

DEVELOPMENT COORDINATION

A. Major Development Partners: Strategic Foci and Key Activities

1. Within the education sector, primary education has along received the largest share of the external development financing provided to Bangladesh. Although development partners currently support primary education more than they do secondary education, interest in increasing funding at the secondary school level is growing. Many development partners view the creation of employment opportunities as key to poverty reduction and higher economic growth and are therefore either supporting some form of skills development already or are keen to do so. Fragmentation in the system of skills development, a lack of unified funding or a common results framework, and weak linkages between the training provided and labor market needs have limited the outcomes and growth of skills development. This may be rapidly changing, however. The government has approved the National Skill Development Policy (NSDP), and serious discussion is underway about establishing a National Human Resource Development Fund (NHRDF) by 2015 and a new ministry or authority to coordinate the skills development sector. This is elevating the importance of skills development for the government and the country's development partners, whose funding to projects that contribute to skills development is detailed in Table 1.

Table 1: Major Development Partners in Skills Development

Development Partner	Project/Program Name	Duration	Amount (\$ million)
ADB	Skills Development Project	July 2008–June 2014	30.00
	Second Post Literacy and Continuing Education Project	July 2002–June 2013	50.00
Department of Foreign Affairs, Trade and Development, Canada	Basic Education for Hard to Reach Urban Working Children	July 2004–July 2014	10.23
	Skills and Training Enhancement Project	2013–2017	18.00
	Bangladesh Skills for Employment and Productivity	Mar 2013–Mar 2017	17.76
DFID	Skills and Employment Program of Bangladesh	April 2014–March 2019	30.00
EU	TVET Reform Project	Dec 2007–June 2014	20.00
KOICA	Chittagong Technical Training Center	2011–2013	4.80
	Modernization and Strengthening of Training Institute for Chemical Industry	2013–2016	5.00
SDC	PLCE II	July 2002–June 2013	5.00
	Skills Development Project	July 2008–June 2014	3.00
	COEL	April 2012–March 2015	1.00
	Promoting Decent Work through Improved Migration Policy and its Application in Bangladesh	July 2011–June 2015	3.50
	Basic School System and Adolescent Girls' Program	June 2011–May 2015	8.15
Sida	Skills for Unemployed and Underemployed Labor	Dec 2011–Aug 2014	7.00
	Basic Education for Hard to Reach Urban Working Children	July 2004–July 2014	21.85
IDA	Skills and Training Enhancement Project	July 2010–June 2015	79.00

ADB = Asian Development Bank, COEL = Center for Excellence in Leather Industry, DFID = Department for International Development of the United Kingdom, EU = European Union, IDA = International Development Association, KOICA = Korea International Cooperation Agency, PLCE = post literacy and continuing education, SDC = Swiss Agency for Development and Cooperation, Sida = Swedish International Development Agency, TVET = technical and vocational education and training.

B. Institutional Arrangements and Processes for Development Coordination

2. Development coordination is currently conducted mainly through the skills development working group, a subgroup of the local consultative group that meets regularly and comprises the government, development partners, and nongovernmental organizations. Given the wide interest of development partners in supporting skills development, the approval of the NSDP and the government's initiative through its National Skill Development Council (NSDC) to

facilitate coordination between government agencies involved in skills development to implement NSDP effectively, the timing is ripe to move to a sector-wide approach (SWAp) in the skills development sector. This and the discussion of the establishment of an NHRDF and a new skills development ministry or authority make further coordination and joint efforts in the sector imperative.

C. Achievements and Issues

3. More than 20 ministries and departments are currently involved in some form of skills development, although the principal actors are the Ministry of Education, the Ministry of Expatriates' Welfare and Overseas Employment, and the Ministry of Industries. Several skills development projects are being funded by the government either exclusively or in partnership with one or more of the development partners. These projects address some important challenges in the sector but have a narrow scope and are limited in their support for major reforms and a major scaling up of training. Planning and management in the sector remain fragmented and are weakened by overreliance on ad hoc external project arrangements. The government is eager to move toward a SWAp by 2017 to address this problem. In the interim, the government wants to harmonize external support and programs in skills development within a common framework that is aligned with the NSDP. This will require a reduction in duplication and redirection of resources to priority sectors and skills. The SEIP design proposes a draft SWAp framework for review by the government, interested development partners, and other stakeholders and to work together to establish the approach by 2017. Table 2 summarizes the key features of the proposed SWAp in skills development.

