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MEDIA RELEASE

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HRDC ENGAGES LEVY PAYERS

The Human Resource Development Council (HRDC) is responsible for providing policy advice on all matters of national human resource development; coordination and promotion of the implementation of the National Human Resource Development Strategy; development of the National and Sector Human Resource Development Plans and planning and advising on tertiary education financing and work place learning.

In an effort to establish reasons that could explain the low uptake of the Human Resource Development Fund (HRDF), particularly by those companies that significantly contribute to the Levy, the Department of Funding held a breakfast meeting with them on Tuesday 1st November 2016 at Avani Hotel in Gaborone. Presenting the welcome remarks Dr Thapelo Matsheka, HRDC Board Member and Chairperson of the Funding Committee, stated that HRDC is responsible for ensuring that citizens acquire relevant skills that will make them globally competitive and transit the economy from a resource-base to a knowledge-base.

It is important for the Council that funds collected are utilised for skills development hence the need to engage. He indicated that there are currently about 11 000 Levy payers and on average 2 000 companies (or 15%) claim for reimbursement of the training costs. He further pointed out that it is not only about availability of the financial resources but also the quality and alignment of training with the national priorities.

Ms Doreen Kokorwe, Manager Workplace Learning highlighted the importance of Workplace Learning particularly skills development, acquisition and transfer of skills for employees. She emphasised the need for partnership with the Industry (stakeholders) in the uptake of workplace trainings through the usage of the training levy. When talking about the issue of promoting partnership with the industry she highlighted that Industry has to have ownership of workplace learning and implement workplace trainings. She encouraged workplaces to embark on training that will ensure that relevant skills are developed and are aligned to the industry needs.

Mr Ndiwo Makula, Manager Claims Assessor underscored that the purpose of the HRDF is to reimburse companies for training their employees. “Botswana Unified Revenue Service collects the levy based on the Value Added Tax threshold and HRDC manages the Fund.”

He also cautioned the levy payers about the exorbitant costs of training charged by the training providers. As such, there is a need for companies to exercise financial prudence when handling training costs and ensure value for money is realised.

Some of the challenges highlighted by the Levy payers during the discussions included: cash-flow problems arising from their perception of double payment (i.e. paying the training providers when they have paid to the levy); and protracted delays in processing of claims that adversely affect their liquidity. Mr Makula explained that as HRDC they are working hard to improve the efficiency of the claims processing and they want to reduce the turnaround time to six weeks.

In addition, some of the Levy payers indicated their frustrations which stem from the accreditation process that is viewed as costly and time-consuming, they do not understand trainers are required to be accredited the Botswana Institute of Chartered Accountants (BICA) and again by the Botswana Qualifications Authority (BQA). Ms Kebabonye Molosiwa, Manager Claims Assessor in responding to this issue highlighted that an accountant will be accredited by BICA to ensure they are competent whilst BQA assesses whether that accountant has the capacity to train other learners.

In closing Dr Raphael Dingalo, the Chief Executive Officer of HRDC indicated “Our responsibility as HRDC is to provide for policy advice on all matters of human resource development.” He appreciated the participation of the stakeholders as their feedback is valuable in improving service delivery. “We are in the process of automating our processes to serve our customers better. Claims submissions should be made at a click of a button.”

He also encouraged the Levy payers to familiarise themselves with the Sector Committees. They are think tanks in addressing the challenges of supply and demand. “We shall triple our efforts to engage further on the challenges brought by our stakeholders.”

For more information kindly contact:

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