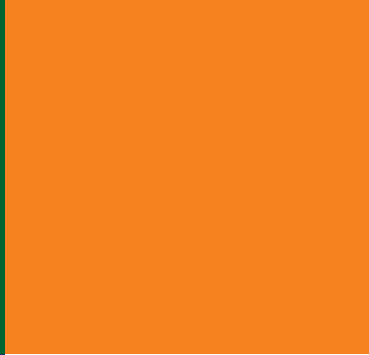
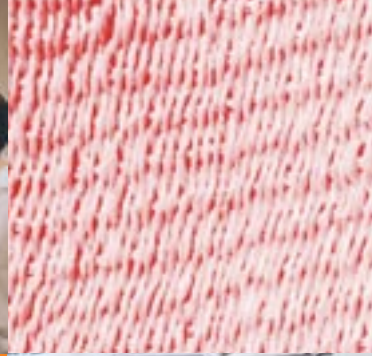
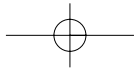


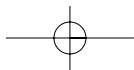
Department of Labour

# Social Development Funding Window of the National Skills Fund



## What it is and how it can be used





## Introduction

- The Skills Development Act (SDA) and the Skills Development Levies Act (SDLA) were passed in 1998 and 1999 respectively to lay the legal basis for improving the skills of the people in South Africa.
- The two Acts introduce new institutions, programmes and funding policies designed to increase the overall investment in skills development.
- The SDLA establishes new ways to pay for skills development through a levy/grant system and the National Skills Fund (NSF).
- 80% of the funds collected through the levy/grant system will be divided between the Sector Education and Training Authorities (SETAs) to be used for grants to employers to encourage them to train their staff.
- The remaining 20% goes to the National Skills Fund to fund areas of national skills priorities. This is disbursed primarily through the Head Office and the Provincial Offices of the Department of Labour.

## What is the Social Development Funding Window?

- One of the key national priorities identified for the NSF is to reduce unemployment and underemployment through supporting social development initiatives.
- The Social Development Funding Window (SDFW) has been established to fund programmes under this category.
- Funds from the SDFW will be disbursed through the Provincial Offices of the Department of Labour.

## How will the SDFW funds be disbursed?

- Five programmes have been set up within the SDFW to fund Skills Development projects:
  1. Provincial and local skills development programme
  2. Social plan programme
  3. Employment programme for people with disabilities
  4. Prisoner training programme
  5. Service Corps programme.
- Programmes 2,3,4 and 5 can only be accessed by targeted groups of unemployed and underemployed, such as retrenched, prisoners, ex-service corps

members and people with disabilities.

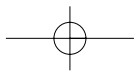
- Programme 1: The Provincial and Local Skills Development Programme is the programme of the SDFW, which can be used to fund a variety of skills development projects. Further details on this programme are provided below.

## What kinds of projects will be funded by the Provincial and Local Skills Development Programme of the SDFW/NSF?

- The Department of Labour will only fund the skills development component of social development projects that are funded and implemented from other sources such as:



- Public transport projects
- Public works projects
- Housing projects
- Rural development projects
- Poverty alleviation projects
- HIV/AIDS awareness





- Disaster prevention and management projects
- Crime prevention and control projects
- Information sector development projects, etc.
- The size of skills development projects can range from very small to large projects.

### What are the funding criteria?

- Within two months of the completion of the skills development project at least 70% of the trainees must be placed in one of the following:
  - formal sector employment
  - social development project
  - self-employment, including the informal sector
  - registered for further education and training.
- The budget for non-training expenditure such as capital or operating expenses for the project must be secured from alternative sources. The SDFW can only provide funds for skills development purposes.
- There must be an established need – the availability of already qualified unemployed persons will be investigated prior to initiating skills development projects (registered work seekers with the Department of Labour).
- Trainees must be 16 years of age or older and must have a 13-digit barcoded RSA identity document.
- Adult Basic Education and Training (ABET) and life skills

may be integrated into the projects where the need has been identified. This training will however not be funded as stand-alone projects.

- Additional costs such as funding bridging courses in general education or assistive devices to ensure inclusion and accommodation of women or for people with disabilities can be covered for a limited period of time (up to six months).

### Who are the intended beneficiaries?

- All unemployed/underemployed people, 16 years of age or older.
- Projects can be comprised of a combination of target groups or focus on a specific target group such as women, youth, people who have recently become victims of natural disasters, retrenched and micro-entrepreneurs.
- The Department is however committed to achieving the equity targets of the National Skills Development Strategy which are:
  - 54% women
  - 85% black
  - 4% people with disabilities.

### Who can apply for project funding?

- Government departments
- Private sector (focusing on social development)



projects)

- NGOs/CBOs
- Public institutions (Further and higher education and training institutions).

### How do you apply for funds?

- Identify a project that meets the above funding criteria.
- Contact your nearest Labour Centre for instructions on creating a Skills Development Project Concept.
- Submit the concept to the Labour Centre for review.
- Once the concept has been approved in principle, elaborate a skills development project implementation plan for assessment and approval.

### How do you obtain more information?

If you have a skills development project that meets the above criteria, you can obtain the **Information Document on the Social Development Funding Window** from your nearest Labour Centre or call the nearest Provincial Office of the Department of Labour.

#### Provincial Offices of the Department of Labour

##### Eastern Cape

3 Hill Street Tel: (043) 701 3000  
East London Fax: (043) 701 3142

##### Free State

National House Building Tel: (051) 505 6200  
43 Maitland Street Fax: (051) 505 6251  
Bloemfontein

##### Gauteng North

Concillium Building Tel: (012) 309 5000  
Cnr Andries and Fax: (012) 309 5116  
Skinner Street  
Pretoria

##### Gauteng South

Annuity House Tel: (011) 497 3000  
18 Rissik Street Fax: (011) 497 3038  
Johannesburg

##### KwaZulu-Natal

Government Building Tel: (031) 336 1500  
Masonic Grove Fax: (031) 336 1594  
Durban

##### Mpumalanga

Labour Building Tel: (013) 655 8700  
Cnr Hofmeyer Street Fax: (013) 655 8753  
and Beatty Avenue  
Witbank

##### Northern Cape

Labour House Tel: (053) 838 1500  
Cnr Priel and Fax: (053) 838 1545  
Compound Streets  
Kimberley

##### Limpopo

Boland Building Tel: (015) 290 1744  
42A Schoeman Street Fax: (015) 290 1604  
Polokwane

##### North West

Provident House Tel: (018) 384 2033  
2nd Floor SEBO Building Fax: (018) 387 3463  
University Drive  
Mmabatho

##### Western Cape

Thomas Boydell Building Tel: (021) 460 5911  
Parade Street Fax: (021) 462 3680  
Cape Town



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