

TO: Chief Executive Officers: Sector Education and Training Authorities (SETAs) and Professional Bodies (PBs)

CLARIFICATION ON WAY FORWARD REGARDING THE QUALITY ASSURANCE OF QUALIFICATIONS REGISTERED ON THE OCCUPATIONAL QUALIFICATIONS SUB-FRAMEWORK

Circular 1 of 2017 issued in December 2017 refers.

As per its legislated mandate, the Quality Council for Trades and Occupations (QCTO) is striving towards the implementation of a Single National Quality Assurance System for qualifications and part qualifications registered on the Occupational Qualifications Sub-Framework (OQSF). Given that the delegation of quality assurance functions to Quality Assurance Partners (QAPs) is still in place pending the finalisation of policies such as the NSDP, SETA landscape and NPPSET plan, the QCTO will in the interim work in collaboration with all QAPs in the performance of the required quality assurance functions thereby ensuring that the QCTO takes responsibility and accountability for its quality assurance mandate.

Recent engagements with the QAP Quality Assurance Managers resulted in the following positions which provide clarity on the way forward.

1. REGISTERED QUALIFICATIONS

- a) The QCTO is responsible for the quality assurance of all registered occupational qualifications and part qualifications including historically registered qualifications.
- b) The QAPs are and will remain responsible for the quality assurance of Skills Programmes and implementation of learnerships. The quality assurance of

historically registered qualifications will be a collaborative effort between the QCTO and the QAP as detailed in sections 2 and 3 of this communique.

- c) The QCTO has recommended to SAQA that all qualifications that have the end registration date 30 June 2018 be re-registered for a period of five years.
- d) During this period, the QCTO in collaboration with QAPs will finalise the de-registration or re-alignment of Historically Registered Qualifications and skills programmes. This implies that qualifications which have been re-registered may be de-registered before the end of the 5-year period. Any request to provide new skills programmes should be submitted to the QAP for recommendation to the QCTO for approval.

2. ACCREDITATION OF SKILLS DEVELOPMENT PROVIDERS

- a) The QAPs will in the interim remain responsible for the accreditation applications from Skills Development Providers (SDPs) for Skills Programmes. As from 1 July 2018, copies of all accreditation letters issued by the QAPs to SDPs to offer skills programmes, must be forwarded to the QCTO, (accreditation@qcto.org.za) as the Department of Higher Education and Training (DHET) requires accreditation letters from the QCTO for all accredited SDPs on its sub-framework.
- b) As from 1 July 2018, all new applications for SDP accreditations to offer historically registered qualifications on the OQSF, and/or gazetted trades must be made directly to the QCTO (as is currently the case for occupational qualifications). Note well that QAPs will remain responsible for the accreditation applications for Skills Programmes and implementation of Learnerships.
- c) Each SDP will be required to complete a **Letter Of Intent** available on the QCTO website (www.qcto.org.za) before applying to the QAP. The QCTO will acknowledge the letter of intent and advise the SDP to follow the QAP accreditation process using application forms provided by the QAP.
- d) The QCTO may advise the SDP to apply for a registered occupational qualification which replaces the historically registered qualification.
- e) The QAP will complete the accreditation process and send the outcome of the accreditation application to the QCTO with the recommendation to either accredit or decline the applicant. The accreditation letter will be issued by the

QCTO. Copies of accreditation letters will be forwarded to the SDPs, QAPs and the DHET. This will assist the QCTO in maintaining a national database of accredited Skills Development Providers. The QAP will still be responsible for NLRD data with regard to accredited SDPs in their NLRD submissions to SAQA.

3. MONITORING OF SKILLS DEVELOPMENT PROVIDERS

- a) The QCTO will collaborate with the QAPs regarding the monitoring of accredited SDPs for historically registered full qualifications and/or gazetted trades.
- b) QAPs will compile a monitoring schedule and conduct visits to SDPs. Monitoring schedules must be submitted to the QCTO a month ahead of the planned monitoring visit, as the QCTO will conduct sample monitoring visits with the QAPs.
- c) The monitoring schedule should be submitted to the QCTO Quality Assurance Manager assigned to the QAP.
- d) The QAP will be required to submit monitoring reports to the QCTO.

4. ASSESSMENT OF HISTORICALLY REGISTERED QUALIFICATIONS

- a) Circular 1 of 2017 stated that a Final Integrated Summative Assessment (FISA) for all historically registered qualifications with learner uptake would become compulsory as from November 2018.
- b) However, upon further deliberation with QAPs, the QCTO would phase in FISA with voluntary QAPs who feel they are in a “state of readiness” to do so. This will therefore be piloted with a number of QAPs.

5. CERTIFICATION OF LEARNERS

- a) QAPs will continue to be responsible for the issuing of certificates for historically registered qualifications after the learner achievements have been quality assured by the QCTO.

The collaboration between the QCTO and the QAPs will strengthen the implementation of a Single National Quality Assurance System for qualifications and part qualifications registered on the QQSF.

Within the next three months, the QCTO will be arranging one-on-one meetings with each QAP to address challenges emanating from this process.

Your support and co-operation is therefore highly appreciated.

