A.

	RESPONDENT CLARIFICATION QUESTIONS	INFRASTRUCTURE FUND/SHIPMO RESPONSES
1	RFI refers to Annexure A but not included.	See Attached RFI and Annexure A.
2	Will there be a separate SHIP Funding SPV for each project or is it one SPV housing all student accommodation projects for various Institutions?	It is envisaged that there will be one Funding SPV that will be used as the funding platform to finance all student accommodation projects for various Institutions.
3	Does the SHIP Funding SPV approve all projects on a case-by-case basis, what is the criteria?	DHET and SHIP MO alongside the Institutions are responsible for the phasing and clustering of the projects. The process is informed by a balancing of several objectives, including urgent need, availability of institutional funds and the readiness of the projects as it relates to their planning. The role of the IF is to assist SHIP MO in raising the required funding for the phases or clusters for which the necessary planning, bankable feasibility studies have been completed and approvals granted. The Funding SPV is a funding platform to access the necessary funding and a single point for the funding to be made available to the Institutions. The senior lenders will have the ability to fully assess each project, however, to achieve a portfolio effect and for the PSETs to enjoy the benefits of a blended rate, senior lenders will not have the ability to choose which of the projects they are going to fund to the exclusion of others. The reason for this is to achieve a portfolio effect and for the PSETs to enjoy the benefits of a blended rate. Therefore, the senior lenders will be required to take a view on the entire cluster rather than individual projects. The lenders are welcome to advise on the criteria they would like to see to be taken into account by the Funding SPV.

<table>
<tr><th></th><th></th><th></th></tr>
<tr><td>4</td><td>(Clause 2.1) Participating Institution – is that the 12 institutions earmarked in Phase 2?</td><td>The institutions are as per table below:
<table>
<tr><th>Cluster 1</th><th>Cluster 2</th><th>Cluster 3</th></tr>
<tr><td>University of Johannesburg - 2048</td><td>Tshwane University of Technology - 3500</td><td>Cape Peninsula University of Technology - 2150</td></tr>
<tr><td>Lephalale TVET College - 1200</td><td>Gert Sibande TVET College - 1500</td><td>Northlink TVET College - 1500</td></tr>
<tr><td>Vhembe TVET College – 1300</td><td>University of KwaZulu Natal – 3000</td><td>Central University of Technology - 2000</td></tr>
<tr><td>Sekhukhune TVET College – 1500</td><td>Majuba TVET College – 1500</td><td>Walter Sisulu University - 3200</td></tr>
<tr><td>TOTAL = 6 048 beds</td><td>TOTAL = 9 500 beds</td><td>TOTAL = 8 850 beds</td></tr>
</table>
Refer to Annexure A for details as attached.</td></tr>
<tr><td>5</td><td>Institution appoints construction contractor and operating and maintenance contractor. What criteria/experience are considered? Does the SHIP Funding SPV have any oversight?</td><td>The contracting party for the development, management and operations of the student housing will be the Institutions, however the Institutions may appoint SHIP MO as the procuring agent as the mandated Management Office by DHET to accelerate the development of student housing. An implementation agreement will be entered into between the Institutions & SHIP MO. SHIP MO’s involvement remains pivotal during both the development stage as well as during the operations and maintenance phases.

The objective is to standardise the construction and operation contracts, subject to any changes that may be necessitated by site specific issues. To this end, there will be a market sounding exercise to determine the bankability of such documents.

Therefore, potential funders will have sight of the implementation agreement between SHIPMO and the Institutions and be given an opportunity to provide their input on the standardised documents (including on matters relevant to the lenders such as performance security).</td></tr>
<tr><td>6</td><td>(Clause 2.3.1.2.) Paying construction costs against progress milestones, upfront development costs. Are funds not disbursed on a cost to complete basis?</td><td>As per typical infrastructure project finance rigor, it is envisaged that payment will be approved against a progress milestone/costs certificate as well and cost and time to completion certificate.</td></tr>
<tr><td>7</td><td>(Clause 2.2.5.1. Will the project Accounts be ceded to the SHIP Funding SPV?</td><td>Yes, the project accounts will be ceded by each institution (as borrower) to the Funding SPV (as lender) on a bilateral basis.</td></tr>
<tr><td>8</td><td>Will the 3rd party lender have any recourse to Government?</td><td>We are still in discussions with the Department of Higher Education and Training and National Treasury on an acceptable instrument backing the</td></tr>
</table>

