DISCRETIONARY GRANT:

UNEMPLOYED BENEFICIARIES– OUTSTANDING STUDY DEBT SETTLEMENTS

FUNDING WINDOW GUIDELINES

NOVEMBER 2026

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BANKSETA FUNDING WINDOW GUIDELINES - HIGHER EDUCATION STUDENTS: OUTSTANDING STUDY DEBT SETTLEMENTS

1. Purpose

This document has been developed to guide the application process for BANKSETA Discretionary Grant Funding Windows. 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. This guideline must be read together with the BANKSETA Discretionary Grant Policy, Policy Unique Number 28/2026/February 2026, effective 27 February 2026, the SETA Grant Regulations. Where any inconsistency arises, the approved policy, applicable legislation and Delegations of Authority will prevail https://bankseta.org.za/discretionary-grants/

2. Invitation Process

- The funding window will be published on the BANKSETA website and will remain open for a minimum period of **four** weeks.
- Applications and supporting documents must be submitted using the prescribed BANKSETA templates through SIMS (BANKSETA Information Management System). Failure to use the prescribed templates or submission process will result in disqualification – https://sims.bankseta.org.za/login
- The funding window opens on **10/11/2026** and closes at **16h00** on **10/12/2026**.
- Applications received after the published closing date and time, or through a channel other than the prescribed submission channel, will not be accepted.
- An online briefing session, including guidance on the SIMS application process, will be provided. Attendance is encouraged.

3. Objective

For purposes of this guideline the following applies:

<table>
<tr><th>Term</th><th>Description</th></tr>
<tr><td>Eligible Applicants</td><td>
<table>
<tr><th>Category</th><th>Potential Applicants</th></tr>
<tr><td>Learning Institutions</td><td>• Public Universities
• Public Universities of Technology (UoTs)
• Public Technical Vocational Education Training Colleges (TVET)
• The BANKSETA will only accept applications and communicate with eligible institutions directly and not through third parties.</td></tr>
</table>
</td></tr>
<tr><td>Unemployed beneficiary/student</td><td>A person who is:
• Unemployed
• Under 35 years of age
• Holder of South African identity documents.</td></tr>
</table>

Term	Description
	Note: *BANKSETA will prioritise:* • *Persons with disabilities* • *Women*

The objective of this funding window is to invite public learning institutions to apply for funding from the BANKSETA to settle outstanding study debt for eligible unemployed youth, specifically students who have successfully completed full qualifications in the **2026** academic year but cannot obtain their certificates because of outstanding institutional debt. No new training delivery, equipment, stipends or unrelated institutional costs are funded under this window.

4. Funding

Any award of funding under this Funding Window is subject to the availability of approved budget.

The following applies:

Deliverable	Funding basis *(VAT Inclusive)*	Key requirements
Debt settlement for students who successfully completed their full qualification (credit bearing) in the **2026** academic year but have not received their certificates due to outstanding study debt at the Institution.	Capped at **R120 000** per beneficiary as well as an administration fee for the applicant of **2,5%** (R120 000 + 2,5%) *No student or debt item may be claimed twice or funded by another source for the same outstanding balance. The institution must confirm the net unpaid balance after bursaries, NSFAS and other payments or credits.*	The following funding basis applies: • Funding will be calculated per beneficiary. *The qualification must be aligned to skills identified in the applicable BANKSETA SSP, including relevant priority or emerging occupations.*

5. Delivery Model

Applications must relate to verified outstanding study debt owed to the applying public institution.

- Applicants must provide a completed beneficiary schedule listing the Applicant/Institution, Programme/Qualification applied for and amount applied for.
- Learner supporting documents and signed agreements must be submitted in accordance with the Memorandum of Agreement (MoA) and approved payment schedule.
- The institution is responsible for validating student identities, academic results, qualification alignment, debt balances, funding history, supporting records, financial management and reporting. BANKSETA may independently verify all claims.
- BANKSETA may limit the number of beneficiaries or value approved per institution, taking account of the available budget.
- BANKSETA may request additional supporting documents during evaluation, due diligence, contracting, disbursement or close-out.

6. Application / Submission Criteria

Applicants must meet the application and submission criteria below:

- The Funding window must be selected and the application submitted on SIMS.
- Only one application form is permitted per applicant. Where multiple submissions are received before the closing date, BANKSETA will assess the latest submission received before the deadline.
- The application form must be uploaded to SIMS.
- The beneficiary schedule must be uploaded to SIMS
- Applications on the SIMS system close at **16:00** on the day that the window closes. **No late submissions will be accepted**.

