

THE AFRICAN QUALIFICATION AUTHORITY

ANNUAL REPORT

1998 - 1999

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FOREWORD BY THE MINISTER OF EDUCATION

The South African Qualifications Authority Act, 1995 established the South African Qualifications Authority (SAQA), a statutory body which oversees the development and implementation of the National Qualifications Framework (NQF). The NQF is the cornerstone for the transformation of the education and training systems in South Africa. It must enable us to meet the challenges of rapid technological and social change that is upon us. It must also enable us to redress the unfair discrimination and inequity in education, training and career opportunities of the past. It must also enable learners to engage with the emerging world economic order.

The establishment of the NQF, which is a complex social instrument, has the full commitment of my Department. It is the means for our country to address the challenges of implementing quality education and training, and of developing a culture of lifelong learning, an internationally recognised educational value for our society. Our NQF places South Africa in a position where both quality learning and the opportunity to learn can be assured in different settings such as the workplace, the community, as well as public and private institutions and providers.

Our NQF is based on the three pillars of democratic participation, intellectual scrutiny and sustainable resourcing. Our financial commitment to SAQA is no reflection of Government's commitment to its objectives. Rather it reflects the current imperative to address the many pressing needs and priorities that face our Government. We are highly appreciative of the manner in which SAQA has tackled the funding issue and has been able to secure, through many bilateral and multilateral country engagements, full funding of its approved budget over the next three years. We are also encouraged that SAQA aims to be self-funding by the budget year 2002/3.

I will endeavour to ensure that SAQA with the NQF is a high priority with my Cabinet colleagues and that SAQA is recognised, supported and becomes a central part of our human resource development and macro-economic strategies.

I am delighted to note that our NQF is receiving international support and is acknowledged as being at the conceptual cutting edge of such developments worldwide.

I would like to thank the members and staff of SAQA and, especially, the acting chairperson, Mr. David Adler and the Executive Officer for the achievements of 1998/1999 as reflected in this report.

Professor Kader Asmal
Minister of Education, MP

FOREWORD BY THE MINISTER OF LABOUR

The South African Qualifications Authority Act was one of the earliest pieces of legislation passed by the first democratically elected government of South Africa – back in 1995. The government recognised the importance of promoting not only access to learning, but also enhancing the quality of that learning wherever it takes place, in traditional sites such as schools and colleges, at work and in new pathways that bridge and integrate the two.

Ensuring that learning takes place at work is ultimately a challenge for employers and workers in South Africa. I salute them for being involved from the start. Indeed one of the most powerful influences on the development of the National Qualifications Framework has come from employers and workers. They have continued to play an active part in shaping the National Qualifications Framework – as active members of the Authority itself and the National Standards Bodies established by the Authority to

register standards and qualifications. They are also in the process of forming Sector Education and Training Authorities (SETAs) in terms of the Skills Development Act. SETAs are required to perform Education and Training Quality Assurance functions in respect of core occupational standards and qualifications for which they are responsible. The establishment of these agencies, together with the enabling regulations and guidelines, is an important achievement that SAQA has facilitated and of which the Authority and its competent staff can rightly be proud. The foundations for work-based and work-linked learning have been laid.

The challenge that lies ahead is the translation of this infrastructure of quality assured standards and qualifications into real opportunities for employers, workers and those seeking to enter or re-enter the labour market. Our final test will be enhanced productivity and labour market mobility that contributes to increases in competitiveness, jobs, quality of employment and income – in an upward spiral of growth and development. In concert with the implementation of the Skills Development Act and the Skills Development Levies Act and in partnership with my colleague the Minister of Education, I am confident that these goals will be achieved.

MMS Mdladlana
Minister of Labour

CHAIRPERSON'S FOREWORD

The spirit of the National Qualifications Framework (NQF) is found in a changed understanding of knowledge and its role in people's lives. As guardian of the NQF, the South African Qualifications Authority (SAQA) expresses the vision of learning and development – development-and-learning -as inseparable. In the past year, SAQA has made impressive progress in building a secure dwelling place in which this spirit and vision can flourish.

It is now essential that body and life be brought to this place. This will only happen when there is real support and participation from all sectors – and here I mean especially all the ministries of our government. Without high levels of real, intelligent participation, the vision of transformation cannot be realised.

SAQA's ability to sustain itself over the past year represents a fundamental achievement. Only 20 per cent of the approved budget for all the work that SAQA is expected to do is currently available from the government. Far from being defeated by this, the SAQA team has secured donor funding for its activities for the next three

years. This is expected to provide a bridge until the time, during 2002/3, when SAQA will be self-funding. We are most grateful to CIDA, DANIDA, the European Union, GTZ and USAID who have all pledged funding, beginning 1999/2000. Because of this, SAQA should be able to accelerate and expand its work significantly during the 1999/2000 and ensuing financial years.

In the past year, great milestones for the spirit of the NQF have been designed and built. These are the Skills Development Act, the Further Education and Training Act and the Skills Development Levies Act.

Stimulated by these new spaces for growth, education and training agencies of all kinds around the country are moving in, or planning to move in. There is palpable excitement, as people and organisations align themselves with the provisions and functions that have been set in place. SAQA has grown in energy because of this, and has felt especially supported by the way in which labour and business have come forward to join in mutual action.

SAQA continues to expand its infrastructure in order to serve and support the move into the NQF. There has been marked growth in human resources, the National Learner Records Database (NLRD), National Standards Bodies (NSBs) and Education and Training Quality Assurance Bodies (ETQAs).

The power of the conceptual development of the South African NQF has led to considerable international interest in SAQA's work. Developed countries increasingly admire us. Though they have much greater capacity for implementation than we do, they envy us our creative space to rethink learning for the twenty-first century, and to set up a genuinely outcomes-based NQF.

