



Strategic Plan

2020/2021 - 2024/2025



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Foreword by the Minister



The mandate of the Sector Education and Training Authorities is derived, in the main from the Skills Development Act 97 of 1998 as amended, which amongst others, directs SETAs to develop Sector Skills plans (SSPs). In their Sector Skills Plans, SETAs must reflect and incorporate government priorities, especially those that address our priority developmental goals, that of tackling the triple challenges of poverty, unemployment, and inequalities. The SSPs are intended to ensure that skills are not a constraint to the economic development of our country.

The mandate of the SETAs must be understood within our vision of the post-school education and training system of having an integrated, coordinated, and articulated PSET system for improved economic participation and the social development of youth and adults. Critical to this vision is our challenge of addressing the plight of the youth that are Not in Education, Employment, or Training (NEET), which is standing at over 3.3 million in the third quarter of 2023.

The launch of the National Plan for Post-School Education and Training on 7 September 2023, signaled our government's commitment towards achieving an improved, transformed, expanded, responsive, and articulated Post-School Education and Training (PSET). Our National Plan for Post-School Education and Training (NPPSET) is our roadmap for implementing the vision of the White Paper for Post-School Education and Training (WP-PSET). It will continue to guide our SETA system strategy and planning instruments as it is framed within the broader goals and priorities of the National Development Plan (NDP), which foregrounds the national efforts to address the triple challenges of unemployment, inequality, and poverty. Important, to note, is that it remains our overarching policy instrument and a blueprint for guiding planning in our post-school system. It will be proper for everyone to have access to the National Plan for Post-School Education and Training. It aligns and integrates the work that is already underway and provides a policy framework for major transformative changes the government wants to bring about, across the post-school system and its nexus with society and the economy.

The White Paper for Post-School Education and Training (WPPSET) envisages the post-school education and training system as an important institutional mechanism that must be responsive to the needs of society. Critical to this, are our transformational and developmental imperatives which include amongst others: class, gender, race, geography, and youth, which must be reflected at all material times in our SETA interventions. The Ministry of Higher Education, Science, and Innovation is among the leading ministries for the 2019–2024 Medium Term Strategic Framework (MTSF) Priority 3: Education, Skills, and Health, and the following medium-term outcomes have been identified:

- An integrated and coordinated PSET system.
- Expanded access to PSET opportunities.
- Improved success and efficiency of the PSET system.
- Improved quality of PSET provisioning.
- A responsive PSET system

The President launched the Economic Reconstruction and Recovery Plan (ERRP) in October 2020 pointing out to skills development, science, and innovation as enablers in driving South Africa's economic reconstruction and recovery, but also key in sustaining it. In support of this initiative, the Department working with social partners at the National Economic Development and Labour Council (NEDLAC) & the National Skills Authority, in the main developed the Skills Strategy to support the government's efforts

to mitigate the impact of COVID-19 global health pandemic and the initiatives towards economic and social recovery.

The Economic Reconstruction and Recovery Plan Skills Strategy (ERRP SS) aims to support the Economic Reconstruction and Recovery Plan (ERRP), ensuring that it is not compromised by skills shortages. It is born out of the urgency for a well-coordinated strategy of skills development to support both the management of the COVID-19 global health pandemic and economic and social recovery. President Ramaphosa captured our determination to reset the South African economy when he said: “We are determined not merely to return our economy to where it was before the coronavirus, but to forge a new economy in a new global reality.” As stated in the ERRP, South Africa is now on the threshold of an important opportunity to imaginatively, and with a unity of purpose, reshape its economic landscape.

The ERRP SS is located within the broader skills planning arsenal of the Post-School Education and Training (PSET) system, which promotes the use of labour market intelligence (including future work scenarios) to inform PSET provisioning. The Department of Higher Education and Training has identified skills needs in the form of the List of Occupations in High Demand, the Priority Skills List, and the Critical Skills List (which it prepared on behalf of the Department of Home Affairs). The SETAs will continue to play a critical role in the implementation of the Skills Strategy to support the Economic Reconstruction and Recovery Plan.

The National Skills Development Plan (NSDP) 2030 remains at the centre in directing how the skills development levy will be disbursed up to 31 March 2030. For this reason, the Sector Education and Training Authorities (SETAs) have been re-established until 2030, in alignment with the National Development Plan to ensure that the SETAs focus on skills required for our socio-economic development. For the financial year, we aim to expand the participation of young people in skills development programs as well as workplace-based learning opportunities. We have surpassed the State of the Nation Address (SONA) 10,000 Technical and Vocational Education and Training (TVET) target placements in 2022 leading to setting a target for 2023 of 20,000 TVET placements.

For the 2024/25 financial year, the entire SETA system has set itself the following targets, as part of expanding post-school opportunities:

- 190 000 workplace-based learning (WBL) opportunities;
- 150 000 learners registered in skills development programs;
- 36 375 learners entering artisanal programs;
- 26 500 learners passing artisanal trades;
- 53 000 learners completing learnerships;
- 11 000 learners completing internships; and
- 128 000 learners completing skills programs.

The SETA will enter into the Service Level Agreement with the Director-General of the Department and commit that 25% of all targets be achieved on a quarterly basis, with 100% achievement in the last quarter of the financial year. Whilst the TVET placement must be achieved at 100% by the end of December 2024. The SETA Annual Performance Plan (APP) provides a clear commitment to the delivery of our skills development priorities and targets for implementation during the 2023/24 financial year.

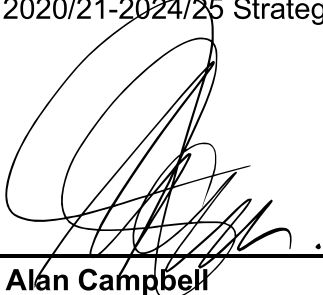

Dr. BE Nzimande, MP Executive Authority of Higher Education, Science, and Innovation

Accounting Authority Statement

The workforce in the Food and Beverages Sector has changed significantly over the past three decades, it is evidenced by the changing skills needs that have been identified in the Sector Skills Plans (SSPs) of the Food and Beverages Manufacturing SETA (FoodBev SETA). The introduction of the National Skills Development Plan (NSDP) on the 01st of April 2020, has also determined that the FoodBev SETA to consider the national priorities outlined in this plan. Therefore, the Accounting Authority of the FoodBev SETA presented its 2020/21-2024/25 Strategic Plan, which is aligned to the annual update of the SSP and with government priorities emanating from various government plans and strategies.

FoodBev SETA has various strategic outcomes indicators in this Strategic Plan and a significant number of these were implemented through historical qualifications. Given that the second phase of the transition coincide with fourth year of strategic planning cycle, the SETA needed a rethink on methods that will ensure continued implementation of projects that lead to achievement of strategic indicators. The effects and implications of the enrolment end date of 30 June 2024 and certification 30 June 2027 were considered in the revision and re-alignment of indicators, means of verification and desired performance that are encapsulated in each of the strategic indicators.

This document provides guidance for the SETA over a period of five years as we implement programmes and projects that respond to our mandate. The SETA has considered relevant legislation and regulatory frameworks when developing this strategic planning document. The SETA's plan was guided by the different inputs received from the internal and external FoodBev stakeholders during the annual update of the SSP, as well as research reports conducted by the SETA to improve decision-making. The Accounting Authority will continue to provide direction on the implementation of the strategic priority actions as reported in the SSP. Furthermore, the Accounting Authority has endorsed the 2020/21-2024/25 Strategic Plan and commits to its successful implementation.



Mr. Alan Campbell
Chairperson of the Board
Date: 30 November 2023

Chief Executive Officer Statement

The SETA acknowledges to the National Skills Development Plan (NSDP) which was implemented on 01 April of 2020 after the policy shift from the National Skills Development Strategy (NSDS) III. The NSDP seeks to ensure that South Africa has adequate, appropriate, and high-quality skills that contribute towards economic growth, employment creation and social development. The goals of NSDP are reinforced by the milestones of the National Development Plan amongst other government plans.

As we embark on the fourth year of our journey, it is with great pride and anticipation that I introduce this strategic document of the Food and Beverages Manufacturing SETA. Our commitment to excellence, innovation, and collaboration has fuelled our progress thus far, and this plan sets the course for continued growth and impact.

Over the past three years, we have witnessed remarkable achievements that reflect the dedication of our team, partners and stakeholders. Our focus on skill development, sector advancement, and fostering sustainable practices has yielded tangible results. As we move forward, this strategic plan builds upon these accomplishments, outlining a roadmap that aligns with the dynamic landscape of our sector.

In an era of rapid change, staying relevant requires foresight and adaptability. This document outlines the key objectives, initiatives and measurable outcomes that will guide our efforts. From enhancing training programs to promoting technological integration, our aim is to equip our workforce with the tools they need to excel in an ever-evolving sector.

I am confident that the strategies laid out in this plan will serve as a solid foundation for Food and Beverages Manufacturing SETAs' continued success. By nurturing talent, fostering innovation, and fostering a culture of continuous improvement, we will navigate challenges and seize opportunities with unwavering determination.

I extend my gratitude to every individual and organisation that has contributed to our journey thus far. Let us move ahead with purpose, embracing the future with enthusiasm and confidence, as we drive the Food and Beverages Manufacturing Sector to new heights.




Ms. Nokuthula Selamolela
Chief Executive Officer
Date: 30 November 2023

Official Sign-Off


It is hereby certified that this Strategic Plan:

- Was developed by the management of the FoodBev SETA under the guidance of FoodBev SETA Accounting Authority
- Considers all the relevant policies, legislation and other mandates for which the FoodBev SETA is responsible.
- Accurately reflects the Impact, Outcomes and Outputs which the FoodBev SETA will endeavor to achieve over the period 2020/21 to 2024/25.

Ms. Nokuthula Sibia
Senior Manager: Research, Planning,
Monitoring & Evaluation

Signature:  _____

Mr. Mogopodi Pule
Senior Manager: Finance

Signature:  _____

Ms. Pretty Ngwasheng
Senior Manager: Corporate Services

Signature:  _____

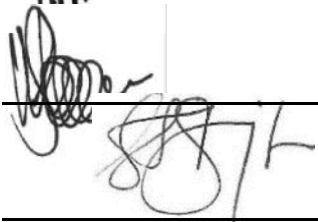
Mr. Ntokozo Lwandle
Senior Manager: Quality Assurance

Signature:  _____

Mr. Magugu Maphiwa
Chief Financial Officer

Signature:  _____

Ms. Makatseng Mokome
Senior Manager: Stakeholder Relations

Signature:  _____

Mr. Siyabonga Dyosiba
Senior Manager: ICT

Signature:  _____

Mr. Sinaye Mgidi
Senior Manager: Learning Projects
and Strategic Projects

Signature:  _____

Ms. Nokuthula Selamolela
Chief Executive Officer

Signature:  _____

Approved by:
Mr. Alan Campbell
Chairperson of the Board

Signature:  _____

PART A: OUR MANDATE

1. Constitutional mandate

FoodBev SETA's mandate is derived from the Constitution of the Republic of South Africa, which gives everyone the right to education. Section 29 (b) states that everyone has the right to further education, which the state, through reasonable measures, must make progressively available and accessible. This constitutional mandate is strengthened by Schedule 3A of the PFMA (as amended) and the following key pieces of legislation which are directly applicable to the FoodBev SETA:

- 1.1 The Skills Development Act of 1998 (Act No. 97 of 1998) (SDA) (as amended in 2008)
- 1.2 The Skills Development Levies Act of 1999 (Act No.9 of 1999)
- 1.3 National Development Plan (NDP)
- 1.4 National Skills Development Plan (NSDP)
- 1.5 Economic Reconstruction and Recovery Plan and Skills Strategy (ERRP SS)
- 1.6 South Africa's Science, Technology and Innovation Decadal Plan
- 1.7 Energy Action Plan
- 1.8 Medium-Term Strategic Framework 2019-2024 (MTSF)
- 1.9 Occupational Qualifications Sub-Framework Policy, 2021
- 1.10 The Sector Education and Training Authorities (SETAs) Grant Regulations regarding monies received by a SETA and related matters.
- 1.11 Workplace Based Learning Programme Agreement Regulations, 2018
- 1.12 The Public Finance Management Act (as amended)
- 1.13 Government-wide Framework for Monitoring and Evaluation

2. Legislative and Policy Mandates

Legislative mandate

Skills Development Act 97 of 1998

The FoodBev SETA derives its mandate from the Skills Development Act (SDA) No. 97 of 1998 which was enacted for, amongst others, the purpose of:

- 2.1 Developing the skills of the South African workforce through-
 - a. Improving the quality of life for workers, their prospects of work and labour mobility,
 - b. Improving productivity in the workplace and competitiveness of employers,
 - c. Promoting self-employment,
 - d. Improving the delivery of social services.
- 2.2 Further, the SDA No. 97 of 1998 gives the following functions to the SETA-
 - a. Develop an SSP within the framework of the NSDP;
 - b. Establish and promote learnerships through:
 - i. identifying the need for a learnerships;
 - ii. developing and registering learnerships and facilitating in the conclusion of learnership agreements;
 - iii. identifying workplaces for practical work experience;
 - iv. supporting the development of learning materials; and

- v. improving the facilitation of learning.
- c. Collect and disburse the skills development levies in the sector, approving of workplace skills plans, pivotal plans and allocating grants in the prescribed manner to employers and learners;
- d. Fulfil the functions of an ETQA as delegated by the QCTO; and
- e. Monitoring education and training in the Sector

The Skills Development Levies Act of 1999 (Act No.9 of 1999)

In terms of section 3(1) and 3(4) of the Skills Development Levies Act, 1999 (Act No. 9 of 1999), registered member companies (employers) of the FoodBev SETA pay a skills development levy (SDL) of 1% of the total payroll cost to the South African Revenue Services (SARS). Companies with an annual payroll of less than R500,000 are exempted in accordance with section 4 (b) of the Skills Development Levy Act (1999) as amended, effective 1 August 2005.