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		termination payments that underpin the debt (depending on various termination scenarios) under the Design Build Operate and Transfer Agreement entered into by each institution. We intend to share further developments in this regard at the RFP stage. It is envisaged that these termination payments (once these have been agreed to by National Treasury and the Department of Higher Education and Training) will be ceded on an outright basis to the third-party lenders.
9	(Clause 3.4.) Does this allow for a mortgage bond to be taken over the property?	No real security will be available over the immovable property on which the student accommodation is constructed.
10	Will proposed loan terms and conditions to institution be the same as loan terms and conditions from 3rd party Lenders to SHIP Funding SPV i.e., interest rate etc.	The intention is to blend the interest rates received from the market and the concessionary funding from the fiscus at the Funding SPV level to on lend to the PSETs at a more favourable interest rate.
11	The RFI notes that Participating Institutions will be the “Borrower” and the “Employer” but also references Project Accounts, Project Security etc. Will individual project SPVs be set up to house a participating institutions specific student accommodation building? And accordingly, does funding for a project, flow to the participating institution or directly to a project?	Each institution will enter into finance agreements directly with the Funding SPV on a bilateral basis and therefore funding will flow directly to the institution. No individual project SPVs will be set up. Please note that the finance agreements as between the third-party lenders and the Funding SPV will be entered into on a typical project financing syndicated loan basis.
12	As the Funding SPV is the only lender to a Participating Institution/Project and has its own credit committee, is third party commercial finance provided on a per project basis or at a portfolio level?	See responses to questions 3 and 10. The commercial finance received from third-party lenders will form part of the sources of funding available to fund the entire cluster 2. Senior debt will rank above all other sources of funding. Thereafter, third-party commercial finance will be apportioned on a project/institutional level as indicated in the Project Teaser to fill the funding requirements of the respective institutions alongside other sources of funding.
13	The Funding SPV has project security – Would the Funding SPV step in in the event of a participating financial institution / project or do commercial lenders have any step-in rights in terms of security?	The Funding SPV in its capacity as lender to each institution will be provided with security from the institutions, which will include direct agreements in respect of EPC and O&M contracts wherein step-in rights will be embodied.

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		However, we envisage that a cession in security of shares will be made available by the Funding SPV to the third-party lenders to enable the third-party lenders to assume management and control of the Funding SPV in the event of a material default, subject to, appropriate inter-creditor arrangements amongst the third party lenders.
14	In terms of debt repayment, it is noted that the Proceeds Account (at a project level) will receive NSFAS funds, are these funds then directly paid to third party lenders or does this go via the SHIP Funding SPV (playing a facility agent role)?	The Funding SPV as the sole lender to the institutions/projects will receive NSFAS flows from the institutions i.r.o debt service obligations. The Funding SPV as the borrower to the third-party lenders will then make the necessary debt service payments to its respective lenders. A typical project finance syndicated loan structure is envisaged using a common terms agreement, inter-creditor and facility agent arrangements. Please also refer to the Project teaser for the envisaged flow of funds.
15	Please provide an overview of how funds allocated to NSFAS are calculated and allocated to both higher education institutions and students.	Allocations to NSFAS are underpinned by the needs of the respective Institutions. The budget for an institution is informed by previous budgets against actual number students funded, new student applications for financial aid including existing students for which financial aid will be required in subsequent year of study. The costs between the Universities and TVETs differ, with the costs of universities being higher than those of TVETs, hence the higher allocation to the Universities relative to the TVETs. Among the factors that are considered are the actual tuition fees of the PSETs, residence fees including the cost of meals at the relevant residences, the average cost of textbooks required.
16	Please provide an overview of the process that needs to be followed by NSFAS/ higher education institutions that allows the annual budget allocation to occur.	DHET as a national government department tables to the National Treasury its budget requirements, based on its various objectives to be fulfilled under the ministerial functions and planned initiatives (including NSFAS and PSET budgets). Through the annual budgeting process which considers the actual budget spent by the department and previously allocated funds underspent and still available, the various budgeting committees under the National Treasury will then make recommendations for approval of the requested budget. DHET then receives funding from the fiscus