The effort and diligence of the Executive Officer, SAQA staff and members of the Authority deserve high commendation. Their dedication is reflected in the achievements highlighted in this Annual Report.

However, the greatness of the transformative vision, the unique intellectual energy of the design, the hard work and the achievements could all come to naught without the necessary political will. All ministers and departments of state in South Africa have a critical interest in SAQA and the NQF. Their work should benefit greatly from the NQF in the coming period of delivery and implementation. For this to happen, though, they need to understand the centrality of this new institution for building a new nation in a new millennium, and to support its works and use its resources to the full.

DAVID ADLER
Acting Chairperson

INTRODUCTION

What is SAQA?

SAQA was established in 1995 by an Act of Parliament, the South African Qualifications Authority (SAQA) Act No 58 of 1995. Its role is to oversee the development and implementation of the NQF.

The objectives of the NQF are to:

- Create an integrated national framework for learning achievements;
- Facilitate access to, and mobility and progression within education, training and career paths;
- Enhance the quality of education and training;
- Accelerate the redress of past unfair discrimination in education, training and employment opportunities; and thereby
- Contribute to the full personal development of each learner and the social and economic development of the nation at large.

The mission of SAQA is to ensure the development and implementation of a national qualifications framework that contributes to the full development of each learner and the social and economic development of the nation at large.

The role of SAQA in overseeing the development and implementation of the NQF means that:

- SAQA provides leadership in NQF matters while, at the same time, showing sensitivity to and serving the interests and the needs of education and training.
- SAQA ensures coherence for the NQF.
- SAQA co-ordinates and facilitates the development and implementation of the NQF.

All South Africans have a stake in education and training. Those who provide education and training, those who ensure their quality and, of course, learners themselves are responsible for ensuring that the development and implementation of the NQF is successful.

The functions of SAQA are to:

1. oversee the development of the National Qualifications Framework (NQF)
2. formulate and publish policies and criteria for:
 - i. the registration of bodies responsible for establishing standards and qualifications – National Standards Bodies (NSBs) and Standards Generation Bodies (SGBs);
 - ii. the accreditation of bodies responsible for monitoring and auditing the quality of provisions for the achievement of registered standards and qualifications – Education and Training Quality Assurance bodies (ETQAs).
3. oversee the implementation of the NQF. This includes:
 - i. registering SGBs, NSBs and standards and qualifications, and
 - ii. accrediting ETQAs.

In order to fulfil its functions and mission, SAQA has set itself the following strategic objectives:

- Building the infrastructure of SAQA. This includes ensuring the establishment of NSBs, SGBs, and ETQAs.
- Ensuring SAQA's financial viability.
- Positioning SAQA strategically.
- Advising stakeholder organisations – and providing guidance and advice where applicable and possible – on the NQF's effect on areas not directly within its mandate. This includes areas such as curriculum development, job creation, career paths and so on.

The Legislative Framework

The "NQF environment" has, in the past year, been further enabled by the passing of legislation that is coherent with SAQA and the NQF. A year ago, the Higher Education Act, the South African Schools Act and the Mining Qualifications Act were the only pieces of legislation in place. Now there is the Further Education and Training Act, the Skills Development Act and the Skills Development Levies Act. This legislation contributes to the goal of ensuring the effective and efficient development and implementation of the NQF. Other important role players in the education and training sector, such as the Accounting Profession, are drafting and contributing to legislation and continuously consult with SAQA to ensure coherence.

The Organisational Framework

The organisational structure established to fulfil the mandate of the Act consists of two main components: the SAQA board (henceforth referred to as the Authority) and SAQA staff who are responsible for executing its functions.

The Authority is responsible for making final decisions on policy. It is also responsible for monitoring the development and implementation of the NQF at the macro level; for facilitating and promoting constructive engagements and relationships with stakeholders and society; for communicating the development of the NQF, and for advising on its further development and implementation.

SAQA staff members are responsible for implementing the policies of the Authority and ensuring that all stakeholders participate in the development and implementation of the NQF. Its responsibilities include the following:

- financial administration and accounting in terms of the budget;
- research, development and recommendation of policy;
- research, monitoring and evaluation of the implementation of the NQF;
- dissemination of information;
- overseeing the process of standard-setting through the co-ordination and facilitation of the work of the National Standards Bodies (NSBs) and Standard Generation Bodies (SGBs);
- overseeing the process of accrediting Education and Training Quality Assurance (ETQAs) bodies, including the establishment of various mechanisms for accreditation, moderation and assessment;
- maintaining the NQF database and website.

HIGHLIGHTS OF THE YEAR

In 1998/99, SAQA became fully operational. The NSB and ETQA regulations were promulgated on 28 March 1998 and 8 September 1998 respectively. These allowed SAQA and its stakeholders to begin establishing the processes and systems of the NQF. The critical accomplishments of the year were:

Funding

The European Union (EU) agreed to provide funding of 14 million ECU over the next three years, starting in the 1999/2000 financial year. The funding will assist SAQA in the development and implementation of the NQF. The Canadian International Development Agency (CIDA) continued to provide technical support to assist SAQA

in fulfilling its mandate. The Danish International Development Agency (DANIDA) provided R2 million for the support of SAQA infrastructure and NQF pilots in the Western Cape and KwaZulu-Natal. The German Aid Agency (GTZ) contributed to the capacity building of NSBs.

Website

SAQA has a well-established website that is used extensively, both locally and internationally.

Organisation

SAQA has developed an adequate, sustainable infrastructure that is supported by organisational policies of comparable standard.

National Standards Bodies

The National Standards Bodies (NSBs) for each of the twelve organising fields are fully operational and meet regularly every second month. An Inter-NSB Committee has been established to ensure coherence and co-ordination across the twelve organising fields.

