



Approval criteria and guidelines

TEO-developed micro-credentials

Funding approval for TEO micro-credentials

This document sets out the approval criteria TEC uses to assess TEO developed micro-credentials for funding approval. It also provides guidance on how these criteria can be met.

Eligible organisations

All Tertiary Education Organisations (TEOs) eligible for delivery on the New Zealand Qualifications and Credentials Framework (NZQCF) funding, at any level (DQ1-2, DQ3-7, and DQ7-10), can apply for funding to deliver micro-credentials.¹

If you are a work-based learning business division within an Industry Skills Board (ISB) and have developed a micro-credential, you must apply for approval as set out below².

When can I apply?

Applications for approval can be made at any time using the [TEO Micro-credential Application Form](#).

Please submit your completed application and supporting evidence through [DXP Ngā Kete](#).

Let us know you have submitted by emailing micro-credentials@tec.govt.nz, with the subject title: **[EDUMIS number] – TEO developed micro-credential – [Micro-credential title]**.

You do not need to resubmit your application when you email.

We expect to advise outcomes within four to six weeks of receiving a completed application with the required information and evidence.

Pre-approval

We will not pre-approve micro-credentials before they have been approved by the New Zealand Qualifications Authority (NZQA) or your university's Academic Board. Funding approval is conditional on evidence of NZQA or Academic Board approval, and approving micro-credentials beforehand would mean duplicating the process.

¹ The funds are: Delivery at Level 1 and 2 on the NZQCF Fund; Delivery at Levels 3 to 7 (non-degree) on the NZQCF and all industry training Fund; and, Delivery at Levels 7 (degree) to 10 on the NZQCF Fund.

² Industry Skills Board (ISB) developed micro-credentials are considered through TEC's standard investment process and are not approved through the criteria and process set out in this document.

Early advice

We can provide early advice on micro-credentials that have health and safety, regulatory compliance, and/or professional development content. There are specific TEC requirements relating to this content, and micro-credentials that do not meet these requirements are unlikely to be funded.

You can contact us by email: micro-credentials@tec.govt.nz.

Please note early advice is provisional and does not replace or affect the application assessment process, including the timeframe. If you make changes to the micro-credential through the quality assurance process after receiving our provisional advice, you must draw attention to these changes as part of your formal application.

Funding Conditions

Each fund has specific requirements for micro-credentials. We recommend you check the [Funding Conditions](#) for the funding you intend to apply for, as these are part of our approval requirements and criteria.

You may wish to consider these conditions as part of your micro-credential development. For example, the DQ1-2 Fund requires micro-credentials to have a minimum of 20 credits.

Investment approach and our priorities

We are currently operating in a tight fiscal environment and expect you to reprioritise your funding, where relevant, to align with our priorities. We will prioritise micro-credentials that are investment priorities – see [Plan Guidance](#).

Not all quality assured micro-credentials can be funded by TEC. Our focus is on funding micro-credentials by high performing TEOs that meet industry and community need, have clear employment outcomes, and support students and trainees to upskill.

We expect that employers, industries, and learners to cover the full cost of micro-credentials we do not fund. For example, employers must pay for training they are legally required to provide for their staff.

Approval requirements and criteria

Applications must satisfy three criteria and their evidence requirements:

- Criterion 1. Quality assurance
- Criterion 2. Industry benefit and labour outcomes OR community benefit
- Criterion 3. Statutory requirements and complementing investment.

We want to ensure we invest in TEOs that have a track record of delivering quality education and training. We may withhold approval, even if the criteria set out below are met, if we have significant concerns about your capability or financial viability. For example, if you are under investigation by us or NZQA.

Criterion 1. Quality assurance

We only fund micro-credentials that are quality assured by NZQA or university Academic Boards.³

- For polytechnics, wānanga, PTEs and work-based divisions within ISBs, you must submit your application for funding after you have received approval from NZQA and your micro-credential is on the [Register of NZQA Listed and Approved Micro-credentials](#).
- For universities, you must submit your application for funding after you have received approval from your Academic Board.

Evidence

You must provide details of:

- the micro-credential, including its title, NZQCF level, credit value, and four-digit NZQCF number or academic qualification code
- evidence of quality assurance in your application.

For polytechnics, wānanga, PTEs and work-based divisions within ISBs, we will use the details you provide to find the micro-credential on the [Register of NZQA Listed and Approved Micro-credentials](#). The information on the Register will support our assessment of your micro-credential. Please ensure that the details you provide are accurate.

For universities, you will need to provide a summary of the micro-credential programme content that we will use to support our assessment.⁴ We may request further information.

Criterion 2. Industry benefit and labour outcomes OR community benefit

You must submit applications that show how industry would benefit from the micro-credential and the labour opportunities that result. Applications to fund micro-credentials for the community must show broad benefits.

Criterion 2a. Industry benefit and labour outcomes

We want to invest in skills that have transferable value and open up employment and/or education opportunities. We want to see that industry would benefit from the micro-credential and that employers will employ people with the skills gained.