SETAs get 80% of the funds for skills development in the sector, with the other 20% going to the National Skills Fund, which provides funds to support programs identified as national priority in the National Skills Development Plan.

SETAs reimburse 20% portion of received funds to employers who pay the levies upon receipt and approval thereof of workplace training plans and reports (WSP/ATR). The levy system provides an incentive for firms to train workforce and to support training in order to advance the government's skills development list of priorities. The 10.5% of received levies is utilised to cover administration costs of the SETAs. The remaining 49.5% is utilised to fund the discretionary grants, 80% of which should be used to address PIVOTAL skills and the remainder for other skill interventions.

The National Development Plan (NDP)

The National Development Plan (NDP) aims to eliminate poverty and inequality by 2030. The SETAs have an important role to play in contributing to the priorities set in the NDP. This strategic plan of the FoodBev SETA considers the need to contribute to these priorities. The core priorities of the NDP in line with this strategy include (i) raising employment through faster economic growth, (ii) improving the quality of education, skills development and innovation to radically transform the economy.

National Skills Development Plan (NSDP)

The scope of the SETAs has been amended as per the National Skills Development Plan published in the Government Gazette No 42290 dated 7 March 2019. This was in response to the White Paper on Post School Education and Training which observed that the mandate is too wide and that a streamlined focus will strengthen the SETAs. The revised scope includes only the below four elements:

- a. Understanding demand and signalling implications for supply.
- b. Steering the system to respond to skills supply.
- c. Supporting the development of the institutional capacity of public and private education and training institutions.
- d. Performing system support functions and managing the budgets and expenditures linked to SETA mandate.

SETAs are required to engage with a variety of stakeholders in understanding demand and to direct funding towards quality qualifications and workplace experience directed at the employed, pre-employed and unemployed. The qualifications and workplace experience funded programmes should support economic growth, encourage employment creation, and enable social development. It is expected that the SETAs should support the development of its service providers' institutional capacity to increase access to the identified programmes, particularly amongst public providers. The revised scope of the SETAs is clear from the eight specified outcomes in the NSDP and is thus the basis for this strategic plan.

The NSDP also expressly states that “quality assurance functions carried out by the SETAs including the workplace will be effectively integrated into the Quality Council for Trades and Occupations (QCTO)” (National Skills Development Plan, 2019:38). It is however understood that the quality assurance functions delegated by the QCTO under the Skills Development Act will be progressively revoked, but that an alternative delegation will be implemented for new occupational qualifications under the Assessment Quality Partner (AQP) model. The exact nature, scope and requirements associated with such a revised delegation are not yet clear and may impact on strategic planning and performance. Where possible, this has been taken into consideration to pre-empt changes.

Economic Reconstruction and Recovery Plan and Skills Strategy (ERRP SS)

The goal of the ERRP SS is to create a sustainable, resilient, and inclusive economy. The plan has eight interventions, and the SETA responds to interventions 2,5,6 and 7. Part of the recovery plan identified for the PSET sector includes:

- Building the skills base for young people, women, and people with disabilities.
- Providing learners and workers with tools and training to be able to learn and work.
- Embracing digitalisation for and retraining of retrenched workers
- Workplace and industry training to be leveraged on to support the drive to build and strengthen the required skills base.
- Expanded provision of opportunities for the reskilling and retraining of workers

Therefore, the FoodBev SETA plans to continue to support the core interventions through its planned learning interventions (bursaries and apprenticeships) and special projects (focused on the youth, people with disability, women, unemployed, rural development and development of entrepreneurs and small businesses).

South Africa's Science, Technology and Innovation Decadal Plan (STI Decal Plan)

South Africa's Science, Technology and Innovation Decal Plan (STI Decal Plan) aims to accelerate economic growth and development, improve the quality of life for all South Africans, address the country's social challenges and build a more inclusive and sustainable society. The STI Decal Plan is aligned with the 2030 NDP goals and assists in responding to the ERRP and sustainable development goals.

Therefore, the STI Decal Plan provides SETAs with a framework for aligning skills development programmes due to the main mandate of funding and supporting skills development in specific economic sectors. The FoodBev SETA has aligned its priorities to the STI Decal goals and government priorities. FoodBev SETA is committed to prioritise technology and innovations as well as partnerships with public and private entities to strengthen skills development programmes in the Food and Beverages

Manufacturing Sector. Moreover, the SETA supports various skills development interventions that are related to research, innovation and transformation to align itself to the STI Decan Plan.

Energy Action Plan (EAP)

The South African Energy Action Plan (EAP) was introduced by the President of South Africa in July 2022 to outline actions and initiatives necessitated for the reduction and eradication of the ongoing loadshedding in the country. The Food and Beverages Manufacturing Sector is committed to the Just Energy Transition (JET) which speaks to Objective 2: Reduce Green House Gas Emissions from Electricity Generation in Diesel Communities by 25%. To assist in successfully effecting a just energy transition, FoodBev SETA Sector Skills Plan 2024/25 identifies skills requirements for the JET. Furthermore, the SETA has commissioned a research study through the Research Chair to extensively investigate skills requirements for JET in the Food and Beverages Manufacturing Sector. The SETA aims to fund skill priorities and projects focused on JET.

Medium Term Strategic Framework 2019-2024 (MTSF)

The MTSF aims to ensure unified and consistent policies across government. This includes coherence, alignment and coordination across government plans as well as alignment with budgeting processes. The purpose of the updated MTSF is to address the triple challenges of poverty, inequality and unemployment through the three (3) pillars of the National Development Plan. The FoodBev SETA has a responsibility to respond and contribute towards Priority 3: education, skills and health which addresses the following impact: A skilled and capable workforce to support an inclusive growth path. The FoodBev SETA enters into Strategic Partnerships with different stakeholders in the post-school arena to increase the uptake of learners trained to respond to the requirements of this policy directive.

Occupational Qualifications Sub-Framework Policy, 2021

The OQSF policy was gazetted on the 29th of October 2021 marks the commencement of a comprehensive quality assurance framework, placing significant emphasis on the National Standardised Single External Integrated Summative Assessment. This framework aims to seamlessly integrate post school education and enhance the quality of education and learning qualifications which are registered in the OQSF. This policy emanates from the amendments of the Skills Development Act in 2008 which removed Quality Assurance functions from SETAs and transferred them to the Quality Council for Trades and Occupations (QCTO). These amendments were promulgated together with the NQF Act (67) of 2008 which is a new act that replaced SAQA ACT (55) of 1995. The NQF ACT gave effects to establishment of an occupational qualifications sub-framework as a third component of the NQF.

The OQSF policy purpose is to facilitate the development and registration of quality assured occupational (including trade-related) qualifications, part-qualifications and skills programs from NQF level 1 to 8. It further stipulates the transitional arrangements that will result into phasing out of non-OQSF aligned qualifications. The transitional arrangements as stipulated on the OQSF policy indicate staggered changes that takes place in a form of phases. The first phase has been set as end date of all historical qualifications by 30 June 2023 while the end date for all learner enrolments is set for 30 of June 2024. The final phase for teaching, assessments and certification is set for 30 June 2027

The final approval of the OQSF in line with section 8 (2)(b) of the NQF act 37 of 2008 marks final end of SETA's mandate on quality assurance which was contained on the principal Skills Development Act. The FoodBev SETA will continue with other elements of its mandate within the Food and Beverages

Manufacturing Sector albeit the changes emanating from the OQSF policy. The FoodBev SETA has taken into consideration the prescripts of the OQSF policy in the implementation of the strategic plan. Measures have been put in place to ensure on time alignment of FoodBev SETA programmes and achievement of the strategic outcomes contained in the Strategic Plan.

The Sector Education and Training Authorities (SETAs) Grant Regulations

The SETA Grant Regulations, 2012 is designed to ensure that SETAs are accountable for the use of skills development levy. It ensures that the SETA's are using its grants to support skills development interventions (through allocation of the Discretionary grant) that are aligned to National Skills Development Plan (NSDP). Furthermore, the regulations dictate the percentage of discretionary grants used to support skills development interventions and Mandatory grants paid to companies that submit and comply with Annexure II. The grant regulations also stipulates that the SETAs are required to prepare annual budgets, submit financial reports to DHET, conduct regular audits and ensure that their finances are transparent and accountable. Therefore, It is against this background that the Strategic Plan and Annual Performance Plan are required to incorporate the prescriptions of the SETA grant regulations in planning, budgeting and setting of outcome and output indicators.

Workplace Based Learning Programme Agreement Regulations, 2018

The regulations replaced the Learnership Regulations of 2007 which stipulated a template and procedures for registration of learnerships and learnership agreements with SETAs. Under this new regulation, the scope of applicability has been expanded to include other workplace-based programmes such as internships and candidacy. Employers are legally obligated to submit agreements according to a specified timeframe and format, and SETAs are legally mandated to process the registration of such agreements within specified timeframes.

The Public Finance Management Act (as amended)

The SETA is a public entity established in terms of Schedule 3A of the Public Finance Management Act (PFMA) (Act No. 1 of 1991). PFMA regulates financial management in the national government, provincial governments, and SOEs to ensure that all their revenue, expenditure, assets, and liabilities are managed efficiently and effectively. PFMA provides for the responsibilities of persons entrusted with financial management of those governments.

Government-wide Framework for Monitoring and Evaluation

The Policy Framework for Government-wide Monitoring and Evaluation states that it is a statutory requirement that the chief executive officer of a public entity, such as FoodBev SETA, is required to establish a monitoring and evaluation system for the institution. Results from the FoodBev SETA M&E system are reported to the Department of Higher Education and Training as the Executive Authority. The results are therefore used within monitoring and evaluation of the broader Post-School Education and Training (PSET) sector. Skills and skills development are however also key factors in many other government initiatives such as infrastructure development, addressing unemployment and economic development. FoodBev SETA M&E objectives and results are therefore relevant and of importance to numerous government departments at all three spheres.

Other policy mandates

- a) NDP Five-Year implementation plan
- b) Medium Term Expenditure Framework (MTEF)
- c) New Growth Path (NGP)
- d) Industrial Policy Action Plan (IPAP)
- e) National Skills Accord
- f) Integrated Growth and Development Plan
- g) Employment Equity Act, Labour Relations Act, Basic Conditions of Employment Act and Occupational Health and Safety Act
- h) Framework for Managing Programme Performance Information under National Treasury
- i) White Paper on Post School Education and Training (WP- PSET)
- j) Protection of Personal Information Act (POPIA)
- k) Government-wide Monitoring and Evaluation Framework
- l) Agriculture and Agro-processing Master Plan (AAMP, 2022)
- m) The National Treasury Regulations governing public entities

3. Institutional Policies and Strategies over the five-year planning period

The Strategy of FoodBev SETA is aligned to the Outcome 5 of the MTSF, mentioned above, and the National Skills Development Plan (NSDP) outcomes. The following NSDP outcomes were taken into consideration when developing the strategic goals of the SETA:

- 3.1 Identify and increase production of occupations in high demand
- 3.2 Linking education and the workplace
- 3.3 Improving the level of skills in the South African workforce
- 3.4 Increase access to occupationally directed programmes
- 3.5 Support the growth of the public college system
- 3.6 Skills development support for entrepreneurship and cooperative development
- 3.7 Encourage and support worker-initiated training
- 3.8 Support career development services

In addition to using the NSDP outcomes as the basis of the strategy, specific strategic priorities relevant to the sector were identified through the SSP process. These strategic priorities affect the allocation of funding to specific areas at a high level, and the criteria set for discretionary grants at a micro level. The SSP strategic priorities are linked to the NSDP outcome in table 4 of this document. The strategic priorities include:

- a. Partnerships with public/private entities to strengthen skills development programmes
- b. Apprenticeships, Internship programmes and supporting sector specific training centre
- c. Technology and Innovation
- d. Transformation
- e. Career Guidance

The outcome indicators and targets presented in Part C of the Strategic Plan have been compiled taking both the NSDP outcomes and the FoodBev SETA strategic priorities into account.

