



# India: Assam Skill University Project

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| Project Name   | Assam Skill University Project  |
| Project Number   | 53277-002   |
| Country  | India   |
| Project Status   | Proposed  |
| Project Type / Modality of Assistance                      | Loan  |
| Source of Funding / Amount                                 | <div>Loan: Assam Skill University Project</div> <div>Ordinary capital resources</div> <div>US\$ 112.00 million</div>  |
| Strategic Agendas  | Environmentally sustainable growth<br>Inclusive economic growth<br>Regional integration   |
| Drivers of Change  | Governance and capacity development<br>Knowledge solutions<br>Partnerships<br>Private sector development  |
| Sector / Subsector   | Education - Technical and vocational education and training - Tertiary  |
| Gender Equity and Mainstreaming                            | Gender equity   |
| Description  | <p>The project aims to strengthen industry-aligned and flexible skills education and training system in Assam through the establishment of a skill university by (i) developing university management and operating systems, business models, and faculty development and management systems developed; (ii) developing environmentally sustainable and climate resilient university campus and facilities; (iii) designing and delivering industry-aligned skills education and training programs; (iv) strengthening engagement in industry-relevant applied research and development (R&amp;D); and (v) enhancing international and regional cooperation in skills education and training.</p>   |
| Project Rationale and Linkage to Country/Regional Strategy | <p>Assam is situated in a strategic position in the northeastern region of India which lies at the center of various regional cooperation programs. The economy of Assam is the largest in the region, contributing to 61% of the region's gross domestic product (GDP) in the fiscal year (FY) 2017. Despite its abundant natural resources and higher proportion of young population (under 40 years of age) than the rest of India, Assam has yet to unleash the growth potential. In FY2017, the state's GDP accounted for less than 1.7% of the national GDP and its share in national exports registered around 0.1%. Being landlocked and largely rural, and with underdeveloped infrastructure, Assam's economy is dominated by low value added, natural resource-based products and is poorly integrated with regional and global value chains. Its manufacturing sectors are undiversified and small in terms of outputs and capital investment. Studies conducted by ADB indicate that aggressive infrastructure and industrial development, specifically, corridor-based industrial development, is necessary for Assam to grow the economy. Yet limited availability of skilled workforce has been identified as one of constraints to effective implementation of this strategy.</p> <p>Fewer prospects for socioeconomic development have propelled out-migration for jobs and education, leading to shortages of skills for manufacturing and services in the state. The incidence of poverty in Assam remains higher than the national average, which has worsened amid the novel coronavirus disease (COVID-19) pandemic. In 2018, 82% of the population aged 15 years and above completed education up to grade 10 and below (including no education), while 13% attained grades 11-12, and only 5%, higher education. Technical and vocational education and training (TVET) and higher education in Assam is undersupplied, as suggested by the number of industrial training institutes (ITIs) per million population (1 in Assam as opposed to the national average of 11 in 2018-2019), the number of colleges per 100,000 population aged 18-23 (15 as opposed to the national average of 28), and the gross enrollment ratio in higher education for the population aged 18-23 (18.7% as opposed to the national average of 26.3%; 18.3% for female and 19.1% for male as opposed to the national average of 26.4% and 26.3%).</p> <p>In August 2020, the Assam Legislative Assembly passed the Assam Skill University Bill to establish the Assam Skill University (ASU) in compliance with the regulations of the University Grants Commission. The Government of Assam envisages ASU to fill gaps in the provision of multidisciplinary skill education and training integrated with higher education, conduct applied R&amp;D, and raise skill levels in various industries of Assam and the northeastern region. The government also expects ASU to cater for the needs of students, TVET and higher education institutions, and industries in neighboring countries (Bangladesh, Bhutan, Myanmar, Nepal) which face similar challenges in skills education and training and with which the state has long-standing relationships. ASU will be in Mangaldoi, located about 74 km east of Guwahati (the largest city in Assam), and falling within 25 km of the National Highway 27 (NH-27) connecting Guwahati with other major cities in Assam. NH-27 is integrated with other modes of transport (i.e., airways, waterways, and railways) and provides important connectivity to neighboring states and countries. Based on its connection to economic centers and border centers, Mangaldoi has been identified as a potential manufacturing center for electrical equipment, electronics, plastics, and pharmaceuticals in the ADB studies. The studies also indicate growth potential for higher education, medical tourism, information technology (IT), and IT-enabled services, aircraft maintenance, repair, and overhaul, and agro- and food processing industries in Assam. Moreover, major infrastructure projects (e.g., hydropower, multimodal logistics parks) are ongoing or planned. To leverage these industrial and infrastructure development initiatives for socioeconomic development, Assam needs higher-level skills, especially at the National Skills Qualification Framework level 5 and above, which are well aligned with industry demands.</p> |
| Impact   | Decent employment for all ensured<br>Inclusive and sustainable infrastructure and industrial development accelerated  |
| Outcome  | Industry-aligned and flexible skills education and training system strengthened in Assam  |
| Outputs  | University management and operating systems business models, and faculty development and management systems developed<br>Environmentally sustainable and climate resilient university campus and facilities developed<br>Industry-aligned and flexible skills education and training programs designed and delivered<br>Engagement in industry-relevant applied research and development strengthened<br>International and regional cooperation in skills education and training enhanced   |
| Geographical Location                                      | Assam   |
| Safeguard Categories                                       |   |
| Environment  | B   |

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| Involuntary Resettlement | C |
| Indigenous Peoples       | B |

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| Summary of Environmental and Social Aspects                |                  |
| Environmental Aspects                                      |                  |
| Involuntary Resettlement                                   |                  |
| Indigenous Peoples   |                  |
| Stakeholder Communication, Participation, and Consultation |                  |
| During Project Design                                      |                  |
| During Project Implementation                              |                  |
| Business Opportunities                                     |                  |
| Consulting Services  | To be determined |
| Procurement  | To be determined |

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| Responsible ADB Officer    | Maruyama, Asako  |
| Responsible ADB Department | South Asia Department  |
| Responsible ADB Division   | Human and Social Development Division, SARD  |
| Executing Agencies         | Assam Urban Infrastructure Development and Management Agency (AUIDMA) - Guwahati Development Department<br>3rd Floor, Tripti Tower, Ganeshguri<br>Guwahati-781105<br>Skill Employment & Entrepreneurship Department<br>Skill, Employment And Entrepreneurship Department Block-C, Assam Secretariate, Dispur, Guwahati |

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| Timetable           |                            |
| Concept Clearance   | 18 Dec 2020                |
| Fact Finding        | 25 Jan 2021 to 05 Feb 2021 |
| MRM                 | 02 Apr 2021                |
| Approval            | -                          |
| Last Review Mission | -                          |
| Last PDS Update     | 18 Dec 2020                |

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| Project Page            | <a href="https://www.adb.org/projects/53277-002/main">https://www.adb.org/projects/53277-002/main</a>   |
| Request for Information | <a href="http://www.adb.org/forms/request-information-form?subject=53277-002">http://www.adb.org/forms/request-information-form?subject=53277-002</a> |
| Date Generated          | 22 December 2020  |

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