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		which includes a budget for the NSFAS and the PSETs. DHET is then responsible for making the necessary allocations and distribution of funds.
17	On what conditions are funds released by NSFAS to students/higher education institutions. We need to understand the end-to-end flows of funds.	In principle, NSFAS aims to ensure that most citizens have access to and can afford higher education and training. NSFAS receives allocations from the state as well as donations from local and international donors, and then provides assistance to disadvantaged students by means of bursaries and/or loans. According to the NSFAS Act, any student may apply in writing for financial assistance, but in order to be eligible for a NSFAS loan, a student must comply with the following: • You are a South African citizen; • Your combined annual household income does not exceed R350 000 per annum; • You are a South Africa Social Security Agency ("SASSA") grant recipient; • You are registering for the first time for an undergraduate qualification at a public university or you are registered at a TVET college for one of the National Certificate Vocational or report 191 programme; • You are applying to study at a public university or TVET college for a qualification; • You are an already registered university student with an annual household income of less than R122 000 per year; • You have passed Grade 9 & 10 to receive NSFAS funding to study at a TVET college; • You have passed Grade 12 to receive NSFAS funding to study at a university. What NSFAS covers: • Registration fee, • Tuition fee (total cost of study), • Prescribed learning materials (capped at maximum set in each year), • Subsidized accommodation (capped at a maximum set by NSFAS), and • Subsidized book allowance, meal allowance, transport allowance, and personal care allowance, (capped at maximum set in each year).

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		Over the 2019/20 period, NSFAS provided funding to an average of 450 000 students in any given academic year, half of whom study at SA's 26 public universities, while the remaining others study at the country's 50 TVET colleges. DHET is aiming to increase the number of students supported by NSFAS to more than 600 000, in order to include many other eligible students who are left out of the system and should ordinarily receive NSFAS support.
18	What controls are in place to ensure that sufficient funds are appropriated on an annual basis to service obligations, including ongoing maintenance and insurance?	Refer to the response to question 16 above. The annual budgeting process which allows the DHET to table is budget requirements including that of the NSFAS and PSETs.
19	How do we ensure that only institutions with strong corporate governance are participants in the projects?	PSETs as registered public higher education institutions are governed in accordance with the stipulations of the Higher Education Act, the university's Statute, and other relevant pieces of legislation. The PSETs have duly constituted Councils that represent the interests of a wide range of stakeholders including the DHET, donors, senate, convocation, community leaders, academic and support staff, and the SRC. The councils comprise of the skills, experience and independence required to execute its statutory obligations. Various Council committees chaired by external independent members with the necessary skills and expertise to advise the Council on governance matters and provide the necessary oversight. The governance systems are effective. The PSETs operate with a skilled and experienced executive management structure. SHIP MO was established through an MOA between NT, DBSA and DHET as a focused solution to address student housing development. The DHET has mandated SHIP MO to support the department in all matters relating to Student Housing. <u>SHIP MO Strategic Intent:</u>

		• PSET Capacitation – value chain driven approach, supervision during development and operations. • Strategic Stakeholder Relations – DHET, NT, PSET, NSFAS, DFIs, Commercial banks, Municipalities, DPWI, DRDLR, IIO, Private sector (Developers, Contractors, Professional services) • Advisory support on policy interventions and capacitate • Promote efficiencies and accelerate development of student housing across PSET institutions IF Strategic Intent: The IF as part of its mandate to assist SHIP MO to crowd-in private investors will undertake the following activities - Procurement process: • in collaboration with transaction advisors, the IF will attend to as applicable, the request for qualification, request for proposals, bid evaluation, bid adjudication and award of reserve/preferred bidders and issue no-objection statements at each step of the procurements process. Governance and monitoring role: • monitor achievement of key outcomes and development impact objectives of DHET/SHIP MO; • monitor performance of asset over term of the finance documents in collaboration with SHIP MO. • raise legislative and regulatory issues to be addressed by the relevant authorities with ISA (unblocking).
20	How is it envisaged that construction risk be limited?	A Design Build Operate and Transfer **(DBOT)** was selected as the optimal transaction structure.

