and eligibility for funding under the Skills Development Act and Grant Regulations.
B. Accreditation and Capacity	Accreditation certificate number, accrediting body, scope of accreditation, training facilities, and summary of key staff qualifications.	Confirms institutional capacity and quality-assurance compliance with QCTO and SETA standards.
C. Project Overview	Project title, geographic location, project duration, targeted qualification or learning programme, delivery methodology (classroom, workplace, blended).	Provides a high-level summary for project classification and alignment with approved training categories.
D. Strategic Alignment	Identification of the relevant priority occupation in the Sector Skills Plan (SSP) and the corresponding Annual Performance Plan (APP) indicator supported.	Demonstrates the project's strategic contribution to national and sectoral skills priorities.
E. Learner Profile	Total number of learners, demographic breakdown by gender, disability, and rural representation. Indicate youth participation and designated group inclusion.	Supports transformation objectives, equitable access, and compliance with inclusivity targets in TETA's funding principles.
F. Implementation Plan	Key milestones, implementation partners, project phases, timelines, monitoring responsibilities, and reporting arrangements.	Ensures project readiness, structured delivery, and accountability for milestones.
G. Budget Summary	Detailed cost breakdown covering training, learner stipends, accommodation (if applicable), equipment, materials, and management fees. Include unit costs and total value requested.	Provides the financial basis for assessment of cost-effectiveness, reasonableness, and proportionality to project scale.
H. Absorption Plan	Written commitment to employ or place at least 40 percent of learners upon completion of training. Include letters of intent from employers or partners where available.	Ensures sustainable employment outcomes and promotes alignment with NSDP 2030 objectives for job creation.
I. Risk Management	Identification of key risks affecting project success (financial, operational, or logistical) and proposed mitigation measures.	Demonstrates proactive planning, risk awareness, and institutional capacity for responsive project management.
J. Declaration and Sign-Off	Declaration by the authorised representative confirming the accuracy of information and agreement to TETA's funding terms and conditions. Include full name, designation, signature, and date.	Confirms institutional accountability and compliance with legal and ethical standards for funding submissions.

### 18.3.2. Submission and Compliance Requirements

All project proposals must be submitted electronically through TETA's designated application portal or as specified in the relevant Discretionary Grant Call for Proposals. Supporting documentation including proof of accreditation, company registration, tax clearance certificate, and signed declarations must accompany each submission.

Applications received after the closing date or incomplete proposals will be deemed non-compliant and automatically disqualified. Applicants are encouraged to retain copies of all submissions for audit and verification purposes.

The Project Management Office (PMO) will acknowledge receipt of submissions and may request clarifications or additional documentation where necessary. All proposals will be evaluated strictly in accordance with the criteria and processes defined in the Discretionary Grants Funding Framework.

#### 18.4. Annexure D: Project Evaluation and Scoring Matrix

The Project Evaluation and Scoring Matrix provides a structured and transparent mechanism for assessing all Discretionary Grant applications received under TETA's Funding Framework. It ensures uniform evaluation standards, eliminates bias, and strengthens auditability across the funding lifecycle.

This matrix operationalises TETA's governance principles by aligning the evaluation process with institutional priorities, the Sector Skills Plan (SSP), the Annual Performance Plan (APP), and the National Skills Development Plan (NSDP 2030). It transforms project selection into a performance-driven process that balances compliance, developmental value, and strategic impact.

Evaluations are conducted solely by the Project Management Office (PMO) using the approved criteria. The process is fully automated through an IT-based evaluation system to reduce human interference and ensure objective scoring. Adjudication and funding recommendations are based strictly on the weighted results of this matrix.