7. Eligibility Criteria

Applicants must meet the eligibility criteria as indicated below to qualify for funding:

Eligible applicants:

- Public Universities
- Public Universities of Technology (UoTs)
- Public Technical Vocational Education Training Colleges (TVET)

8. Evaluation Criteria

An evaluation panel will be established to assess all applications received. The panel will be appointed by the CEO and will consist of at least three (3) members. Each panel member must sign a declaration of interest before the evaluation process begins. The evaluation proceedings, recommendations and final decisions will be documented and retained for audit purposes.

BANKSETA will apply non-scored eligibility and verification criteria:

- The application form must be completed correctly, in full and signed. Incomplete and unsigned applications will be disqualified.
- The beneficiary schedule must be completed correctly and in full. Incomplete schedules will lead to disqualification.
- The applicant must not be under investigation for mismanagement of funds, fraudulent activities, or conduct resulting in fruitless and wasteful expenditure. Applicants that do not meet this criterion will be deemed ineligible for funding in accordance with the BANKSETA Discretionary Grant Policy.

- BANKSETA will assess the applicant's past performance and track record on previously funded projects in a fair, transparent manner. The assessment will consider the utilisation of previously allocated funding, compliance with contractual and reporting requirements, achievement of approved deliverables, and supporting evidence. Past performance will not, on its own, result in automatic approval or disqualification. However, satisfactory performance may be considered favourably, while material underperformance or non-compliance may result in a reduced allocation or the application being declined, in accordance with the BANKSETA Discretionary Grant Policy.

- The applicant or any person involved in this application must declare any actual, potential or perceived conflict of interest or related-party relationship with BANKSETA.

- The qualification must be aligned to skills identified in the applicable BANKSETA SSP, including relevant priority or emerging occupations. BANKSETA may verify the qualification and academic year.

9. Allocation Criteria

Funding will be equitably distributed among qualifying applicants, taking into account the following:

- The availability of funding.

- Funding is capped as per section 4 above (Funding).

- The administration fee for each applicant is capped at 2,5% of the total approved amount.

- BANKSETA may decrease the funds allocated for each application with an equal percentage (%) to remain with the available budget.

10. Funding Conditions

- BANKSETA will fund only approved, outstanding study debt for qualifying unemployed youth for full qualifications (credit bearing). The approved allocation, maximum per beneficiary and administration fee will be governed by the approved budget and MoA.

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

- Additional allocations will be approved in accordance with the Delegations of Authority. The Discretionary Grant Policy provides for CEO approval within the delegated threshold and Board approval where the combined additional allocation exceeds that threshold.

- If an application exceeds the applicable capped amount per learner, BANKSETA will automatically apply the approved capped amount.

- No material change to the approved programme or learner numbers or approved budget may be implemented without prior written approval from BANKSETA.

- The same learner and cost may not be funded more than once. Applicants are responsible for preventing duplicate learners, duplicate claims and double funding.

- Where due diligence, monitoring or audit identifies ineligibility, material non-compliance, misrepresentation, an undisclosed conflict of interest etc, BANKSETA, reserves the right to recover amounts paid.

11. Approval, Appeal and Change Request Process

- 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.

- Feedback on the status of the application will be provided to unsuccessful applicants. An unsuccessful applicant may appeal where it believes that the decision was incorrect or that relevant mitigating circumstances were not considered. The appeal must be submitted within 30 calendar days of receipt of the outcome. The appeal must identify the grounds of appeal and must include supporting evidence. Appeals will be considered in accordance with the approved Discretionary Grant Policy and Delegations of Authority.

- Change requests are discouraged but should this be unavoidable, the request which includes a written request signed by the authorised signatory, motivation, supporting evidence, revised implementation plan, revised timelines and revised budget where applicable, must be submitted to the BANKSETA within **one month** of receiving the outcome or whenever a change becomes necessary. 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.

- An extension request must be submitted at least **three months** before the contractual end date, with revised timelines and supporting motivation. An agreement that has already expired will not be reinstated.

- Replacement of approved learners requires prior written approval. Where the approved number of learners cannot be achieved or the funds will not be fully utilised, the contracting party must notify BANKSETA within one month of becoming aware of the underutilisation.

12. Contracting, Commitment Schedule and Project system update

- BANKSETA will sign a Memorandum of Agreement (MoA) with the applicant for funding approved.

- The approval notification to the applicant will 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.

