



Concept Paper

Project Number: 46535
December 2013

Proposed Project Grant and Project Preparatory Technical Assistance Tajikistan: Strengthening Private Sector Participation in Technical and Vocational Education and Training

CURRENCY EQUIVALENTS

(as of 2 December 2013)

Currency Unit – somoni (TJS)

TJS1.0 = \$0.2094

\$1.00 = TJS4.7745

ABBREVIATIONS

ADB	–	Asian Development Bank
ADF	–	Asian Development Fund
IA	–	implementing agency
MOE	–	Ministry of Education
MOLSP	–	Ministry of Labor and Social Protection
PPTA	–	project preparatory technical assistance
TVET	–	technical and vocational education and training

NOTES

- (i) The fiscal year (FY) of the Government of Tajikistan ends on 31 December.
- (ii) In this report, "\$" refers to US dollars.

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I. THE PROJECT

A. Rationale

1. The proposed Strengthening Private Sector Participation in Technical and Vocational Education and Training Project will empower the country's unemployed and underemployed youths and adults to take advantage of employment opportunities in the domestic and international labor markets through provision of quality training. A key feature of the project is the institutionalization of mechanisms for engaging the private sector in technical and vocational education and training (TVET) at the policy and operational levels.

2. Following independence in 1991 and a devastating civil war which lasted until 1997, the political and social order in Tajikistan stabilized around 1998. The economy recovered and subsequently experienced high growth averaging 8.7% per annum in gross domestic product (GDP) from 2000 to 2008. The global financial crisis took its toll on the economy, reducing growth to 4% in 2009. But the economy recovered quickly, posting an average growth of over 6% from 2010 to 2012. Poverty incidence steadily declined from 81.0% in 1999 to 38.3% in 2012 but is still the highest in the Central and West Asian region.

3. The challenge in reducing poverty remains daunting. The official unemployment figure is low at about 2.2% over the past decade but it masks a high rate of underemployment, particularly in the rural areas with seasonal activities. In addition to the existing stock of largely unskilled labor, some 130,000 youth without employable skills enter the labor force every year. At the same time, a number of jobs in industries remain unfilled due to lack of qualified and skilled applicants.¹ Lack of opportunities, particularly for the unskilled, forces many to seek employment overseas. Annually around 750,000–800,000 Tajik workers find work abroad, over 90% in Russia. In 2012, remittances of these workers amounted to \$3.6 billion or 47% of GDP making Tajikistan the most remittance-dependent among the developing countries.² The role of migrant workers therefore is critical to the economy at this stage of the country's development.

4. While employment through international migration is very important, the workforce needs of the local industries are a key focus as these ultimately provide a sustainable solution to the perennial problem of underemployment and poverty in the country. A major challenge is how to ensure an adequate supply of trained workers to meet the requirements of both overseas and domestic labor markets. This responsibility falls on the country's education and training system, more specifically the TVET system, which unfortunately does not meet expectations.

5. The country's network of TVET providers comprises mainly public institutions including: (i) 63 primary vocational education schools (now called lyceums) and 49 secondary vocational education schools (now called technical colleges) under the Ministry of Education (MOE); and (ii) 30 adult learning centers with 40 branches in the districts under the Ministry of Labor and Social Protection (MOLSP). The National Adult Training Center in Dushanbe serves as the model and as a central resource center.

6. The lyceums offer 1–3 year courses with an enrollment of 23,857 in 2012. Technical colleges offer 2–4 year courses with 40,095 enrolled during the same school year. Both the lyceums and technical colleges also offer short courses (3, 6, 9, and 12 months) and trained 47,000 youths and adults in 2012. The adult learning centers offer only short courses and

¹ Interview with Chamber of Commerce and Industry. For instance, textiles posted 30% growth in 2012. A number of other industries including light processing and mining also recorded double-digit growth rates. These sectors have potential but are already facing difficulties in finding skilled workers.

² World Bank. News and Views, *Developing Countries to Receive over \$400 billion in Remittances in 2012*, November 2012.

trained 53,000 students in 2012. Women comprise about 30% of the total enrollment. About 30–40% of the students in long courses and the majority of trainees in short courses pay for the cost of training. The fees provide the TVET institutions with a significant source of revenues to augment their limited budget, thus increasing the sustainability of the system.

7. The TVET system faces major constraints including outdated curriculum and learning materials, obsolete and inadequate equipment base, dilapidated school buildings and unmaintained and damaged dormitories, low paid teachers and masters advanced in years with little staff development and succession planning, little or no linkages with industries, absence of modern approaches to school management, weak coordination between various agencies, and continuing underinvestment in TVET in general. While a large number of graduates are produced each year, they lack modern skills and qualifications relevant to the labor market demands.³ In the Global Competitiveness Report (*World Economic Forum, 2010–11*), the “poor work ethic in the national labor force” and the “inadequately educated workforce” ranked 5th and 6th, respectively, among the most problematic factors in doing business in Tajikistan, reducing the country’s competitiveness and acting as binding constraints to economic growth.⁴

8. The Government of Tajikistan has taken certain initiatives to address the dire situation of the TVET sector. In 2012, the government approved the “State Program to Reform the TVET System, 2013–2020” outlining the different strategies and programs that need to be undertaken in a coherent and coordinated manner to reform and modernize the TVET sector. Its implementation requires political will and continued support from development partners. The project is fully supportive of the government’s TVET reform program. The project supports private sector development and improved business climate in Tajikistan, and as such it is consistent with ADB’s Tajikistan Country Partnership Strategy, 2010–2014. The project and the project preparatory technical assistance, aimed to help design the project, are both included in the Country Operation and Business Plan (COBP), 2013–2014 and the draft COBP, 2014–2016.

9. The basic information on the project is given in Appendix 1. A problem tree analysis depicting the core problem and its causes and effects is given in Appendix 2.