##### 18.4.1. Project Evaluation and Scoring Matrix

EVALUATION CATEGORY	CRITERIA DESCRIPTION	WEIGHT (%)	EVALUATION FOCUS / KEY CONSIDERATIONS
Strategic Alignment	Demonstrated alignment with TETA's Strategic Plan (2025–2030), Annual Performance Plan (APP), and Sector Skills Plan (SSP) priorities.	20	<ul style="list-style-type: none"> <li>Addresses identified scarce or critical skills.</li> <li>Supports NSDP 2030 objectives.</li> <li>Contributes to transformation, innovation, or infrastructure development in the transport sector.</li> </ul>
Institutional Capacity and Accreditation	Applicant's capacity to deliver the proposed programme effectively and in compliance with QCTO or SETA accreditation requirements.	15	<ul style="list-style-type: none"> <li>Valid accreditation and scope of training.</li> <li>Qualified facilitators and assessors.</li> <li>Adequate facilities and project management capability.</li> </ul>
Inclusivity and Transformation Impact	Extent to which the project advances transformation, diversity, and inclusion in line with national imperatives.	15	<ul style="list-style-type: none"> <li>Inclusion of women, youth, and persons with disabilities.</li> <li>Rural and underrepresented community participation.</li> <li>Demonstrated gender and equity outcomes</li> </ul>
Employment and Absorption Potential	Capacity of the project to ensure sustainable placement or employment of learners post-training.	15	<ul style="list-style-type: none"> <li>Written employer commitments.</li> <li>Minimum 40% absorption plan.</li> <li>History of learner retention and employment outcomes.</li> </ul>
Financial Viability and Cost-Effectiveness	Reasonableness and transparency of the proposed budget in relation to expected outputs.	10	<ul style="list-style-type: none"> <li>Alignment with TETA funding ceilings.</li> <li>Balanced allocation between training, learner support, and administration.</li> <li>Evidence of cost efficiency.</li> </ul>
Innovation and Research Value	Incorporation of innovation, research, or digitalisation that contributes to modernising the transport sector.	5	<ul style="list-style-type: none"> <li>Use of technology to enhance training delivery.</li> <li>Applied research with demonstrable sector benefits.</li> </ul>
Compliance and Documentation	Submission of all mandatory documentation and adherence to TETA's Discretionary Grant requirements.	5	<ul style="list-style-type: none"> <li>Completed project proposal template.</li> <li>Valid tax clearance and company registration documents.</li> <li>Signed declaration and authorisation.</li> </ul>

#### 18.4.2. Scoring and Thresholds

SCORE RANGE	RATING	DECISION GUIDANCE
85 – 100%	Excellent	Fully compliant and strategically aligned; recommend for funding subject to budget availability.
70 – 84%	Good	Meets most criteria; may be considered for partial or conditional funding.
50 – 69%	Moderate	Requires significant revision; may be deferred for future funding cycles.
Below 50%	Poor	Non-compliant or low developmental value; disqualified from funding consideration.

#### 18.4.3. Evaluation Governance and Reporting

- Evaluation – Conducted by the PMO using the automated evaluation system and verified through cross-checks for accuracy.
- Consolidation – PMO compiles the evaluation report and submits it to the Chief Executive Officer for procedural verification.
- Financial Confirmation – The Chief Financial Officer reviews and certifies budget availability and proportional allocation compliance.
- Adjudication – The Governance and Strategy Committee reviews the evaluation report for fairness and alignment and recommends the final list to the Board.
- Approval – The Board grants final approval of allocations and authorises disbursement.
- Appeals – The Legal and Compliance Unit manages any appeals lodged within 30 days of notification, ensuring procedural fairness and transparency.

#### 18.5. Annexure E: Grant Cap Matrix per Sub-sector

This Grant Cap Matrix aligns directly with audited levy-contribution data and reflects the true financial capacity of each sub-sector. It ensures proportionality between levy income, developmental need, and transformation priority balancing equity with fiscal realism.

##### 18.5.1. Chronological Matrix (Highest to Lowest Levy Contribution)

SUB-SECTOR / CHAMBER	% OF TOTAL LEVY BASE	INDICATIVE ALLOCATION (%)	APPROXIMATE DG VALUE (R MILLION)	NON-PIVOTAL CAP PER ENTITY (%)	WEIGHTING FOR SCARCE SKILLS / STRATEGIC PRIORITY	STRATEGIC RATIONALE
Road Freight	22	21	R 115	10	+5% for driver professionalisation, road safety and logistics optimisation	This is the largest contributor to the levy base. Funding supports professional driver development, fleet safety, and advanced logistics, strengthening South Africa's road-freight competitiveness.
Freight Forwarding & Clearing	18	17	R 94	10	+5% for customs, freight-logistics and compliance training	Second-largest contributor and a vital link to trade facilitation. Funding supports customs, trade-compliance and global-supply-chain capability.