		The Institution will procure the D&C contractor and O&M contractor on a turnkey basis The D&C contract is expected to be a lump-sum fixed price contract. The O&M contract is expected to be a five-year, renewable contract subject to agreement by the lenders.
21	List of universities and TVET colleges that will be funded through this structure.	Refer to response to question 4 above.
22	Percentage split between NSFAS and self-funded students?	The split is 80:20. See also the Project teaser.
23	What is the quantum of funding that is being sought in Phase 2?	Refer to Annexure A.
24	Does NSFAS student accommodation grants get paid to the University /TVET or to the students?	NSFAS payments are linked to and follow the student and not the Institutions. The Institutions through an outright cession entered into with the students are able to ring-fence the NSFAS accommodation portion such that the accommodation portion is not transferred to the student but retained by the Institution as rental payments to service the debt
25	What is the envisaged construction period?	12 up to 24 months per project, depending on the size of the build.

B.

RESPONDENT CLARIFICATION QUESTIONS	INFRASTRUCTURE FUND/SHIPMO RESPONSES
1. Will the same Funding SPV be used for successive rounds of fund raising? i.e. will a separate Funding SPV be used per phase or Cluster a. If the same Funding SPV is used, will a Lender have the ability to Fund one Phase/ Cluster and not participate or Fund into subsequent rounds? b. How will the security be shared between Lenders who fund into different Phases/Clusters if the same Funding SPV is used	It is envisaged that there will be one Funding SPV that will be used as a funding platform to finance all student accommodation projects for various Institutions. a. Each lender will have the ability to exercise their discretion to fund a phase or cluster of their choice (but no discretion to fund individual projects within a phase or cluster) with no obligation to fund subsequent phases or clusters. We can consider providing a right of first refusal to existing lenders funding a particular phase/cluster in respect of subsequent phases/clusters – this will be finalised at RFP stage. b. The security provided by the Institutions will be for the benefit of the Funding SPV as lender to the Institutions on a bilateral basis. The Funding SPV in its capacity as borrower to the third-party lenders will provide security using a typical project finance security SPV structure. The Funding SPV will enter into finance agreements with third party lenders on a syndicate loan basis (using a common terms agreement and inter-creditor arrangements) ring-fenced to each cluster/phase.
2. In response to a question raised the SHIPMO responses is copied below: 7 | Who will bear the volumes and payment risk? i.e. who is responsible for filling each bed and who is responsible for rental collections? | The accommodation will be erected on PSET land and owned by the PSETs , therefore, the PSETs will be responsible for filling each bed through their normal student accommodation allocation processes. The PSETs will also be responsible for the collection of rental payments from NSFAS in accordance with the existing collection As a follow up to the response above is, what happens in the instance of low occupancy or non-payment of students/NSFAS? Will the Lender have recourse to the	Project finances measure such as debt serve reserve accounts will be put in place. As previously alluded to, commercial debt will rank above all other sources of funding with the concessional funding being deeply subordinated with back-ended repayment profiles to allow a build-up in cash reserves and for senior debt to recoup its debt service repayments ahead of other sources. Furthermore, discussions are underway with the DHET, NSFAS and PSETs to put measures to mitigate against this risk and to have controls in place for when such an event would occur to ensure that the Funding SPV and

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PSET, i.e. will the PSET have to pay into the ringfenced account an amount relating to an empty bed?	its lenders receive the full revenue due to it to ensure uninterrupted servicing of the debt.
3. It is not clear is the interface between the PSET's and the operators. If the PSET's will assume responsibility of filling the beds and facilitating collections of both NFSAS and private students, what will be the role of the operator be other than a hard and soft facilities management provider?	NSFAS Students will be prioritised for placement at the new residences in accordance with the Institutions regulations for student placement ('Regulations for placement of students in residences'), therefore the bulk source of the Project Revenue for this Project is expected to be generated from NSFAS Students. The PSETs will be responsible for the running of the student accommodation as per the norm with current owned facilities. The PSETs have great expertise in this regard as they have been running the facilities for years and directly assuming the responsibility to place students. The PSETs are best placed to do so as they have direct information on student applications and confirmation upon registration/enrolment at the institution. The role of the O&M contractor is for the physical maintenance or up keeping of the facility.