The recording of existing qualifications for interim registration has been completed.

The NSBs have drafted sub-fields for each of the twelve learning fields. These have been circulated for public comment.

Standards

Standards Generating Bodies (SGBs) are in the process of being recognised or established. The first SGBs were gazetted for public comment in March. These were for Forestry, Surveying, Educators in Schooling, and Educators in Adult Basic Education and Training.

Unit standards and qualifications have been published for public comment. Unit standards for Adult Basic Education and Training (ABET) were gazetted in June 1999. Unit standards for Pharmacists' Assistants and ABET and qualifications and unit standards for Carpentry, Bricklaying, and Tyre Manufacturing were gazetted in March 1999.

A draft document on level descriptors has been circulated for public comment.

Draft criteria for the recognition or establishment of SGBs and the evaluation of standards are also in the public arena for comment.

Education and Training Quality Assurance Bodies

Applications for the accreditation of Education and Training Quality Assurance bodies (ETQAs) have been received, and are being processed by the Quality Assurance Division (QAD) of SAQA.

The fifth draft of criteria and guidelines for the accreditation of ETQAs are in the public arena for comment. The QAD will be running public hearings on these before they are finalised and approved as policy.

SAQA held a national workshop on assessment to initiate the development of guidelines for assessment policies and systems of NQF-registered standards and qualifications. Guidelines for assessment are being developed.

SAQA is acting as the ETQA for the accreditation of private higher education institutions. SAQA contracted the Quality Promotions Unit (QPU) of the South African Universities Vice-Chancellors' Association (SAUVCA) and the Certification Council for Technikon Education (SERTEC) as evaluation agencies. SAUVCA recently informed SAQA of the closure of the QPU and has requested that SAQA make alternative arrangements. The Quality Assurance Division of SAQA is processing applications for provider accreditation for Private Higher Education and Training Institutions. Thus far, three such institutions have received provider accreditation.

International involvement

SAQA is participating in an international benchmarking project on competency standards. The project involves Mexico (Council for Normalisation and Certification of Competency Standards), the UK (Qualifications and Curriculum Authority), Scotland (Scottish Qualifications Authority) and Australia (Australian National Training Authority). New Zealand is scheduled for inclusion.

SAQA is involved in the implementation of the Southern African Development Community (SADC) Protocol on Education and Training. This project aims to move education and training systems in the SADC region toward equivalence, harmonisation, and eventually standardisation over the next twenty years. SAQA currently chairs a technical committee established by the Protocol – the Technical Committee on Accreditation and Certification. Namibia will chair for 1999/2000.

Co-operation with the Department of Labour

SAQA is working with the Department of Labour to implement the Skills Development Act (Act No. 97 of 1998). SAQA is represented on the National Skills Authority. SAQA works closely with the Department of Labour around two of the Sector Education and Training Authority (SETA) functions; namely, learnerships and quality assurance.

Higher Education

SAQA is represented on the Council on Higher Education (CHE). SAQA will be influential in ensuring the fast-tracking of the establishment of the Higher Education Quality Committee (HEQC) and, by extension, a quality assurance system for higher education and training.

HOW THE ORGANISATION FUNCTIONS

The SAQA Act states very clearly that SAQA must carry out its mandate in consultation and co-operation with stakeholders in the education and training sector. The policies of SAQA ensure that such consultation and co-operation does take place.

Below is a summary of how SAQA and its registered and accredited bodies function:

- SAQA establishes National Standards Bodies (NSBs).
- NSBs recognise or establish Standard Generating Bodies (SGBs).
- SGBs generate standards, unit standards and qualifications and submit them to NSBs.
- NSBs consider these standards and qualifications and recommend them to SAQA for registration.
- SAQA registers the standards and qualifications.
- SAQA accredits Education and Training Quality Assurance bodies (ETQAs).
- ETQAs audit and monitor provision, which includes accrediting providers.
- Providers design curricula and learning programmes that will lead to the acquisition of registered standards and qualifications.

The Authority can consist of thirty members, including the Executive Officer and Chairperson. At the moment, only twenty-four of the positions are filled. David Adler has been the Acting Chairperson since the first Chairperson Samuel Isaacs became the

Executive Officer on 1 March 1997. The Authority has established four sub-committees: an Executive Committee, a Finance Committee, an NSB Sub-Committee and an ETQA Sub-Committee.

SAQA has an Executive Office and three directorates (Framework Implementation, Framework Development and Corporate Services) and one sub-directorate (Communication and Secretarial Services).

Due to insufficient funding, the Corporate Service Directorate has not been staffed. However, a personnel officer has been appointed and Deloitte & Touche have been contracted to manage SAQA's financial administration.

The Finance Committee monitors proper financial control on a monthly basis. An Audit Committee has been established to ensure adherence to policies and procedures. Conditions of Service for staff have been finalised and various other human resources policies have been drafted for consideration.

ORGANISATIONAL CHALLENGES

The present Authority members end a three-year term of office on 31 May 1999. The next term of office of the Authority, which may include some new members, will be well placed to deliver on strategic NQF priorities even more substantially. The process of the development and implementation of the NQF is far advanced and sufficient funding is in place to ensure its success.

However, SAQA needs more human resource capacity during the start-up phase of the development and implementation of the NQF. There is also a need to develop organisational capacity in some areas – such as information technology systems, communications systems and some operational and management systems.

SAQA needs to be financially sustainable within the next three years and after the donor funding expires. The staffing of Corporate Services is a priority for the coming year.