The implementation of plans will be monitored to measure progress towards the achievement of planned targets, and to use monitoring findings to improve performance, and future planning and budgeting. The

Strategic Plan is supported by an associated Monitoring and Evaluation Plan to track and verify performance over the five-year period and will culminate in Mid-term and End-term review reports as required by the Draft Framework on Strategic and Annual Performance Plans.

4. Updates to SONA commitments

FoodBev SETA has a key role to play in addressing the President of South Africa's State of the Nation Address (SONA) priorities and commitment, particularly SONA Priority 7: Addressing Unemployment, Poverty and Rising Cost of Living. There is an overarching commitment from SETAs to provide progress on placing of graduates to gain industry experience in various interventions which will improve employability of the graduates. In responding to the SONA, the FoodBev SETA formed a partnership with South African Public Colleges Organisation (SACPO) that aimed to address Presidential Youth Employment Intervention (Pyei). The SETA continuously supports TVET placement to ensure that TVET College graduates are equipped with the required skills and experience to participate in the labour market and contribute to economic development of the country. The SETA's strategic plans are in line with the government priorities this is implemented through the various outcomes of the plans with the relevant indicators thereof.

5. The 2024 budget prioritization

The FoodBev SETA budget process ensures a sound and sustainable management of the budget and budgetary processes to promote transparency, accountability, and the effective financial management of the SETA. FoodBev SETA budgets are developed based on the following principles:

- i. Ensuring adherence to the Medium-Term Expenditure Framework (MTEF)
- ii. Alignment to strategic and annual performance plans (outcomes, priorities, deliverables and expected outputs);
- iii. A trend analysis has been performed comparing monthly, quarterly, and annual actual reports (identifying errors, avoiding overspending, eliminating unnecessary costs, and ensuring that expenditure is reasonable and necessary to accomplish the SETA goals and objectives);
- iv. A combination of zero-based budgeting and incremental budgeting in that the budgets are informed by prior periods trends, economic changes, restructuring, strategies and performance plans, chambers and board resolutions, statutory changes and ministerial resolutions, and many other factors;
- v. Changes in the SETA environment that will have an impact on the cost centres or programme (such as policy changes, possible discarded functions, new/extension/reduction of mandate, new programmes or change in funding structure to be delivered), and
- vi. Departmental plans such as human resource plan, ICT plans, stakeholder engagement plan, monitoring & evaluation plans, and procurement plans are considered in the budget process.

6. Updates on Spatial Transformation

The SETA recognises the imminent importance of ensuring that spatial transformation within our diverse sectors is at the forefront of funded initiatives. Consequently, the SETA has embarked on a myriad of spatial transformation initiatives that seek to address and alleviate economic disparities within the sector, nationally. These funded initiatives have been through, amongst other initiatives, entering into targeted partnerships with key industry stakeholders and through the SETA Discretionary Grants Funding Model. The focus for grants allocation is prioritised based on demographics, in order to address transformation of the sector. FoodBev SETA further extends its outreach to beneficiaries in rural areas through special

projects. The SETA has also supported women and SMME's through its special projects. Furthermore, in various interactions, there are continuous efforts to encourage the absorption of Technical Vocational Education and Training (TVET) College students into the sectors the FoodBev Manufacturing SETA supports. This is also achieved by requesting industry players to expose lecturers to their organisations through the provision of practical training (TVET College lecturer industry exposure) which assist TVET lecturers to practically apply when teaching students. Through developing the strategic plans, the SETA continues to address the Spatial transformation as identified by the National Development Framework through dedicated partnerships earmarked for women development, rural development and technology and innovation funded initiatives.

7. Relevant Court Ruling¹

In 2015, the Labour Court Judgement on Regulation 4 (4) ruled in favour of Business Unity South Africa (BUSA) in a case challenging the reduction of mandatory grants payable to employers by Sector Education and Training Authorities (SETAs) from 50% to 20%. This ruling has posed a risk to FoodBev SETA's discretionary budget and implementation of strategic and annual plans. The DHET has however, appealed the decision by the Court and SETAs are awaiting a directive from DHET on the way forward.

8. Recent progress on FoodBev SETA performance

The FoodBev SETA has a total of 22 strategic plan outcome indicators, to date 12 strategic indicators have been achieved at 55% whilst three (3) strategic indicators have been progressing well and will be achieved by the year 2025. Seven (7) of the strategic indicators are progressing at a slow pace. Most of the indicators that are affected are those of the designated groups. As part of the mitigation plans to achieve the strategic outcomes FoodBev SETA will open funding windows to address the designated groups that were not targeted during the reporting period.

The progress on the SETA's annual performance plan indicators has improved during the reporting period. FoodBev SETA has seen an increase in the number of achieved indicators and performance has increased from 82% in 2020/21, to 95% in 2021/22 and 98% in the 2022/23 financial year. The SETA will continue to forge effective strategic partnerships with stakeholders and to support skills development initiatives to ensure that the performance plan indicators are achieved annually.

¹ Please note that the court ruling has not been officially communicated by the Department of Higher Education and Training.

PART B: OUR STRATEGIC FOCUS

FoodBev SETA's strategic intent is to:

- provide skills development in the sector,
- provide good governance through the Board and its committees,
- possess the ability to plan and achieve targets as outlined in the Service Level Agreement with the DHET, and
- provide quality assurance that ensures the credibility of learner results.

FoodBev SETAs strategic profile is based on the following principles:

- Understanding the performance environment of the sector by analysing the demand and supply issues;
- Provide funding that is fit for purpose;
- Develop appropriate and effective communication including marketing strategies;
- Good leadership and governance for business continuity and compliance;
- Attract, retain, develop and appropriately reward people with the right skills, experience, commitment and energy who will proactively implement this strategy and continuously manage performance through the organisation's defined performance management system.

The NSDP outcomes and sub-outcomes, delivery targets of government outcome 5, Department of Higher Education and Training programme 5 and the Sector Skills Plan informed the compilation of this Strategic plan. The strategic focus is on the creation of a "skilled and capable workforce to support an inclusive growth path" and the "building of relationships with workplaces and education and training institutions" which form the basis for the delivery focus of the five-year period.

9. Vision

"To be the Accessible Driver, Enabler and Innovator of developing Quality Skills through Partnerships in the pursuance of a Transformed and Competitive Food and Beverage manufacturing sector"

10. Mission

Supporting the drive to:

- Increase Employability of Workforce Entrants;
- Enhance Greater Entrepreneurship; and
- Improve the competitiveness of the Industry.
- Maintain relevance of the SETA skills interventions to the sector.

By

- Facilitating Skills training; and
- Driving Investment in Human Capital Development

Through:

- Innovation and being the best at managing SETA Funds;
- Collaborating with Learning and Industry Partners; and
- Increasing visibility of what we do and what we can offer.

11. Values

As FoodBev SETA we believe in:

- Service Excellence (Delivery)
- Integrity
- Commitment
- Transparency
- Accountability

12. Situational Analysis

The Strategic Plan is the vehicle to address skills development interventions as outlined in the Food and Beverages Manufacturing Sector Skills Plan (SSP) and the Annual Performance Plan (APP). In this regard, it is important to highlight the environment in which the FoodBev SETA operates. This entails providing a situational analysis of trends in both the external and internal environment of the SETA. Further, the internal environment, specific to the dynamics of the FoodBev SETA as an organisation is discussed, including a SWOT analysis of the SETA.

12.1 External Environment Analysis

Despite the unforeseen nature of COVID-19 pandemic, the FoodBev SETA acknowledges and plans to deliver on the commitments made at the Job Summit Agreement of 2018. Five commitments to increase employment in the country were highlighted together with the necessary interventions that are needed. As a SETA, the FoodBev commits to assist with the delivery of the commitments through funding and supporting more SMMEs over the five-year period; offer the youth more options that include both formal and informal education and skills training. As mentioned in the SSP, the future of entrepreneurial skills in the sector will need a rapid increase of hubs to support small businesses. Further, the SETA supports the Temporary Employer/Employee Relief Scheme through its Learnership programmes for elementary skills which are open to everyone including those who have not passed matric.

PESTEL Analysis of South Africa

This PESTEL analysis aims to address the political, economic, social, technological, environmental, and legal factors that currently affect the country. Below is a PESTEL analysis that was developed based on the South African Food and Beverages manufacturing sector trends.

Political

Since the sixth administration which saw the election of the new president who brought hope to the South African citizens and business confidence, the President has embarked on a journey to uproot fraud and corruption in government and the implementation of consequence management. This is seen through the strengthening of the National Prosecuting Authority (NPA) as a key part of South Africa's broader response to complex corruption and state capture. In response to the Zondo Commission's report, the President announced that the National Prosecuting Authority's Investigating Directorate (ID) would be made a permanent body with powers similar to those of the disbanded Scorpions. The state capture era saw key institutions weakened or hollowed out, and severely diminished the ability of the state to perform

its functions and deliver basic services to our people. The implementation of the State Capture Commission recommendations would be a considerable advance for good governance and attraction of foreign direct investment. Dealing with corruption and maladministration which steals from the poor as it deprives them of basic services and skills development opportunities, would go a long way in building confidence in the current government which will help with the delivery of the National Development Plan (NDP) priorities relating to eliminating poverty and reducing inequalities by 2030. As well as the development of 30 000 Artisans by 2030.

On the other side, some opposition parties have criticized SETAs and have promised to dismantle them if they come to power. In the previous local government elections, several political parties formed coalitions to govern local municipalities. This led to the rise of smaller parties and inefficiencies in municipalities, which impacted service delivery across the country. Coalition governance can have a negative impact on the food and beverages sector in South Africa as it can lead to policy uncertainty, increased regulation, political instability, and corruption. These factors can make it difficult for businesses to plan for the future, invest, and innovate. This can ultimately lead to job losses and a decline in profits in the sector.

The introduction of the District Development Model (DDM) is focused on enhancing the synergy and effectiveness of government service delivery within the business landscape. DDM is strategically crafted to tackle service delivery challenges by fostering a more efficient and synchronized collaboration among all government levels, ranging from local municipalities to the national government. The DDM holds the potential to yield significant advantages across various sectors, including the food and beverages manufacturing industry, by enhancing infrastructure, strengthening support for small enterprises, and fostering improved coordination. For instance, a manufacturing firm situated in a rural area will be positioned to elevate its production capacity and expand its export capabilities, thanks to the DDM's investments in road infrastructure.

Economic

The South African Gross Domestic Product (GDP) increased by 0.4% in the first quarter of 2023 compared to a revised 1.1% in the fourth quarter of 2022. According to Stats SA (2023), the Financial and Manufacturing Sectors were significant contributors to the country's GDP growth in the first quarter of 2023. The Manufacturing Sector's output increased by 1.5%, which was a GDP percentage growth point of 0.2. The food and beverages industry were upon the four out of the ten manufacturing industries that reported a positive growth rate in the first quarter of 2023. The food and beverages industry made the largest contribution to the GDP grow of the manufacturing industry in the first quarter of 2023. The GDP growth is attributed to strong consumer demand, growing export market and increased investments in the sector (Stats SA, 2023). Although the food and beverages industry reported the positive contribution towards GDP growth, there are other factors (such as the ongoing Ukraine-Russia war, political uncertainties, and the energy crisis) that may affect the economic growth of the industry.

South Africa's food industry is indirectly affected by the ongoing conflict between Russia and Ukraine (Hatab, 2022). This is due to the inherently physical, economic, natural, and institutional aspects of agricultural production and the food sectors. Food systems are particularly vulnerable to the effects of external factors, including geopolitical conflicts (Hatab, 2022; Mammadov, 2022). Global food supply chains have been affected by the conflict between Russia and Ukraine, from primary producers to processors and retailers. Considering that Russia and Ukraine export the world's wheat (27%), maize (14%), sunflower oil (53%), the prices of the former have increased significantly since Russia invaded Ukraine (NAMC, 2022). A recent study revealed that the conflict has been a definite shock to the sector.

However, the sector is resilient and will continue to navigate the ongoing effects of conflict. The sector can withstand and recover from disruptions in a way that ensures a sufficient supply of acceptable and accessible food for all.

South Africa's economy is influenced by international trade, and fluctuations in the exchange rate can impact inflation. If the local currency weakens against other currencies, it can increase the cost of imported goods and contribute to higher inflation. The rand continues to be under pressure due to the weakening cycle and a potential economic downturn. South Africa's economy is exposed to exchange rate fluctuations which adversely affect food prices. Food inflation prices have increased significantly due to the cost of food preparation, processing, transporting, and distributing food and beverages which has an adverse effect on consumer spending patterns. The increased levels of load-shedding and the weaker rand have also contributed to food inflation. As the company expands its operations or enters new markets, it often needs to increase its supply chain to meet the growing demand. Some of the reasons for selected constrained limiting supply chain are due to the high fuel price, the Russia-Ukraine war, and climate change.

