

Initial Poverty and Social Analysis

Project Number: 45010 December 2012

Mongolia: Skills for Employment Project

INITIAL POVERTY AND SOCIAL ANALYSIS

| Country: | Mongolia | Project Title: | Skills for Employment |
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| Lending/Financing | Project | Department/ | East Asia Department/Urban and Social |
| Modality: | | Division: | Sectors Division |

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

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

- 1. The project seeks to improve the quality and relevance of technical and vocational education and training (TVET) in Mongolia by strengthening TVET system in priority sectors, improving TVET institutional capacity, training of instructors, and curriculum development and implementation; fostering innovation through industry—TVET collaboration through public-private partnerships. These initiatives will help TVET providers produce graduates, including youth, unemployed adults, and the disadvantaged, with market-relevant skills capable of obtaining employment upon graduation, thereby promoting more inclusive growth.
- 2. The project responds to the Asian Development Bank (ADB) Country Partnership Strategy for Mongolia (2012-2016) which has a focus in achieving inclusive growth and social development, addressing the current skills mismatch, capitalizing upon the potential for public-private partnerships, and promoting access and equity for all citizens. The project has been identified in the ADB Country Operations Business Plan for Mongolia (2012-2014). ADB will coordinate with development partners and promote coherence in policy reforms while maintaining a strong focus of preparing skilled workers for employment in priority sectors of the economy. The project is also aligned with the Government's Action Plan 2012–2016 which highlighted employment as one of key development goals for Mongolia.

B. Targeting Classification

⊠General Intervention ☐Individual or Household (TI-H) ☐Geographic (TI-G) ☐Non-Income MDGs (TI-M1, M2, etc.) The project will enhance the quality and relevance of TVET that will benefit youth and adults, help TVET graduates to transition to the labor market, and support a reduction in unemployment.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

The primary beneficiaries of the project will be the Mongolian students who acquire relevant qualifications and are readily employable. There will be training programs specifically targeted at the unemployed and the vulnerable identified through a study of levels of access to TVET and affordability of TVET. The project preparatory technical assistance (PPTA) consultants will conduct a poverty and social analysis to assess the impact of the project on the poor and identify potential constraints and implementation opportunities. Issues to be investigated include labor market analyses with an emphasis on gender analysis, and better linking of enterprises to training providers. In 2009, 38% of the population was living below the national poverty line and almost one-third of workers were living with their families below the national poverty line. This suggests that even among workers, there is a high incidence of unstable and low productivity employment.

2. Impact channels and expected systemic changes.

The project will improve access of the poor and vulnerable to quality TVET programs suitable for their needs (training modalities, contents, subsidies, and other forms of support), and thereby enhancing their employability. It will focus on priority sectors of the economy which currently employ more than half of workers in Mongolia and have high labor absorption capacity.

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

Profiles of the labor market, students, their families (gender, age, income levels, occupations, etc.), and teachers in the TVET sector, levels of access to TVET and constraints for the unemployed and vulnerable groups, the affordability of TVET, subsidies and other support, and targeting mechanisms for the unemployed and vulnerable groups will be reviewed during project design. Criteria and procedures for selecting TVET providers to be supported in the project will include those which will promote access of the poor, unemployed, and vulnerable groups to TVET programs.

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? Although enrolment of women in TVET is reported to be on a par with enrolment of men, enrolment of women is concentrated in courses barely meeting labor market demands. This would lead to lifelong disparities in income and opportunity. It is envisaged that the project can help raise gender awareness among stakeholders (including recruiting enterprises), review admissions policies to ensure fair opportunity for both male and female students, address gender stereotypes in the TVET curriculum in training providers, and provide equal learning opportunities for

| all students and training opportunities to male and female TVET instructors. |
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| 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. Gender analysis will be conducted as part of the poverty and social analysis and gender actions will be incorporated in the design and implementation of the proposed project components. The gender analysis will identify strategies, mechanisms, and components for addressing gender concerns. The results and recommendations of gender analysis will be built into key outputs such as capacity development and training plans. A gender action plan will be prepared. |
| 3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality? ☐ Yes ☐ No Please explain The gender action plan will ensure there are specific actions taken to promote the participation of women in TVET training programs and address adverse impacts, if any. |
| 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 |
| Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design. The PPTA will clarify the stakeholders but an initial assessment has identified stakeholders as including central. |
| government agencies, employers, and industry generally, teachers, students, prospective students and their families, and citizens wanting training opportunities. |
| 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? |
| Extensive consultations are planned so that the final project design reflects the needs of all stakeholders. |
| 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? ☑ Information generation and sharing (M) ☑ Consultation (H) ☑ Collaboration (M) ☐ Partnership |
| 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? ☑ Yes ☐ No |
| Levels of access of the poor, unemployed and vulnerable groups to TVET, its affordability, subsidies, other support, and targeting mechanisms to improve their access are important issues to be taken into account during project design. Poverty and social analysis will look into those issues and measures will be incorporated into a social action plan. Moreover, in the course of labor market analyses in priority sectors, focus group discussions with unemployed and vulnerable groups will be conducted and trades and occupations which may have impact on their employment will be selected for investments in the project. |
| IV. SOCIAL SAFEGUARDS |
| A. Involuntary Resettlement Category A B C FI |
| 1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? Yes No |
| No land or property acquisition is expected under the project. |
| 2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process? ☐ Resettlement plan ☐ Resettlement framework ☐ Social impact matrix ☐ Environmental and social management system arrangement ☐ None |
| B. Indigenous Peoples Category |
| Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? ☐ Yes ☒ No The project will not target any specific ethnic groups. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? ☐ Yes ☒ No |

| 3. Will the project require broad community support of affected indigenous communities? ☐ Yes ☒ No 4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process? ☐ Indigenous peoples plan ☐ Indigenous peoples planning framework ☐ Social Impact matrix ☐ Environmental and social management system arrangement ☒ None | | |
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| V. OTHER SOCIAL ISSUES AND RISKS | | |
| 1. What other social issues and risks should be considered in the project design? ☐ Creating decent jobs and employment (H) ☐ Adhering to core labor standards ☐ Labor retrenchment ☐ Spread of communicable diseases, including HIV/AIDS ☐ Increase in human trafficking ☒ Affordability (M) ☐ Increase in unplanned migration ☐ Increase in vulnerability to natural disasters ☐ Creating political instability ☐ Creating internal social conflicts ☐ Others, please specify | | |
| 2. How are these additional social issues and risks going to be addressed in the project design? Poverty and social analysis will review the affordability of TVET for the poor, unemployed, and vulnerable groups, taking into account subsidies and other support and targeting mechanisms. Labor market analyses will identify trades and occupations which provide stable, high productivity employment, and are inclusive of women and the poor/vulnerable. | | |
| VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT | | |
| 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? Yes No | | |
| participation dimensions; (iv) social safeguards; and (vi) other social risks. Are the relevant specialists identified? | | |