Yours faithfully

A handwritten signature in black ink, appearing to read 'VD Naidoo', written over a light grey circular stamp or watermark.

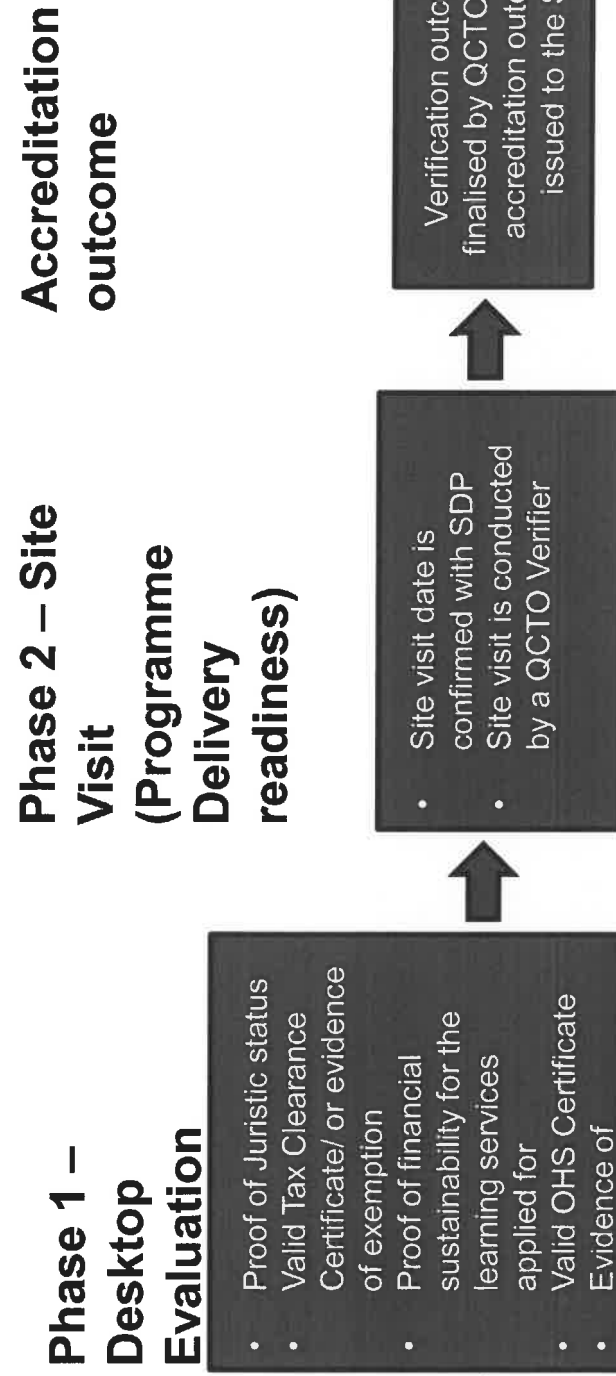
VD NAIDOO

CHIEF EXECUTIVE OFFICER

Date: 26 June 2018

CC: QAP Managers (ETQA Managers)

Accreditation process for occupational qualifications



<http://www.qcto.org.za/index.php/skills-development-provider-accreditation-form?layout=table>



POLICY FOR THE ACCREDITATION OF SKILLS DEVELOPMENT PROVIDERS

Review Date:	May 2018
Custodian:	Quality Assurance Partner Manager
Decision Date:	29 May 2018
Decision Number:	BRD MAY 18/007
Review Date:	May 2020

Definition of Terms

Term	Definition
NQF Act	The National Qualifications Framework Act, 2008 (Act 67 of 2008)
SDA	The Skills Development Act, 1998 (Act 97 of 2008);
SAQA	The South African Qualifications Authority established by the SAQA Act (no. 58 of 1995)
Quality Assurance Partner	A body accredited by SAQA in terms of Regulation 1127 of the SAQA Act and formerly known as Education and Training Quality Assurance (ETQA), responsible for quality assurance of national standards or qualifications, and to which specific functions relating to the monitoring and auditing of national standards and qualifications have been assigned in terms of section 5 (1)(b)(i) of the Act. The QCTO has delegated this authority back to the SETAs as Development Quality Partners and Assessment Quality Partners.
Accreditation	The certification, for a specified period of time, of a person, a body or an Institution as having the capacity to fulfil a particular function in the quality assurance system contemplated in sections 5(3)(c) and 27 (i) of the NQF Act and section 26F(1)(b) of the Skills Development Act.
Quality Assurance Skills Development Provider	The process of ensuring that the degree of excellence specified is met
Learning programme	A body which is accredited by a Quality Assurance Partner to deliver learning programmes which culminate in specified National Qualifications Framework units of learning or qualifications and manages the assessment thereof
Quality Management System (QMS)	Approved combination of courses, modules or units of learning (learning materials and methodology) by which learners can achieve the learning outcomes for a qualification
Occupational Qualification	The combination of policies, procedures, guidelines and review mechanisms used to ensure that the degree of quality excellence specified is achieved
Assessment	A qualification associated with a trade, occupation or profession, resulting from work-based learning and consisting of the knowledge, practical skills and work experience standards as defined in the Skills Development Act (Act No. 97 of 1998).
Certification	The process used to identify gather and interpret information and evidence against the required competencies in a qualification, part-qualification, or professional designation in order to make a judgement about a learner's achievement. Assessment can be formal, non-formal or informal; assessment can be of learning already done, or towards learning to inform and shape teaching and learning still to be done.
	A process of issuing formal recognition of achievement of a qualification or part qualification awarded to successful learners