It is worth noting that South Africa has also benefited from trading within Brazil, Russia, India, China and South Africa (BRICS) countries which has become an important economic catalyst. South Africa's overall trade with BRICS countries has increased by an average growth of 10% between 2017 and 2021. Total trade with other BRICS countries reached R702 billion in 2021 up from R487 billion in 2017 (Quantec, 2023). Discussions between BRICS for a free trade agreement and the BRICS currency are still under way. These discussions will create opportunities for BRICS countries to access new markets and increase production. This will ultimately improve the economic growth of the food and beverages manufacturing sector and other sectors at large in South Africa.

In response to the economic challenges facing South Africa, the government has launched the Economic Reconstruction and Recovery Plan (ERRP), with the primary objective of catalysing fair and comprehensive economic growth. Moreover, the ERRP establishes a strategic framework for the government to address the economic hurdles and pave the way for a more sustainable and inclusive future. Within this context of SETAs which play a key role in implementing the skills development component of the ERRP. The SETAs are responsible for developing and implementing skills training that meet the needs of the economy. FoodBev SETA continues to support the ERRP implementation through the support of various skills development interventions that are needed by companies for growth.

Social

South Africa continues to face increased levels of unemployment, with the unemployment rate in the first quarter of 2023 at 32.9% (Stats SA, 2023b). It is common knowledge that South Africa has the highest rates of unemployment in the world. Even though there have been employment gains, the increase in unemployment numbers is substantial in the country. South African youth continue to bear the burden of unemployment with an unemployment rate of 62.1%. The lack of education and skills among the youth is a significant factor in the escalating unemployment and crime rates. Although, the country is experiencing a high unemployment rate which ultimately affects the spending patterns, ironically most of the consumers are starting to be aware of what they consume and becoming health conscious. Research has shown that the demand for healthy food continues to rise in popularity as the contributions of sugar, salt, and fat lead to nutritional-related problems such as obesity, hypertension, and stroke (Hofman *et al.*, 2021; Jessen *et al.*, 2022). Moreover, consumers' diets are slowly shifting to fewer animal-based food

products to plant-based alternatives (Alcorta *et al.*, 2021). Literature has further shown that a growing number of manufacturers now have a selection of low calorie, low fat as well as gluten, allergen and sugar-free options(Azanedo *et al.*, 2020).

In 2022, South Africa's population increased to approximately 60.6 million inhabitants of which the majority (49.1 million) were Black Africans. The race group with the smallest population were Indians counting approximately 1.56 million people. Gender distribution is skewed toward females at 51%. The sector also reflects a similar distribution with Africans representing 70% of employees however gender distribution is skewed toward males at 59%. The sector still needs to continue its effort of upskilling Africans through different training initiatives, which will in turn address the transformation challenges the aging workforce within the sector and ultimately in the country. The country and sector still fall short in creating an inclusive society. The sector still falls far short on meeting the government target (4%) with regards to employing people living with disabilities who accounted for only 0.71% of the sector in 2023 (FoodBev SETA SSP,2024/2025). The FoodBev SETA must continue to target and fund projects that are aimed at increasing the number of people with disabilities in the sector towards achieving its target. Assisting and supporting SMMEs must also be one of top priorities within the sector in ensuring that the SMMEs become commercialized and create more jobs opportunities.

Technological

Technological advancements in the sector have already seen the automation of a variety of processes across the food beverage manufacturing sector. Technological advancements continue to reshape the landscape of food production, processing and distribution. Technological shifts in the sector are occurring in line with the shifts in Industry 4.0 (4IR). As technology continues to develop, the sector is likely to see even more improvement in years to come. Key technological advancements in the food and beverages sector include automation, robotics, internet of things (IoT) and sensors, artificial intelligence, machine learning and 3D printing. New technologies are disrupting the balance between manual jobs and full automation (World Economic Forum, 2023). The top three barriers to new technology adoption are skills gaps in the local market, inability to attract specialised talent and leadership. The new technology has resulted to the emergence of new skills which require both reskilling and upskilling to be introduced in the sector.

While technological advancement continues to benefit the sector, owing to innovation and technological progress, most Small, Medium and Micro Enterprises (SMMEs) are lagging far behind as implementing advanced technology systems is capital intensive. Within the near future, the sector can expect to see a reduction in the number of full-time staff as some job roles will be phased out or transformed. The clear implication is that total employment in companies will decline overtime. Food and beverages manufacturers need to be alert to the changing environment and adapt their workforce planning and development strategies to ensure alignment with future skill requirements. The advancements in technology increased the risks of cyber-attacks globally. The risks posed by cyber-attacks on companies creates destabilisation worldwide. Attacks and data leaks are already affecting many industries, hampering operations, and halting production. Food and beverage industry is no exception and cyber security is important and should be a major strategic focus in the sector.

Environmental

Food and beverages manufacturing companies are exposed to a range of direct and indirect risks that have the potential to disrupt the quality, demand, business continuity and ultimately profit. The pressure brought on by climate change and the energy crisis, which are already having adverse effects on the

Food and Beverages Manufacturing companies, have already made companies to pay more attention to the issue. Increasing temperatures, changing precipitation patterns and greater frequency of extreme events may impact the production capabilities of the food and beverages manufacturing sector to produce food to feed the population (Teressa, 2021; McCann *et al.*, 2023). One of the key characteristics in terms of climate risk in South Africa is that both heatwaves and floods are making the sector more vulnerable. Constant exposure to climate change is likely to result in greater volatility of domestic food prices (Ogundeji, 2022) unless the sector adapts to the changes. The energy crisis in South Africa has had a significant impact on the food and beverage sector (USDA, 2023). The sector is highly reliant on electricity for the production, storage, and distribution of products, as well as for the operation of machinery. The power cuts and high fuel prices have caused significant disruptions to the sector, resulting in production delays, spoilage, and losses due to the wastage of food and beverages produce (Averda, 2023). Processing, packaging, and food storage consumes substantial energy.

Furthermore, the pollution caused by non-biodegradable packaging such as plastic and polystyrene has a direct impact on the environment. The global increase in consumption of ready-made meals and fast-food results in increased packaging waste generated. Understanding risks associated with climate change can help unlock innovative ways to build resilience as well as increase long term sustainability and profitability. It is envisaged that the Just Energy Transition Plan with support from the BRICS Development Plan and the Paris Agreement on low carbon footprint will go a long way in mitigating most environmental risks.

Legal

The focus of public health authorities is increasingly enhancing food safety standards and promoting nutrition (FAO, 2022). The public health authorities are implementing strict regulations on labelling, ingredient transparency, and nutritional information. The National Health Act and Value Added Tax (VAT) was also introduced which impacted various food industries. These measures are aimed at ensuring that consumers have access to accurate and reliable information about the products they purchase and consume, enabling them to make informed decisions about their dietary choices. Consequently, food companies are under pressure to implement robust safety measures throughout the supply chain, from sourcing ingredients to production, storage, and distribution (FAO, 2022). According to Lin *et al.* (2021), implementation of new technologies, such as blockchain, Internet of Things (IoT), and radio-frequency identification (RFID), can strengthen traceability programmes in the sector and lead to better transparency and value across the food and beverage supply chains.

Other than the business laws in South Africa, businesses in the country adhere to certain legislation and regulations including the Foodstuffs, Cosmetics and Disinfectant Act, 1972 (FCD Act), Other taxes to consider in South Africa: Stamp duty, Customs and excise duties, Transfer duty, Capital gains tax, Skills development levy and fuel levy tax.

The gazetting of the OQSF policy in 2021 signalled the beginning of a new way of implementing the Quality Assurance functions as per amendments on the Skills Development amendment act of 2008. It gave effects to establishment of an occupational qualifications sub-framework as a third component of the NQF. The policy stipulates principles, criteria, transitional arrangements, and guidelines on the quality assurance functions and their associated activities within the context of OQSF as a new sub-framework. The transitional arrangements as stipulated on the OQSF policy indicate a staggered changes that takes place in a form of phases. The first phase sets end date of all historical qualifications on 30 June 2023, end date for learner enrolments for 30 June 2024 and last date of certification as 30 June 2027.

FoodBev SETA has various outcomes on the strategic plan and a significant number of these utilizes historical qualifications. Given that the second phase of the transition coincide with first quarter in the financial year cycle, the SETA needed a rethink on methods that will ensure continued implementation of projects that lead to achievement of strategic outcomes. The effects and implications of the enrolment end date of 30th of June 2024 and certification by 30 June of 2027 were considered in the revision and re-alignment of indicators, means of verification and desired performance that are encapsulated in each of the strategic plan outcomes. Risks associated with these changes have been identified, analysed, and incorporated on the FoodBev SETA's operational and strategic risk register to ensure achievements regardless of changes that have taken place within the NQF system.

Demographic and Sub Sector Trends

According to the SARS employer database, there are 16 720 entities registered under the Food and Beverage Manufacturing sector. However, only 4 188 entities contributed to the skills development levy (SDL) (FoodBev SETA Levy Database, 2022). The small companies comprise 87.3% of the sector, followed by medium companies at 7.2 % and large companies at 5.5% The distribution of companies per chamber is as follows: Manufacture of Food Preparation Products Chamber at 49.6%; Production, Processing and Preservation of Meat Fish, Fruit, Vegetables, Oils and Fats Chamber at 28.7%; Manufacture of Beverages Chamber at 13.9%; Manufacture of Dairy Chamber at 7%, and the Manufacture of Breakfast Products Chamber at 0.8% (WSP, 2023).

The sector employs a total of 186 685 (188 896 in 2022) personnel (WSP 2022 and 2023). The Manufacture of Food Preparation Products Chamber has the highest share of employees at 45%, Production, Processing and Preservation of Meat, Fish, Fruit, Vegetables, Oil and Fats at 28%, Manufacture of Beverages at 17%, Manufacture of Dairy Products at 11%, and Manufacture of Breakfast Products at 0.2%.

In terms of gender employees, the sector remains male (59%) dominated. The female presence in the sector has not significantly changed over the last two years, emphasising that further interventions are required in support of females entering the sector. Out of the eight occupational categories, only one has demonstrated considerable growth for females. The elementary category is the only occupation that experiences growth for females, having an 8.6% increase (2023) in comparison to 2021. Most of the employment numbers across the occupational categories have declined. However, employment numbers for elementary occupations; and plant and machine operators and assemblers' employment numbers have been increasing since 2021. There is an opportunity to increase female representation in the managerial and professional occupational categories.

The age breakdown of the sector reveals that 35-55 age group has the highest number of employees followed by the less than 35 years age group, and lastly the greater than 55 years. The 35-55 age group representation increased to 51% in 2023 from 49% in 2021, while the less than 35 age group decreased to 40% in 2023 from 44% in 2021. The older than 55-year age group representations are consistent at approximately 7% across the 2021 to 2023 period. Consequently, there is a pipeline within the 35-55 years age category to replace those approaching retirement in the sector. The largest racial group employed in the Food and Beverages Manufacturing Sector are Africans, representing 70% of the sector in 2023, which is a decrease of 7% from 2021 (77%). All other race groups have stagnated, with Coloureds at 18%, Indian/Asian at 3%, and whites at 9%. Africans are predominant in all categories except Managerial, where whites are more prevalent at 45% (2022) and 41% (2023). The number of African managers has increased from 4 683 in 2021 to 5 123 in 2022, while the number of white

managers has increased from 1 318 in 2017 to 5 692 in 2023. The professional category demonstrates the most significant growth across the year 2017 – 2022 (FoodBev SETA, 2023).

The representation of employees living with disabilities varied between 0.61% of total employment in the sector in 2021 to 0.71% in 2023. This falls far short of the 4% target set by the government. The elementary occupation has the highest number of employees with disabilities. Clerical support workers and elementary occupations had the highest number of disabilities over the last few years. The professional group presents an opportunity to increase the representation of people with disabilities. The FoodBev SETA must continue to target and fund projects that are aimed at increasing the number of people with disabilities in the sector towards achieving its target.

Factors Affecting Skills Demand and Supply in the Food and Beverages Manufacturing Sector

The Sector Skills Plan (SSP) as a foundation of the FoodBev SETA Strategic Plan and Annual Performance Plan has identified change drivers in the sector that influences the type of skills required.

Change Drivers in the Sector

The landscape of the supply and demand of skills in the sector is influenced by various long-term drivers which directly impact skills planning initiatives. Below are the long-term drivers of change:

Food Safety and Nutrition



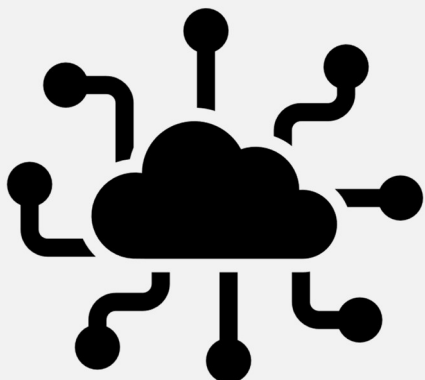
Food safety and nutrition emerged as a change driver in the food and beverage sector as the growing consumer demand for safer and healthier food options has compelled companies to prioritise these aspects throughout their operations (Hofman *et al.*, 2021; Jessen *et al.*, 2022). The increasing demand for healthier food, nutritious and safe food is growing worldwide and is affecting the sector at large. The information collected from interviews with key stakeholders and employers revealed that access to a sufficient amount of safe and nutritious food is key for the growth of the sector. Today, organic food

has become a need to protect the health of most consumers. Research has indicated that the demand for healthy food continues to rise in popularity as the contributions of sugar, salt, and fat lead to nutritional-related problems such as obesity, hypertension, and stroke (Hofman *et al.*, 2021; Jessen *et al.*, 2022). Moreover, consumers' diets are slowly shifting to fewer animal-based food products to plant-based alternatives (Alcorta *et al.*, 2021). Literature has further shown that a growing number of manufacturers now have a selection of low calorie, low fat as well as gluten, allergen and sugar-free options (Azanedo *et al.*, 2020). Companies interviewed agreed that these shifts in consumer preferences have compelled companies to re-evaluate their practices and prioritise food safety and nutrition globally.