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C.

RESPONDENT CLARIFICATION QUESTIONS	INFRASTRUCTURE FUND/SHIPMO RESPONSES
1. Can two entities submit together even if there is no legal contract binding them together, but a loose relationship?	Since this is at RFI stage, two entities are welcome to submit together. However, the relationship between the two must be clearly articulated.
2. Can two entities submit together for different portions of the RFI, i.e. one be a developer, the other a funder for equity, (or debt)?	Yes, as in 1. above, the relationship between the two must be clearly articulated.
3. The RFI talks about blended funding. Who makes the decision on how much equity or debt should be used in the project? a. For instance, if an equity provider has a gearing limitation, and the blended finance funding entity has a different level, how do you deal with that?	Each project's affordability in terms of cash flows determines the level of debt that can be injected. In principle, the maximum gearing therefore can only be determined at structuring stage on a case-by-case basis. To the extent that the equity provider has a gearing limitation, and the ceiling has been reached on other sources of funding, then the project is underfunded, and other alternative sources of equity funding must be considered. Refer to the teaser for the funding mix of the proposed programme.
4. Will universities enter into head leases over the student accommodation projects that are funded and developed on their land, and will National Treasury guarantee the cashflows?	In the current cluster, the land on which the student accommodation projects are constructed is owned by the PSETs. Therefore, no head lease arrangements have been envisaged. We are still in discussions with the Department of Higher Education and Training and National Treasury on an acceptable instrument backing the termination payments that underpin the debt (depending on various termination scenarios) under the Design Build Operate and Transfer Agreement entered into by each institution. We intend to share further developments in this regard at the RFP stage.

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D.

	RESPONDENT CLARIFICATION QUESTIONS	INFRASTRUCTURE FUND/SHIPMO RESPONSES
1	The program is structured such that the "Institutions" (Universities and TVET colleges) need to be the procuring agents. It seems to exclude "third party" equity players who may wish to participate in the program and own/operate student accommodation (who is accredited by the Institutions) – is this intentional? Is it the intention/desire for the University themselves to always own the accommodation? Especially in light of the following: a) PSET are required to contribute a portion of the funding ? b) PSET are responsible for the success of the projects - are they setup to undertake this task?	For this leg of the programme, we are only looking at PSET owned projects which will be located on land that will be owned by the relevant PSET. No third party -equity players with the view to own or operate the student accommodation will be considered. Under Phase 2 of the SHIP, a design build operate transfer (DBOT) model is envisaged. a) SHIPMO/IF are in discussion with the PSETs regarding the possible contribution by the PSETs towards raising their contribution towards the funding required. b) To ensure the success of the projects DHET, SHIPMO and IF will provide the PSETs with such support and expertise as may be necessary.
2	Will the Senior debt rank above all other sources of funding? Including the BFI, DHET, IEG and PSET own funds?	Yes, senior debt will rank ahead of all other sources of funding.
3	Is the intention for Senior Lenders to approve each project on a project-by-project basis, or for the Funding SPV to operate within per-approved certain parameters and simply draw on available funding from Lenders?	The senior lenders will have the ability to fully assess each project, however, to achieve a portfolio effect and for the PSETs to enjoy the benefits of a blended rate, senior lenders will not have the ability to choose which of the projects they are going to fund to the exclusion of others. The reason for this is to achieve a portfolio effect and for the PSETs to enjoy the benefits of a blended rate. Therefore, the senior lenders will be required to take a view on the entire cluster rather than individual projects.
4	Will the third-party lenders have any say in the procurement of construction and operations contractors and the agreements relating thereto?	The objective is to standardise the construction and operation contracts, subject to any changes that may be necessitated by site specific issues. To this end, there will be a market sounding exercise to determine the bankability of such documents. Therefore, potential funders will be given an opportunity to provide their input on the standardised documents (including on matters relevant to the lenders such as performance security).
5	There is mention made of "termination payments" – however, there does not appear to be PPP or concession agreements, rather simply financing agreements in place between the Funding SPV and the Institution. Which agreement (between which parties) will govern the termination scenarios?	It is contemplated that there will be DBOT agreements concluded for the projects between each Institution and the developers providing the technical solution (EPC and O&M), which shall govern the relevant termination scenarios. The legal construct under which the termination payment will be paid is still under consideration, once the discussions are concluded the outcomes thereof will be communicated to the potential funders. We anticipate that we will be able to provide clearer direction at RFP stage.