Table 2: Road Map to Sector-Wide Approach for Skills Development, 2014–2023

Areas	Current Status (FY2013)	FY2014–FY2017	FY2018–FY2023
I Sector Planning, Financing, and Management			
1. Sector program	NSDP approved by Cabinet. No coherent sector program developed. Skills development implemented by more than 20 ministries, NGOs, and the private sector. NSDC is coordinating, as per the NSDP	Implementation of NSDP initiated. SDPF with targets and funding developed and approved, and implementation initiated in coordination with potential DPs. NSDP fully costed and included in MTBF	SDPF refined as appropriate to ensure synergy with macro policies and fully implemented in partnership
2. Projects	Isolated projects with limited communication and coordination	Discrete projects continue within SDPF with the provision of common planning, review, and monitoring arrangement. All new projects developed and approved in line with SDPF. Some projects merge within NSDP envisaged planning framework and SEIP program	Provision of discrete projects only for special interventions. Number of discrete projects reduced. All projects contribute to SDPF objectives and targets
3. Management of projects	All projects implemented through PMUs, each headed by a project director (PD).	Implementation through PMUs continues with possibility of sharing PMUs. Assigning focal persons in regular positions of co-implementing agencies encouraged (for example, DG, DTE can be designated as focal person of DTE wide program)	Regular structure of co-implementing agencies implement skills development program and serve as focal agency for concerned projects.
4. Budgeting and financing	Artificial categorization of development and non-development projects and DP support provided only for development projects. Inadequate financing for skills development. Recognition in NSDP of need to set up a NHRDF	Revenue and capital budget categorization initiated and DP funds to be used for the program as a whole under MTBF. Channeling funds through treasury system initiated. NHRDF established to fund SDPF targets, and funds mobilized to meet targets for	NHRDF serves as a unified funding window for skills development. All DP fund channeled to this fund within the MTBF to ensure adequate funding

Areas	Current Status (FY2013)	FY2014–FY2017	FY2018–FY2023
5. Institutional development	No unified management structure or implementation and performance framework aligned to NSDP. Government training providers operating under different ministries, with private and nongovernment organizations sector dominating the provision of training. System characterized by duplication, fragmentation of effort, and disconnect from NSDP	training and job placements Government skill training agencies restructured in line with NSDP and its implementation framework (SDPF) and institutional development plan, including decentralization plan developed and approved. Building on NSDC initiatives, a new skills ministry or skills authority established for coordination, funding, monitoring, and reporting. Centers of excellence along the line of COEL initiated	A new ministry or skills authority along with decentralized skills development system fully operationalized. Centers of excellence expanded in public and private sector to meet national and international skills needs
6. Monitoring and evaluation	Only project specific M&E exists. NSDC initiating coordination and monitoring but the system yet to be established. Limited or no research on tracer studies and skills gap	Sector M&E system and database established with common monitoring, and projects follow similar approach. Annual sector performance reporting established to capture all targets and priorities	Sector M&E system fully operationalized and contributing to improvements in sector performance
7. Access, equity and dignity	National Strategy for Gender Mainstreaming in TVET approved but yet to be implemented. NSDP has prioritized and identified disadvantaged groups.	Approved National Strategy for Gender Mainstreaming in TVET implemented with adequate M&E and specific reporting on key performance indicators	Appropriate measures taken to ensure desired and visible impact of National Strategy for Gender Mainstreaming and equity areas
II. Development Partners			
8. DP coordination and harmonization	Some efforts for coordination with limited harmonization but largely project-focused, not sector-focused. Project specific mechanisms and procedures set up	Joint planning and review missions initiated. Harmonized approach initiated where feasible under government leadership	Full harmonization of procedures, with common monitoring report and progress review. Harmonized approach ensured through a common agreement
9. Alignment with country system	DPs largely use their own procedures, including financial management (e.g. separate accounts) and procurement management	Country system assessed. Use of country system initiated where feasible and relevant. Joint policy dialogue and capacity development in key areas initiated	Expanded use of country system. DPs contribute to system improvement. Joint fiduciary oversight conducted
10. DP support instrument	Project aid- and transaction-based support (disbursement based on activities and inputs)	Joint fiduciary oversight conducted, where feasible Mixture of inputs and result-based financing (use of disbursement-linked indicators)	Expanded use of result-based financing
11. Technical Assistance	Consultant-driven implementation of projects	TA to support the Institutional Development Plan. Institutional assessment completed and twinning arrangement introduced. TA coordination initiated	Continued TA support through a coordinated TA facility and expanded twinning arrangement

COEL = center of excellence in leather, DG = director general, DP = development partner, DTE = directorate of technical education, M&E = monitoring and evaluation, NGO = nongovernment organization, NHRDF = national human resource development fund, NSDC = national skill development council, NSDP = national skills development policy, PMU = program management unit, SDPF = skills development program framework, TA = technical assistance, TVET = technical and vocational education and training.

Sources: National Skill Development Policy, 2011; ADB staff.