IMPLEMENTING THE NATIONAL QUALIFICATIONS FRAMEWORK

The NQF is new to South Africa and finding individuals with the appropriate capacity and skills to ensure its successful development and implementation is not easy. However, through a process of self-monitoring and evaluation, SAQA has identified the appropriate skills for NQF implementation. These are strategic focus and intervention capacity, intellectual scrutiny, practical, flexible and reflexive competence and systems thinking.

Advocacy and the dissemination of information are also priorities. This means the reconceptualisation of the Communications and Secretarial Services Unit and the development of a communications and advocacy strategy.

Standard Setting

The Standards Setting Division of SAQA is one of the two implementing structures of the NQF. The role of the Standards Setting Division is to oversee the establishment and registration of standards and qualifications. This means the setting up, recognition and registration of bodies, and overseeing the process of the generation of standards and qualifications for registration on the NQF. It also means providing professional support and direction to the bodies, ensuring compliance with policy and regulations, facilitating the registration of national standards and registered qualifications and implementing strategies to promote the objectives of the NQF.

Not only the Authority and SAQA staff are responsible for ensuring the effective and efficient implementation of NQF standards setting policies, processes and systems. The National Standards Bodies (NSBs) and Standards Generating Bodies (SGBs) have the following responsibilities in this regard:

- Defining subfields.
- Establishing or recognising SGBs in subfields.
- Recommending standards and qualifications to SAQA.
- Proposing criteria for the appointment of moderating bodies.
- Liaising with ETQAs on reviewing, adapting, changing, and establishing unit standards and qualifications.

ESTABLISHING NATIONAL STANDARDS BODIES

NSBs have now been legally established. The next step is to build their capacity to register SGBs and recommend standards and qualifications for registration. Building capacity for delivery will be the focus of NSBs for the remainder of 1999 and the year 2000.

The NSBs represent probably the largest voluntary exercise in implementing government policy in South Africa. About four hundred members of the public freely give their time and expertise in order to bring intellectual scrutiny, organisation and direction to the organising fields of the NQF.

As bodies constituted by regulation, the NSBs have regulatory and administrative functions in the standards setting process. At the same time, they are keenly aware of their responsibility (in terms of the SAQA Act) to achieve the objectives of the NQF within their respective fields.

The NSBs met first, collectively, at the World Trade Centre in February 1998. Here they were introduced to the NQF and the functions of NSBs. The first meetings of NSBs took place in March 1998 and most have now met six times.

The composition of the NSBs has led to unique structures – a mix of expertise and representation. The NSBs have had to work on building their own identities, distinct from their respective constituencies. Although this has been largely successful, it will be a continuous process.

DELINEATION OF NSB SUB-FIELDS

Another on-going NSB project is the delineation of the sub-fields. Through voluntarism, a great slice of practitioner expertise was brought to bear on the debate, consultation and thought that led to sub-fields recommendations. However, this was done entirely without the additional resources that would have made research, consultation, formulation and eventual explanation easier and more thorough.

All the NSBs developed an interim framework of sub-fields. The education and training field will use these sub-fields for the establishment of SGBs and the generation of standards and qualifications.

MECHANISMS TO PROVIDE LEADERSHIP AND DIRECTION IN NSBS

Two specific mechanisms to provide leadership and direction to the NSBs were put in place.

First, SAQA established the NSB Sub-committee at its meeting of 9 December 1998. The terms of reference of the Sub-committee are, amongst other things, to provide informational support and to co-ordinate the work of NSBs.

Second was the development of an NSB manual. One of the challenges facing SAQA staff was to assist NSBs in setting up organisational, administrative and management

procedures for the establishment and registration of Standards Generating Bodies (SGBs) and the evaluation of standards and qualifications. After one year of functioning, it became clear that an instrument was needed to consolidate the experiences of NSB members and SAQA staff. The resultant NSB manual provides members with all the essential documents and concepts in one book/file. It may also be used as an orientation document for new members and all alternate members.

FORMATION OF SGBS

The process of SGB formation is underway. A draft SAQA position paper has been circulated for comment among NSB members. The paper includes an outline of the public application process for SGB recognition and establishment. Four SGBs have been registered after a public comment process:

- SGB for Forestry (NSB 01: Agriculture and Nature Conservation)
- SGB for Surveying (NSB 12: Physical Planning and Construction)
- SGB for Educators in Schooling (NSB 05: Education, Training and Development)
- SGB for Educators in Adult Basic Education (NSB 05: Education, Training and Development)

More than fifty other SGBs are being established.

DEVELOPMENT OF STANDARDS AND QUALIFICATIONS

Education and training stakeholder interests groups and experts are developing a number of standards and qualifications throughout the country. Some already placed in the public domain for public comment are the following:

- Basic Level Pharmacists and Post Basic Level Pharmacists
- National Certificate in Carpentry at NQF Level 1, 3, 4
- National Certificate in Bricklaying at NQF Level 1, 2, 3, 4
- ABET for Agriculture, Arts and Culture, Economic and Management Sciences, Human and Social Sciences, Small Micro and Medium Enterprises, Technology, Life Orientation, Mathematical Literacy, Mathematics and Mathematical Sciences, Natural Sciences at NQF Level 1
- Unit Standard-Based Qualifications for New Tyre Manufacturing Industry at NQF Level 4.

RECORDING FOR INTERIM REGISTRATION

The recording for interim registration has been completed. Education and training providers from the higher, further and general education and training bands submitted over 6 000 of their existing qualifications. Letters to confirm the recording were sent to these providers as well as to those seeking more information to enable the recording to take place.

The next phase in the interim registration process is to place the recorded existing qualifications into an NQF-compliant outcomes-based format or before 30 June 2000. This process is more complicated than the first and planning is underway.

CHALLENGES AND NEEDS IN STANDARD SETTING

There are, nevertheless, shortcomings and, inevitably, issues to be resolved concerning standard setting.

