

## MINUTES OF THE 2021/22 ANNUAL GENERAL MEETING (AGM) OF EWSETA

HELD ON FRIDAY, 09 DECEMBER 2021 AT 09:30 AT THE HOUGHTON HOTEL, SANDTON

### FACILITATORS

Ms. Candice Moodley, Corporate Services Executive (EWSETA)  
Dr Limakatso Moorosi, Accounting Authority Chairperson (EWSETA)

### PRESENT

- ✓ Accounting Authority of EWSETA
- ✓ EWSETA Management and Staff
- ✓ Independent Members of the Audit and Risk Committee
- ✓ Representatives from the Department of Higher Education and Training
- ✓ Stakeholders from the Energy and Water Sector
- ✓ CEOs of MQA, Construction SETA and INSETA

### OPENING REMARKS FROM THE FACILITATOR

The Facilitator welcomed all stakeholders and acknowledged protocols.

EWSETA was encouraged by the opportunities in the just energy transition and given the persistent triple burden, the capacitation of our people through skills development to take up these opportunities it was now a necessity. There is a critical skills requirement to accomplish robust energy advancements and alternatives.

On water: There were highlighted points from the State of Africa 2021 Report. Water supply management being the next big focus with every person in attendance contributing and ensuring that there is a capacitated workforce for the future. EWSETA was headed in the right direction with stakeholders and their valuable collaborations and commitment with the sector.

Introduced the Chairperson of the Accounting Authority of EWSETA, Dr L Moorosi.

#### 1. WELCOME

The Chairperson welcomed the Board Members and Stakeholders to the AGM of EWSETA and indicated as follows:

- The purpose of the Annual General Meeting (AGM) was to reflect on the business operations by the entity for the period under review for the adoption for the Annual Report.
- Stakeholders had played a pivotal role in the improvement of the entity and sound relations with EWSETA.

#### 2. ADOPTION OF THE AGENDA

The agenda was adopted.

#### 3. ACCOUNTING AUTHORITY REPORT

The Chairperson presented an overview of the EWSETA leadership and governance structures as well as the organisational performance to the Stakeholders and indicated the following:

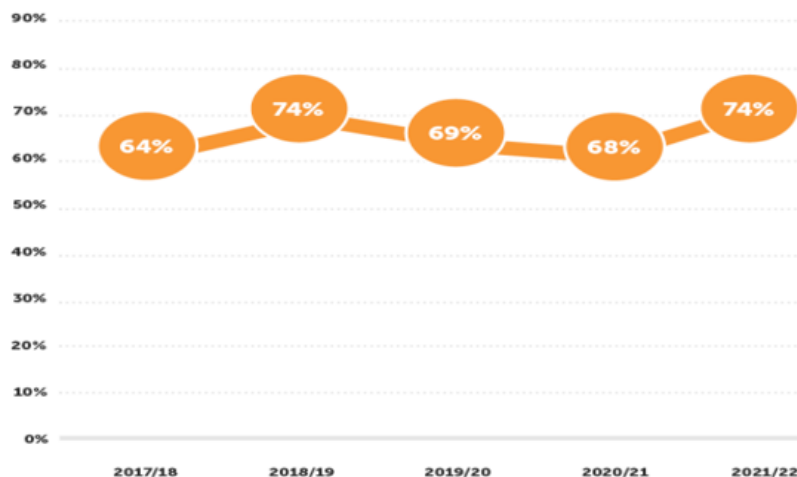
- The EWSETA sought to achieve its mandate and vision through research to determine the skills demand and facilitation and coordination of skills development programmes to respond to sectoral challenges. EWSETA sought to drive excellence through quality assurance and fostering an ecosystem in energy and water that creates inclusive economic development as directed by the National Skills Development Plan 2030.
- The Accounting Authority (AA) and its committees provided oversight and guidance to the entity during the period under review.
- There were concerns raised during the Organisational Design of the entity, however, this was an important element that had to be implemented to ensure that EWSETA fulfilled its role as an Authority.
- There were challenges experienced within the water sector and as a result, measures should be put in place to expedite the National Resources Infrastructure Agency.

#### 4. 2021/22 ORGANISATIONAL PERFORMANCE REVIEW

The Chief Executive Officer made a presentation on the organisational performance review report and indicated the following:

- The CEO informed the Stakeholders that the EWSETA had a huge mandate with a limited budget. This required robust research to determine the type of partnerships to be established to assist in building a capable workforce that would drive the energy and water sectors.
- There were also sector priorities and government plans within EWSETA’s radar to guide what type of programmes and partnerships the entity should engage in. These priorities would pave a way forward for the highest possible return on investment and impact.
- Some of the key partnerships achieved in 2021/22 period were handpicked for their ability to engage for a cause that is aligned to what the sector is doing. These ranged from the industry/associations, institutions of higher education, government, and skills development providers. The key projects included executive leadership, PSET capacitation and SMME/Cooperative development where the “Just” element of the Just Energy Transition is illuminated.
- On the 2021/22 performance overview, it was reported that the sector presence and performance had been the key driving factors with consideration for Workplace Skill Plans, levies, impact, discretionary grants spend, timely certification, and special projects.