SUB-SECTOR / CHAMBER	% OF TOTAL LEVY BASE	INDICATIVE ALLOCATION (%)	APPROXIMATE DG VALUE (R MILLION)	NON-PIVOTAL CAP PER CENTITY (%)	WEIGHTING FOR SCARCE SKILLS / STRATEGIC PRIORITY	STRATEGIC RATIONALE
Maritime	15	14	R 77	10	+10% if linked to port logistics, ship repair and seafarer development	Maritime drives the ocean-economy agenda. Grants strengthen port management, maritime engineering and seafarer employability.
Road Passenger	13	12	R 66	10	+5% for public-transport digitalisation, safety and scheduling	Key for mobility and commuter safety. Funding supports operator professionalisation and technology adoption.
Freight Handling	10	9	R 50	10	+5% for warehousing, cargo automation and terminal operations	Improves efficiency in inter-modal logistics and supply-chain integration.
Rail	9	8	R 44	10	+5% for signalling, maintenance and infrastructure engineering	Addresses technical-skills shortages in railway safety and operations.
Taxi	7	6	R 33	10	+5% for formalisation, entrepreneurship and safety training	A small but socially impactful contributor. Funding supports transformation, compliance and formalisation of operators.
Aerospace	6	5	R 27	10	+5% for aviation safety, maintenance and pilot-training programmes	The smallest contributor but strategically critical for national safety and advanced manufacturing.

**NB: This data needs to be verified by the Finance Unit**

#### 18.5.2. Interpretation and Compliance Control

- Annual Adjustment  
Allocations are indicative and revised annually following audited levy-contribution data. The Board may adjust allocations based on sectoral performance, transformation progress, or emerging national priorities.
- Deviation Threshold  
Any adjustment exceeding 10% of the proportional share requires prior Board approval supported by a CFO justification report.
- Non-PIVOTAL Cap  
No single entity may receive more than 10% of the non-PIVOTAL allocation within its subsector in any financial year. Deviations require written motivation from the CEO and CFO with Board endorsement.\
- Financial Oversight  
The Chief Financial Officer (CFO) must table quarterly “Levy vs Allocation” reports before the Governance & Strategy Committee and Audit & Risk Committee, ensuring continuous monitoring, fairness and financial discipline.

#### 18.6. Annexure F: Allocation of Funds for PIVOTAL Programmes

##### 18.6.1. Purpose

This annexure defines the approved unit costs, learner allowances, and implementation criteria for all Professional, Vocational, Occupational, Technical, and Academic Learning (PIVOTAL) programmes funded through TETA’s Discretionary Grants. It provides a standardised reference to ensure fairness, transparency, and consistency across all subsectors and implementing partners. The annexure must be read in conjunction with the Discretionary Grant Policy, Bursary Policy, and Implementation Guidelines approved by the Board.

### 18.6.2. Funding Principles

- At least eighty percent (80%) of total Discretionary Grant funds shall be directed to PIVOTAL programmes.
- Allocations are all-inclusive, covering tuition, facilitation, assessment, moderation, learner support materials, and administration.
- Learner allowances apply only to unemployed learners.
- Funding rates represent maximum ceilings; lower costs may be approved where economies of scale are achieved.
- All programmes must be registered with SAQA and the QCTO, and providers must hold valid accreditation under TETA's ETQA or delegated authority.
- Funding must prioritise programmes that contribute directly to the Sector Skills Plan (SSP) and Annual Performance Plan (APP) outcomes.

### 18.6.3. Eligible Entities

The following categories of organisation's are eligible to apply for PIVOTAL and Non-PIVOTAL funding under the Discretionary Grant system. These entities form the recognised scope of participation within TETA's mandate:

- Levy-paying employers within the transport sector registered under the Skills Development Levies Act.
- Exempted non-levy-paying entities operating within TETA's scope (including small and emerging enterprises).
- Accredited training providers, both public and private, that deliver occupationally directed learning programmes.
- Public training institutions, including universities, universities of technology, and TVET colleges.
- Government departments, municipalities, and public entities involved in skills development within the transport ecosystem.
- Trade unions active in the transport and logistics sector.
- Institutes of Sectoral or Occupational Excellence established or recognised by TETA.
- State-owned enterprises (SOEs) with a developmental or training mandate.
- Community-based organisation's (CBOs), non-governmental organisations (NGOs), and community cooperatives that support local training and employment initiatives.