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1. INTRODUCTION

INSETA, as delegated by the Quality Council on Trades and Occupations (QCTO), is responsible for the accreditation of education and training providers against Insurance and related financial services occupational qualifications, legacy qualifications and unit standards registered in accordance with the National Qualifications Framework (NQF).

2. PURPOSE

The purpose of this policy is to set out the INSETA Quality Assurance criteria for accrediting Skills Development Providers against Insurance and related financial services occupational qualifications, legacy qualifications and unit standards registered on the National Qualifications Framework (NQF).

3. LEGISLATIVE AND REGULATORY FRAMEWORK

The INSETA quality Assurance Policy for the accreditation of Skills Development Providers is developed as guided by:

- SAQA's Criteria and Guidelines for Providers (2001)
- SAQA's Criteria and Policy for Quality Management System for Education and Training Providers (2001)
- INSETA Logo Usage Policy
- Quality Assurance Partner Regulations no.1127 (1998)
- QCTO Policy on Accreditation of Skills Development Providers (2013)
- QCTO Delegation for legacy Qualifications (2012)

This policy should be read in conjunction with other INSETA Policies and Guidelines as detailed below:

- RPL Guidelines
- E-Learning Guidelines
- Learnership Guidelines
- Credit Accumulation and Transfer Guidelines
- Monitoring and Evaluation Guidelines
- Assessment and Moderation Guidelines
- Verification Guidelines
- Provider Code of Conduct

4. PRIMARY FOCUS OF THE INSETA

The current framework for provider accreditation deals with Skills Development Providers wishing to offer training on qualifications or part qualifications as allocated to INSETA Quality Assurance Partner as its primary focus, for qualifications registered by SAQA. These exclude Class of Business training. The qualifications aligned to training supporting insurance sub-sectors represent by INSETA are summarised below:

- **Long-Term Insurance**
This covers Life, Disability, Dread Disease, Funeral and Credit Life Cover.
- **Short-Term Insurance**

- 5. This includes vehicle, property, household, medical, personal liability, travel and business insurance.
- 6. **Collective Investments**
Involves members of the public investing money or other assets in a portfolio. This category was formerly known as Unit Trusts.

5. CRITERIA FOR THE ACCREDITATION OF SKILLS DEVELOPMENT PROVIDERS

According to the SAQA Quality Assurance Partner Regulations (1998- repealed) R1127, an organisation may be accredited as a Skills Development Provider by a Quality Assurance Partner whose primary focus coincides with the primary focus of the applicant organisation, provided that the organisation seeking accreditation:

- I. is registered as a provider in terms of the applicable legislation at the time of application for accreditation;
- II. has a quality management system which includes but is not limited to:
 - a) quality management policies which define that which the provider wishes to achieve;
 - b) quality management procedures which enable the provider to practise its defined quality management policies; or
 - c) review mechanisms which ensure that the quality management policies and procedures defined are applied and remain effective;
- III. Is able to develop, deliver and evaluate learning programmes which culminate in specified registered standards or qualifications;
- IV. has the:
 - a) necessary financial, administrative and physical resources;
 - b) policies and practices for staff selection, appraisal and development;
 - c) policies and practices for learner entry, guidance and support systems;
 - d) policies and practices for the management of off-site practical or work-site components;
 - e) policies and practices for the management of assessment;
 - f) necessary and accurate reporting and record keeping procedures; and
 - g) suitably qualified and Facilitators, Assessors and Moderators and can submit as proof, signed service level agreements with them
 - h) the ability to achieve the desired outcomes, using available resources and procedures considered by a Quality Assurance Partner to be needed to develop, deliver and evaluate learning programmes which culminate in specified registered standards or qualifications;
 - i) has not already been granted accreditation by or applied for accreditation to another Education and Training Quality Assurance Partner.
- V. Skills Development Providers must attend workshops and training sessions aimed at building the competency of SDPs and their staff members.

6. RESPONSIBILITIES OF INSETA QUALITY ASSURANCE PARTNER

As the INSETA Quality Assurance Partner, the INSETA Education and Training Quality Assurance Division has the following responsibility with regard to the accreditation of Skills Development Providers:

- I. Accreditation of Skills Development Providers for qualifications or part qualifications as delegated by QCTO
- II. Awarding of Secondary Accreditation to Skills Development Providers wishing to offer Insurance-specific qualifications or part qualifications as delegated by QCTO

- III. Ensuring compliance with the minimum quality standards and procedures as determined by the National Quality Assurance Policy Framework of all accredited Skills Development Providers
- IV. Developing policies and guidelines to address quality issues that may compromise the quality of learning and are not covered by the QCTO, SAQA or the National Quality Assurance Policy Framework
- V. Training Skills Development Providers on the use of the Learners Information Management System used by INSETA
- VI. Reaccreditation of Skills Development Providers
- VII. Extension of scope extensions of existing Skills Development Providers
- VIII. Monitoring of Skills Development Providers
- IX. Holds workshops to build the competency of Skills Development Providers and their staff
- X. Deaccreditation of Skills Development Providers.