Furthermore, the rise in foodborne illnesses and outbreaks has resulted in consumers becoming more vigilant about the safety of the products they consume (Nyawo *et al.*, 2021). Government regulations and policies also play a significant role in driving change in the food and beverage sector. The focus by public health authorities is increasingly enhancing food safety standards and promoting nutrition (FAO, 2022). The public health authorities are implementing strict regulations on labelling, ingredient transparency, and nutritional information. According to employers interviewed, these measures ensure that consumers have access to accurate and reliable information about the products they purchase, enabling them to make informed decisions about their dietary choices. Consequently, food companies are under pressure to implement robust safety measures throughout the supply chain, from sourcing

ingredients to production, storage, and distribution (FAO, 2022). According to Lin *et al.* (2021), implementation of new technologies, such as blockchain, Internet of Things (IoT), and radio-frequency identification (RFID), can strengthen traceability programmes in the sector and lead to better transparency and value across the food and beverage supply chains.

Technological Advancements

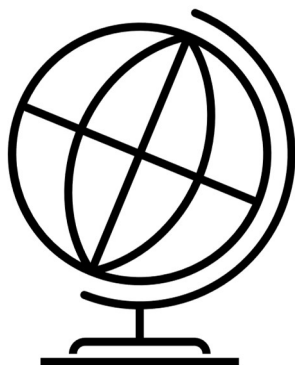


Technological advancement is considered the other factor that will most affect food and beverages manufacturing companies. Interviews with stakeholders from the sector revealed that technological advancements continue to reshape the landscape of food production, processing, and distribution. Consistent with literature which revealed that food and beverages manufacturers are using technology to develop new products, improve quality control and make supply chains sustainable (Vögler and Carvalho, 2021), stakeholders pointed out that technology has revolutionized food processing leading to increased efficiency, improved safety

and reduced labour costs. Moreover, stakeholders revealed that, with technology, companies can track and monitor their environmental impact and makes changes to their carbon footprint. According to interviews, some key technological advancements in the food and beverages sector include automation, robotics, internet of things (IoT) and sensors, artificial intelligence, machine learning and 3D printing. Thus, technological shifts in the sector are occurring in line with the shifts in Industry 4.0 (4IR). As technology continues to develop, the sector is likely to see even more improvement in years to come. However, implementing advanced technology systems is also capital intensive, especially for small companies.

The impact of technology on the labour market is also something not to be ignored. While Industry 4.0 has reduced production costs, it has failed to consider the human cost (Maddikunta *et al.*, 2022). New technologies are disrupting the balance between job responsibilities completed by humans and those completed by machines and algorithms as they are resulting in lower personnel deployment through the use of more skilled people (World Economic Forum, 2023). Technology usage, therefore, requires both investment in capital goods and attention to training. Within the near future, the sector can expect to see a reduction in the number of full-time staff as some job roles will be phased out. The clear implication is that total employment in companies will decline overtime. Food and beverages manufacturers need to be alert to the changing environment and adapt their workforce planning and development strategies to ensure alignment with future skill requirements.

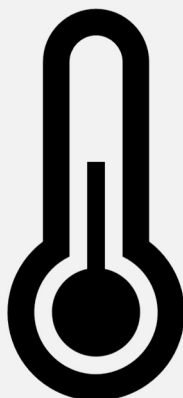
Population growth and Urbanisation



Research indicates that demand for food products is expected to increase significantly over the coming decades as the population grows and cities expand. The world population is expected to reach 9.7 billion people by 2050 and 60% of the population is expected to be in Asia (FAO, 2022). On one hand, the South African population is projected to reach 66 million in 2030 and increase further to 76 million in 2050 (United Nations, 2022). Currently over half of the world's population live in cities, and by 2050, two-thirds of the world population are expected to live in urban areas (OECD, AfDB and UNECA, 2022).

Companies pointed out that the expansion in population and rapid urbanisation will have an indelible impact on the food supply chain. These factors are anticipated to drive the development of South Africa's food market. Consumer behaviours towards food are also changing as the global population

expands and more people move into urban areas. Stakeholders further agreed that the local and global demand for food will increase significantly presenting new opportunities for markets and exports, especially in Africa and Asia where an increase in population will be significant. In the face of a rising population and an increasing demand for food, a significant increase in production and productivity will be crucial to meet the ever-increasing population which leads to the high demand for food products (FAO, 2022). Due to the greater demand for food, development of research and technology will be at the forefront. It will also be imperative for companies to have the ability to do business overseas, in particular Asia to take advantage of the growing population. Lastly, the sector will need to develop strategies to reduce food waste and loss as it strives to feed the ever-increasing population.



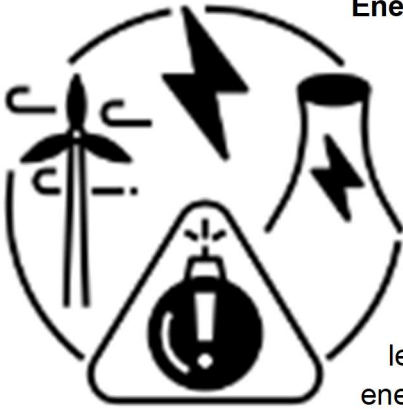
Climate Change

Increasing temperatures, changing precipitation patterns and greater frequency of extreme events impact the production capabilities of the food and beverages manufacturing sector to produce enough nutritious food to feed the rising population (Teresa, 2021; McCann *et al.*, 2023). Companies are exposed to a range of direct and indirect risks that have the potential to disrupt quality, demand, business continuity and ultimately profit. High frequency and intensity of precipitation due to climate change adversely affect food availability, including food chain activities from production to process, storage, distribution, and trade (McCann *et*

al., 2023). One of the key characteristics in terms of climate risk in South Africa is that both heatwaves and floods occur during the growing season making the sector even more vulnerable. Constant exposure to climate change is likely to result in greater volatility of domestic food prices (Ogundeji, 2022) unless South Africa adapts to the changes. The high sensitivity of food security in the country requires a set of targeted interventions to enhance climate risk management, including flood risk management, enhancement of early warning systems and monitoring capacities (Raj *et al.*, 2022). Focus group discussions and interviews with industry stakeholders revealed that climate change is likely to contribute substantially to food insecurity in the future, by increasing food prices and reducing food production.

Food systems are among the biggest emitters of greenhouse gasses – accounting for a third of total greenhouse – while simultaneously being harmed by climate change itself (Wijerathna-Yapa and Pathirana, 2022). This means that the sector needs to play a substantial role in mitigating and adapting to climate change. However, stakeholders reported that food may become even more expensive as climate change mitigation efforts increase energy. Energy efficiency is becoming increasingly important in South Africa (Hunt and Kipouros, 2023). Thus, a balance is needed to ensure food security and adaptation to climate change. Some companies are striving to improve energy efficiency by introducing technologies and optimising processing steps along value chains to reduce global warming.

Energy Crisis



South Africa is currently facing an energy crisis (Kamanzi, 2021) which affected businesses, thus, leading to an unstable economy of the country. The country has been facing an electricity supply deficit since 2007 due to a combination of factors including, but not limited to, insufficient investment in new generation capacity, ageing coal-fired power plants, and rising electricity demand (DMRE, 2021). These factors have resulted in a period of severe electricity shortage leading to frequent and prolonged power outages (load-shedding). The energy crisis in South Africa has had a significant impact on the food and beverage sector (USDA, 2023). The sector is highly reliant on electricity for production, storage, and distribution of products, as well as for the operation of machinery. The power cuts and high fuel prices have caused significant disruptions to the sector, resulting in production delays, spoilage, and losses due to the wastage of food and beverages produce (Averda, 2023).

Companies have argued that processing, packaging, and food storage consumes substantial energy. The impact of energy crisis, particularly loadshedding, has been severe on small companies. Small food and beverage companies have suffered financial losses. As a result, interviewees revealed that food manufacturers have been forced to invest in alternative energy supply sources in the form of fuel (diesel and petrol) powered generators and renewable energy sources, such as solar or wind power to weather the crisis. Investment in renewable energy mitigating measure have equipped large manufacturers to cope with the crisis. However, the alternative fuel-powered sources are also significantly affected by severe fuel price increases that is attributed to the ongoing Ukraine and Russia conflict. The result of this has been higher costs for manufacturers, in most circumstances forcing them to pass these costs along to consumers, thus making food more expensive and less accessible. With loadshedding expected to persist indefinitely, accessing a predictable source of power is imperative to business continuity, especially for small businesses which comprise the largest segment of the sector.

One of the potent reforms that the government of South Africa has embarked on to alleviate the energy crisis is to allow private entities to generate electricity. During the State of National Address 2023, the president of South Africa indicated that the government and municipalities now permits additional sales curtailment for certain market segment private companies to supply local communities with electricity. According to SONA (2023), South Africa has more than a hundred (100) private entities which are expected to provide over 9 000 Mega Warts of new generation capacity to boost the current electricity that is produced by ESKOM. The government of South Africa is also investing in a diverse energy source including solar, wind, green gas, and hydrogen power (SONA,2023). This is part of implementing the Green Economy Strategy and Implementation Plan (GESIP, 2016) and the Paris Climate Agreement of 2015 for countries to transition from fossil fuel to environmentally friendly energy sources.

12.2 Internal Environment Analysis

It is important to identify the strengths of the organisation and to reflect on the areas of weaknesses that need to be improved on to deliver the FoodBev SETA mandate effectively and efficiently. Below is a table that reflects the organization's strengths, weaknesses, opportunities, and threats.

Table 1: SWOT Analysis of the FoodBev SETA

Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ Good Governance through a stable, coherent strategically focused Accounting Authority ▪ Financial stability ▪ Institutional knowledge ▪ A capable and agile Human Resources unit that is responsive to the needs of its employees and the organisation ▪ Functioning of Chambers ▪ Improved ICT Systems ▪ A committed management team ▪ Improved research outputs ▪ Financial and audit compliance ▪ Improvement in stakeholder relations and management ▪ Ability to conduct day to day business remotely as a result of COVID-19 	<ul style="list-style-type: none"> ▪ Insufficient SMME support and participation ▪ Inadequate stakeholder management ▪ Allocation of funds not focused on skills gap within the sector ▪ Poor or untimely submission of registration and completion documents for programmes leading to programme completion delays. ▪ Lack of uptake of SETA programmes such as Centres of Specialization ▪ Large cancellation of approved grants by employers and training providers ▪ Large termination of registered programmes due to high learner migration ▪ Lack of communication (failure to disseminate information) on success stories of partnerships and beneficiary interventions ▪ Low payouts of grants ▪ Inadequate monitoring and evaluation systems
Opportunities	Threats
<ul style="list-style-type: none"> ▪ Discussions for free trade across BRICS countries ▪ Possibilities of BRICS Currency (BRICS-BANK) ▪ Technical and innovation advancements ▪ Introduction of new qualifications which will respond to future skills ▪ Government-Wide Monitoring and evaluation capability ▪ Evolution of Operators and Artisans ▪ Support TVET colleges with accreditation of FoodBev SETA programmes ▪ Availability of SMME in need for skills development support ▪ The evolution of social media, such as Facebook and twitter (X) . ▪ 10-year SETA license ▪ Internet of things (IoT) (e-learning) ▪ Increasing visibility of the organisation and opening of offices within the TVET office space in other regions. 	<ul style="list-style-type: none"> ▪ Business Unity South Africa's case against the Department of Higher Education and Training ▪ Changes in the respective legislation ▪ Keeping up with technology and skills implications ▪ Non-alignment of TVET college curriculum to industry needs ▪ Additional global skills alignment (should we design differently) ▪ Non-compliance to laws and regulations ▪ Cyber security threat ▪ Economic downturn/ depression of the sector ▪ High unemployment rate resulting in crime ▪ Poor or untimely submission of registration and completion documents for programmes leading to programme completion delays ▪ Lack of uptake of SETA programmes such as Centres of Specialization ▪ Large cancellation of approved grants by employers and training providers ▪ Employers inter SETAs transfers ▪ Changes in legislations ▪ Not meeting APP targets due to new qualifications and accreditation of training providers ▪ An aging workforce, layoff and outsourcing of employees in the sector ▪ International agreements such as African Growth and Opportunity Act (AGOA) pose threats in the food value chain.