These entities are collectively referred to as Eligible Entities in the funding schedule below.

18.6.4. PIVOTAL Funding Schedule (2025/26)

Programme Category	NQF / AET Level	Eligible Entities	Employment Status	Maximum Training Allocation	Learner Allowance (Unemployed Only)	Duration / Criteria
Adult Education & Training (AET)	Levels 1 – 3	As above	Employed / Unemployed	R6 000 per learner per level (inclusive of numeracy and literacy)	R150 per day up to 60 days per level	As per DG Policy & Guidelines
AET Level 4	Level 4	As above	Employed / Unemployed	R7 000 per learner (inclusive of numeracy and literacy)	R150 per day up to 60 days	As per DG Policy
GETC / AET NQF 1	NQF 1	As above	Employed / Unemployed	R25 000 per learner (inclusive of all training costs)	R150 per day up to 130 days	As per DG Policy
Apprenticeship (Employed)	–	As above	Employed	Up to R68 763 per learner per annum (max 3 years)	N/A	As per DG Policy
Apprenticeship (Unemployed)	–	As above	Unemployed	Up to R55 000 per learner per annum (max 3 years)	R36 000 per annum	As per DG Policy
Artisan Recognition of Prior Learning (ARPL)	–	As above	Employed / Unemployed	R35 000 (single trade); R60 000 (double); R90 000 (triple)	R300/day (60 days single); R270/day (70 days double); R250/day (90 days triple)	As per DG Policy
Candidacy Programme	–	As above	Employed / Unemployed	R80 000 per learner per annum (max 3 years)	R4 000 per month (max 3 years)	As per DG Policy
Internship – Graduate (HEI)	–	As above	Unemployed	R500 p.m. mentoring & coaching + R6 500 p.m. (24 months)	–	As per DG Policy
Internship – TVET N Diploma (WIL)	–	As above	Unemployed	R500 p.m. mentoring & coaching + R5 000 p.m. (18–24 months)	–	As per DG Policy
Learnership & Occupational Programmes (QCTO)	NQF 1 – 8	As above	Employed / Unemployed	R200 – R255 per credit (120–190 credits max per level)	R34 800 – R37 200 for 12 months	As per DG & Bursary Policies
Recognition of Prior Learning (RPL)	–	As above	Employed / Unemployed	Up to R18 000 per qualification	R125 per day (max 12 months)	As per DG Policy
Regulatory Training A (Non-Aviation & Maritime)	–	As above	Employed / Unemployed	R11 000 per learner	R125 per day (max 40 days)	As per DG Policy
Skills Programmes	NQF 1 – 4+	As above	Employed / Unemployed	R200 – R235 per credit (max 60 credits)	R125 – R150 per day	As per DG Policy
Bursary (HEI – General)	NQF 5 – 8	As above	Unemployed	R90 000 per annum (all-inclusive)	Included	As per Bursary Policy
Bursary (HEI – Employed)	NQF 5 – 8	As above	Employed	R80 000 per annum (tuition only)	N/A	As per Bursary Policy
Bursary (Engineering HEI)	NQF 6 – 8	As above	Employed / Unemployed	R110 000 – R120 000 per annum	Included for unemployed only	As per Bursary Policy

Programme Category	NQF / AET Level	Eligible Entities	Employment Status	Maximum Training Allocation	Learner Allowance (Unemployed Only)	Duration / Criteria
Bursary (TVET Programmes)	NQF 2 – 4	As above	Employed / Unemployed	Up to R55 000 per annum	Included for unemployed only	As per Bursary Policy
Masters / PhD (Transport-related)	Postgraduate	As above	Employed / Unemployed	Up to R250 000 per learner (incl. stipend if unemployed)	Included	As per Bursary Policy
Aviation Programmes (ATPL, CPL, Instrument, Instructor, Night Rating)	–	As above	Employed / Unemployed	R7 000 – R2 100 000 (depending on rating and hours)	R125/day or R2 500/month as applicable	As per Bursary Policy
Remotely Piloted Aircraft System (RPAS)	–	As above	Employed / Unemployed	R40 000 per learner	R125/day (max 30 days)	As per DG Policy
Maritime Cadetship and Ancillary Training	–	As above	Employed / Unemployed	R80 000 per annum (max 3 years) / R25 000 – R60 000 ancillary	Included	As per DG Policy & SAMSA Standards