B. Impact, Outcome, and Outputs

10. The impact of the project will be a national workforce with a higher proportion of skilled workers, employed in the domestic economy in Tajikistan. The outcome will be a more effective, efficient, quality-assured, and flexible TVET delivery system. An indicative design and monitoring framework is given in Appendix 3.

11. The project has five outputs as follows: (i) TVET system methodology modernized; (ii) physical learning environment upgraded; (iii) delivery capacity and quality of TVET provision improved; (iv) access to and equity in TVET provision increased; and (v) governance and management of TVET system strengthened. A summary description of the project outputs is given in Supplementary Appendix A. Further explanation of some of the key elements of the outputs are given in Supplementary Appendix B, placing them in the context of the overall reform process of the country’s TVET system.

C. Investment and Financing Plans

12. The project cost is estimated at about \$22 million over a 5-year period. The government has requested a grant of \$20 million from ADB’s ADF resources. The ADF resources will cover

³ Employer feedback indicates difficulty in finding TVET system graduates who meet their job requirements.

⁴ The top four factors included access to financing, tax regulations, tax rates, and corruption.

minor civil works, modern equipment, systems development, staff development, research and studies, and consulting services. The government is expected to provide counterpart support equivalent to \$2 million in the form of remuneration, per diem of staff, office accommodation, office supplies, secretarial assistance, logistics and other in-kind contributions.⁵ The tentative financing plan is given in Table 1.

Table 1: Tentative Financing Plan

Source	Amount (\$ million)	Share of Total (%)
Asian Development Bank	20.00	90.90
Government ^a	2.00	9.10
Total	22.00	100.00

^aTentative. To be finalized during further processing.

Source: ADB staff estimates.

D. Indicative Implementation Arrangements

13. The Ministry of Economic Development and Trade will be the executing agency (EA) with a project management unit (PMU), while MOE and MOLSP will be the implementing agencies (IAs) with project implementation units (PIUs). The PMU will handle activities common to both IAs while the PIU will handle IA-specific activities. The feasibility of the implementation arrangements will be reviewed and validated during the project processing upon further consultation with the parties concerned.

II. DUE DILIGENCE REQUIRED

14. The required due diligence include the following:

- (i) **Technical.** To create consensus among key stakeholders on: (i) project outputs, including priority critical occupations to be supported by the project; (ii) competency standards; (iii) curriculum; (iv) civil works and equipment; and, (v) staff development needs. Coordination with donor partners is also crucial to promote collaboration and synergy.
- (ii) **Economic and financial.** The economic and financial analyses will be conducted to determine project viability and sustainability.⁶
- (iii) **Governance.** The PPTA will identify risks with respect to financial management, procurement, and anticorruption through organizational capacity assessment of the EA and IAs, and mitigating measures will be indicated.
- (iv) **Poverty and social.** Potential poverty reduction and social impacts will be reviewed. A gender assessment will be an integral part of the project preparation. The proposed project is preliminarily categorized as effective gender mainstreaming.
- (v) **Safeguards.** Requirements under ADB's Safeguard Policy Statement (2009) will be discussed and agreed with the EA and IAs and incorporated into the project design.

⁵ The government is expected to pay taxes and duties on any training equipment procured under the project. This will be confirmed during project processing.

⁶ Economic and financial analyses will be conducted by the Tajikistan Resident Mission staff with assistance from the PPTA's financial management experts.

III. PROCESSING PLAN

A. Risk Categorization

15. The project is classified as low risk as: (i) the project size is below the maximum threshold of \$200 million; (ii) ADB has extensive experience in the sector⁷ and has successfully completed education sector interventions in Tajikistan;⁸ (iii) the EA and IAs have good experience in implementing donor financed projects in the sector; and, (iv) the safeguards categorization is B or C.

B. Resource Requirements

16. The preparatory project technical assistance (PPTA)⁹ is expected to cost \$720,000. A total of 49 person-months of consulting services will be needed of which 19 person-months will be international and 30 person-months national. Services of a consulting firm will be engaged using simplified technical proposal under quality- and cost-based selection method in accordance with *ADB's Guidelines on the Use of Consultants* (2013, as amended from time to time). Four individual consultants (two international and two national) will also be recruited to fast track project preparation. Inputs of 12 person-months ADB staff will be required.

C. Processing Schedule

17. The indicative processing schedule is given in Table 2.

Table 2: Proposed Processing Schedule

Milestones	Expected Completion Date
Fact-finding mission	July 2014
Staff review meeting	August 2014
Grant negotiations	August 2014
Board approval	October 2014

Source: ADB staff estimates.

IV. KEY ISSUES

18. The key issues in the design and implementation of the project include the need for: (i) a unifying framework to coordinate initiatives of various donors including GIZ, Japanese International Cooperation Agency (JICA), and the EU; (ii) coordinated roles and responsibilities of the government ministries and agencies involved in skills development; and (iii) incentives to actively engage the private sector in TVET including locating potential trainers.¹⁰

⁷ While this is the first TVET project in Tajikistan, it is similar to a project undertaken by ADB in the Kyrgyz Republic (ADB. 2007. *Report and Recommendation of the President to the Board of Directors: Proposed Asian Development Fund Grant to the Kyrgyz Republic for the Vocational Education and Skills Development Project*. Manila (G0074-KGZ); ADB. 2012. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Grant to the Kyrgyz Republic for the Second Vocational Education and Skills Development Project*. Manila (L2902/G0307-KGZ)).

⁸ ADB. Manila. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Technical Assistance Grant to Tajikistan for the Education Reform Project*. Manila (L2053-TAJ); ADB. 2003. *Proposed Grant Assistance to the Republic of Tajikistan for the School Improvement Project*. Manila (TA 9040-TAJ, financed by the Japan Fund for Poverty Reduction).

⁹ See appendix 4.