6	It is not completely clear whether the Funding SPV is taking credit risk on the Institution as a whole (full balance sheet) or the accommodation buildings and associated students placed there – mixture of NSFAS and self-funded students. Please unpack this.	The Funding SPV will be taking a view on the revenue flows from NFSAS and self-funded students. The intention is to ring-fence the above revenue flows from the PSETS's normal operations so that they are available for debt service obligations to the Funding SPV and its lenders. The commercial debt as a component of the total funding required to implement the project has therefore been sized in relation to such expected revenue flows from the PSETs.
7	Who will bear the volumes and payment risk? i.e. who is responsible for filling each bed and who is responsible for rental collections?	The accommodation will be erected on PSET land and owned by the PSETs , therefore, the PSETs will be responsible for filling each bed through their normal student accommodation allocation processes. The PSETs will also be responsible for the collection of rental payments from NSFAS in accordance with the existing collection processes. Put differently, the revenue streams dedicated to the programme are two-fold, namely the rental from NSFAS students and the rental from self-funded students. Both sources of rentals will be required to be deposited into a dedicated bank account which is ceded and pledged to the lenders.
8	For clarity – will there be no equity required from the Developer? Will all of the capital be provided by the Institution and the Funding SPV?	No equity from the Developer is envisaged at this stage. Please refer to the response to question 1 above.
9	As part of 3.5.1 of Annexure B, one of the key aspects of the financing identified is that both NFSAS and self-funded commitments are confirmed. How does the client intend on confirming these as these are typically only determined at the beginning of each year when all enrolments are completed and NSFAS students are confirmed?	The NFSAS and self-funded commitments are forecast based on the assumed occupancy rate and the current NFSAS allocation to each type of PSET. The actual occupancy rate will be determined at the beginning of each year. Placement of students into a particular residence is determined on an annual basis and only confirmed during the registration process in a given year. In the year leading up to registration/or period of enrollment, the institution has an indication of the number of returning to a particular residence and the number of new first-year students who will need to be accommodated in that residence.

Addendum to Respondent Clarification Questions:

1. Ministry of Higher Education, Science and Technology ("the Ministry")

The Ministry was established in 2009 from parts of two national government departments: the former Department of Education ("DoE") and the Department of Labour ("DoL"). All the functions pertaining Higher Education, Further Education, Adult Education, and Skills Development, which had been in the former DoE and DoL were absorbed into the Department of Higher Education and Training ("DHET"). In May 2019, the current government administration merged the Ministry with Science and Technology and renamed it the Ministry of Higher Education Science and Technology, operating under two Director Generals as depicted in the figure below:

‘

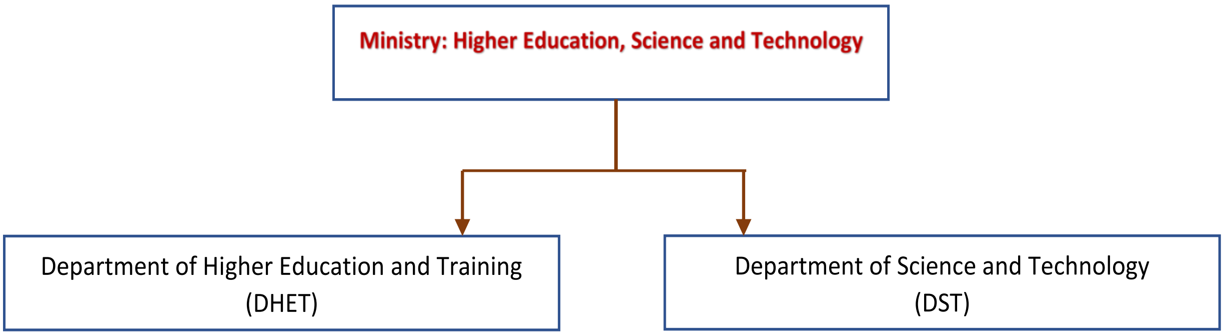

Figure 2. Ministry of Higher Education

2. National Students Financial Aid Scheme ("NSFAS")

Prior to 1990 the number of black students in South Africa's ("SA's") university system constituted 37.7%. The result has been a higher expectation from groups that were previously denied access to university education during the transition to democracy. However, tuition fees of universities increased substantially in the subsequent years, owing to decreasing budget allocations (per capita), whilst universities were under increasing pressure to improve access in line with expectations. This made affordability a new hurdle in the quest to access for the previously disadvantaged students.

