DISCRETIONARY GRANT FUNDING WINDOW GUIDELINES

Rural Development Support Project 2025/26

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BANKSETA FUNDING WINDOW GUIDELINES

1. Purpose

This document has been developed to guide the application process for BANKSETA Discretionary Grant Funding Windows. It considers the SETA Grant Regulations and the BANKSETA Discretionary Grant Policy. This document provides guidelines for the opening of funding windows, inviting applications, evaluation of applications, allocation of funds and payment of funds. This document aims to ensure a consistent, fair, and transparent process.

2. Objective

The objective of this funding window is to support the implementation of the District Development Model through funding for programmes that focus on **SME development in rural communities**, **youth development** and those **focusing on poverty eradication employment and equality**.

The rural development project is intended to increase employment and livelihood opportunities in rural areas and promote sustainable development practices for positive socio-economic impact in rural communities.

3. Invitation Process and Application requirements

3.1 BANKSETA will publish all funding window invitations on the BANKSETA website www.bankseta.org.za

3.2 Each funding window will remain open for at least 6 weeks. The funding window opens on 06 August 2025 and closes at 16h00 on 19 September 2025.

3.3 No late applications will be accepted.

3.4 Applications must be for the skills development support for rural development projects.

3.5 All documents must be completed in full. This includes the Application form, the submission of a valid SARS Tax clearance, the CSD Report, and Municipal Capacity Assessment Report for the municipality applied for.

3.6 All applications to be submitted via email, AND online through the BANKSETA MIS. BANKSETA will host Information sessions to train all potential applicants.

4. Eligibility Criteria

The following are eligible to apply under this funding window

4.1 District municipalities

4.2 Local municipalities

4.3 Other Schedule 3A public entities with a mandate for rural development or those implementing rural development programmes.

No application would move to the next stage of evaluation if the documents listed under 3.5 are not submitted.

5. Evaluation Criteria

5.1 PROJECT PROPOSAL (30%)

- The applicant must provide details of the proposed project in detail. There must be a clear demonstration of the purpose, implementation method, monitoring and evaluation tools and envisaged impact of the project. (The proposal can be in a separate document).
- Alignment to DDM and National or Local priority initiatives for rural development is encouraged. Mentoring and coaching should be included.

5.2 IMPLEMENTATION PLAN (30%)

- The applicant must provide an implementation plan, envisaged partners, and methodology showing timelines, activities, milestones, and responsibilities.
- The plan must show initiation, planning, implementation, monitoring and evaluation, and project closure and should also make provision for monitoring and evaluation activities, and a risk mitigation plan.

5.3 CAPACITY, IMPACT, AND EXIT STRATEGY (30%)

- The applicants' track record and previous experience in projects of this nature should be clearly demonstrated.
- As an exit strategy for beneficiaries, the applicant must clearly indicate the impact of the proposed initiative to rural community and how it will be achieved.

5.4 PROPOSED BENEFICIARIES (10%)

- The applicant should demonstrate how the proposed programme will carefully select and target the most vulnerable individuals in rural communities especially support to youth, women, and people with disabilities.
- Provide a description of the beneficiaries to be supported and which economic sector they constitute.

6. Funding Allocation Criteria

6.1 The amount available for this funding window is R10 000 000 for the entire project. The successful applicants' interventions must be delivered in a period of not shorter than 6 months.

6.2 No cost cap per learner, however BANKSETA will consider market comparability of the amount applied for.

6.3 No cap on number of learners but BANKSETA reserves the right to decrease the number of learners applied for.

6.4 Funding will be allocated to ensure alignment with the approved BANKSETA Annual Performance Plan.

6.5 Previous performance where applicable will be considered for all returning successful applicants.

7. Submission Process

7.1 Applications and other related documents are to be submitted on BANKSETA templates, and as per the prescribed submission process. Failure to do so will result in disqualification of the applications.

7.2 Applications must be received in the specified timeframes; no late submissions will be accepted. All applications to be sent to ruraldevelopment2025@bankseta.org.za

7.3 Applicants agree to provide information as required by BANKSETA for the purpose of reporting to the Department of Higher Education and Training, as well as other statutory stakeholders.

7.4 Applications must be submitted to ruraldevelopment2025@bankseta.org.za (applications submitted under a different email will not be considered).

7.5 Each applicant may only submit one application.

7.6 Applicants must keep a copy of their submission for their internal use and backup purposes.

8 Evaluation and Allocation Process

8.1 In all cases an evaluation panel shall be established to evaluate applications.

8.2 The evaluation panel will be appointed by the CEO.

8.3 All panel members will be required to sign a declaration of interest.

8.4 The evaluation panel and decision will be recorded for audit purposes.

8.5 All grants are VAT inclusive, and this funding is specifically for training costs. Funding does not include set up/initiation costs, administration and/or including capitalization of projects.

8.6 If the BANKSETA Board approves additional funding for a particular funding window or if there are savings or underutilization by successful applicants, BANKSETA may approve additional applications or increase the funding for a particular applicant. Only approved applications will qualify for additional funding.

8.7 Feedback on the status of the application will be provided to all applicants.

9 Approval, Appeal and Change Request Process

9.1 The evaluation documentation will be submitted for Probity Review. The probity review report will be submitted for review to the CEO. Once the CEO has reviewed, the report and supporting evidence as required will be submitted to the Finance and Remuneration Committee for recommendation to the BANKSETA Board. Final approval will be done by the BANKSETA Board. The BANKSETA Board may delegate approval functions to the CEO as indicated in the BANKSETA Delegations of Authority Policy.