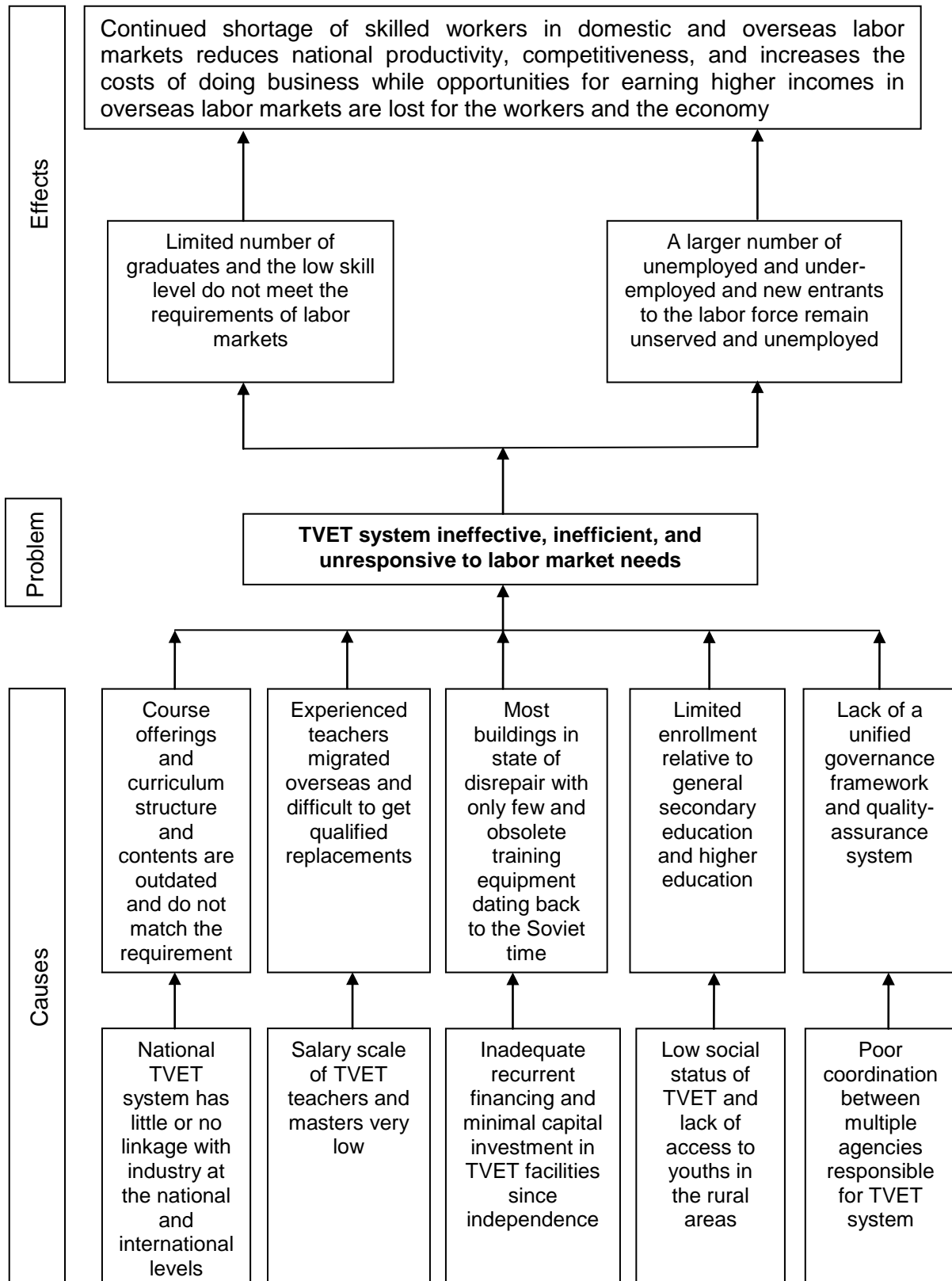
¹⁰ This will include identifying the returning migrant workers as potential trainers.

BASIC PROJECT INFORMATION

Aspects	Arrangements
Modality	Project grant
Financing	\$20 million ADF grant
COBP	ADB. 2013. Draft Country Operations Business Plan: Tajikistan (2014–2016). Manila
Classification	Sector (subsectors): <ul style="list-style-type: none"> – Education (Technical education and vocational skills training, and non-formal education) Themes (subthemes): <ul style="list-style-type: none"> – Private Sector Development (Public sector goods and services essential for private sector development), – Economic Growth (Promoting economic efficiency and enabling business environment), – Capacity Development (Institutional development), – Social Development (Human development) Targeting classification: General Intervention Gender mainstreaming category: Effective Gender Mainstreaming Location impact: Rural (low), Urban (medium), National (high) Environment: <ul style="list-style-type: none"> – Category B/C (to be determined during fact-finding depending on scope of civil works) – Indigenous Peoples: Category C – Involuntary Resettlement: Category C
Risk categorization	Low risk
Partnership (s)	GIZ, JICA, and EU
Use of a PBA	No
Parallel PIU	No
Department and division	Central and West Asia Department (CWRD) Public Management, Financial Sector, and Trade Division
Mission leader and members	A. Sumbal, Senior Economist (Public Finance), CWRD K. Aminov, Economics Officer, CWRD N. Djenchuraev, Environment Specialist, CWRD L. Llamanzares, Operations Assistant, CWRD M. I. Martin, Project Analyst, CWRD V. Medina, Social Development Specialist (Safeguards), CWRD A. Mukhamedyarova, Financial Sector Specialist, CWRD J. Stickings, Senior Social Development Specialist (Gender and Development), CWRD

ADB = Asian Development Bank, ADF = Asian Development Fund, COBP = country operations business plan, CWRD = Central and West Asia Department, EU = European Union, JICA = Japan International Cooperation Agency, GIZ = Deutsche Gesellschaft für Internationale Zusammenarbeit, PBA = programmatic based approach, PIU = project implementation unit