The FoodBev SETA's Board is responsible for governance and providing strategic direction and leadership to the organisation. The Board is responsible for ensuring that FoodBev SETA achieves its mandate by reviewing organisational performance, corporate strategy, and monitoring compliance.

The Executive committee oversees the management of the SETA through an advisory and oversight role. The Finance and Remuneration Committee is responsible for ensuring that the SETA meets the requirements of Public Finance Management Act (PFMA) and the Treasury Regulations that are related to finance and the remuneration of the Board Committee members and employees. The Governance and Strategy Committee (GSC) is delegated to the functions of developing policies, principles, criteria, and guidelines which are necessary for the premeditated functions of the SETA. The Audit and Risk Committee (ARC) is responsible for performing its functions as per the PFMA and National Treasury regulations. Moreover, the ARC is responsible for monitoring and reinforcing the effectiveness of both internal control systems and audit functions.

The Chief Executive Officer is responsible for the strategic leadership of the organisation assisted by Executives and Senior Managers. FoodBev SETA continues to improve its IT environment with regards to the updating of policies to align to latest regulatory changes and technological advancement, streamlining and optimisation of business processes, and automation of the manual areas.

The SETA strives to comply with the Broad-Based Black Economic Empowerment Act 53 of 2003 as amended by Act 46 of 2013 ("the BBEE Act") with respect to the following elements:

- Management control - the overall Black African representation stands at 91%, which is significantly above the Gauteng EAP target of 78%, of which 57% of these are female and 5% are people with a disability.
- Skills development – FoodBev SETA grant programmes place much emphasis towards women, youth and learners with disabilities in the sector in order to promote inclusivity. Employers are also encouraged to consider training and development of more Black people, particularly females and those with disability to enable them to have access to occupations at all levels of organisations.
- Enterprise and supplier development – FoodBev aim to be a key contributor to socio-economic change in the country, and therefore prioritizes procurement from businesses certified at B-BBEE levels 1 and 2. In addition, preference is given to companies that are at least 51% Black-owned and at least 30% Black women owned.

The SETA has extensively identified factors that may impact the achievement of outcomes, however, there are no institutional factors that were identified.

Lastly, because the FoodBev SETA uses the conservative budgeting approach when preparing the budget, it is always able to fund and execute its mandate as required. Revenue is projected using historical information coupled with known sector changes and then apply an expected increase in sector salaries.

Expenditure is based on the projected levy revenue which is apportioned in accordance with SETA grant regulations into mandatory grant, discretionary grants and administration (including QCTO allocation) expenditure. Discretionary grant expenditure is further broken in terms of the APP performance indicators, while administrative budgets is allocated in terms of historical date and known changes. It should be noted that the SETA does not budget for surplus or deficit.

PART C: MEASURING OUR PERFORMANCE

13. Institutional Performance Information

It is mandatory for SETAs to produce a five-year Strategic Plan that illustrates the plans, goals and objectives they have in place to help them deliver on their mandate. For this reason, a strategic planning session was arranged with the Board, Executives and Management of FoodBev SETA. The session included a review of the previous strategy plan, a discussion of findings raised around the 2022/23 Annual Performance targets.

The work outlined in this Strategic Plan forms part of a long-term objective of an inclusive education system and relevant skills which must continue to shape the vision of the future. The method followed in developing this plan included a SWOT analysis exercise as well as the analysis of the SWOT of the organisation. The methodology pursued Pains-Enabler's process to compile a priority list which led to the identified outcomes. Measuring the Impact

Impact statement	A capable workforce that contributes to self-employment, economic growth and quality of life.
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13.1. Measuring Outcomes

Table 2: Outcomes and Strategic Priorities for 2020 to 2025

NSDP Outcomes	FoodBev SETA Outcomes	SSP Priority Action	Outcome indicator	Outcome indicator from 2020 Baseline ²	5-year target
NSDP Outcome 1: Identified and increased production of occupations in high demand	FoodBev SETA Outcome 1: Identified occupations in high demand and Sectorial Priority Occupations and Interventions list (SPOIL). FoodBev SETA Outcome 2: Relevant Programmes that address hard to fill vacancies (through PSET).	Partnerships with public/private entities to strengthen skills development programmes Technology and Innovation Apprenticeships, Internship programmes and supporting sector specific training centre	1. Percentage of the Discretionary Grant budget allocated to develop high level skills.	35,86%	40%
			2. Percentage of the Discretionary Grant budget allocated to develop intermediate level skills.	63,71%	50%
			3. Percentage of the discretionary grant budget allocated to develop elementary level skills.	0,43%	10%
	FoodBev SETA Outcome 5: Improved research reports (informed by the research agenda)	Partnerships with public/private entities to strengthen skills development programmes	4. Number of research reports developed and approved.	6	6-10
			5. Number of research articles published in a journal.	1	3

² Some Outcome Indicator baselines are based on one-year information due to the limited availability of the required, relevant data.

NSDP Outcomes	FoodBev SETA Outcomes	SSP Priority Action	Outcome indicator	Outcome indicator from 2020 Baseline ²	5-year target
	FoodBev SETA Outcome 1: Identified occupations in high demand and Sectorial Priority Occupations and Interventions list (SPOIL).	Partnerships with public/private entities to strengthen skills development programmes	6. Percentage of discretionary grant funding allocated in response to priority occupations.	86%	86-90%
NSDP Outcome 2: Linking education and the workplace	FoodBev SETA Outcome 8: Relevant and focused interventions that respond to the challenges of unemployment which include entrepreneurship skills, learnerships, skills programmes, training on localisation and optimisation, coaching and mentoring.	Apprenticeships, Internship programmes and supporting sector specific training centre, Partnerships with public/private entities to strengthen skills development programmes	7. Percentage of total discretionary grant funding directed towards work-based learning (WBL) programmes for the unemployed.	77%	77% - 80%
NSDP Outcome 3: Improved skills level in the South African workforce	FoodBev SETA Outcome 6: Established Partnerships with Stakeholders to address national imperatives (e.g., learning institutions, foundations, NGO's, Public Sector Institutions). FoodBev SETA Outcome 7: Supported and transformed sector with a focus on: <i>Youth / Women / People with Disability</i>	Partnerships with public/private entities to strengthen skills development programmes Transformation	8. Percentage of discretionary grant funding for management development programmes allocated to designated groups in support of sector transformation.	69%	80% - 90%
			9. Percentage of learners with disabilities funded on skills development interventions.	4.26%	2%-4%
			10. Percentage of female learners funded on skills development interventions.	46.16%	46-55%
			11. Percentage of youth funded on skills development interventions.	76.74%	80%
NSDP Outcome 4: Increased access to occupationally directed programmes.	FoodBev SETA Outcome 2: Relevant Programmes that address hard to fill vacancies (through PSET). FoodBev SETA Outcome 1: Identified occupations in high demand and Sectorial	Partnerships with public/private entities to strengthen skills development programmes	12. Number of industry experts consulted to confirm priority occupations.	New indicator	10

NSDP Outcomes	FoodBev SETA Outcomes	SSP Priority Action	Outcome indicator	Outcome indicator from 2020 Baseline ²	5-year target
	Priority Occupations and Interventions list (SPOIL).				
	FoodBev SETA Outcome 2: Relevant Programmes that address hard to fill vacancies (through PSET).	Apprenticeships, Internship programmes and supporting sector specific training centre	13. Number of artisans produced towards meeting the target of the NDP.	753	800 – 1 100
		Partnerships with public/private entities to strengthen skills development programmes	14. Number of Qualifications/ Part Qualifications/ Skills Programmes submitted to the QCTO for registration.	7	13
NSDP Outcome 5: The growth of the public college system supported	FoodBev SETA Outcome 2: Relevant Programmes that address hard to fill vacancies (through PSET).	Partnerships with public/private entities to strengthen skills development programmes	15. Number of public TVET Colleges supported to obtain accreditation for SETA related occupational programmes	3	7
			16. Number of public CET Colleges funded for various interventions	0	3
NSDP Outcome 6: Entrepreneurs and cooperatives supported with skills development needed for their growth	FoodBev SETA Outcome 3: Addressed national imperatives through FoodBev SETA offerings (i.e., support for job creation, ERRP and SMMEs).	Partnerships with public/private entities to strengthen skills development programmes Transformation	17. Percentage of discretionary grant funding directed towards training interventions that support the development of entrepreneurs, small businesses and/or and cooperatives	0,4%	1.5%-5%
	FoodBev SETA Outcome 8: Relevant and focused interventions that respond to the challenges of unemployment which include entrepreneurship skills, learnerships, skills programmes, training on localisation and optimisation, coaching and mentoring.				
	FoodBev SETA Outcome 9: Established and improved customer services.	N/A	18. Percentage of stakeholder satisfaction rating /level.	78%	88%-90%

NSDP Outcomes	FoodBev Outcomes	SETA	SSP Priority Action	Outcome indicator	Outcome indicator from 2020 Baseline ²	5-year target
NSDP Outcome 7: Encouraged and supported worker-initiated training	FoodBev Outcome 3: Addressed national imperatives through FoodBev SETA offerings (i.e., support for job creation, ERRP and SMMEs).	SETA	Apprenticeships, Internship programmes and supporting sector specific training centre Transformation	19. Percentage of discretionary funding directed towards the support of trade unions through relevant training interventions.	0%	2%
NSDP Outcome 8: Supported career development services	FoodBev Outcome 4: Increased awareness of FoodBev SETA offerings.	SETA	Career Guidance	20. Percentage of career events supported in rural and township areas on occupations in high demand.	12%	30%
N/A	FoodBev Outcome 10: Performing system support functions and managed budgets and expenditure that are linked to the SETA mandate.	SETA	N/A	21. Unqualified audit outcome achieved per annum.	2	5
				22. Percentage of Grants payout ratio.	83%	85% -90%

13.2. Explanation of Planned Performance over the Five-year Planning Period

The FoodBev SETA has identified strategic Priorities that it plans to implement as the focus performance areas over the five-year period. These priorities are also identified in the Sector Skills Plan for the period of 2020-2025. The identified performance areas are:

a. Partnerships with public/private entities to strengthen skills development programmes

The ATLAS of Emerging Jobs (2023) in the Food and Beverages Manufacturing Sector indicated that some jobs would emerge, while others become obsolete in future. Therefore, the SETA will form partnerships with entities in the sector to prioritise the implementation of generic management skills, soft skills, and industry-specific knowledge skills, future skills and occupations which have emerged as significant skills gaps in the sector. The skills development programmes should encompass both

upskilling and reskilling initiatives to address skills gaps and evolving industry skills needs. These interventions will ensure a skilled and adaptable workforce.

b. Apprenticeships, Internship programmes and supporting sector specific training centres

The SETA continues to support the training of artisans, more specifically Millwrights as they remain an important need as one of the hard to fill vacancies in the sector. The demand for Fitter and Turners as well as Electricians has slightly decreased in the Food and Beverages Manufacturing Sector, but the demand remains high within the entire manufacturing sector. A multi-prolonged strategy to alleviate the scarcity of artisans in the Food and Beverage Sector continues to be implemented. The SETA will collaborate with entities that specialise in the development of artisans with a focus on the employability of unemployed apprentices. Fund RPL interventions to those who have the experience but lack the qualification to be an artisan. Furthermore, the SETA will form partnerships with public/private entities to support the sector-specific training centres. The centres will provide specialised skills development programmes tailored to the unique requirements of the sector.

c. Technology and Innovation

Technological advancement is one of the key change drivers in the sector, and this results in the emergence of new jobs or occupations (Atlas of Emerging Jobs, 2023). Thus, the SETA will continue to allocate grants to address the skills needs associated with technological advancement. The FoodBev SETA plans to continue awarding bursaries towards master's and PhD studies in research and innovation to encourage innovation in the sector. Furthermore, the SETA will also prioritise upskilling of elementary workers in the food and beverages sector to equip them with advanced technological skills and knowledge to enhance productivity and innovation. Furthermore, the SETA should allocate grants to support the training on emerging skills and technological jobs/ occupations listed in the Atlas of Emerging Jobs (2023). This will help the South African Food and Beverages Manufacturing Sector to prepare for the future world of work.

d. Transformation

Transformation is a strategic focus area for the FoodBev SETA. The FoodBev SETA will consider increasing the allocation of bursaries for relevant post-graduate studies targeted at previously disadvantaged groups (Black people, women, youth and people with disabilities). An increase in bursary allocations for post-graduate studies will ensure a pipeline of highly skilled females, youth and people with disability who have the necessary skills to occupy higher positions.