7. REQUIREMENTS FOR AWARD OF ACCREDITATION

In addition to the conditions outlined under sections 5 and 6 above, the following accreditation conditions must be met:

- I. Accreditation and scope approval are linked to the original submitted application, curriculum and stated learning delivery methodology, e.g. face-to-face or distance learning
- II. Should the learning delivery method change then the provider must undergo a full programme approval process
- III. Learning materials, curriculum and assessment instruments must be signed-off by the Skills Development Provider's Moderator for submission to INSETA Quality Assurance Partner
- IV. At the end of the 3-year period of Secondary Accreditation or 5-year period of Primary Accreditation, Skills Development Providers are required to undergo a monitoring process for the consideration of renewal their accreditation
- V. The onus is on the Skills Development Provider to indicate in writing, intent to renew their accreditation 3 months prior to expiry date of their accreditation. Failure to do so will result in the lapse of the accreditation awarded.

8. CRITERIA FOR ACCREDITATION COMPLIANCE

In order to meet institutional Accreditation requirements, Skills Development Providers must submit the following to INSETA Quality Assurance Partner:

- a) **Policy Statement**
The organisation's aims, objectives and purposes need to be spelt out.
- b) **Quality Management Systems**
Identify processes and outline procedures that implement quality management in the organisation.
- c) **Review mechanisms**
Outline the ways in which the implementation of policies would be monitored.
- d) **Programme delivery**
Outline how learning programmes would be developed, delivered and evaluated.
- e) **Staff Policies**
Outline policies and procedures for staff selection, appraisal and development
- f) **Learner Policies**
Policies and procedures for the selection of learners are outlined, and learners are given guidance and support

- g) **Assessment and Moderation Policies**
Outline policies and procedures for forms of assessments that are used and how they are managed.
- h) **Management System and Policies**
Indicate the financial, administrative and physical structures and resources of the organisation, as well as procedures of accountability within the organisation.

9. ACCREDITATION

9.1 ACCREDITATION CONDITIONS

- I. Accreditation and programme approval are interlinked and will not be awarded separately. Programme approval will only be considered for skills programmes of a minimum of 60 credits that lead to a single qualification within the INSETA Quality Assurance Partner scope
- II. No accreditation will be awarded against expired qualifications or for a period beyond the licensing period of the INSETA or the continued quality assurance mandate of the INSETA Quality Assurance Partner
- III. Accreditation will be awarded based on the lifespan of the qualification for which scope is being applied, up to last date of achievement.

9.2 ACCREDITATION TYPES

9.2.1 PRIMARY ACCREDITATION

A Skills Development Provider is awarded Primary Accreditation if:

- I. No other form of accreditation has already been awarded by another Quality Assurance Partner
- II. 60% of qualifications or part qualifications for which scope is applied are quality assured by INSETA Quality Assurance Partner
- III. INSETA Quality Assurance Partner will not award accreditation to Skills Development Providers who apply for the purpose of offering learning programmes that are not in the ambit of INSETA Quality Assurance Partner's quality assurance
- IV. Learning Programme for which scope is applied are registered on the NQF and will culminate in learners achieving credits against full or part qualifications
- V. Has successful pre-accreditation interview outcome as conducted by INSETA Quality Assurance Partner
- VI. Has successful pre-accreditation desk-top document review outcome as conducted by INSETA Quality Assurance Partner
- VII. Has successful pre-accreditation site-visit outcome as conducted by INSETA Quality Assurance Partner
- VIII. 65% of learners to be trained by the Skills Development Provider must undergo training on Learning Programmes (qualifications) that are quality assured by the INSETA Quality Assurance Partner.

9.2.2 SECONDARY ACCREDITATION/PROGRAMME APPROVAL

A Skills Development Provider is awarded Secondary Accreditation if:

- I. The applicant Skills Development Provider submits to INSETA Quality Assurance Partner, proof that Primary Accreditation has been awarded by another Quality Assurance Partner
- II. The Primary Accreditation is current and will not expire within three years of the award of Secondary Accreditation by INSETA Quality Assurance Partner
- III. The Skills Development Provider has offered training of learners under its Primary Accreditation within 12 months before application to INSETA Quality Assurance Partner
- IV. The Skills Development Provider has undergone successful (endorsed) Verification conducted by the Primary Quality Assurance Partner within the 12 months before application for Secondary Accreditation to INSETA Quality Assurance Partner
- V. Has successful pre-accreditation monitoring outcome as conducted by INSETA Quality Assurance Partner

INSETA Quality Assurance Partner requires the Skills Development Provider applying for Secondary Accreditation to submit copies of reports of at least two endorsed Verifications by the Primary Quality Assurance Partner that were conducted not more than 12 months before application to INSETA Quality Assurance Partner.