PROBLEM TREE



DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>Impact A national workforce with a higher proportion of skilled workers, employed in the domestic economy in Tajikistan.</p>	<p>Proportion of skilled workers in domestic labor market increased from 28% in 2010 to 35% by 2023</p> <p>Proportion of skilled workers among labor migrants increased from 20% in 2012 to 30% by 2023</p>	<p>Labor Force Survey</p> <p>Reports of Migration Office</p> <p>Reports of Ministry of Labor and Social Protection (MOLSP)</p>	<p>Assumptions Continued demand for migrant workers in Russia and other countries</p> <p>Sustained growth of domestic economy</p> <p>Risk Global slowdown affecting domestic and international labor markets</p>
<p>Outcome A more effective, efficient, quality-assured, and flexible TVET delivery system</p>	<p>All TVET institutions employed competency-based training (CBT) methodology by 2018¹</p> <p>All programs for priority occupations used modular CBT curricula by 2017</p> <p>Pass rate of graduates and workers in independent competency assessment reached at least 70% by 2018, sex disaggregated</p> <p>Satisfaction rate of employers on quality of TVET graduates reached at least 50% by 2018, sex disaggregated</p>	<p>Annual reports of MOE and MOLSP</p> <p>ADB annual monitoring reports</p> <p>ADB and MOE and MOLSP field monitoring reports</p> <p>Tracer studies including employer satisfaction surveys</p>	<p>Assumption Strong support at national government and institutional level in implementing reforms in the TVET sector</p> <p>Risks Non-availability of new teachers may create delays</p>
<p>Outputs 1. TVET system methodology modernized</p>	<p>TVET Qualification Framework (TQF) developed, approved, and promulgated by Dec 2015</p> <p>National guidelines, systems, and procedures for development of: competency standards; CBT curriculum, learning materials, and assessment tools; program registration and accreditation; and, competency assessment and certification developed, approved, and promulgated by Dec 2015</p> <p>Competency standards and training packages of 30 priority occupations developed, approved, and promulgated by Dec 2016</p>	<p>Reports of MOE and MOLSP</p> <p>Government gazette</p>	<p>Assumption Strong support of national government in implementing reforms in the TVET sector</p> <p>Risk Lack of willingness of the private sector to partner with government on TVET matters</p>
<p>2. Physical learning environment upgraded</p>	<p>240 workshops/classrooms, 10 dormitories (including 3 dormitories for females), and 5 pre-departure orientation centers rehabilitated by Dec 2017</p>	<p>Reports of MOE and MOLSP</p>	<p>Assumptions EA and the IAs can handle procurement of goods and services</p>

¹ Baselines, where missing, will be determined during the PPTA.

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
	<p>240 workshops/classrooms, 10 dormitories (including 3 dormitories for females) and 5 pre-departure orientation centers equipped with necessary furniture and equipment by 2017</p> <p>Facility designs incorporate specific needs of girls and women such as separate and safe toilets, and security in women dormitories</p>	<p>Project progress reports</p> <p>ADB and MOE and MOLSP field monitoring reports</p>	<p>Risk Selected civil works contractors and furniture and equipment suppliers unreliable</p>
3. Delivery capacity and quality of TVET provision improved	<p>TVET Teachers Qualification Framework (TTQF) developed, approved, and promulgated by Dec 2015</p> <p>All TVET teachers/masters assessed, ranked, and trained according to TTQF by December 2016, at least 30% teachers/masters trained are female</p> <p>Enrollment in certificate and diploma courses in lyceums increased from 23,857 in SY 2011–12 to 30,500 in SY 2017–18 and in technical colleges from 40,095 in SY 2011–12 to 51,200, in SY 2017–18 of which at least 35% students are female</p> <p>By 2018: (i) average annual training output of Adult Learning Centers in short courses increased to 150,000 (2012 baseline 53,000), and (ii) number of graduates trained annually by lyceums and technical colleges increased to 150,000 (2012 baseline 47,000), in both cases, at least 35% students are female</p>	<p>Reports of MOE and MOLSP</p> <p>ADB and MOE and MOLSP project progress reports</p> <p>ADB and MOE and MOLSP field monitoring reports</p>	<p>Assumptions Strong support of national government in implementing reforms in the TVET sector</p> <p>Public perception on the social status of TVET has improved</p> <p>Risk Resistance of teachers and masters to TTQF</p>
4. Access to and equity in TVET provision increased	<p>Skills Training Fund (STF) established and operational starting Dec 2015</p> <p>A total of 10,000 beneficiaries trained under the STF by Dec 2018 of which at least 40% are women</p> <p>60% of beneficiaries trained under STF find self-employment or wage-employment within 6 months of graduation. At least 50% are women</p>	<p>Reports of MOE, MOLSP, and Migration Office</p> <p>STF public reports of MOE and MOLSP</p> <p>PIU tracer studies</p>	<p>Assumption There are qualified training providers available to deliver a wide variety of skills needs</p>
5. Governance and management of TVET system strengthened	<p>National Council for Skills Development (NCSD), (with at least 30% of female members), with Secretariat functioning by Sep 2015</p> <p>15 Industry Sectoral Associations (ISA) recognized by NCSD and Industry Advisory Committees established in all lyceums, technical colleges, and adult learning centers by 2016. At least 20% of the members of all these associations and committees are women.</p>	<p>Reports of MOE, MOLSP, and Migration Office</p> <p>ADB project progress reports</p>	<p>Assumption Strong support of national government in implementing reforms in the TVET sector</p> <p>Risk Lack of willingness of the private sector to partner with government</p>