One issue relates to the ability of stakeholders to grasp the NQF project in their respective spheres of practice, to design and implement appropriate initiatives and to conceptualise useful NQF-aligned structures through which to do this work.

A view is sometimes expressed that NSBs are inactive. This is because civil society is often uninformed about their role and activities. The NQF is new in the lives of many South Africans and has not been well publicised or explained. A well-run, national public advocacy and marketing strategy is crucial to explaining to people what the NQF is and how it can benefit them. Resources are now available to enable SAQA to do this.

Capacity building programmes to enable the NSBs and SGBs to perform their function effectively and efficiently are also critical for the next phase in the standards setting process. Clear guidelines and direction to those involved in this process is crucial.

It is important to ensure that the next phase of recordings goes as smoothly and as swiftly as possible. Phase two will be more complicated than phase one. Here the size of submissions will increase dramatically as the public fulfils the SAQA requirements. In addition, the workload for SAQA and its structures will increase. Early planning is underway and this should assist its efficient and effective implementation.

Quality Assurance

The other aspect of the NQF system is quality assurance. This is the responsibility of the Quality Assurance Division (QAD) of Framework Implementation and the ETQAs. ETQAs are not established by SAQA, but are accredited by SAQA. In addition, SAQA (and QAD in particular) is responsible for providing professional support and direction

to ETQAs, ensuring compliance with SAQA policies and regulations and ensuring that ETQAs implement and promote the objectives of the NQF.

ETQA REGULATIONS

The first step in meeting this responsibility was the development and publication of the ETQA Regulations in the Government Gazette.

The ETQA Regulations were published, by Government Gazette, on 8 September 1998.

CRITERIA AND GUIDELINES FOR ETQAS

The ETQA Regulations are accompanied by a criteria and guidelines document. The document seeks to bring the SAQA Act and the ETQA Regulations together to frame criteria for implementation and, from these, to develop guidelines.

The Authority approved the document on 10 February 1999 and it was made public in February 1999. The final stage in the process is to take public comment and prepare this for final Authority approval, publication and public distribution during April 1999. In particular, the final document will be used as a guiding format for ETQA applications and serves as a model for the accreditation of ETQAs per sector and the relationships between the various ETQAs.

ACCREDITATION OF ETQA BODIES

The Criteria and Guidelines for ETQAs have been accepted by the Authority as a working model for the processing of ETQA applications. A procedure for the processing of applications has been outlined and documented and support has been provided. Outstanding differences in legislated rights and powers are being resolved.

As of 19 March 1999, QAD records that thirty bodies have submitted letters of application or indicated their intention to apply for accreditation. A breakdown of these reveals the following:

Classifications	Total	Band/Category		Comments
Education and Training sub-system sector	6	HET	1	
		FET	1	
		GET	4	
Economic	22	Professional sector bodies	13	

		SETAs	9	
Social Sector	0			There has been no indication of any potential ETQAs in this sector, nor any current bodies see themselves as falling within this sector

PRELIMINARY ACCREDITATION OF PRIVATE HIGHER EDUCATION INSTITUTIONS

In order to meet the requirements and conditions of the Higher Education Act, SAQA and the Department of Education (Higher Education Branch) have agreed that SAQA should act as an interim ETQA for the accreditation of Private Higher Education Institutions. This agreement will be in force until the Council on Higher Education is able to take over the accreditation responsibilities.

By May 1998, agreement had been reached on the procedures, roles and responsibilities of the contracting agencies and SAQA for the preliminary accreditation of such institutions. This agreement is contained in the contract between SAQA, the QPU and SERTEC. In the same month, a document on the institutional quality self-evaluation and learning programme self-evaluation information requirements was published. This continues to be distributed to institutions applying for preliminary accreditation.

By 19 March 1999, 312 institutions had applied to SAQA for preliminary accreditation. Of these, seventeen had completed their submissions according to the information requirements. These have been forwarded to the appropriate evaluation agencies. Based on the external evaluations and the deliberations of the Joint Committee, three institutions have thus far been granted preliminary accreditation status.

Relationships between SAQA and other professional bodies

Most professional bodies have statutory powers and many enjoy international or professional status. This affects their relationship to the powers of SAQA. The challenge is to find operational and policy mechanisms to allow such bodies to participate willingly and actively in the development and implementation of the NQF.

To some extent, this challenge is being met by collaborative or partnership working relationships at operational level and is reflected in the agreements around the model SAQA will use for accrediting bodies during 1999. Furthermore, some professions

such as the accountancy profession, are consulting closely with SAQA as they redraft new legislation for their profession.

INTERNATIONAL ACTIVITIES

SAQA/CONOCER- Mexico Benchmarking Project

SAQA is participating in a benchmarking project that is co-ordinated by the Council for Normalisation and Certification of Competency Standards (CONOCER) Mexico. The other participating organisations are the Qualifications and Curriculum Authority of the United Kingdom, the Scottish Qualifications Authority (SQA) and the Australian National Training Authority (ANTA). The New Zealand Qualifications Authority has indicated its interest in participating.

The purpose of the International Benchmarking Project is to compare and exchange expertise from the participating institutions in order to benefit from various international best practice through exchange of information and collaborative work. The scope of the Project is competency-based standardisation, education and training, evaluation and certification.

SAQA/CIDA

The Canadian International Development Agency (CIDA) has been providing assistance to SAQA since 1997. For the 1998/99 year, the focus of the assistance has been on:

- Support for the development of SAQA's organisational and professional capacity
- Support for the planning and establishment of SAQA's information technology infrastructure and the implementation of the Local Area Network (LAN)
- Support for standard setting and quality assurance

An amount of R3.5 million was spent on the SAQA/CIDA Project.