9.3 ACCREDITATION PHASES

9.3.1 Provisional Accreditation

INSETA Quality Assurance Partner awards Provisional Accreditation to Skills Development Providers who have applied for accreditation for the first time and comply with requirements for award of Primary Accreditation stated under sections 5 to 8 above.

- I. INSETA Quality Assurance Partner will award Provisional Secondary Accreditation, even if the applicant SDP has Full Primary Accreditation with another Quality Assurance Partner; until the SDP applying for Secondary Accreditation has had two endorsed Verifications conducted by INSETA Quality Assurance Partner and has complied with the INSETA Quality Assurance Partner's requirements for Full Accreditation
- II. Skills Development Providers will be awarded Provisional Accreditation for a period of 2 years from the date of award
- III. The Skills Development Provider must have completed the upload of learner data as specified in the verification report, implement remediation recommendations from Verification and ensure continuous compliance with accreditation criteria
- IV. Shortly before the expiry of the 2 years of Provisional Accreditation, the Skills Development Provider will undergo monitoring by INSETA Quality Assurance Partner
- V. INSETA Quality Assurance Partner will shorten the Provisional Accreditation period if the Skills Development Provider has before the end of the 2 years of Provisional Accreditation; has conducted successful training of learners, has two endorsed Verification reports, has a

positive Monitoring report as conducted by INSETA Quality Assurance Partner and has loaded all learners on the INSETA Learner management system.

- VI. Should the Skills Development Provider not comply with the above-mentioned Provisional Accreditation conditions, the accreditation status will lapse and a new accreditation application must be submitted.

9.3.2 Full Accreditation

- I. INSETA Quality Assurance Partner awards Full Accreditation to Skills Development Providers that have successfully met all of the requirements of Provisional Accreditation, including a successful monitoring visit, successful verification of learning and upload of learner achievements onto the INSETA Learner Management System
- II. Full Primary Accreditation will be awarded for 5 years, in line with conditions stated under sections 5 to 8 above
- III. INSETA Quality Assurance Partner awards Skills Development Providers who have applied for Secondary Accreditation, Full Secondary Accreditation for three years; if they have maintained Full Primary Accreditation with the other Quality Assurance Partner and have complied with INSETA Quality Assurance Partner's requirements for award of Full Accreditation as stated above
- IV. If the Skills Development Provider has a learner through-put rate of below 60% over two successive years despite the support provided by the INSETA Quality Assurance Partner, Full Accreditation will not be awarded
- V. Should there be non-compliance regarding the Skills Development Provider's performance, the Full Accreditation status will be changed back to Provisional Accreditation with the SDP being placed under Monitoring for remediation, suspension of accreditation or deaccreditation.

10 REQUESTS FOR EXTENSIONS OF SCOPE (LEARNING PROGRAMME APPROVAL)

Extension of scope or programme approval is a process whereby a Skills Development Provider formally submits a request to INSETA Quality Assurance Partner to extend its scope to offer additional learning programmes and/or changing the learning delivery methodology. Consideration of this application will follow the accreditation award process outlined in section 9 above.

11 REQUESTS FOR REACCREDITATION

- I. The Skills Development Provider must indicate in writing, intent to renew their accreditation 3 months prior to expiry date of their accreditation of the current accreditation to the INSETA Quality Assurance Partner. The latter will not remind SDPs to renew their accreditation
- II. If request to renew accreditation is this is not submitted by the end of accreditation period awarded, INSETA Quality Assurance Partner will remove the SDP from the list of accredited SDPs

13.1 During the suspension period, depending on the severity of the non-compliance, the Skills Development Provider will undergo monitoring for capacity building purposes towards the lifting of the suspension or to recommend de-accreditation

13.2 During the suspension period, the Skills Development Provider must declare learners who have already commenced learning must be to INSETA Quality Assurance Partner

13.3 The Skills Development Provider shall not enrol any new learners while under suspension. Depending on the severity of the non-compliance, only learners currently enrolled on learning programmes will be permitted to continue with the completion of the learning process during the provider suspension period.

14 VOLUNTARY WITHDRAWAL OF ACCREDITATION

- I. Skills Development Providers may apply for voluntary accreditation withdrawal if there are changes in the Skills Development Provider's company registration as a legal entity, e.g. name and registration number changes
- II. The Skills Development Provider must apply for voluntary withdrawal of accreditation and submit intent of accreditation under the new legal entity name in order to commence the accreditation and programme approval process under the new entity
- III. Skills Development Provider wishing to withdraw their accreditation must submit the intent in writing to INSETA Quality Assurance Partner
- IV. A monitoring visit will be scheduled to close-off any outstanding learning results and administration processes that need to be concluded prior to awarding the withdrawal
- V. In the event that the Skills Development Provider does not comply with the close-off development plan within the agreed timeframe, the voluntary withdrawal will be converted to a SETA-initiated de-accreditation
- VI. The Skills Development Provider will bear the cost of closing out all current training interventions until successful certification by INSETA Quality Assurance Partner

