

## ATTACHED TECHNICAL ASSISTANCE

### A. Introduction

1. The proposed capacity development technical assistance (TA) is being processed at the request of the Department of Higher Education (DOHE) of the Government of Kerala and the secretariat for the Additional Skill Acquisition Program (ASAP) in support of the Asian Development Bank (ADB)-funded results-based lending program, Supporting Kerala's Additional Skill Acquisition Program in Post-Basic Education. DOHE is the executing agency and the ASAP secretariat is the implementing agency for the proposed ADB loan. The TA will accompany the loan. The results framework, implementation arrangements, cost estimate, and terms of reference of the TA were discussed with DOHE and the ASAP secretariat during the fact-finding mission (9–24 June 2014) and have been cleared by them.<sup>1</sup>

2. ASAP has been designed to complement post-basic education (higher secondary [grades 11 and 12] and undergraduate college) with market-driven vocational training and career counseling to make it more employment-oriented. The proposed loan will reinforce ASAP's efforts to provide the disadvantaged youth of Kerala, enrolled in government and government-aided schools and colleges, with the opportunity to improve their English communication and basic information technology and soft skills, and to gain proficiency in vocational skills focusing on the high-growth service sector and emerging technology areas. By providing additional skills and career counseling, ASAP will enhance the employability of the youth while they pursue post-basic education. The impact of the loan will be increased employment of Kerala's youth aged 15–24. The outcome will be increased employability of ASAP certificate holders. If ASAP is successful, it will provide a replicable model for other states that are struggling with low employability of graduates. However, significant capacity development will be required to ensure successful implementation and sustainability of the reforms initiated by ASAP. The proposed TA is being designed to provide the required support. It will be implemented over 2 years, from April 2015 to April 2017.

### B. Outputs and Key Activities

3. The TA will support the following major outputs and related activities:

(i) **Market-relevant vocational training offered.** The activities are:

- a. Skill-gap analysis will be undertaken to understand market demand for skilled workers within and outside Kerala, and to map it to the aspirations of the youth. This analysis will build on existing work, and mainstream gender concerns to understand demand for skilled women and men, identify potential barriers and opportunities, and guide ASAP accordingly.
- b. The findings of this analysis will be used to update the vocational courses (level 1) now offered by ASAP and ensure alignment with market needs. Irrelevant courses will be withdrawn. The ASAP secretariat will also be assisted in designing intermediate and advanced vocational courses (levels 2 and 3) equivalent to levels 6 and 7 of India's National Skills Qualification Framework (i.e., advanced diploma). These courses will expand ASAP's course offerings and prepare students for higher-skill jobs

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<sup>1</sup> The TA first appeared in the business opportunities section of ADB's website on 20 June 2014.

in modern companies. This will enable ASAP to benchmark its quality and competency standards to international levels. All effort will be made to ensure that ASAP courses are designed and delivered in a gender-responsive and gender-sensitive manner.

- c. This exercise will also help to inform the menu of vocational courses to be offered in the different community skills parks and skill development centers thereby strengthening ASAP's market alignment.

(ii) **Public–private partnerships formed to strengthen industry engagement.**  
The activities are:

- a. Strengthening ASAP's partnerships with sector skills councils and industry to market Kerala as a human resource hub. For example, ASAP has signed memoranda of understanding with several sector skills councils covering sectors such as automotive, capital goods, construction, plumbing, retail, and rubber.
- b. Forging partnerships with modern companies so that skilled ASAP graduates can get placed with them. This will help ASAP in benchmarking the design and quality of its training to the expectations of industry.
- c. Outsourcing operation and maintenance of the community skills parks to the private sector to facilitate stronger market engagement.

(iii) **Capacity for monitoring and evaluation, mainstreaming of gender concerns, and knowledge dissemination strengthened.** The activities are:

- a. Designing an index of employability in consultation with industry associations, and undertaking pilot studies to refine it.
- b. Undertaking tracer studies to monitor the effectiveness of ASAP's training in enhancing the employability of ASAP candidates.<sup>2</sup> This will help build on the feedback received from the firms where ASAP students do internships.
- c. Tracking a sample of ASAP students who opt to look for jobs within 2–3 months of getting the certificate. The management information system set up by ASAP will be able to tag such students who can then be covered under the tracer studies to track employment outcomes.

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<sup>2</sup> Employability refers to a person's capability to gain and retain employment. It depends on a mix of factors: a person's vocational skills in line with market needs, soft skills such as fluency in the main business language, and awareness of and ability to access relevant job opportunities. It is context-specific and affected by both supply-side and demand-side factors, which are often outside an individual's control. Since most ASAP certificate holders will not look for jobs immediately because they may wish to complete their education, it is necessary to design an index of employability and to track it so that ASAP's effectiveness can be assessed.

