DEPARTMENT OF EMPLOYMENT AND LABOUR
UNEMPLOYMENT INSURANCE FUND

Guidelines for the appointment of Employers, Private Sector Companies, State Owned Entities, Non-Profit Organisations and Training Institutions

- Closing: 27 September 2026 at 23:59

employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

UIF
WORKING FOR YOU

1. Mandate

- The Unemployment Insurance Act, 63 of 2001 provides the legislative basis for labour market re-entry and job creation initiatives.
- The UIF Board advises on policies to minimise unemployment and schemes to alleviate the effects of unemployment.
- Projects must align with the District Development Model (DDM).
- Proposals must identify the Province, District and Local Municipality, including targeted towns, townships and villages.
- Research must demonstrate demand for niche sectors and skills in targeted areas.
- Projects must align with the National Youth Policy 2020–2030 and target UIF contributors, youth, women and persons with disabilities.

2. Who May apply

- Eligible applicants: Employers, Private Sector Companies, State Owned Entities, Non-Profit Organisations and Training Institutions.
- Applications must be submitted in the applicant's own name and capacity.
- UIF compliance: registered, declaring employees and making UIF contributions.
- SARS: tax compliant; valid tax clearance evidence required.
- COIDA: valid Letter of Good Standing required.
- B-BBEE: certificate or sworn affidavit required, with alignment to Employment Equity targets.

3. Eligible Job creation Interventions

- Work Integrated Learning (WIL) _stipend cost per learner (R2000 to R3000)
- Internship programmes_stipend cost per learner (R2000 to R3000)
- Work readiness and job preparedness initiatives _stipend cost per learner (R2000)
- Learnerships and apprenticeships. _stipend cost per learner (R3000 and R3500)
- Enterprise Development stipend_cost per learner (R2000 to R3000)
- Skills development _stipend cost per learner (R2000)
- Targeted programmes for persons with disabilities _stipend cost per depends on the type of programme

4. Employment – First Model

- Projects must culminate in immediate employment after completion of the intervention.
- Direct workplace placement receives preference over training-only interventions.
- Where training is necessary, the employer is responsible for arranging and managing it through its normal employee-development processes.
- Training costs may be claimed within the approved project budget and signed funding agreement.
- The methodology must state where training and subsequent employment will occur.
- Where opportunities exist elsewhere, partners may place beneficiaries in those employment locations.

5. Sectors, Recruitment & Workplace Readiness

- LAP may support all economic sectors where credible, sustainable employment opportunities exist.
- High-growth, labour-intensive and sustainable sectors are encouraged.
- Sector selection must be evidence-based and link skills, business growth and employment creation.
- Recruitment must come from ESSA
- Other databases may be used only when suitable candidates cannot be found through ESSA
- Employers remain legally responsible for appropriate PPE and tools of trade; the proposal must explain provision where UIF cannot provide them.

6. Financial Framework & value for money

- Cost per learner must separately reflect training, stipend, PPE and tools of trade funded by UIF.
- Own contribution should be reflected.
- Partners are encouraged to augment stipends towards the applicable minimum sector wage.
- Applicants must disclose annual turnover for FY 2023/24, 2024/25 and 2025/26.
- Entities in financial distress will not be considered for this intervention; TERS or BT&R may be considered instead.
- Co-funding is an added advantage.
- Where co-funding is offered, its intended use must be specified and evidence provided
- LAP rates fo

7. Risk Management & Previous Performance

- Beneficiary numbers must match the employer's implementation capacity.
- Applicants must disclose all previous/current LAP-funded projects and applications and their status.
- Repeat applicants must provide verified absorption rates for previous interventions.
- The UIF may test claimed performance against its contributor database.
- Non-disclosure of previous funding or performance history results in automatic disqualification.
- False claims or misrepresented data will result in immediate cancellation
- Applicants must prove that workplaces and training facilities are physically located, accessible and fit for purpose.

8. Evidence of Real Employment Demand

- Employment opportunities must originate from the actual employer that intends to employ the beneficiaries.
- A service provider cannot rely only on an undertaking to source jobs after training.
- Partners may start with up to 50% of the targeted beneficiary numbers.
- For proposed placements, submit an organogram or equivalent structure showing where beneficiaries will be accommodated.
- The employer must be identifiable and independently able to confirm the employment opportunity.
- Insufficient on its own: generic service-provider letters, promises to source jobs later,

9.Enterprise development and market access

- Enterprise development and cooperative proposals must show a clear, credible route to market.
- Evidence must identify customers, purchasers, buyers or off-takers.
- Acceptable evidence includes signed off-take, purchase or supply agreements; confirmed orders; contracts; or verifiable letters of intent.
- CIPC/cooperative registration alone is not an enterprise-development outcome.
- Applicants must show how businesses will become operational, generate revenue and access sustainable markets.

10. Funding Ceiling & Other LAP Programmes

- A maximum LAP funding ceiling applies to promote co-funding and prevent excessive concentration of LAP funding.
- Funding thresholds and ceilings will be determined by the UIF.
- Partners applying for other LAP Job Preservation programmes will not be considered.
- Applicants must disclose existing and previous LAP commitments and applications.

11. Performance-Based Contracting & Oversight

- A legally binding commitment is required for 75% absorption into sustainable jobs.
- Sustainable jobs are defined as permanent employment or fixed-term employment of at least 24 months.
- If beneficiaries are not absorbed, the UIF may demand a refund of all or part of the funding, within the law.
- Regular beneficiary and site verification will test implementation against the approved geographic and project plan.
- Due diligence may include the applicant, participating employers and entities providing commitment letters.
- Visits may be announced or unannounced and may involve DEL, the UIF Board, MPs, auditors and/or forensic investigators.
- Obstructing verification or failing to provide documents may lead to suspension or termination.

12. Application Requirements & Evaluation

- Required: proposal and pricing schedule aligned to UIF rates.
- Required: compliance documents, including SARS, COIDA and CSD.
- Required: last three years' Annual Financial Statements.
- Failure to submit the required documents will result in disqualification.
- Preference: immediate workplace employment and strong DDM alignment in sectors critical to economic growth.
- Evaluation considers employment commitment/evidence, accredited training where required, organisational and operational capacity, economic alignment, own contribution and previous performance.

Thank You…

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