SAQA/DANIDA

The Danish International Development Agency (DANIDA) provided R2 million for the support of SAQA infrastructure and NQF pilots in the Western Cape and KwaZulu-Natal.

SAQA/GTZ

The German Aid Agency (GTZ) contributed to the capacity building of the NSBs. This aid was facilitated via the National Training Board.

SAQA/European Union

The European Union (EU) has approved funding for SAQA of 14 million ECU over three years commencing in 1999/2000. The funding is intended to support SAQA and its related structures (NSBs, SGBs, and ETQAs) in implementing the NQF. The funding will go towards

- Building the infrastructure of SAQA
- Establishing NSBs, SGBs, ETQAs
- Establishing a national information system
- Information dissemination

SADC Technical Committee for Accreditation and Certification

The Treaty establishing the South African Development Community (SADC) provides for the development of protocols for specific areas of co-operation. Human resource development is one of the priority areas. The Human Resource Development Sector, which comprises employment, education and training and health, has developed its first protocol on education and training.

The Protocol provides a broad framework for co-operation in education and training. It aims at achieving equivalence, harmonisation and eventually standardisation in education and training systems over twenty years. The Protocol calls for the establishment of a number of technical committees. The Technical Committee on Accreditation and Certification is the only technical committee convened thus far. SAQA/South Africa chaired it in 1998/99. Namibia will chair for 1999/2000.

SAQA/Scottish Education and Training Structures

Links with the Scottish Qualifications Authority (SQA) continue to strengthen. The SQA sent two people to run two sets of workshops on assessment and verification for technical college educators of the NACWC Pilot project.

Mr SBA Isaacs, SAQA Executive Officer, spoke at the launch of the Scottish Credit and Qualifications Authority in Glasgow on 8 January 1999. Contact was established with the Quality Assurance Agency for Higher Education (QAAHE) and the Scottish Office. The QAAHE is carrying out work on international benchmarking in History,

Law and Chemistry as well as draft level descriptors for higher education. It will be sharing this information with SAQA.

NATIONAL ACTIVITIES

SAQA/CHE

Mr SBA Isaacs, SAQA's Executive Officer, represents SAQA on the Council for Higher Education (CHE).

SAQA/DoL

The Department of Labour and SAQA are involved in the development of policy around Sector Education and Training Authorities (SETAs), specifically concerning their quality assurance function. SAQA has also served on the bodies that developed policy documents on learnerships.

SAQA/DoE

In addition to its role as an interim quality assurance body while the Council on Higher Education is putting the Higher Education Quality Committee in place, SAQA is exploring a similar arrangement with the Department of Education for the Further Education and Training band.

SAQA also serves on a number of committees including the Reference Group of the Task Team on the General and Further Education and Training on Quality Assurance.

NACWC-WECD-CTCP NQF Pilot

The National Access Consortium Western Cape, the Western Cape Education Department sub-directorate for Technical Colleges and the Committee of Technical College Principals (Western Cape) are implementing a pilot project intended to test and develop policies and systems for the Further Education and Training (FET) Band. The project aims to assist educators in FET to adapt their practices to outcomes based education and the requirements of the NQF. Some of the activities include in-service training in learner centred strategies, assessment and moderation, learning material development, and the development of interim unit standards based on existing syllabi.

The Project Committee has established a Quality Assurance Steering Committee to monitor and advise on issues of quality assurance, particularly concerning assessment

and moderation. SAQA is represented on this Committee together with the National Department of Education Examinations Directorate and other important role players.

Steering Committee on the Establishment of the Local Government SETA

The Local Government Education and Training Industry Training Board (LGETITB) and its stakeholders established the Steering Committee on the Establishment of the Local Government SETA. Besides the LGETITB stakeholder representatives, the Department of Labour, Department of Constitutional Affairs and SAQA are represented. SAQA's participation is limited to that of observer and consultant. The task of the Steering Committee is to prepare for the sector's application for a Local Government SETA.

CONCLUDING REMARKS

The development and implementation of the NQF has gained great momentum over the last year. If the principles of democratic participation and intellectual scrutiny guide the process and if adequate human, financial and infrastructural resources are put in place, the momentum gained thus far can easily be increased.

The success of the development and implementation of the NQF rests on the participation of all stakeholders. It depends on their providing conceptual inputs and engaging in the intellectual scrutiny. For the medium term, financial resources are adequate.

The focus must now be on adequate and appropriate organisational infra-structure and human resources both within and outside of SAQA and on delivery to the learners of South Africa.

SAQA must put in place an organisational structure appropriate to the fulfilment of its mandate. It must also ensure that the human resources at SAQA are of a calibre to provide the necessary leadership to ensure the successful development and implementation of the NQF. Information and communication strategies are also essential. SAQA is attending to these issues.

Finally, the priority is to position SAQA strategically in order to ensure coherent policy implementation and prevent fragmentation. There will be SAQA engagement with processes that will enhance the development and implementation of the NQF at all levels, in order that all our learners benefit from quality lifelong learning provision.

REPORT OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS OF THE SOUTH AFRICAN QUALIFICATIONS AUTHORITY FOR THE YEAR ENDED 31 MARCH 1999

1. Audit Assignment

The financial statements as set out on pages 22 to 25, for the year ended 31 March 1999 have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 3 and 5 of the Auditor-General Act, 1995 (Act No. 12 of 1995) and section 13 of the South African Qualifications Authority Act, 1995 (Act No. 58 of 1995). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the Executive Officer. My responsibility is to express an opinion on these financial statements and compliance with relevant laws and regulations, applicable to financial matters, based on the audit.