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks				
	A computerized TVET management information system (TMIS) linked to a labor market information system (LMIS) operational by Dec 2018	ADB and MOE and MOLSP field monitoring reports					
<p>Activities with Milestones</p> <p>1. CBT systems development</p> <p>1.1 NCSD is functional, holds regular meetings, develops consensus on draft TQF and CBT systems and procedures leading to their approval and promulgation (Jan 2015-Sep 2016)</p> <p>1.2 Identification of priority occupations through research and consultation workshop with key stakeholders (Mar 2015-Dec 2015)</p> <p>1.3 Recruitment and training of experts and development of competency standards and curriculum, learning materials, and assessment tools for priority occupations and approval and promulgation by NCSD (Jan 2016-Dec 2016)</p> <p>2. Upgrading of physical facilities</p> <p>2.1 Competitive selection of project TVET institutions (Jan 2015-Jun 2015)</p> <p>2.2 Preparation of plans for civil works, tendering, and rehabilitation (Jul 2015-Jun 2016)</p> <p>2.3 Specification of furniture and equipment requirements, tendering, selection of suppliers, commissioning and delivery (Aug 2016-Dec 2018)</p> <p>3. Improving training delivery capacity and quality</p> <p>3.1 Development and approval of TTQF, assessment of teachers, ranking, and training based on TTQF, and delivery of CBT curricula (Jul 2015-Dec 2016)</p> <p>3.2 Identification and training and accreditation of independent competency assessors and conduct of assessment and certification of graduates and workers (Jul 2015-Dec 2016)</p> <p>4. Increased access and equity</p> <p>4.1 Establishment of a Skills Training Fund (STF), identification of priority target beneficiaries and development of training packages (Mar 2015-Dec 2015)</p> <p>4.2 Tendering of packages, training delivery, competency assessment of graduates (Jan 2016-Dec 2016)</p> <p>4.3 Employment assistance to trained beneficiaries (Jan 2017-Dec 2018)</p> <p>5. Strengthening governance and management</p> <p>5.1 Establishment of NCSD and strengthening of Secretariat, assisting organization of industry associations (Jan 2015-Dec 2015)</p> <p>5.2 Establishment of IACs in lyceums, technical colleges, and adult learning centers (Jul 2015-Dec 2016)</p> <p>5.3 Development of a computerized TMIS (Jan 2016-Dec 2018)</p>			<p>Inputs</p> <p>Project Grant</p> <p>ADB: \$20 million</p> <table border="1" data-bbox="1141 506 1507 562"> <thead> <tr> <th data-bbox="1141 506 1214 533">Item</th> <th data-bbox="1214 506 1507 533">Amount (\$million)</th> </tr> </thead> <tbody> <tr> <td data-bbox="1141 533 1214 562">ADF</td> <td data-bbox="1214 533 1507 562">20.0</td> </tr> </tbody> </table> <p>Government: \$2 million</p> <p>PPTA</p> <p>JFPR: \$700,000</p> <p>Government: \$20,000</p> <p>Total: \$720,000</p>	Item	Amount (\$million)	ADF	20.0
Item	Amount (\$million)						
ADF	20.0						

ADB = Asian Development Bank; CBT = competency-based training; EA = executing agency; IA = implementing agency; IAC = industry advisory committee; ISA = Industry Sectoral Associations; LMIS = labor market information system; MOE = Ministry of Education; MOLSP = Ministry of Labor and Social Protection; NCSD = National Council for Skills Development; PPTA = project preparatory technical assistance; STF = Skills Training Fund; SY = school year; TMIS = TVET management information system; TQF = TVET Qualification Framework; TTQF = TVET Teachers Qualification Framework; TVET = technical and vocational education and training

PROJECT PREPARATORY TECHNICAL ASSISTANCE

A. Justification

1. A project preparatory technical assistance (PPTA) is considered necessary in preparing the detailed design of Strengthening Private Sector Participation in TVET in Tajikistan (the project). The PPTA will be financed by Japan Fund for Poverty Reduction (JFPR).¹ The project scope and outputs cover a wide variety of tasks. To help design the project and conduct a TVET sector analysis, a consulting firm is proposed to be hired under the PPTA using quality-and cost-based selection. The firm and individual consultants' activities, outputs, and deliverables are given below.² The detailed terms of reference are in Supplementary Appendix D.

B. Major Outputs and Activities

2. The TA consulting firm will prepare the following outputs: (i) an inception report outlining the overall implementation plan at the end of the first month of consultant mobilization, with a detailed proposed methodology to assist in preparing the design of the project, sector analysis, financial and economic analyses, a social and poverty survey and data collection requirements and schedule; (ii) a midterm report with a detailed assessment of the project design at the interim stage along with key policy reforms and specific project-related issues within the fourth month of consultant mobilization; the midterm report will include due diligence reports, draft gender action plan (GAP), draft social action plan, draft procurement plan and capacity assessment, and draft financial management assessment; (iii) a draft final report with a detailed assessment of the technical, financial, economic, environmental, social, and institutional aspects within the fifth month of consultant mobilization; and (iv) a final report within the sixth month of consultant mobilization. The reports will be provided in both English and Tajik/Russian. The TA consulting firm will hold extensive consultations to discuss the project design, performance, monitoring and evaluation system, ADB's safeguards policy, and disbursement and procurement policies and guidelines. The outputs of individual consultants (see para 5) will also be blended into the TA consulting firm's inception, midterm and final reports. The major outputs and activities are discussed in detail in Supplementary Appendix D.

3. The major outputs and activities are summarized in Table A4.1 (also see footnote 2).

Table A4.1: Summary of Major Outputs and Activities

No	Major Activities	Expected Commencement Date	Major Outputs	Expected Completion Date
1	Request EOI for PPTA and select firm using QCBS method	28 Nov 2013	PPTA consulting firm selected	14 Mar 2014
2	Individual consultants fielded	1 Feb 2014	Individual consultants' final reports	29 Aug 2014
3	Mobilization/kick-off meeting with EA, IAs, and ADB	24 Mar 2014	Team settled down; kick-off meeting held	31 Mar 2014
4	Prepare inception report and hold consultation workshop with key stakeholders	14 Apr 2014	Inception report and agreement with key stakeholders on how to	28 Apr 2014

¹ The PPTA will also help showcase and utilize good practices from Japanese experience and expertise in TVET sector and consider these for adaptive replication in project design.

² PPTA activities, outputs, deliverables, and terms of reference are explained in greater detail in Supplementary Appendix D.