- d. Analyzing the factors that determine the behavior of Kerala's young women and men with respect to education and workforce participation.<sup>3</sup> Based on this analysis, guide the ASAP secretariat on how it can improve the retention of students at the higher secondary and undergraduate levels, and how courses of interest to both men and women can be designed. The menu of service-sector-oriented vocational training being offered by ASAP will open up good career opportunities for women.
- e. Developing the capacity of ASAP secretariat staff, program managers, and institutional partners so that the foundation and vocational courses continue to be designed and delivered effectively.
- f. Supporting the ASAP secretariat in training master trainers.
- g. Preparing knowledge products and organizing workshops for stakeholders to promote exchange of experiences and cross-learning.

### C. Cost and Financing

4. The TA is estimated to cost \$1.5 million, and will be financed on a grant basis by the Japan Fund for Poverty Reduction and administered by ADB. The state government will support the TA in the form of counterpart staff, limited office accommodation and supplies, and other in-kind contributions.

**Table 1: Cost Estimates and Financing Plan**  
(\$'000)

Item	Amount
A. Japan Fund for Poverty Reduction <sup>a</sup>	
1. Consultants	1,243.9
a. Remuneration and per diem	1,186.0
i. International consultants	367.4
ii. National consultants	818.6
b. International and local travel	53.4
c. Reports and communications	4.5
2. Equipment	15.0
3. Training, seminars, and conferences	30.0
a. Facilitators	0.0
b. Training program	0.0
4. Surveys	55.0
5. Miscellaneous administration and support costs	5.0
6. Contingencies	151.1
Total	1,500.0

Note: The technical assistance is estimated to cost \$1.5 million, of which contribution from the Japan Fund for Poverty Reduction is presented in the table above. The government will provide counterpart support in the form of counterpart staff, limited office accommodation, and other in-kind contributions. The value of government contribution is estimated to account for 20% of the total technical assistance cost.

<sup>a</sup> Administered by Asian Development Bank.

Source: Asian Development Bank estimates.

<sup>3</sup> For example, the dropout rate of male students, from the secondary to the higher secondary and college levels, is higher than that of female students. There is a tendency among women to pursue higher education and get multiple degrees, and not to join the workforce.

## D. Implementation Arrangements

5. DOHE will be the executing agency and the ASAP secretariat will be the implementing agency. The secretariat has been operating since July 2012. A State Level Empowered Committee (under the chairmanship of the chief secretary, state government) has been formed to guide the implementation of ASAP. The additional chief secretary, DOHE is the convener of this committee and is overall in charge of ASAP. Program implementation is supervised by the additional secretary, DOHE, who also heads the ASAP secretariat.

6. ADB will engage a national consulting firm to provide 96 person-months of inputs (24 person-months international, 72 person-months national) (Table 2). The selection and engagement of consultants will be carried out in accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). The consulting firm will be selected on the basis of full technical proposal in accordance with the quality- and cost-based selection procedures. Given the highly specialized nature of some of the proposed TA tasks, a quality–cost ratio of 90:10 will be followed. The outline terms of reference for consultants are accessible from the list of linked documents in the Report and Recommendation of the President (Appendix 2). All disbursements under the TA will be done in accordance with ADB's *Technical Assistance Disbursement Handbook* (2010, as amended from time to time). All TA-financed goods and equipment such as computers, facsimile machine, multimedia projector, photocopier, printer, and other required items will be procured in accordance with ADB's Procurement Guidelines (2013, as amended from time to time). The procured equipment will be handed over to the ASAP secretariat upon TA completion. The TA will be implemented over 24 months, expected to be from April 2015 to April 2017.

**Table 2: Summary of Consulting Services**

Area of Expertise	Duration (person-months)
<b>A. International</b>	
1. Human development economist/team leader	13
2. Program management cum institutional strengthening specialist	11
<b>Subtotal</b>	<b>24</b>
<b>B. National</b>	
1. Vocational training specialist	11
2. Labor market specialist	11
3. M&E and survey specialist	11
4. Industry engagement specialist	10
5. Communications specialist	10
6. Social development (gender) specialist	9
7. PPP specialist	10
<b>Subtotal</b>	<b>72</b>
<b>Total</b>	<b>96</b>

M&E = monitoring and evaluation, PPP = public–private partnership.

Source: Asian Development Bank.