In addition, the FoodBev SETA will focus on equipping middle and senior management in food and beverage companies with the requisite managerial skills through other forms of training interventions. In relation to disability, the FoodBev SETA will continue to set aside a special grant ring fenced for the training needs of people with disabilities to augment their presence in the Food and Beverage Manufacturing Sector. Furthermore, FoodBev SETA will prioritise the growth of entrepreneurs and existing small enterprises through different training interventions, education, and assistance.

e. Career Guidance

Career guidance has emerged as an issue expressed by stakeholders in the broader sector as a reason for graduates not entering the sector which results in a shortage of suitable recruits for the sector in tertiary institutions. The SETA will prioritise the career development imperatives that are essential for learners to make informed career choices. By prioritising career development, individuals can enhance their expertise, seize new opportunities, and achieve long-term growth and fulfilment in their careers. Moreover, the SETA will collaborate with institutions of higher learning and industry for the provision of career guidance and also invest in ongoing professional development for learners and teachers to enhance their skills, knowledge of best practices, and ability to cater to diverse learning styles.

f. Emerging Strategic Priorities

The FoodBev SETA Accounting Authority has identified emerging priorities that need to be considered in the five-year period. These priorities are supported by national policies and findings of research that was conducted by the SETA. Below are the three emerging priorities:

i. Unemployment

The SETA conducts research to identify the Hard-To-Fill-Vacancies (HTFVs) and skills gaps in the Food and Beverages Manufacturing Sector in an effort to address unemployment. Training is allocated based on the HTFVs list which will in turn address the vacancies that are needed in the sector. It is also through various training interventions of relevant and focused programmes that respond to the challenges of unemployment which include but are not limited to entrepreneurship and technological skills, learnerships, bursaries, skills programmes and new venture creation. The SETA encourages employers to absorb learners who have completed training and monitors the absorption rate to measure the impact of the various interventions.

ii. Customer Services

The SETA continues to seek opportunities to improve on the service it provides to its stakeholders and partners. Thus, it has embarked on an BPM project with the aim to reduce manual intervention that results in reoccurring human error. Additionally, it will establish and improve customer services through the development of a Client Relations Management (CRM) system and a Communication Strategy.

iii. Capacitated TVET Colleges

The FoodBev SETA responds and contributes towards addressing national imperatives. The SETA enters into strategic partnerships with private and public entities to increase the uptake of learners which contribute to the expansion of the PSET system. The SETA will identify partnerships that will focus on the capacitation of career development practitioners, educators, TVET capacitation, placement of graduates in TVET colleges and placement of lecturers in the industry and capacitating them at higher education institutions. FoodBev SETA will support TVET colleges through strategic projects/ partnerships.

14. Key Risks

Table 3: FoodBev SETA Risks

Strategic Outcome	Key Risks	Mitigation Procedures/Controls
Performing system support functions and managing the budgets and expenditure linked to the SETA mandate	Inability to provide adequate support functions to FoodBev SETA's core mandate	<ul style="list-style-type: none"> ▪ On-going review, development and implementation of policies and procedures. ▪ Develop and implement individual development plans and allocation of sufficient staff development budget. ▪ Develop risk and compliance framework and report quarterly on risk and compliance to Audit and Risk Committee. ▪ Compliance monitoring by Fraud Risk & Compliance Management Committee. ▪ Annual testing of Business Continuity Plan and Disaster Recovery Plan ▪ Digital platform for scanning and storage of documents ▪ FoodBev SETA subscribes to e-learning and blended learning QCTO policy which allows for e-learning. ▪ Develop and implement annual organizational plans. ▪ Communicate and implement organizational plans. ▪ Enhance and modify job profiles and re-grading of jobs to attract scarce skills. ▪ Review and update Reward and recognition policy. ▪ Continuous review of SCM SOPs. ▪ Adhere to turnaround times set out in the SCM SOPs with regards to quotations and tenders (SCM). ▪ Information security review and enhancements. ▪ Implementation of Patch Management System. ▪ Implementation of IT Strategy and Plan which includes prevention, detection and resolution of cyber security threats (ICT). ▪ Building of records management capacity (Sourcing skilled resources). ▪ Implement National Archives approved Organizational File Plan. ▪ Implement a fully automated MIS and ERP system.

Strategic Outcome	Key Risks	Mitigation Procedures/Controls
		<ul style="list-style-type: none"> ▪ Provide adequate support to departments through proactive, efficient and effective implementation of Procurement Plans. ▪ Provide adequate support to departments through proactive, efficient and effective contract management. ▪ Provide adequate support to departments through proactive, efficient and effective filling of vacant post. ▪ Provide adequate support to departments through proactive, efficient and effective commitment register management.
<p>Identified and increased production of occupations in high demand Linked education and the workplace</p>	<p>FoodBev SETA not meeting sector skills requirements</p>	<ul style="list-style-type: none"> ▪ Conduct commissioned research through university and research institution partnerships ▪ Focused stakeholder engagements for large & medium employers not participating on MGs. ▪ Continuous stakeholder engagements. ▪ Focused stakeholder engagements for large & medium employers not participating on MGs. Quarterly chamber meetings and Consultation with chambers. ▪ Workshop stakeholders on WSP/ATR submission. ▪ Develop an Organising Framework for Occupations (OFO) mapping tool. ▪ Conduct workshops targeting small businesses with regards to the importance of participating in skills development initiatives. ▪ Annual sector skills research. ▪ Ongoing engagement with QCTO. ▪ Continuous engagement with stakeholders. ▪ Lecturer industry exposure through TVET lecturer placement in FoodBev SETA companies. ▪ Form partnerships with universities. ▪ Enhancement of WSP/ATR template and/or system. ▪ Engage stakeholders for increased contributions towards research initiatives through Combined Chamber meetings. ▪ Perform stakeholder database clean-up and enhance quality of information contained in the stakeholder database.

Strategic Outcome	Key Risks	Mitigation Procedures/Controls
		<ul style="list-style-type: none"> ▪ Arrange workshops to be facilitated by the Research Chair to capacitate the M & E unit. ▪ Attend Qualification Moderation Sessions with the QCTO (for submitted qualifications). ▪ Strengthen the running of subject matter experts forum by ensuring representation of sub-sector (Chamber) and academic disciplines. ▪ Improve participation in industry conferences through audience and one on one interactions in order to gain insight into industry qualification needs. ▪ Improve participation in industry conferences through audience and one on one interactions in order to gain insight into industry qualification needs.
Improved skills level in the South African workforce	Failure to achieve APP targets resulting in large cash reserves surplus to requirements	<ul style="list-style-type: none"> ▪ Grants Funding Policy and procedures. ▪ Service provider appointed to assist with DG window opening up to learner contracting stage. ▪ Compliance learning programmes implementation checklists. ▪ Re-allocation process. ▪ External moderators for interval and exit moderation. ▪ Continuous research and implementation of responsive occupational programmes. ▪ Quarterly monitoring and reporting of project implementation. ▪ Periodic stakeholder engagements / capacitation workshops. ▪ Newly developed qualifications. ▪ Open DG window in Q3 of preceding year of grants. ▪ Conduct dedicated stakeholder capacitation workshops to discuss DG learner registration processes. ▪ Start re-allocation process by Q2 and finalize by Q3. ▪ Include Project implementation as part of LPSP Coordinator Performance Management agreements. ▪ Conduct project management training for LPSP Coordinators. ▪ Identify and capacitate struggling accredited training providers on facilitation of training, assessments, and internal moderations.

Strategic Outcome	Key Risks	Mitigation Procedures/Controls
		<ul style="list-style-type: none"> ▪ Implement a project tracking tool for managing grants implementation to ensure timely terminations and processing of grant payments. ▪ Implement proactive, efficient and effective moderation of programmes, and engaging and escalation on other SETA accredited programmes. ▪ On the job training and capacitation of M&E unit. ▪ Appoint consultants to assist with evaluations of learning programs, impact studies, etc. ▪ Strengthen internal controls and standard operating procedures to verify SETMIS and POE data prior to submissions. ▪ Continued engagement with the Department of Higher Education and Training to ensure compliance with and alignment to comprehensive report rules (SETMIS). ▪ Implement desktop monitoring template (a project management tool designed and sent to stakeholders to report on the project progress on a quarterly basis. ▪ Customised project management programme for administrators and coordinators. ▪ Increased Marketing Efforts (Marketing & Comms) - (Marketing of SMEs, Trade Unions etc.) - social media announcements etc.
	Inability to meet sector transversal skills needs	<ul style="list-style-type: none"> ▪ Participate in the establishment of broader ETQA manager's forum to obtain up to date information with regards to progress made by each SETA on the development and Re-alignment.
	Inability to meet completion targets	<ul style="list-style-type: none"> ▪ Set up evidence based qualifying criteria /pass mark for admission to EISA ▪ Establish/ procure a panel of Education & Training Experts who will conduct site visits aimed at examining the quality of trainings provided and preparedness of learners for EISA. ▪ Revamp the forum of subject matter experts to invite more participants that will form part of QCTO's database of subject matter experts who are to conduct accreditation site visits.

Strategic Outcome	Key Risks	Mitigation Procedures/Controls
Increased access to occupationally directed programmes	Inability to grow public college system & TVET Colleges not delivering occupational programmes	<ul style="list-style-type: none"> ▪ Established TVET colleges forum. ▪ Evaluate public TVET College capacity prior to initiating assistance for accreditation. ▪ Capacitation of TVET College administration staff on implementation of FBS programmes. ▪ Conduct TVET college workshops to assist them with accreditation application processes).
Entrepreneurs and cooperatives supported with skills development needed for their growth	Inability of the SETA to support and contribute to the growth of entrepreneurs and cooperatives	<ul style="list-style-type: none"> ▪ Develop a database for SMMEs and cooperatives operating in the sector. ▪ Conduct targeted workshops to capacitate SMMEs and cooperatives on FoodBev SETA offerings. ▪ Identify SMME's, Cooperatives and incubators that will be assisted by FoodBev SETA to do needs analysis. ▪ Identify involved in the sector that will be assisted by FoodBev SETA to do a needs analysis. ▪ Research on SMMEs needs ▪ Conduct study on the transformation of SMMEs through exploring the value chain of the sector.
Encouraged and supported worker-initiated training	Insufficient Worker initiated training	<ul style="list-style-type: none"> ▪ APP target to train trade unions ▪ Continuous engagement with Unions on training interventions required.
Supported Career development services	Limited access to the target market	<ul style="list-style-type: none"> ▪ Career guidance exhibitions. ▪ Developed career guides. ▪ Partnership with other career guidance agencies and government departments. ▪ Sufficient budgetary allocation for outreach activities. ▪ Host own career expos and career guidance initiatives. ▪ Encourage stakeholders to host open plant tours. ▪ increase virtual (video and animation) career guidance and expos.

PART D: Technical Indicator Description (TID)

1. Indicator Title	Percentage of the Discretionary Grant budget allocated to develop high level skills.
Definition	Refers to the extent to which discretionary grants have been committed to develop high level skills (NQF 5- 10) (skills development of managers, professionals and associated professionals employed in the sector), against the approved discretionary grant budget.
Source of data	FoodBev SETA MIS database and allocated discretionary grant budget.
Method of calculation / Assessment	Total amount committed towards high level skills divided by the total discretionary grants budget.
Assumptions	SETA Grant regulations will not be updated in the period, or if amended, it will not affect the SETAs committed discretionary budget committed.
Disaggregation of Beneficiaries	Women: 55-80% of 5-year target Youth: 80-100% of 5-year target People with disabilities: 1-2% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired Performance	Exceed the planned five-year target within (40%).
Indicator responsibility	Senior Manager: Learning Programmes & Strategic Projects

2. Indicator Title	Percentage of the Discretionary Grant budget allocated to develop intermediate level skills.
Definition	This indicator measures in percentages the extent to which discretionary grants have been committed to develop intermediate skills (3 to 4) (skills development of technicians and administrators employed in the sector), against the approved discretionary grant budget.
Source of data	FoodBev SETA MIS database and allocated discretionary grant budget.
Method of calculation / Assessment	Total amount committed towards intermediate level skills divided by the total discretionary grants budget.
Assumptions	SETA Grant regulations will not be updated in the period, or if amended, it will not affect the SETAs committed discretionary budget.
Disaggregation of Beneficiaries	Women: 55-65% of 5-year target Youth: 80-100% of 5-year target People with disabilities: 1-2% of 5-year target
Spatial performance	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target within (50%).
Indicator responsibility	Senior Manager: Learning Programmes & Strategic Projects

3. Indicator Title	Percentage of the Discretionary Grant budget allocated to develop elementary level skills.
Definition	This indicator measures in percentages the extent to which discretionary grants have been committed to develop elementary level skills (NQF level 2 or lower) (skills development of elementary workers employed in the sector), against the approved discretionary grant budget.
Source of data	FoodBev SETA MIS database and allocated discretionary grant budget.
Method of calculation / Assessment	Total amount committed towards elementary level skills divided by the total discretionary grants budget.
Assumptions	SETA Grant regulations will not be updated in the period, or if amended, it will not affect the SETAs committed discretionary budget.
Disaggregation of Beneficiaries	Women: 55-65% of 5-year target Youth: 80-100% of 5-year target People with disabilities: 1-2% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target within (10%).
Indicator responsibility	Senior Manager: Learning Programmes & Strategic Projects