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

- Applicants should endeavour to meet deadlines and complete the project within the timelines 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 at least three months before the initial completion date.

- The institution must settle the approved debt and issue the relevant student account statement within the period agreed in the MoA.

- If the MoA expires without an approved extension, it will not be reinstated. Where BANKSETA determines that no project activity is taking place and the applicant has not provided a reasonable explanation, BANKSETA may terminate the MoA, withdraw any remaining funding and recover funds where applicable.

- Supporting learner documents must be submitted within two months of signing the MoA, or by another date agreed with BANKSETA, and may include identity documents, debt settlement agreement, student account, copy of qualification/academic record and supporting information required to verify approved costs and learner eligibility.

- All signed agreements, addenda, amendments and payments will be recorded on the BANKSETA Commitment Schedule and reported quarterly.

13. Invoicing/ Funds Disbursement Process

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

- No payment will be made unless the approved beneficiary schedule, verified balances and required MoA evidence have been received and accepted by BANKSETA.

- The invoice must be accompanied by official banking confirmation, Central Supplier Database (CSD) registration evidence and any documents required by BANKSETA.

- The final invoice will be paid subject to all the project requirements being met. This may include a monitoring and evaluation process conducted by BANKSETA.

- The institution must submit a reconciliation of approved amounts against individual student account credits, proof of settlement and a close-out report as stipulated in the MoA.

- The close-out report may include project risks, deviations and mitigating actions, lessons learned, challenges, achievements, financial management and governance information.

- Invoices will be paid provided all project requirements are met and supporting documentation is provided (such as proof of payment to other parties, etc.)

- Final payment will only be made for applicants who meet the approved completion requirements and once all tranche criteria have been met. BANKSETA may recover payments arising from invalid, fraudulent, duplicated or otherwise non-compliant claims.

- Incomplete or non-compliant documentation may result in withholding, reduction, withdrawal or recovery of funding.

- Only eligible expenditure and deliverables relating to the applicable approved funding period will be considered.

- The contracting party may not use project savings for another activity or purpose. Savings and unutilised or underutilised funds must be disclosed to BANKSETA. Any reallocation will be subject to the approved policy and Delegations of Authority.

14. Disclaimer, Termination and Breach

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

- 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.

- BANKSETA reserves the right to withhold or recover funds where funding has not been utilised for its approved purpose, or where monitoring, verification or audit processes identify non-compliance. This includes, but is not limited to, incorrect student information or eligibility status, fraudulent identity documents, mismanagement of funds, duplicate students or claims, unsupported expenditure, non-achievement of approved deliverables, material reporting failures, fruitless and wasteful expenditure, or misrepresentation of information. Funds may also be withheld or recovered where outstanding student debt has been incorrectly declared, previously settled, duplicated, inadequately substantiated, or where payments have not been correctly credited to the approved students' institutional accounts.

- BANKSETA monitoring and evaluation may include the verification of student identities, qualification completion, outstanding student debt balances, credits allocated to institutional student accounts, and the release of certificates, where applicable. Monitoring and evaluation may further include the assessment of funding expenditure, project management efficiency, project risks, compliance with approved funding conditions, verification of eligible costs, and achievement of approved project deliverables and outcomes.

15. Impact Assessment

- Applicants must participate in BANKSETA tracer, evaluation and impact-assessment activities and must provide information reasonably required for this purpose.

- The impact assessment will be conducted in accordance with the applicable SETA Monitoring and Evaluation Framework and parameters determined by the BANKSETA Board. Applicants must notify BANKSETA of any changes to learners' contact details that become known to them, subject to applicable data-protection requirements.

16. Confidentiality of information

- In compliance with the requirements of the Protection of Personal Information Act, 2013 (POPIA), 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:

- 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 applicant in confidence and in a safe and secure manner.

- 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.

17. Reporting

BANKSETA's reporting function includes the following:

- Reporting skills development initiatives to the Department of Higher Education and Training.

- Reporting student qualification completion and settlement outcomes to statutory stakeholders where applicable and lawfully required.

- Providing verified evidence of debt settlements, certificate release and other approved outcomes for monitoring and audit.

- Evaluating and processing applications for access to funding.

- Compiling statistics and other research reports.

- Providing personalised communications.

- Providing information for internal and external auditing purposes.

- Complying with the law; and/or for a purpose that is ancillary to the above.

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

- 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. If 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.

  Whether or not a protective order or other remedy is obtained, or the applicant party 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.

- 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.