The 5-year review of the organisational performance indicated an upward trajectory as shown in the graph below, with the performance for the year under review sitting at 74%:



## 5. FINANCIAL OVERVIEW AND AUDIT OUTCOMES

The Chief Financial Officer, presented an overview of the organisation's financial performance for the year as depicted in the graph below:



- A 5-year review of the total levy income and expenditure was presented. There was a slight increase year on year until a decrease in 2020/21 because of Covid-19 Pandemic. During the year under review, there was less expenditure on the income side due to Covid-19 lockdown stages throughout the year.
- A review of the discretionary grants levy income and expenditure was also presented, and included partnerships that were formed as an achievement.
- From a mandatory grants and expenditure perspective, Management was working on closing the gap between income and expenditure for the entities that pay levies to finally provide the necessary Workplace Skills Plans and Annual Training Reports as required.
- On the financial position, there was a decrease in assets compared to prior year because of some accounting adjustments during the year. These were items which Management deemed prudent to impair since their recoverability was uncertain.
- On the other hand, the cash reserves grew by an estimated amount of R114 million from the prior year. An approval for retention of these funds was still awaited from the relevant authorities.
- Regarding commitments, the major War on Leaks project valued at R870 million expired during the year under review. The accounting rules did not allow recognition of commitments without a service level agreement in place and as a result this had an impact on significant reduction of the commitments figure.
- A positive net asset balance showed a solid balance sheet rendering the entity's ability to service its financial obligations as they fall due.

### Audit Outcomes 2021/2022 as reported by the CFO:

The Auditor-General of South Africa (AGSA) reported on the following:

- That the financial statements presented fairly, in all material respects, the financial position of the EWSETA as of 31 March 2022.
- The EWSETA financial performance and cash flows for the year under review was conducted in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) including the Skills Development Act 97 of 1998 (SDA). The financial statements received an unqualified audit opinion.
- On the audit of annual performance report, material findings were raised on the usefulness and reliability of the reported performance information thus a qualified audit opinion was issued.

## 6. ANNUAL PERFORMANCE PLAN 2023/24 (APP)

The CEO made a presentation on the 2023/2024 Annual Performance Plan (APP) and indicated the top 10 identified skills priorities, qualifications under development and DHET priority targets and the tactical approaches to achieve the set targets and priorities.

## 7. ADOPTION OF THE 2021/22 ANNUAL REPORT

The 2021/22 Annual Report was adopted.

## 8. STAKEHOLDER DISCUSSION

The Chairman of South African Council for Graduates Cooperatives, made a request to bestow upon EWSETA a coveted award:

- EWSETA Management was commended for the partnerships that were formed to take the SETA forward as an authority. EWSETA was awarded the “Youth Employment Award” – Skills Funding category awarded to EWSETA.
- EWSETA was recognised as the **Champion Partner** investing in skills development for the youth in partnership with the SACGRA through graduate internships and TVET Work Integrated Learning by fulfilling the mandate of the National Skills Development Plan.”

## 9. COMMENTS AND CONCERNS RAISED BY STAKEHOLDERS

- EWSETA should also acknowledge Labour as a key-partner. The CEO apologised for the omission as Labour and/or Union Federations were recognised as critical stakeholders at EWSETA.
- EWSETA should look at the Life Orientation curriculum to influence it to produce solution-driven outcomes.
- EWSETA to consider the broad energy mandate over and above renewable energy.
- The Stakeholders acknowledged the 18% WSP submission and participation rate, however, SACGRA offered to assist EWSETA to drive the sector participation.
- The Stakeholders noted the strategic partnerships that were central to the repositioning of EWSETA and requested clarity on the partnership modalities that the entity was envisaging including the PSET on community education and training colleges.

## 10. CLOSURE

The AA offered a vote of thanks to the stakeholders for developing new partnerships with EWSETA and it was indicated that the performance of EWSETA was on the rise because of partnerships and collaborations.

A word of appreciation was also extended to:

Executive Authority and his team at DHET, AA Members, South African Council for Graduate Cooperatives, EWSETA Executive team, Management, Staff for attendance and the Marketing team for facilitating the EWSETA AGM event.

AGM Closed at 12:30