No	Major Activities	Expected Commencement Date	Major Outputs	Expected Completion Date
			proceed	
5	Mid-term report including: <ul style="list-style-type: none"> – Labor market demand study (domestic and overseas) – List of priority occupations – Assessment of the TVET sector, policies and legal framework – Procedures for selection of project TVET institutions on a competitive basis – TNA of TVET stakeholders – Assessment of private sector interest to engage in TVET reforms – Guidelines and procedures for the Skills Training Fund – Assessment of requirements for civil works, equipment, and furniture for TVET institutions – Financial management capacity and risk assessments – Procurement plan – Environmental assessment and review framework 	13 Jun 2014	Mid-term report discussed with the government and approved.	11 Jul 2014
6	Prepare draft final report		Draft final report reviewed and comments shared with the consultants	29 Aug 2014
7	Revise report and prepare final report		Final report approved	15 Sep 2014

ADB = Asian Development Bank; EA = executing agency; EOI = expression of interest; IA = implementing agency; PPTA = project preparatory technical assistance; QCBS = quality- and cost-based selection; TNA = training needs assessment; TVET = technical and vocational education and training

C. Cost Estimate and Proposed Financing Arrangement

4. The TA is estimated to cost \$720,000 equivalent, of which \$700,000 will be financed on a grant basis by the Japan Fund for Poverty Reduction, and administered by ADB. The detailed cost estimate is presented in Table A4.2.

Table A4.2: Cost Estimates and Financing Plan
(\$'000)

Item	Total Cost
Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants (19 person-months)	425.00
ii. National consultants (30 person-months)	90.00
b. International and local travel	62.00
c. Reports and communications ^d	15.00
2. Workshops, training, seminars, and conferences ^b	20.00
3. Resource persons ^c	48.00
4. Surveys	10.00
5. Miscellaneous administration and support costs ^d	5.00
6. Contingencies	25.00
Total	700.00

Note: The government will provide counterpart support in the form of counterpart staff, office with furniture, office supplies, secretarial assistance, and other in-kind contributions.

^a Financed by the Japan Fund for Poverty Reduction.

^b Includes rent of facilities, food and beverages, materials, and other related costs.

^c Includes honorarium, travel cost, and per diem of resource persons engaged as speakers.

^d Includes translation costs.

Source: ADB staff estimates.

D. Consulting Services

5. The PPTA will engage the services of a consulting firm and will be recruited in accordance with *ADB's Guidelines on the Use of Consultants* (2013, as amended from time to time). Quality- and cost-based selection (QCBS) will be employed in recruiting a firm using simplified technical proposals (STP). Two international consultants, two national consultants [Public Private Partnership (PPP), Skills Contracting and Implementation Specialist (international, 3.5 person-months and national, 4 person-months) and CBT Methodology Specialist (international, 3.0 person-months and national, 4 person-months)] and resource persons will be recruited individually in accordance with the *Guidelines on the Use of Consultants* (2013, as amended from time to time). The individual consultants will be mobilized immediately and their outputs will be merged into the PPTA consulting firm's reports and outputs. This will provide a head start in finalizing project design. Resource persons' services will be used for training workshops, seminars, and conferences. Disbursements under the TA will be made in accordance with the *ADB's Technical Assistance Disbursement Handbook* (2010, as amended from time to time). A total of 49 person-months will be needed of which 19 person-months will be international and 30 person-months national. Advance action procedures will be used to recruit the PPTA consultants. The list of positions and the corresponding inputs in person-months is given in Table A4.3. The PPTA will encourage partnerships with local and regional institutions (such as the Kyrgyz Republic-Japan Center for Human Development) and identify good practices for adaptive replication in project design. The PPTA team will consult with Economic Research Department (ERD) of ADB in designing the monitoring and evaluation system for the project.

Table A4.3: Summary of Consulting Services Requirement

Positions	Person-Months Required	
	International	National
Consulting Firm		
Policy and Institutional Development Specialist/TL	5.0	6.0
Procurement Specialist	1.0	2.0
Labor Market Economist	2.0	2.0
Financial Management Specialist	1.0	2.0
Environment and Safeguards Specialist	1.0	2.0
Gender Specialist	1.0	1.0
Management & Teacher Training Specialist	1.5	3.0
Monitoring & Evaluation and IT Specialist	-	2.0
Civil Engineer	-	2.0
Total	12.5	22.0
Individual Consultants		
CBT Methodology Specialists	3.0	4.0
PPP & Skills Contracting Specialist	3.5	4.0
Total	6.5	8.0
Total Consulting Person Months Required	19.0	30.0

CBT = competency-based training; IT = information technology; PPP = public-private partnership; TL = team leader
Source: ADB staff estimates.

6. All PPTA consultants will preferably have the following general qualifications: (i) strong regional and national experience; (ii) strong speaking and written communication skills; (iii) demonstrated ability to work effectively in empowering team members and counterparts; and (iv) demonstrated timely production of high quality results. The national consultants will be responsible for Russian or Tajik versions of all reports while the international consultants will be responsible for the English versions. (For specific tasks and responsibilities for the PPTA consultants, please see Supplementary Appendix D).

E. Implementation Arrangements

7. The PPTA will be implemented over 9 months from January to September 2014. The Ministry of Economic Development and Trade will be the executing agency while the Ministry of Education (MOE) and Ministry of Labor and Social Protection (MOLSP) will be the implementing agencies.

8. The proposed TA processing and implementation schedule is listed in Table A4.4.

Table A4.4: Technical Assistance Processing and Implementation Schedule

Major Milestones	Expected Completion Date
Reconnaissance Mission	24–30 Jan 2013
Initial TA Title and description (ITD) submission	26 Apr 2013
Draft TA Project Profile (TPP) submission	31 May 2013
Final TPP submission	4 Jul 2013
Project Concept Paper and PPTA approval	Dec 2013
Government Concurrence	Dec 2013
Pre-inception Mission	Feb 2014
PPTA Inception/Project Reconnaissance Mission	Apr 2014
PPTA Midterm Review Mission/Project Fact Finding	Jul 2014
PPTA Final Review	Sep 2014

Source: ADB staff.