15 LAPSE OF ACCREDITATION

As Skills Development Provider's accreditation is linked to an accreditation period; such accreditation lapses automatically at the end of the awarded accreditation period without further correspondence from INSETA Quality Assurance Partner when:

- I. no written application to renew accreditation has been received by INSETA Quality Assurance Partner from the Skills Development Provider
- II. the Skills Development Provider has, to the knowledge of INSETA Quality Assurance Partner; not conducted any training on learning programmes that are quality-assured by INSETA Quality Assurance Partner, three years after accreditation was awarded

III. Primary Accreditation of Skill Development Providers applying for renewal of Secondary Accreditation must still be in force when applying for renewal of accreditation

IV. Submit signed service level agreements with suitably qualified and Facilitators, Assessors and Moderators

V. Skills Development Providers applying for reaccreditation will be subject to the same conditions stipulated under sub-sections 9.2.1 and 9.2.2 above.

12 ROLES AND RESPONSIBILITIES OF SKILLS DEVELOPMENT PROVIDERS

The Skills Development Provider must, in respect of the accreditation that has been awarded:

- I. Comply with applicable INSETA quality assurance policies and procedure and most importantly, adhere to the INSETA Skills Development Provide Code of Conduct which addresses measures to protect the integrity of learning, assessment and moderating processes
- II. Apply to INSETA Quality Assurance Partner for the Verification of learner achievements to verify the authenticity of the learner achievement process within 30 days of completion of learning
- III. Upload learner enrolments onto the INSETA Learner Management System within 7 working days of the learners commencing their studies. Failure to do so will result in the Verification request from the Skills Development Provider being denied
- IV. Upload learner achievements onto the INSETA Learner Management System within 21 working days after receipt of a signed endorsed Verification NLRD from INSETA Quality Assurance Partner
- V. Ensure that Administrators employed by the Skills Development Provider attend training on the INSETA Learner Management System
- VI. Skills Development Provider whose accreditation is expiring must ensure that all learners are exited from the system and their information loaded on the INSETA Learner Management System before reaccreditation application can be considered and/or awarded

13 SUSPENSION OF ACCREDITATION

I. Where INSETA Quality Assurance Partner has identified through the verification of learner achievements or monitoring process; irregularity, non-performance that includes learner pass rate that is lower than 60% and non-compliance with accreditation criteria, the Skills Development Provider will be suspended from enrolling any new learners until such time as a formal investigation has been conducted and/or remediation measures are in place. INSETA Quality Assurance Partner will:

- assign a panel will make a recommendation based on the investigation findings
- invite the Skills Development Provider to a hearing to present a case and additional evidence
- suspend or withdraw the Full or Provisional Accreditation in instances of fraudulent activity

III. the Skills Development Provider that has been active before has, to the knowledge of INSETA Quality Assurance Partner; not conducted any training on learning programmes that are quality assured by INSETA Quality Assurance Partner for three years

IV. the Skills Development Provider has not requested any Verification of learning from INSETA Quality Assurance Partner in two years of conducting training

V. the Skills Development Provider who has been awarded Secondary Accreditation and is no longer actively training learners under the Primary Accreditation on which the Secondary Accreditation awarded by INSETA Quality Assurance Partner is based.

Skills Development Providers falling under the 14.1 to 14.5 above will have to submit a new application for accreditation should they wish to be reaccredited.

INSETA Quality Assurance Partner shall not resuscitate Skills Development Providers' accreditation without going through all accreditation requirements outlined in this policy.

16 DE-ACCREDITATION

The INSETA Quality Assurance Partner reserves the right to de-accredit a Skills Development Provider and Inform the QCTO accordingly, should the Skills Development Provider not comply with any of the stipulated criteria for accreditation, at any stage of its accreditation cycle, including non-compliance revealed through monitoring and evaluation processes.

The following non-exhaustive list of non-compliance shall lead to deaccreditation:

- I. Franchising of accreditation awarded
- II. Falsifying assessment outcomes
- III. Harassing Assessors and Moderators to do what is in contravention of the Code of Conduct they signed with INSETA Quality Assurance Partner
- IV. Forging Assessors and/or Moderators' signatures
- V. Allowing plagiarism and fraud during assessments
- VI. Assisting learner to respond to assessment questions
- VII. Abandoning of learning before completion of the learning programme
- VIII. Not adhering to the requirements for uploading of learner enrolments, assessments and credits onto the INSETA Learner Management System.

De-accreditation will be considered by the INSETA Quality Assurance Partner panel of evaluators and shall be endorsed by the INSETA Quality Assurance Partner Manager and the INSETA Chief Executive Officer.

The Skills Development Provider has the right to appeal the deaccreditation decision by sending an appeal in writing to the QCTO.

BOARD NOTICE 194 OF 2017

FINANCIAL SERVICES BOARD

**FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002
(ACT NO 37 OF 2002)**

**DETERMINATION OF FIT AND PROPER REQUIREMENTS FOR FINANCIAL SERVICES
PROVIDERS, 2017**

I, Caroline Dey da Silva, the Deputy Registrar of Financial Services Providers, hereby under section 6A of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002), determine the fit and proper requirements for financial services providers as set out in the Schedule.