The transformation process of the early 1990s brought about the establishment (in 1991) of Tertiary Education Fund of South Africa ("TEFSA") as an attempt to - provide additional financial aid to previously disadvantaged students, and by extension, and to eradicate the extreme racial imbalances that characterized enrolments in the university sector. TEFSA was established under the Independent Development Trust ("IDT") as a "not for profit company" to provide loans to higher education students and was to be funded primarily by the state. The first state allocation to TEFSA was made in 1995, and the demand was so overwhelming that TEFSA was unable to respond to the massive demand (only about 70 000 out of 223 00 applicants could be assisted).

NSFAS was formally established by the National Student Financial Scheme Act 56 of 1999. In 2000, TEFSA was re constituted as NSFAS – a statutory agency with a board, representing all major stakeholders in higher education in South Africa, appointed by the minister of education.

In principle, NSFAS aims to ensure that most citizens have access to and can afford higher education and training. NSFAS receives allocations from the state as well as donations from local and international donors, and then provides assistance to disadvantaged students by means of bursaries and/or loans. According to the NSFAS Act, any student may apply in writing for financial assistance, but in order to be eligible for a NSFAS loan, a student must:

- You are a South African citizen;
- Your combined annual household income does not exceed R350 000 per annum;
- You are a South Africa Social Security Agency ("SASSA") grant recipient;

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- You are registering for the first time for an undergraduate qualification at a public university or you are registered at a TVET college for one of the National Certificate Vocational or report 191 programme;
- You are applying to study at a public university or TVET college for a qualification;
- You are an already registered university student with an annual household income of less than R122 000 per year;
- You have passed Grade 9 & 10 to receive NSFAS funding to study at a TVET college;
- You have passed Grade 12 to receive NSFAS funding to study at a university.

What NSFAS covers:

- Registration fee,
- Tuition fee (total cost of study),
- Prescribed learning materials (capped at maximum set in each year),
- Subsidized accommodation (capped at a maximum set by NSFAS), and
- Subsidized book allowance, meal allowance, transport allowance, and personal care allowance, (capped at maximum set in each year),

Free Education: In December 2017, Government took a policy decision to provide "fee-free" higher education for previously disadvantaged students. This policy decision is being phased in over a 5-year period, extending and strengthening government's support for previously disadvantaged students to enter public universities and TVET colleges. More importantly, more than 2 million students studying at SA's public universities and TVET colleges have been funded through

NSFAS from 2013 to date. The Department will lead a process in 2019/20 to develop a framework for regulating university fees across the sector.
NSFAS currently provides funding to an average of 450 000 students in any given academic year, half of whom study at SA's 26 public universities, while the remaining others study at the country's 50 TVET colleges. DHET is aiming to increase the number of students supported by NSFAS to more than 600 000, in order to include many other eligible students who are left out of the system and should ordinarily receive NSFAS support.

3. Budget Facility for Infrastructure ("BFI")

The BFI is a reform to the budget process that supports the execution of national priority projects by establishing specialised structures, procedures and criteria for committing fiscal resources to public infrastructure spending. As directed by Cabinet, National Treasury has worked jointly with the Presidential Infrastructure Coordinating Commission (PICC) secretariat, the Department of Planning, Monitoring and Evaluation (DPME) and the Economic Development Department (EDD) to establish the facility.

The aim is to support quality public investments through robust project appraisal, effective project development and execution, and sustainable financing arrangements. The objective of the facility is to address shortcomings in the planning and execution of infrastructure projects and help the government to build a pipeline of projects. The facility will put a mechanism in place to improve the rigour of planning and budgeting for large infrastructure projects through standardised appraisal methodologies that ensure that full lifecycle costs of projects are planned, adequately budgeted and provided for in future budgets.

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