### 18.7. Annexure G: Typical Qualifications, Skills Programmes and Interventions per Sub-sector

#### 18.6.5. Implementation and Review

The funding ceilings herein shall remain effective for the 2025/26 financial year and will be reviewed annually through the Governance and Strategy Committee (G&S Committee). Adjustments will be guided by:

- Inflationary and cost-of-living adjustments;
- DHET and National Treasury circulars;
- Sectoral demand data; and
- Audit and performance review outcomes.

#### 18.7.1. Introduction and Policy Context

This annexure consolidates all PIVOTAL and Non-PIVOTAL programmes supported under TETA's Discretionary Grant Funding Framework across the eight transport sub-sectors. It also incorporates ICT and digital transformation qualifications that are now integral to the transport sector's competitiveness, innovation, and 4IR alignment.

The Project Management Office (PMO) shall maintain a centralised database of approved funding rates and ensure compliance during evaluation, contracting, and payment processes.

The listed programmes reflect both traditional operational qualifications and emerging digital competencies required to build an intelligent, data-driven, and sustainable transport system in South Africa. All interventions are aligned to the Skills Development Act (1998), Grant Regulations (2012), National Skills Development Plan (NSDP 2030), and TETA's Sector Skills Plan (SSP).

18.7.2. Typical Qualifications and Programmes per Sub-sector

SUBSECTOR	TYPICAL QUALIFICATIONS / PROGRAMMES (INCLUDING DIGITAL INTERVENTIONS)	TYPICAL DURATION	INDICATIVE LEVEL / TYPE
Aerospace	<ul style="list-style-type: none"> <li>Private Pilot Licence (PPL)</li> <li>Commercial Pilot Licence (CPL)</li> <li>Airline Transport Pilot Licence (ATPL)</li> <li>Remotely Piloted Aircraft Systems (RPAS)</li> <li>Aviation Maintenance Engineering Apprenticeship (Airframe, Powerplant, Avionics)</li> <li>Cabin Crew and Safety Training</li> <li>Aviation Regulatory and Safety Compliance</li> <li>Aviation Digital Systems and Cybersecurity</li> <li>Drone Data Analytics and Air Traffic Data Systems</li> </ul>	3–24 months	NQF 4–8 (Professional / Technical / Digital)
Maritime	<ul style="list-style-type: none"> <li>Maritime Cadetship Programme</li> <li>Marine Motorman Grade 1 (SAMSA)</li> <li>Ancillary Courses: PST, PSSR, MFA, CISC, DSD</li> <li>Port Operations Learnership</li> <li>Ship Navigation and Marine Engineering</li> <li>Small Vessel Skipper and Fishing Operations Training</li> <li>Digital Port Logistics and Automation Systems</li> <li>Maritime Cybersecurity and Navigation Data Systems</li> </ul>	3 months – 3 years	NQF 2–7 (Occupational / Technical / Digital)
Rail	<ul style="list-style-type: none"> <li>Train Driver Learnership</li> <li>Rail Safety Officer Programme</li> <li>Railway Signalling and Electrical Apprenticeship</li> <li>Track Maintenance and Rolling Stock Technician</li> <li>Rail Operations Management</li> <li>Smart Rail Infrastructure (IoT and Control Systems)</li> <li>Predictive Maintenance and Data Analytics in Rail</li> </ul>	6 months – 3 years	NQF 3–8 (Technical / Engineering / ICT)
Road Freight	<ul style="list-style-type: none"> <li>Professional Driving Learnership (NQF 3–4)</li> <li>Freight Handling Learnership</li> <li>Dangerous Goods and Hazchem Training</li> <li>Logistics and Supply Chain Management Diploma</li> <li>Fleet Management and Safety Compliance</li> <li>Warehouse Operations and Inventory Control</li> <li>Digital Fleet Management and Telematics Systems</li> <li>Supply Chain Data Analytics and ERP Systems</li> </ul>	3 weeks – 2 years	NQF 3–7 (Vocational / ICT / Technical)
Road Passenger	<ul style="list-style-type: none"> <li>Professional Driving (Passenger Transport) Learnership</li> <li>Bus Operations and Maintenance Training</li> <li>Passenger Safety and Customer Service Skills Programme</li> <li>Transport Planning and Scheduling Diploma</li> <li>Smart Ticketing Systems and Passenger Data Analytics</li> <li>Digital Customer Relationship Management (CRM) in Transport</li> </ul>	3 months – 2 years	NQF 3–7 (Vocational / Digital / Service)
Taxi	<ul style="list-style-type: none"> <li>Fleet and Business Management Training</li> <li>Financial Literacy and Entrepreneurship</li> <li>Cooperative Management and Governance</li> <li>Digital Payment and E-Hailing System Training</li> <li>Fleet Tracking and Mobile Operations Systems</li> </ul>	3–12 months	NQF 2–5 (Vocational / ICT-Enabled)
Freight Forwarding & Customs	<ul style="list-style-type: none"> <li>Freight Forwarding &amp; Customs Clearance Learnership</li> <li>Supply Chain and Logistics Diploma</li> <li>Warehouse and Port Logistics Programme</li> <li>Customs and Border Regulatory Compliance</li> <li>Blockchain Applications for Cargo Tracking</li> <li>Digital Freight and Documentation Systems</li> </ul>	6–24 months	NQF 3–7 (Occupational / ICT / Logistics)
Public Service Transport	<ul style="list-style-type: none"> <li>Transport Planning and Policy Development Programme</li> <li>Project Management for Public Sector Officials</li> <li>Regulation and Compliance Training</li> <li>Infrastructure Maintenance and Asset Management</li> <li>Transport Data Analytics and GIS Applications</li> <li>Intelligent Transport Systems (ITS) Engineering</li> <li>Digital Transformation and ICT Management for Executives</li> </ul>	6–24 months	NQF 5–9 (Professional / Digital / Strategic)