CD da Silva,
Deputy Registrar of Financial Services Providers

Part 5: Class of business Training and Product Specific Training

Application of Part

28. (1) Subject to subsection (2) and (3), the competence requirements relating to class of business and product specific training contained in this Part apply to all FSPs, key individuals and representatives.
- (2) The competence requirements relating to class of business training contained in this Part do not apply to-
- (a) a Category I FSP, its key individuals and representatives that are authorised, approved or appointed only to render financial services or manage or oversee financial services in respect of the financial products: Long-term Insurance subcategory A and/or Friendly Society Benefits; and
- (b) a representative of a Category I FSP that is appointed to only –
- (i) perform the execution of sales in respect of a Tier 1 financial product provided that the requirements in section 22(b)(ii) are complied with; and/or
- (ii) render financial services in respect of a Tier 2 financial product.
- (3) The competency requirements relating to product specific training contained in this Part do not apply to –
- (a) a Category II, Category IIA or a Category III FSP or its representatives; and
- (b) key individuals of all categories of FSPs, provided they comply with section 12.
- (4) The competency requirements relating to class of business training apply to key individuals only in respect of the classes of business for which they are approved to act as key individuals or in respect of which approval is sought.

Class of business training and product specific training

29. (1) An FSP and representative must, prior to the rendering of any financial service in respect of a particular financial product, complete –
- (a) the class of business training; and
- (b) product specific training,
- relevant to that financial product and for which they are authorised or appointed or in respect of which authorisation or appointment is sought.
- (2) A key individual must, prior to managing or overseeing the rendering of any financial service, complete the class of business training in respect of the classes of business it manages or oversees and for which it is approved to act as key individual or for which approval is sought.
- (3) An FSP must ensure that it, its key individuals and representatives are proficient in respect of, understand, and have completed adequate and appropriate class of business training and product specific training relevant to, the particular financial products in respect of which they render financial services or manages or oversees the rendering of financial services.
- (4) Class of business training, where appropriate, must include training on –
- (a) the range of financial products within the class of business;
- (b) the general characteristics, terms and features of financial products in the class of business and any specialist characteristics, terms and features in respect of financial products in the class of business;
- (c) the typical fee structures, charges and other costs associated with products in the class of business;
- (d) general risks associated with investing, purchasing or transacting in the products in the class of business;

- (e) investment and risk principles, options and strategies in respect of products in the class of business;
 - (f) the appropriateness of different products or product features in the class of business for different types of clients or groups of clients;
 - (g) the typical role players or market participants in respect of products in the class of business, including their legal structure;
 - (h) the impact of applicable legislation, including taxation laws, on products in the class of business;
 - (i) the impact of applicable economic and environmental factors such as -
 - (i) the economic and business environment and cycles;
 - (ii) inflation;
 - (iii) government monetary and fiscal policies; and
 - (iv) interest rates and exchange rates,
 on the products in the class of business and the performance of those products;
 - (j) any inter-relationship within and between particular classes of business; and
 - (k) industry standards and codes of conduct relevant to the class of business.
- (5) Product specific training, where appropriate, must include training on –
- (a) the specific characteristics, terms and features of the product, including any specific complexities or material differentiation from the general characteristics, terms and features of products in the class of business concerned;
 - (b) the nature and complexity of the financial product and any underlying components of that product;
 - (c) how the financial product and any underlying components of the product are structured and priced;
 - (d) the fee structure, charges and other costs associated with the product and their impact on the real return or benefits of the product;
 - (e) the nature and features of any guarantees and the costs associated with them;
 - (f) the risks associated with investing, purchasing or transacting in the product and any underlying components of the product;
 - (g) the risks associated with particular investment concepts and strategies in respect of the product;
 - (h) the impact of tax on the benefits or real return of the product;
 - (i) the potential impact of abnormal or extreme market, economic or other relevant conditions on the performance of the product;
 - (j) any investment options or strategies within the product;
 - (k) any flexible benefit or service options available within the product;
 - (l) the accessibility of benefits or funds under the product and any restrictions or limitations on such accessibility;
 - (m) the level of liquidity of the product or its underlying components;
 - (n) the intended target market of the product and the outcomes it is intended to deliver for customers, including identifying customers or groups of customers for whom the product is not expected to be suitable;
 - (o) the identity of the product supplier and the providers of any underlying components of the product, including their good standing and regulatory status;
 - (p) particular disclosures, whether or not prescribed by legislation, applicable or relevant to the product, its underlying components and the product supplier;
 - (q) the lock-in periods and relevant termination conditions, exit options and associated costs;
 - (r) the accessibility of benefits or funds under the financial product and any associated restrictions or limitations; and
 - (s) the expected outcomes that will be achieved for clients.
- (6) The class of business training may be undertaken separately from or in combination with –

- (i) product specific training; or
 - (ii) a recognised qualification provided a person is able to demonstrate that the content of the qualification meets the criteria referred to in subsection (3).
- (7) Where a financial product incorporates one or more other underlying financial products, the training referred to in subsections (1) and (2) must include class of business training in respect of the underlying products.