Evidence

You must provide evidence of:

- broad support from industry, including clear commentary on the expected benefit. For example, how an industry skill gap is affecting businesses.
- how the micro-credential leads to positive labour market outcomes for learners. For example, how:
 - undertaking the micro-credential will enable learners to acquire a specific set of skills that are needed in a particular industry
 - the micro-credential enables a learner to upskill in their industry
 - the micro-credential enables further education opportunities.

³ Academic Boards have delegated authority from the Committee on University Academic Programmes (CUAP).

⁴ University developed micro-credentials are not listed on the register of NZQA listed micro-credentials.

We encourage you to engage with sector representative groups such as industry bodies, professional associations, registration bodies, as well as with individual employers.

We encourage you to provide evidence of support from multiple employers.

If you provide evidence from only one employer, show how the skills learned from the micro-credential would be transferable across employers and/or industries, or how the skills learned enable progression within an industry or further education opportunities.

Micro-credentials designed solely to meet the commercial interests of a single business are unlikely to be approved.

If you have predominantly worked with an ISB in the development of the micro-credential, provide evidence of the ISB's engagement with industry and how the micro-credential leads to positive labour outcomes, such as demand for skills and business employing graduates.

For example:

- letters of support from an ISB
- Minutes from meetings with industry groups and businesses.

Criterion 2b. Community benefit

This criterion only applies to community or iwi focused micro-credentials.

We expect community or iwi micro-credentials to have wide public benefits. We want to see evidence that community or iwi groups are committed to enrolling their members in the micro-credential and applying skills learned to meet community needs.

We want to see evidence that learners will gain valuable skills and experience, with clear pathways to community participation, education and/or employment opportunities.

Evidence

You must provide:

- evidence and a rationale showing how the micro-credential contributes to positive learner outcomes and delivers benefits for the wider community.
- evidence of need for the micro-credential by community or iwi, and commitment to its ongoing use.

Criterion 3. Statutory requirements and complementing investment

This criterion requires that micro-credentials meet statutory requirements as set out in relevant funds (DQ1-2, DQ3-7, and DQ7-10) and that TEC's funding complements other sources of investment.

Criterion 3a. Health and Safety and Regulatory Compliance

We cannot fund a micro-credential where we consider on reasonable grounds that:

- a majority of the programme relates to health and safety, or regulatory compliance learning, and
- learning would displace the responsibility of employers to provide training that addresses health and safety risks or to meet their regulatory compliance obligations.

We will not approve micro-credentials where the majority of the micro-credential content is about meeting health and safety or regulatory compliance (HSRC) obligations. For example, if the training is required to meet expectations within legislation, such as the Health and Safety at Work Act 2015, we expect that employers will cover the cost of training.

Majority is defined as a 51% threshold of programme content.⁵

The following content **does not** contribute to the 51% or more threshold:

- health and safety and regulatory compliance content that is embedded in broader occupational or technical skill development
- content that supports transferable industry wide skills other than health and safety and/or regulatory compliance.

The following content **does** contribute to the 51% or more threshold:

- stand-alone health and safety or regulatory compliance training that exists primarily to meet legal obligations
- general or theoretical compliance learning not linked to practical skill development
- site-or employer specific training (eg, inductions, emergency procedures).

Evidence

You must confirm that the micro-credential has no health and safety and/or regulatory compliance content or provide a short explanation to confirm that the micro-credential:

- has health and safety and/or regulatory compliance content, but embedded into wider learning and transferable skills, or
- if it has standalone health and safety and/or regulatory compliance content, provide a percentage of this content as a proportion of total programme content.

Criterion 3b. Complementing investment

We will not fund micro-credentials primarily aimed at the professional development of people already employed in professional occupations that require a degree to enter the profession.⁶

We do not duplicate funding where another government agency is responsible for a particular training need.

We are unlikely to fund micro-credentials primarily aimed at public sector staff – in most cases, we expect professional development and training costs for public sector staff, outside of full qualifications, should be covered by their employer.

Evidence

You must confirm the micro-credential is not for professional development purposes, eligible for funding by another agency or aimed at public sector staff.

⁵ Programme has the same meaning as in section 10(1) of the Education and Training Act 2020. Content is measured in terms of total credit value of the programme as made up by courses, standards etc.

⁶ These include, but are not limited to, occupations such as accounting, nursing, teaching etc.

What happens next?

Re-prioritising funding from existing allocation

If we approve your micro-credential for funding, we expect that in most cases you will re-prioritise funding from within your existing allocation and to align with our priorities.

Once we approve your micro-credential, you will need to enter the micro-credential's details into [DXP Ngā Kete](#).

You must follow naming and reporting conventions that make it easy to identify.

Micro-credentials must be entered with:

- the same title as has been approved by NZQA or the Academic Board
- code MC1234 (this is the NZQA or academic qualification code)
- Qualification Award Category (QAC) Code of 50.

The micro-credential will be added to your Mix of Provision (MoP). You will need to resubmit your MoP including changes to EFTS. We will then provide approval.

You must consider the [relevant criteria](#) to confirm if you need to make an [in-year Plan Amendment](#) to deliver the micro-credential.