18.7.3. Cross-Cutting PIVOTAL and Non-PIVOTAL Interventions

PROGRAMME CATEGORY	EXAMPLES OF INTERVENTIONS (INCLUDING ICT COMPONENTS)	DURATION	INDICATIVE LEVEL / TYPE
Adult Education & Training (AET)	Literacy and Numeracy (AET 1–4 / GETC NQF 1) with integrated computer literacy	6–12 months	NQF 1
Apprenticeships and Learnerships (QCTO)	Traditional trades and ICT-enabled maintenance (e.g., electrical, mechatronics, diagnostics)	Up to 3 years	NQF 2–5
Internships and Graduate Programmes	TVET N Diplomas, HEI Degrees, Data Science, and ICT Placements	12–24 months	NQF 5–8
Recognition of Prior Learning (RPL / ARPL)	Artisans, Drivers, Technicians, ICT Practitioners	3–6 months	Occupational
Candidacy Programmes	Engineering, ICT Systems, and Technical Professions	2–3 years	Professional
Bursaries and Academic Support	Undergraduate, Postgraduate, Masters/PhD (including Data Science, AI, Transport ICT)	1–4 years	NQF 6–10
Regulatory and Compliance Training	Aviation, Maritime, Cybersecurity, and Data Protection	3–12 months	Short Learning
Innovation and Digitalisation	Artificial Intelligence, Robotics, Automation, Blockchain, Cloud Logistics	Variable	NQF 5–9

This integrated annexure provides a unified framework for funding both traditional and digital skills development interventions in the transport sector. The Governance and Strategy Committee (G&S Committee) and the Project Management Office (PMO) shall ensure that annual Discretionary Grant windows reflect this blended structure, enabling balanced investment between existing occupational pipelines and new technology-driven competencies. Funding priorities shall favour programmes that:

- Promote innovation and smart transport systems;
- Build ICT capacity within traditional sub-sectors.
- Foster data-driven planning and regulatory efficiency;
- Strengthen partnerships between TETA, DHET, TVET Colleges, and Centres of Digital Excellence.

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