

'Missing middle' gets shot in arm but more support required

AT 27.6%, South Africa's unemployment rate is two times higher than that of its closest BRICS counterpart. Our youth face an even greater crisis, with one in three unemployed and inadequately equipped to enter the marketplace. This equates to over half a million youth who require funding to pursue tertiary education in order to gain the skills necessary to obtain employment.

South Africa's "missing middle" constitutes 40% of these youths, who have been left out in the cold with no access to the R111.2 billion allocated by government for free education, as they do not meet the criteria to qualify.

This is where Ikusasa Student Financial Aid Programme (ISFAP) has come in useful. Launched in 2017 as part of the national effort to solve the funding challenge faced by the 'missing middle' students, ISFAP provides students with the full cost of funding for their studies including non-academic financial (wrap-around) support.

ISFAP chairperson Sizwe Nxasana has hailed the revisions to the B-BBEE Codes of Good Practice published by the Depart-

ment of Trade and Industry (dti). These revisions include key changes to Code 300, which specifically deals with Skills Development expenditure.

Nxasana believes introducing the 4 weighting points in terms of the amended code is a true game changer for alleviating the plight of South Africa's missing middle as more companies looking to improve their BEE scorecards will benefit from this.

He says, "ISFAP applauds the dti's revisions to Code 300, which has introduced a spend on bursaries from companies with a target of 2.5% leviable amount on payroll and 4 weighting points accumulation on the BEE scorecard for funding black students attending Higher Education Institutions."

He adds: "It is up to our captains of industry to rally together behind this cause and assist the youth within the missing middle."

ISFAP was modelled on the South African Institute of Chartered Accountants' Thuthuka Bursary Fund's framework. It focuses on supporting the development of students in 11 Occupations of High Demand as gazetted by the Department

of Higher Education and Training. The primary focus is to secure the future of South Africa's youth by providing needs-based assistance to students from poor and working classes.

ISFAP has shown remarkable across-the-board growth since inception as a pilot project in 2017. This goes from the number of applications received, students funded, to the number of universities and funders stepping in to assist by providing access to several critical learnership courses.

A total of 16 500 applications have been received nationally this year, with 1 700 granted ISFAP funding, an increase from 690 in 2017 and 1 300 in 2018. ISFAP has entered into partnerships with 11 universities currently providing over 17 courses, relating to Occupations in High Demand on offer.

"The number of donors and, as a consequence, the amount of funding that our donors have assisted us in generating, has also increased. Where we started this pilot programme in 2017 with 17 donors, in both the public and private sectors, generating approximately

R53m, today we find ourselves in partnership with over 40 donors, generating approximately R248m. While this is significant, with over 216 000 students falling into the "missing middle" category, it is estimated that the cost of funding required from public and private donors equates to over R26bn per year," states Nxasana. Partner with ISFAP today. Contact us at: partners@isfap.co.za



ISFAP

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