4. Indicator Title	Number of research reports developed and approved.
Definition	This indicator refers to a documented outcome of a systematic enquiry which are developed based on a rigorous and analysis into a particular subject matter. Research reports will be informed by the Board approved research agenda, which may include any adhoc research topics from the sector. The research reports will inform skills planning in the sector.
Source of data	Board (or delegated authority) resolution indicating approval of research reports.
Method of calculation / Assessment	A simple count of approved Research Reports
Assumptions	The Board or delegated authority will approve the research reports
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Reporting cycle	Annually
Desired performance	Exceed the number of planned approved research reports (6) for the 5-year target.
Indicator responsibility	Senior Manager: Research, Planning and M & E

5. Indicator Title	Number of research articles published in a journal.
Definition	Refers to published articles, based on a rigorous and systematic enquiry and analysis into a particular subject matter leading towards an outcome which have been reviewed against a criteria and standards set for journal publication. The published articles will emanate from the board approved research reports.
Source of data	Confirmation of publication from the journal.
Method of calculation / Assessment	A simple count of published articles.
Assumptions	Compliance with the Journals criteria and standards
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Reporting cycle	Biennial
Desired performance	Increased number of published research articles to be at least (3) publications.
Indicator responsibility	Senior Manager: Research, Planning and M & E

6. Indicator Title	Percentage of discretionary grant funding allocated in response to priority occupations.
Definition	This refers to funds committed in response to Sectoral Priority Occupation and Interventions List (SPOIL) including the extended list identified by the SETA. SPOIL or priority occupations refers to the occupations and interventions identified through the analysis of WSP data and stakeholder engagements that will be prioritised by the SETA
Source of data	FoodBev SETA MIS database and allocated discretionary grant budget.
Method of calculation / Assessment	Total amount committed towards the Sectoral Priority Occupation and Interventions List (SPOIL) including the extended priority occupations Interventions List divided by the total discretionary grants budget.
Assumptions	SETA Grant regulations will not be updated in the period, or if amended, it will not affect the SETAs committed discretionary budget.
Disaggregation of Beneficiaries	Women: 55-65% of 5-year target Youth: 80-100% of 5-year target People with disabilities: 1-2% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Meet the planned five-year target within (86%-90%)
Indicator responsibility	Senior Manager: Learning Programmes & Strategic Projects

7. Indicator Title	Percentage of total discretionary grant funding directed towards work-based learning (WBL) programmes for the unemployed.
Definition	Refers to funds committed to WBL programmes, against the approved discretionary grant budget. WBL is defined as an intervention as contemplated in an occupational qualification in which a person internalises knowledge, skills and competencies and gain insights through exposure to work by achieving specific outcomes to enhance employability examples TVET placement, Graduate placements, internship, skills programmes, learnerships, candidacy programs.
Source of data	FoodBev SETA MIS database and allocated discretionary grant budget.
Method of calculation / Assessment	Total amount committed towards WBL programmes divided by total discretionary grants budget.
Assumptions	SETA Grant regulations will not be updated in the period, or if amended will not affect the SETAs discretion in budget allocation.
Disaggregation of Beneficiaries	Women: 55-80% of 5-year target Youth: 80-100% of 5-year target People with disabilities: 1-2% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Meet the planned five-year target within (77%-80%)
Indicator responsibility	Senior Manager: Learning Programmes & Strategic Projects

8. Indicator Title	Percentage of discretionary grant funding for management development programmes allocated to designated groups in support of sector transformation.
Definition	Refers to discretionary grant funds committed at the discretion of the SETA for management development programmes targeted at designated groups. Designated groups mean black people (African, Coloured, and Indian), all women and people with disabilities and youth.
Source of data	FoodBev SETA MIS database and allocated discretionary grant budget.
Method of calculation / Assessment	Total amount committed towards management development programmes for designated groups divided by total discretionary funding amount for management development programmes.
Assumptions	Achievement of a management development programme will result in transformation in the sector.
Disaggregation of Beneficiaries	Black people: 80-90% of 5-year target Women: 55-80% of 5-year target People with disabilities: 1-2% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (80%-90%)
Indicator responsibility	Senior Manager: Learning Programmes & Strategic Projects

9. Indicator Title	Percentage of learners with disabilities funded on skills development interventions.
Definition	Refers to employed and unemployed learners with disabilities funded on various learning programmes examples AET, skills programs, bursaries, learnerships
Source of data	FoodBev SETA MIS database
Method of calculation / Assessment	Total number of learners with disabilities funded divided by total number of all learners funded on various learning programmes.
Assumptions	The SETA will receive and approve applications of learners living with disabilities.
Disaggregation of Beneficiaries	People with disabilities 100% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (2% - 4%)
Indicator responsibility	Senior Manager: Learning Programmes & Strategic Projects

10. Indicator Title	Percentage of female learners funded on skills development interventions.
Definition	Refers to employed and unemployed female learners funded on various learning programmes examples AET, skills programs, bursaries, learnerships
Source of data	FoodBev SETA MIS database
Method of calculation / Assessment	Total number of female learners funded divided by total number of all learners on various learning programmes.
Assumptions	The SETA will receive and approve applications for females.
Disaggregation of Beneficiaries	Women: 100% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target within (46% - 55%)
Indicator responsibility	Senior Manager: Learning Programmes & Strategic Projects

11. Indicator Title	Percentage of youth funded on skills development interventions.
Definition	Refers to employed and unemployed youth funded on various learning programmes examples AET, skills programs, bursaries, learnerships.
Source of data	FoodBev SETA MIS database
Method of calculation / Assessment	Total number of youth funded divided by total number of all learners on various learning programmes.
Assumptions	The SETA will receive and approve applications for youth beneficiaries.
Disaggregation of Beneficiaries	Youth: 100% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target within (80%)
Indicator responsibility	Senior Manager: Learning Programmes & Strategic Projects

12. Indicator Title	Number of industry experts consulted to confirm priority occupations.
Definition	Industry experts refers to captains of the industry or leaders with a minimum of 8 years of experience in that specific industry that will be consulted to confirm or validate the Sectoral Priority Occupation and Intervention List (SPOIL).
Source of data	Resolution from meetings with industry experts.
Method of calculation / Assessment	A count of ten (10) industry experts consulted.
Assumptions	Experts are willing to be consulted and participate.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (10)
Indicator responsibility	Senior Manager: Research, Planning, Monitoring & Evaluation/Quality Assurance

13. Indicator Title	Number of artisans produced towards meeting the target of the NDP.
Definition	Refers to candidates who have successfully completed a trade test associated with the official gazetted list of trades.
Source of data	Artisans who have successfully completed the trade test as per the FoodBev SETA MIS.
Method of calculation / Assessment	Simple count of artisans completed.
Assumptions	The SETA will receive sufficient trade test applications.
Disaggregation of Beneficiaries	Black people: 55-80% Youth: 70-90% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (800-1100)
Indicator responsibility	Senior Manager: Learning Programmes & Strategic Projects

14. Indicator Title	Number of qualifications/part qualifications/skills programme submitted to the QCTO for registration.
Definition	Refers to an occupational profile, curriculum and qualification document developed and recommended by relevant Committee of Expert Practitioners (CEPs) against an occupation or occupational tasks or specialisation registered on the OFO and submitted to QCTO.
Source of data	Minutes indicating recommendation by relevant CEPs. Acknowledgement of receipt from QCTO.
Method of calculation / Assessment	Simple count of submitted qualifications.
Assumptions	The QCTO policy on qualification development will allow FoodBev SETA to submit qualifications/part qualification/skills programme.
Disaggregation of Beneficiaries	N/A

14. Indicator Title	Number of qualifications/part qualifications/skills programme submitted to the QCTO for registration.
Spatial Transformation	N/A
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (13)
Indicator responsibility	Senior Manager: Quality Assurance

15. Indicator Title	Number of public TVET Colleges supported to obtain accreditation for SETA related occupational programmes.
Definition	Refers to the support provided to Public TVET Colleges that are assisted to obtain accreditation to offer FoodBev SETA occupational programmes.
Source of data	Accreditation recommendation letter submitted to the QCTO.
Method of calculation / Assessment	Simple count of accreditation recommendation letter submitted to the QCTO.
Assumptions	TVET colleges will apply for accreditation and QCTO will approve the accreditation.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (7)
Indicator responsibility	Senior Manager: Quality Assurance

16. Indicator Title	Number of public CET Colleges funded for various intervention
Definition	Refers to the support provided to Public CET Colleges through but not limited to accreditation or funding of various skills interventions or lecturer development or infrastructure or equipment.
Source of data	MoU between the CETs and FoodBev SETA Learner registration on MIS database or proof of purchase/payment or accreditation recommendation letter submitted to the QCTO.
Method of calculation / Assessment	Simple count of public CET Colleges supported.
Assumptions	CET colleges will show interest in the SETA support and intervention programmes.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (3)
Indicator responsibility	Senior Manager: Quality Assurance and Learning Programmes & Strategic Projects

17. Indicator Title	Percentage of discretionary grant funding directed towards training interventions that support the development of entrepreneurs, small businesses and/or and cooperatives
Definition	Refers to the support provided to small businesses (employing less than 50 people), entrepreneurs and /or cooperatives through various skills interventions.
Source of data	MoU between the small businesses or entrepreneurs or cooperatives and FoodBev SETA Learner registration on MIS database
Method of calculation / Assessment	Amount of funding committed to small businesses/cooperatives in the sector divided by total discretionary grants budget.
Assumptions	Small Business/cooperatives or entrepreneurs will apply for funding on different programmes.
Disaggregation of Beneficiaries	Black people: 80-90% of 5-year target Women: 55-80% of 5-year target People with disabilities: 1-2% of 5-year target
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (1.5%-5%)
Indicator responsibility	Senior Manager: Learning Programmes & Strategic Projects

18. Indicator Title	Percentage of stakeholder satisfaction rating / level
Definition	Refers to the outcome of a commissioned independent survey that measures stakeholder experience, satisfaction level and perceptions of FoodBev service offerings.
Source of data	Approved stakeholder satisfaction report by Board or delegate.
Method of calculation / Assessment	Percentage of the overall stakeholder satisfaction
Assumptions	Stakeholders will participate in a commissioned independent survey.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Reporting cycle	Biennial
Desired performance	Exceed the planned five-year target (88%-90%)
Indicator responsibility	Senior Manager: Stakeholder Relations

19. Indicator Title	Percentage of discretionary funding directed towards the support of trade unions through relevant training interventions.
Definition	Refers to funds committed to implement various learning interventions for recognised trade unions as per the FoodBev SETA constitution.
Source of data	MoU between trade unions and FoodBev SETA. Learner registration on MIS database and committed discretionary grant budget.
Method of calculation / Assessment	Total amount committed towards trade union interventions divided by the total discretionary grants budget.

19. Indicator Title	Percentage of discretionary funding directed towards the support of trade unions through relevant training interventions.
Assumptions	Trade unions will implement training interventions.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (2%)
Indicator responsibility	Senior Manager: Learning Programmes & Strategic Projects

20. Indicator Title	Percentage of career events supported in rural and township areas on occupations in high demand.
Definition	This refers to career guidance services related to the food and beverages manufacturing sector that are designed and implemented to provide guidance on career choices.
Source of data	Career guidance events attendance registers.
Method of calculation / Assessment	Number of career guidance events supported in rural and townships areas divided by total number of career guidance events supported.
Assumptions	Learners or beneficiaries will attend the career guidance events.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Nationally
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target (30%)
Indicator responsibility	Senior Manager: Corporate Services

21. Indicator Title	Unqualified audit outcome achieved per annum
Definition	Refers to unmodified audit opinion issued by the Auditor General South Africa (AGSA) on the financial statements, performance information and compliance with legislation.
Source of data	Signed Audit Report by AGSA.
Method of calculation / Assessment	Simple count of the signed Audit Report with an unqualified opinion.
Assumptions	Unchanged audit strategy Changes in legislation are properly communicated to the SETA No external audit finding from Executive Authority or National Treasury or other related parties which the SETA has no control of.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Reporting cycle	Annually
Desired performance	Achievement of unqualified audit outcome with no material findings.
Indicator responsibility	CFO

22. Indicator Title	Percentage of Grants pay-out ratio
Definition	Refers to grant payments in proportion to the revenue allocated for mandatory and discretionary grants.
Source of data	Audited Annual Financial Statements

22. Indicator Title	Percentage of Grants pay-out ratio
Method of calculation / Assessment	Total grant expenditure divided by total grant revenue
Assumptions	Receipt of sufficient, compliant grant application Timeous approval of grants Timeous submission of grant claim forms Effective monitoring
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Reporting cycle	Annually
Desired performance	Exceed the planned five-year target within (85%- 90%)
Indicator responsibility	CFO and Senior Manager Learning Programmes and Strategic Projects



7 Wessel Road, Rivonia, 2128
South Africa



+27 11 253 7300 / +27 11 253 7333



FoodBev
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