2. Regularity Audit

2.1 Nature and scope

2.1.1 Financial audit

The audit was conducted in accordance with generally accepted government auditing standards which incorporate generally accepted auditing standards. These standards require the audit to be planned and performed to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

I believe that the audit provides a reasonable basis for my opinion.

2.1.2 Compliance audit

Furthermore, an audit includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations applicable

to financial matters. I believe that the audit provides a reasonable basis for my opinion.

2.2 Audit opinion

2.2.1 Financial audit

In my opinion, the financial statements fairly present, in all material respects, the financial position of the South African Qualifications Authority as at 31 March 1999 and the results of its operations and cash flows for the year then ended in accordance with prescribed accounting practice and in the manner required by the Act.

2.2.2 Compliance audit

The transactions of the South African Qualifications Authority that I have examined during the course of the audit were in my opinion, in all material respects, made in accordance with the relevant laws and regulations, applicable to financial matters.

3. Emphasis of Matter

Without qualifying the audit opinion expressed above, attention is drawn to the following matters:

3.1 Year 2000 Compliance

Comprehensive systems testing by the organisation of all financial and non-financial systems had been performed. Based on a review of the testing process and the work performed by an expert task team, indications are that reasonable steps had been taken by management to ensure Year 2000 compliance. The review of the test results should, however, not be regarded as any assurance of the Year 2000 compliance of systems in operation.

4. Appreciation

The assistance rendered by the staff of the South African Qualifications Authority during the audit is sincerely appreciated.

For Auditor-General Pretoria, 30/06/1999

South African Qualifications Authority

ANNUAL FINANCIAL STATEMENTS for the yearended 31 March 1999

Financial statements compiled by: Deloitte & Touche

Approved:

SBA Isaacs (Executive Officer)

Income Statement of the South African Qualifications Authority for the year ended 31 March 1999

	Notes	1998/1999 R	1997/1998 R
Revenue for the year	2	9,457,960	5,850,787
Less: Operating expenses for the year	3	<u>8,655,353</u>	<u>3,010,641</u>
Surplus for the year		802,607	2,840,146
Retained surplus at the beginning of the year		<u>2,840,146</u>	<u>—</u>
Retained surplus at the end of the year		3,642,753	2,840,146

Balance Sheet of the South African Qualifications Authority as at 31 March 1999

ASSETS	Notes	31 March 1999 R	31 March 1998 R
Non-Current Assets		1,817,862	285,032
– Office furniture & equipment	4	916,841	32,097
– Computer equipment	4	699,147	252,935
– Motor vehicles	4	<u>89,597</u>	<u>—</u>
		1,705,585	285,032
– Leasehold improvements	5	112,277	<u>—</u>
Current Assets		2,259,337	2,979,018

– Prepaid expenses	6	1,156,712	1,813,713
– Other debtors		–	7,015
– Receiver of Revenue: VAT		326,661	153,897
– Bank and cash		775,964	1,004,394
TOTAL ASSETS		<u>4,077,199</u>	<u>3,264,050</u>
EQUITY AND LIABILITIES			
Equity		3,642,753	2,840,146
– Retained surplus		3,642,753	2,840,146
Current Liabilities		434,446	423,904
– Accounts payable		383,228	242,037
– Payroll creditors		<u>51,218</u>	<u>181,867</u>
TOTAL EQUITY AND LIABILITIES		<u>4,077,199</u>	<u>3,264,050</u>

Cash Flow Statement of the South African Qualifications Authority for the year ended 31 March 1999

	Notes	1998/1999 R	1997/1998 R
	7		
Cash flow: Operating activities		1,749,356	1,296,933
Government grant received		5,800,000	5,800,000
Cash receipts from customers		760,279	(1,972,213)
Cash payments to suppliers and employees		(8,199,855)	(2,579,230)
Net cash flow generated by activities		(1,639,576)	1,248,557
Interest received		151,723	48,376
Other income: Donor funding		3,237,209	–
Cash flow: Investing activities		(1,977,786)	(292,539)
Acquisition of assets		(1,977,786)	(292,539)
Additions		(1,977,786)	(292,539)
Net increase/(decrease) in cash and cash equivalents		(228,430)	1,004,394
Cash and cash equivalents at the		1,004,394	–

beginning of the year

Cash and cash equivalents at the end
of the year Annexure

775,964

1,004,394

NOTES TO THE ANNUAL FINANCIAL STATEMENTS of the South African Qualifications Authority for the year ended 31 March 1999

1. Accounting policy

1.1 Revenue

Revenue is recognised in the income statement when payments are received.

The government grant is paid over to the Authority on a quarterly basis. Donor funding is recognised when payment is effected by a donor.

1.2 Depreciation

Depreciation on assets is written off using the straight-line method over the estimated useful life of the asset.

– Office furniture & equipment	10%
– Computer equipment	33%
– Motor vehicles	20%

Assets with a purchase price of less than R1 000 are written off to the income statement on purchase.

	1998/1999	1997/1998
2. Revenue for the year		5,800,000
– Government grant	5,800,000	
– Donor funding	3,237,209	
– Licensing fees	253,131	
– Interest received	151,723	48,376
– Sundry income	<u>15,897</u>	<u>2,411</u>
	<u>9,457,960</u>	<u>5,850,787</u>

3. Operating expenses for the year

Operating expenses for the year is shown after taking into account the following:

– Depreciation	444,956	7,507
Office furniture and equipment	164,877	576

Computer equipment	264,268	6,931
Motor vehicles	<u>15,811</u>	<u>—</u>
–Personnel costs	4,455,170	1,428,701