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Tajikistan	Project Title:	Strengthening Private Sector Participation in Technical and Vocational Education and Training
Lending/Financing Modality:	Project	Department/ Division:	CWRD/CWPF

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy

The Government of Tajikistan (the Government) supports poverty reduction through a Population Wellbeing Improvement Strategy, 2013-2015 (PWIS) and a 10-year National Development Strategy 2007-2015 (NDS). The NDS aims to (i) promote inclusive and sustainable economic growth, (ii) improve public administration, and (iii) develop human resources by expanding access to basic social services including education. The overarching goal of the PWIS is to improve wellbeing of the population and reduce poverty through economic growth and achievement of the Millennium Development Goals. The PWIS aims to reduce poverty from 41% in 2011 to 32.5% in 2015 by generating new jobs and improving the social safety net. It identifies lack of education and technical skills as one of the causes of poverty and low-income employment, and supports development of the technical and vocational education and training (TVET) system. A high-quality TVET improves the technical skills and productivity of workforce and thus helps meet the demand of domestic and overseas labor markets and increase employment. The Asian Development Bank country partnership strategy 2010-2014 is aligned with the NDS and PWIS and supports improvement of the TVET system under the pillar of human resources and private sector development.

B. Targeting Classification

General Intervention Individual or Household (TI-H) Geographic (TI-G) Non-Income MDGs (TI-M1, M2, etc.)

The project is a general intervention. It will address poverty by reducing skills shortages, thus allowing youths and adults to find better paid jobs and increase their income opportunities. A skilled workforce is needed to promote Tajikistan's sustainable economic growth based on innovations and new technologies.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

The project will help reform and modernize the TVET system. About two thirds of the labor force in Tajikistan is low skilled, limiting their opportunities to low-wage employment and increasing poverty incidence. Limited basic competencies and a mismatch with the qualification requirements of employers, result in graduates not finding highly-paid jobs. At times, financial constraints prevent workers from enrolling in TVET. The poor and the socially excluded also have potential constraints in access to information on available opportunities on TVET programs and job opportunities. Students who join the workforce without completing 9-year secondary education face serious constraints in re-entry to the education system owing to absence of a national qualifications framework. Such a framework should have a defined system of knowledge and skills acquired in the workplace and other sources of learning as equivalent to certain academic units in the education system, to bring such workers up to the minimum requirements of Grade 9 and enable them to proceed to Grade 10. The target beneficiaries need access to quality TVET to improve their skills in occupations that are priority and in high demand. The primary beneficiaries are graduates of grades 9 and 11 from general secondary schools. The beneficiaries will enter the improved primary and secondary TVET system to obtain competitive technical qualifications and skills, thereby improving their opportunities for employment. Workers in the labor market who need to upgrade their skills or develop new skills will also benefit from the project. Through the Skills Training Fund, contracted training will be accessed by the poor and socially excluded, to improve their skills. Those coming from remote areas will be accommodated in dormitories. The skills certification program will formally acknowledge workers' skills, to give a positive signal to employers and result in better employability and higher earnings.

2. Impact channels and expected systemic changes.

The project will address constraints by modernizing and improving the TVET system focus, methodology, infrastructure, and teaching quality. The Project will establish a Skills Training Fund to increase access of training to disadvantaged and vulnerable groups including women. A social media outreach component will be used to develop a communication plan to increase information outreach and convey a more positive image of TVET.

3. Focus of (and resources allocated in) the PPTA or due diligence.

International and national consultants will be engaged for the PPTA to prepare the detailed design of the project. The Project has links to poverty and the team will explore ways to maximize impact on poverty reduction. The Skills Training Fund under the proposed project is intended primarily to address the training needs of the poor and vulnerable groups including women and out-of-school youths particularly in hard-to-reach areas, ethnic minorities,

abandoned families of migrant workers, and the handicapped. These groups will be identified during the PPTA and appropriate training interventions to address their needs will be developed and tendered to public and private training providers during project implementation.

II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program?

In Tajikistan women represent two-thirds of the population living below the poverty line. Their low economic participation and poor access to education translates into widespread gender inequality in the TVET sector. Unequal access to TVET is typical by gender (as well as those from rural areas, and the poor). This is usually the easiest form of inequity to document. It is estimated that only 30%¹ of TVET students and only 38%² of faculty staff are women (2012). Stereotypes of the domestic role of women, especially in rural areas, have a negative impact on women's enrollment in TVET. Low level of education and technical skills of women hinders their employability and increases their dependency on other members of the family. Beyond overall numbers, further inequity may occur in channeling female trainees into traditional female occupations, e.g., office work, sewing, and catering. These occupations tend to pay less than male-dominated occupations. However, attempts to divert females into nontraditional occupations (e.g., motor mechanics, plumbing, civil works) often run into the stone wall of gender stereotypes and can lead to frustration on the part of trainees. Key gender issues include: (i) limited access of women to non-traditional occupations such as motor mechanics, builder, electric engineering, medical technicians, and ICT which are better paid; (ii) limited access to TVET due to lack of dormitories with gender sensitive facilities and high cost of living; (iii) academic barriers in accessing TVET training; (iv) inadequate incentives including quotas and scholarships to encourage more females in nontraditional occupations; and (v) gender disparity in the TVET training force.

2. Does the proposed project or program have the potential to make a contribution to the promotion of gender equity and/or empowerment of women by providing women's access to and use of opportunities, services, resources, assets, and participation in decision making?

Yes No Please explain.

There is little that TVET alone can do to change entrenched stereotypes. But it can emphasize training for females in desirable jobs with higher relative incomes, e.g., medical technicians, ICT, and design. In many situations, women can be trained in service sector occupations for which demand is growing. An effective way to channel more female students into these nontraditional occupations is to train and recruit more female teachers in these fields. Typically, TVET institutions suffer from strong gender disparity in the training force. The project will contribute to gender equality by (i) increasing female enrollments in TVET, (ii) increasing training opportunities for female TVET teachers, (iii) promoting female participation in traditional and non-traditional skills and trades, and (iv) improving and developing gender-responsive infrastructure. A gender action plan with performance indicators will be developed to facilitate and promote increased women's participation in the project and benefit from it.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?