10.2 Should an (unsuccessful) applicant want to appeal the decision of the BANKSETA, this must be done in writing and within one month of receiving the outcome. The request will be submitted for review. After reconsideration the BANKSETA's decision is final.

10.3 Change requests are discouraged but should this be unavoidable, the request must be submitted to the BANKSETA within one month of receiving the outcome and with motivation for the change. The approval of the change request is at the discretion of the CEO provided that the approved amount is not exceeded and that the change is still in line with the guidelines. No change may be implemented without approval by BANKSETA.

11 Contracting, Commitment Schedule, and Project system update

11.1 BANKSETA will sign a Memorandum of Agreement (MoA) with the applicant for each application that is approved.

11.2 The approval notification to the applicant should include a deadline date for the return of signed MoAs to the BANKSETA so that funds are not left uncommitted for long periods of time.

11.3 The project manager will monitor all the received MoAs and any MoA not signed and returned to BANKSETA by the agreed date will be cancelled.

11.4 Applicants should endeavor to meet deadlines and complete the project within the project plan submitted during application phase. If, however, this is not possible the applicant should apply in writing to have the timelines extended and where needed to sign an addendum to the MoA to extend the end date. This should be done well in advance and at least three months before the initial completion date.

11.5 If the MoA has expired, and no project extension request is received by BANKSETA before the lapse of the MoA or if BANKSETA detects there is no project activity taking place and no reasonable cause has been provided, the MoA will be terminated, and the funding forfeited.

12 Invoicing/ Funds Disbursement Process

12.1 Upon approval of the application, the Applicant and BANKSETA will sign a Memorandum of Agreement (MoA) to formalize the application and to agree to the disbursement schedule (in line with the specific application)

12.2 The BANKSETA will request an invoice from an Implementation Partner upon receipt and verification for completeness of performance information received.

12.3 The other tranche payments will be paid subject to all the project requirements being met. This may include a monitoring and evaluation audit conducted by BANKSETA, proof of payment to other parties, proof of disbursement of stipends to unemployed learners, etc.)

12.4 BANKSETA will only accept and pay for performance information that is current and falls within the current financial year (no performance information dated after 31 March 2026).

12.5 Successful applicants and payments are subject to a monitoring and evaluation process.

12.6 Progress Reports are to be submitted as outlined on each MOA (BANKSETA to provide template).

12.7 Successful applicants and payments are subject to a monitoring and evaluation process.

12.8 The BANKSETA will only be paying for beneficiaries who are active in the programme, and on completion BANKSETA will pay for successfully completed learners. In all cases payments will be made once all other tranche criteria requirements are met.

12.9 The BANKSETA may withhold grants or recover any grants paid to an applicant if it is found that the grants allocated are not being used for the purpose for which the grant was intended. This includes but is not limited to the employment status of intended beneficiaries stated incorrectly (employed / unemployed), fraudulent identity documents (deceased learners), etc.

12.10 Non-compliance will lead to summary termination of the agreement and the Contracting party will, due to non-compliance have neither right to any grants or disbursements nor any other right out of this agreement.

13 Disclaimer, Termination and Breach

13.1 In all instances, BANKSETA reserves the right to approve / decline funding at its discretion.

13.2 The BANKSETA reserves the right to verify, monitor and audit any of the above approved grants during the implementation period by a designated BANKSETA representative. Payments are also subject to these processes as per the quality requirements stipulated by BANKSETA.

13.3 The BANKSETA may withhold grants or recover any grants paid to an applicant if it is found that the grants allocated are not being used for the purpose for which the grant was intended.

13.4 Non-compliance will lead to summary termination of the agreement and the Contracting party will, due to non-compliance have neither right to any grants or disbursements nor any other right out of this agreement.

14 Confidentiality of information

In compliance with the requirements of the Protection of Personal Information Act (POPI), BANKSETA wishes to inform all its stakeholders that in applying for funding, invoicing the BANKSETA and providing supporting information for such invoices, the below standards will apply:

14.1 BANKSETA undertakes to keep all information obtained or received by it for purposes of funding applications, funding agreements, invoicing and performance information disclosed or provided by the employers in confidence and in a safe and secure manner.

14.2 Information shall be revealed only to the representatives, agents, and employees whose knowledge of the information is required for the purpose related to administering the funding applications, funding agreements, invoices and supporting documentation.

14.3 The purpose related to administering the funding applications, funding agreements, invoices and supporting documentation includes the following:

- reporting skills development initiatives to the Department of Higher Education and Training.
- reporting enrolments and achievements of programmes to the South African Qualifications Authority.
- reporting on quality assurance functions to the Quality Council of Trades and Occupations.
- evaluating and processing applications for access to funding.
- compiling statistics and other research reports.
- providing personalised communication.
- providing information for internal and external auditing purposes
- complying with the law; and/or
- for a purpose that is ancillary to the above.

14.4 Information related to the Memoranda of Agreement will be kept for 5 years after the stated end date. After 5 years it will be destroyed.

14.5 In the event that BANKSETA is required by legal process to disclose any of the information, it shall provide the applicant with prompt notice of such requirement so that the applicant may seek a protective order or agree to the provision of information.

14.6 In the event that a protective order or other remedy to ensure that only information covered by such other or other remedy is obtained, the BANKSETA shall use all reasonable efforts to ensure that only the information covered by such order or other remedy is disclosed.

14.7 Whether or not a protective order or other remedy is obtained, or the applicant agrees to the provision of information, BANKSETA shall take all the reasonable steps to ensure that only the portion of the information which it is legally required to disclose is disclosed.