Record keeping and reporting requirements

30. An FSP must -

- (a) within 15 days after the training has occurred, record in the competence register of the FSP the product specific or class of business training of the FSP, its key individuals and representatives;
- (b) retain all information and documentation relating to the training referred to in (a) for a period not less than five years after -
 - (i) the FSP or the representative on behalf of that FSP, has ceased to render financial services in respect of a particular financial product or a particular class of business; and
 - (ii) the key individual has ceased to manage or oversee the rendering of financial services by the FSP in respect of a particular financial product or a particular class of business;
- (c) within a reasonable time after being requested to do so -
 - (i) by a product supplier, provide confirmation to that product supplier that it, or its representatives have obtained the requisite class of business and product specific training, where the product supplier requires the confirmation in order to ensure compliance with its own legal obligations; and
 - (ii) by a key individual or representative of, or a former key individual or representative of the FSP, provide confirmation to the key individual or representative of the product specific and class of business training completed by that key individual or representative.

ANNEXURE FOUR**CLASSES OF BUSINESS**

1. In this Annexure –

“**Accident and health policy**” has the meaning assigned to it in section 1(1) of the Short-term Insurance Act, but excludes a reinsurance policy in respect of such a policy;

“**Assistance policy**” has the meaning assigned to it in section 1(1) of the Long-term Insurance Act but excludes a reinsurance policy in respect of such a policy;

“**Engineering policy**” has the meaning assigned to it in section 1(1) of the Short-term Insurance Act, but excludes a reinsurance policy in respect of such a policy;

“**Fund policy**” has the meaning assigned to it in section 1(1) of the Long-term Insurance Act but excludes a reinsurance policy in respect of such a policy;

“**Guarantee policy**” has the meaning assigned to it in section 1(1) of the Short-term Insurance Act, but excludes a reinsurance policy in respect of such a policy;

“**Long-term investment policy**” means a life policy as defined in section 1(1) of the Long-term Insurance Act other than a life risk policy;

“**Liability policy**” has the meaning assigned to it in section 1(1) of the Short-term Insurance Act, but excludes a reinsurance policy in respect of such a policy;

“**Life risk policy**” means a disability, health or life policy as defined in section 1(1) of the Long-term Insurance Act that provides risk benefits only;

“**Long-term reinsurance policy**” means a reinsurance policy as defined in section 1(1) of the Long-term Insurance Act;

“**Miscellaneous policy**” has the meaning assigned to it in section 1(1) of the Short-term Insurance Act, but excludes a reinsurance policy in respect of such a policy;

“**Motor policy**” has the meaning assigned to it in section 1(1) of the Short-term Insurance Act, but excludes a reinsurance policy in respect of such a policy;

“**Property policy**” has the meaning assigned to it in section 1(1) of the Short-term Insurance Act, but excludes a reinsurance policy in respect of such a policy;

“**Short-term reinsurance policy**” has the meaning assigned to it in section 1(1) of the Short-term Insurance Act;

“**Sinking fund**” has the meaning assigned to it in section 1(1) of the Long-term Insurance Act but excludes a reinsurance policy in respect of such a policy;

“**Transportation policy**” has the meaning assigned to it in section 1(1) of the Short-term Insurance Act, but excludes a reinsurance policy in respect of such a policy.

TABLE 1 CLASSES OF BUSINESS	
7.	Investments
<i>Subclasses</i>	
7.1	Shares
7.2	Money market instruments
7.3	Debentures and securitised debt
7.4	Bonds
7.5	Derivative instruments, warrants, certificates or other instruments
7.6	Securities and Instruments
7.7	Participatory interests in a collective investment scheme
7.8	Participatory interest in a CIS hedge fund
7.9	Retail Pension Benefits
8.	Forex Investments
9.	Health Services Benefits

3.2 Top 10 Scarce Skills Occupations for 2017/18

Table 1: Top 10 scarce skills occupations for 2017/18

OFO Occupation and Code	Number	Percentage
Financial Investment Advisor - 2015-241301	1568	56,70%
Insurance Agent - 2015-332101	425	15,37%
Sales Manager - 2015-122102	205	7,41%
Outbound Contact Centre Consultant - 2015-422202	164	5,93%
Commercial Sales Representative - 2015-332201	126	4,55%
Sales and Marketing Manager - 2015-122101	124	4,48%
Developer Programmer - 2015-251203	61	2,20%
Actuary - 2015-212101	34	1,22%
Business Broker - 2015-333904	30	1,08%
Insurance Administrator - 2015-431201	28	1,01%
Total	2765	

Source: WSP data, 2017/18

When one compares the above with the hard-to-fill vacancy survey that was issued earlier this year, one can see that without having the Collective Investment category contribute, we could not have seen that the Financial Investment Advisor was the top scarce skill required amongst all sub-sector categories. Insurance Agent still came out in the top two with the Contact Centre, Developer and Actuary occupations still featuring in the top 10 scarce skills list. The only occupation of contention is that of the Contact Centre Consultant/Agent, where more in-depth understanding and research will need to be conducted in order to confirm this area as a scarce skill.