Yes No Please explain

4. Indicate the intended gender mainstreaming category:

GEN (gender equity theme) EGM (effective gender mainstreaming)
 SGE (some gender elements) NGE (no gender elements)

III. PARTICIPATION AND EMPOWERMENT

1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design.

The potential initial stakeholders include (i) TVET students, (ii) various government agencies (Ministries of Education, Labor and Social Protection, Finance, Economic Development and Trade, and Migration Services etc.), (iii) primary vocational education schools (lyceums), secondary vocational education schools (technical colleges), adult training centers, (iv) private sector employers, industries associations, (v) migrant workers, (vi) NGOs, women's groups, and (vii) international development partners. Consultations with all stakeholders will be held during the PPTA and project processing including community meetings, surveys, workshops, interviews, and focus group discussions (FGDs). FGDs will also be conducted with civil society groups to discuss gender mainstreaming.

2. How can the project contribute (in a systemic way) to engaging and empowering stakeholders and beneficiaries, particularly, the poor, vulnerable and excluded groups? What issues in the project design require participation of the poor and excluded?

Consultations will be conducted with the poor, vulnerable and excluded groups. Needs assessment of these groups will be conducted. Based on the needs assessment, relevant training sessions (including modules) will be designed and implemented. During the PPTA, a project participation plan and a stakeholder communication strategy will be

¹ Government of Tajikistan, Statistical Agency. 2012. *Statistical Bulletin*. Dushanbe.

² Government of Tajikistan, Ministry of Education. 2012. *Education Statistics*. Dushanbe.

<p>prepared to ensure involvement of clients and beneficiaries of the TVET system in the project design and implementation. The participation plan will also help develop a mechanism for continued stakeholder involvement as a dynamic tool to be updated over the course of the project implementation. The stakeholder capacity will be assessed to participate in the project implementation in a meaningful manner.</p>
<p>3. What are the key, active, and relevant civil society organizations in the project area? What is the level of civil society organization participation in the project design? The following are the relevant and active civil society organizations (CSO) in Tajikistan - Acted, DVV International, Habitat for Humanities, Operation Mercy, VSO, Mountain Society Development Support Project, Manbai Meher and Imkoniyyat, Bonui Asr, Youth House and Nidoi Asr. Some of these will be consulted during project preparation. (M)<input checked="" type="checkbox"/> Information generation and sharing (M) <input checked="" type="checkbox"/> Consultation (M)<input checked="" type="checkbox"/> Collaboration (M) <input checked="" type="checkbox"/> Partnership</p>
<p>4. Are there issues during project design for which participation of the poor and excluded is important? What are they and how shall they be addressed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The project will have features focusing on participation of the poor and excluded, including the disabled. One such feature is the Skills Training Fund which will provide contracted training to the poor and socially excluded to improve their skills.</p>
<p>IV. SOCIAL SAFEGUARDS</p>
<p>A. Involuntary Resettlement Category <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p>
<p>1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No The project will not expected to require any land acquisition. Civil works will be limited to construction or refurbishment of dormitories or classrooms on existing school property. No temporary or permanent land acquisition or other assets is required. Any project components with civil work requiring land acquisition are not expected to be included under the project.</p>
<p>2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process? <input type="checkbox"/> Resettlement plan <input type="checkbox"/> Resettlement framework <input type="checkbox"/> Social impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input checked="" type="checkbox"/> None</p>
<p>B. Indigenous Peoples Category <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p>
<p>1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No The project will not trigger the indigenous peoples safeguard as defined in the ADB SPS (2009).</p>
<p>3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No No indigenous community is expected to be affected during the project implementation.</p>
<p>4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process? <input type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Social Impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input checked="" type="checkbox"/> None</p>
<p>V. OTHER SOCIAL ISSUES AND RISKS</p>
<p>1. What other social issues and risks should be considered in the project design? <input type="checkbox"/> Creating decent jobs and employment <input checked="" type="checkbox"/> Adhering to core labor standards <input type="checkbox"/> Labor retrenchment <input type="checkbox"/> Spread of communicable diseases, including HIV/AIDS <input type="checkbox"/> Increase in human trafficking <input type="checkbox"/> Affordability <input type="checkbox"/> Increase in unplanned migration <input type="checkbox"/> Increase in vulnerability to natural disasters <input type="checkbox"/> Creating political instability <input type="checkbox"/> Creating internal social conflicts <input type="checkbox"/> Others, please specify _____ The project will not have any adverse social issues and risks. It aims to improve the TVET system and technical skills of graduates, and thereby increase their employability and income opportunities. The project components will comply with applicable labor laws and core labor standards including prohibition of child labor as defined in national legislation for construction and maintenance activities.</p>
<p>2. How are these additional social issues and risks going to be addressed in the project design? A more effective, efficient, competency-based, and flexible TVET delivery system, with improved linkages with industry will lead to a skilled and more enabled labor, able to meet labor market needs, increasing employment opportunities, especially in the formal sector. The project design will closely follow the International Labor Organization's methodologies and ensure compliance with the core labor standards.</p>
<p>VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT</p>
<p>1. Do the terms of reference for the PPTA (or other due diligence) contain key information needed to be gathered during PPTA or due diligence process to better analyze (i) poverty and social impact; (ii) gender impact, (iii) participation dimensions; (iv) social safeguards; and (vi) other social risks. Are the relevant specialists identified? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>2. What resources (e.g., consultants, survey budget, and workshop) are allocated for conducting poverty, social and/or gender analysis and participation plan during the PPTA or due diligence? International and national consultants will be engaged under for the PPTA to prepare the detailed design of the project.</p>