4. Non-current assets

	TOTAL	Office furniture and equipment	Computer equipment	Motor vehicles
1998/1999				
Carrying value at the beginning of the year	285,032	32,097	252,935	<u>—</u>
Gross carrying value	292,539	32,673	259,866	—
Accumulated depreciation	(7,507)	(576)	(6,931)	<u>—</u>
Acquisitions	1,865,509	1,049,621	710,480	105,408
Depreciation	(444,956)	(164,877)	(264,268)	(15,811)
Carrying value at the end of the year	1,705,585	916,841	699,147	89,597
Gross carrying value	2,158,048	1,082,294	970,346	105,408
Accumulated depreciation	(452,463)	(165,453)	(271,199)	(15,811)

1997/1998

Carrying value at the beginning of the year	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Gross carrying value	—	—	—	—
Accumulated depreciation	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Acquisitions	292,539	32,673	259,866	—
Depreciation	(7,507)	(576)	(6,931)	—
Carrying value at the end of the year	285,032	32,097	252,935	—
Gross carrying value	292,539	32,673	259,866	—
Accumulated depreciation	(7,507)	(576)	(6,931)	—

5. Capitalised leased assets

Leasehold improvements	151,356	—
Amount amortised	<u>(39,079)</u>	<u>—</u>
	<u>112,277</u>	<u>—</u>

Improvements were effected to the leased premises which are leased for 36 months from May 1998.

6. Prepaid expenses

Balance at the beginning of the year	1,813,712	—
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Lease rentals for 36 months: May 1998 to April 2001	1,800,000	–
Insurance: April 1998 to March 1999	13,712	–
Amount written off to expenses during the year	(657,000)	–
Lease rentals	(643,288)	–
Insurance	(13,712)	–
Balance at the end of the year	1,156,712	1,813,712
Lease rentals for 25 months: April 1999 to April 2001	1,156,712	1,800,000
Insurance: April 1998 to March 1999	–	13,712
7. Cash flow : Operating activities		
Surplus per income statement	802,607	2,840,146
Decrease/(increase) in current assets	91,251	(1,974,624)
Increase/ (Decrease) in current liabilities	10,542	423,904
Non-cash items: depreciation	444,956	7,507
Cash flow: Operating activities	1,749,356	1,296,933

ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS of the South African Qualifications Authority for the year ended 31 March 1999

Note: The following commitments existed at 31 March against cash and cash equivalents at the end of the year:

– Current liabilities		
– Accounts payable	383,228	242,037
– Travelling and accommodation expenses incurred i.r.o. workshops	383,228	165,658
– Payroll expenses i.r.o. employees transferred and still paid by Departments (Jan to Mar)		76,379
– Net payroll creditors	51,218	181,867
– Fixed assets	–	<u>526,901</u>
– Contract signed for the delivery of furniture for new premises		
Total Commitment	<u>434,446</u>	<u>950,805</u>
Specifically earmarked funds: DANIDA***	543,559	
Available cash balance	<u>(202,041)</u>	<u>53,589</u>

**** Funds have been advanced in respect of projects which are due for completion by June 1999.*

Appendix 1

SAQA MEMBERS AS AT 31 MARCH 1999

MEMBER	POSITION	CONSTITUENCY
Mr. David Adler Acting Chairperson	National Director, Independent Examinations Board	Discretionary appointment by the Minister
Ms Adrienne Bird	Chief Director, Department of Labour	Department of Labour
Dr André Dippenaar	Advisor: Education and Training, Chamber of Mines	Organised Business
Mr Dennis George	Assistant General Secretary, FEDUSA	Organised Labour
Prof. Wieland Gevers	Senior Deputy Vice- Chancellor, UCT	South African Universities' Vice- Chancellors' Association (SAUVCA)
Prof. Graham Hall	Rector, Johannesburg College of Education	Committee of Colleges of Education Rectors of South Africa
Mrs. Glenda Henning	Owner/Manager, Palesa Training Consultants	Organised Business
Mr. Samuel Isaacs	Executive Officer, SAQA	Ex officio
Prof. Nick Kok	Vice-Rector, Cape Technikon	Committee of Technikon Principals
Dr. Peliwe Lolwana	Director, Central Organisation for Trade Testing, Department of Labour	Discretionary appointment by the Minister
Mr. Patrick Mabude	Formerly National Director, National Literacy Co-operation	Adult Basic Education and Training Sector
Mr. Aubrey Matlole	National Education Director	S.A. Democratic Teachers Union

Ms Carmel Marock	Training Co-ordinator, COSATU	Organised Labour
Mr. Kenneth Mockler	Chief Executive, S.A. Institute of Chartered Accountants	Discretionary appointment by the Minister
Mr. Sam Morotoba	Director, National Training Board	National Training Board
Ms Cynthia Mpati	Vice Rector, Umlazi College of Education and Chairman, Management Committee Vulani Pre-Primary Project	Early Childhood Development Sector
Ms Anne Oberholzer	Chief Education Specialist, KwaZulu-Natal Dept of Education	National Professional Teachers Organisation of South Africa
Mr Brian O'Connell	Superintendent General, Western Cape Education Dept	HEDCOM
Ms Rachmat Omar	Further Education Co-ordinator: South African Institute for Distance Education	Discretionary appointment by the Minister
Mr. Shakeel Ori	Dean, Faculty of Science M.L. Sultan Technikon	Higher Education Employees Federation
Dr. Ihron Rensburg	Deputy Director-General, General and Further Education and Training, Department of Education	Department of Education
Mr. Erwin Sonnendecker	Director, Building Industries Training Board	Discretionary appointment by the Minister
Mrs. Shirley Steenekamp	Principal, Johannesburg Technical College and Executive Director, Vocational Education Development Company	Committee of Technical College Principals
Mr. Silas Zuma	Formerly National Director, National Institute for Community Education, and Chairperson, Colleges Sector Coalition	Colleges other than teachers and technical colleges