

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Bangladesh	Project Title:	Skills for Employment Investment Program
Lending/Financing Modality:	Multitranche Financing Facility	Department/Division:	South Asia Department/Human and Social Development Division

<p>I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY Targeting classification: general intervention</p>
<p>A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy</p> <p>The economy of Bangladesh has grown at more than 6% each year since 2003, and the poverty head count index declined from 57% in 1992 to 31% in 2010. The government’s sixth five-year plan for FY2011–FY2015 aims to accelerate the average annual growth rate to 7.3% during the period and to reduce poverty by substantially boosting private sector investment, developing infrastructure, and building human resources through improved services.^a The government aims to achieve middle income status by 2021. To do this, the economy must increase the proportion of higher value-added manufacturing from 18% to 25% of the gross domestic product. This will depend mainly on increasing investment, improving labor productivity by enhancing work force skills, and increasing trade. The sixth five-year plan seeks to reduce the underemployment rate to 15% from 20.31% in 2010 and to change sector shares in employment to 30% (from 47%) in agriculture, 25% in industry (from 18%), and 45% in services (from 35%) by 2021.</p> <p>The 2011–15 country partnership strategy (CPS) of the Asian Development Bank (ADB) for Bangladesh is aligned with the government’s sixth five-year plan and its Perspective Plan 2021, as well as with ADB’s Strategy 2020.^b The CPS focuses on six strategic sectors, one of which is education. Gender equity is a key thematic driver. In line with the CPS and the thrust of the government’s National Education Policy 2010 and its National Skill Development Policy 2011, ADB will help the government improve the quality and relevance of the education system and the skills of the country’s labor force, which in turn will help reduce poverty and enhance economic growth. ADB will provide increased assistance for skills training to better meet current and future labor market needs. This will include assistance to build sustainable technical and vocational education and training (TVET) capacity.</p> <p>The proposed ADB Skills for Employment Investment Program (SEIP) will help make TVET graduates more employable and increase their future incomes by supporting the implementation of the government’s National Education Policy and the National Skills Development Policy. These policies aim to provide school dropouts and new literates with professional values and skills. The SEIP will also support the country’s National Policy for Women’s Advancement, which seeks to eliminate all forms of discrimination against women by empowering them to become equal partners in development. It will also support another goal of the five-year plan—inclusive economic growth—by ensuring that project benefits will reach women, the poor, and other disadvantaged groups.</p>
<p>B. Results from the Poverty and Social Analysis during PPTA or Due Diligence</p> <p>1. Key poverty and social issues.</p> <p>Although economic growth has accelerated from an annual average of 5% during 1990-2000 to more than 6% since 2003, poverty remains a major challenge. The portion of the population living at or below the poverty line of \$1.25 per day is still high at 43.3% in 2010, although significantly down from 58.6% in 2000.^c The labor force participation rate for the 15–24 age group averaged 58.90% in 2011 and participation was higher for males (66.80%) than for females (50.70%).^d More than 60% of workers in the labor force have either no formal education at all (40%) or only primary school education (22.8%). Only 4% have vocational education. The average wage has remained low at Tk200 per day for day laborers. This demonstrates the critical need for Bangladesh to move away from the current low-skill, low-wage equilibrium to a higher skill, higher wage virtuous cycle if it is to transition to middle-income country status. To produce a significant improvement in the economy, investments in human development, particularly skills development, are necessary. In FY2009, only 2.43% of the education budget went to technical and vocational education.^e Currently, only about 500,000 people receive skills training annually, compared with the actual industry need of at least 2 million. Of the 453,375 TVET students enrolled in 2008, only 24% were females. Only about one-fifth of the instructors in technical institutes were women.</p> <p>Recognizing that the TVET system is out of touch with the demands of industry, the government initiated a reform agenda in 2011. The reforms aim to (i) reduce chronic mismatches in the demand and supply of skills; (ii) scale up skills training by mobilizing more resources; (iii) enhance the capacity to coordinate, finance, and assure the quality of TVET programs; (iv) provide better quality courses that are recognized nationally and internationally; (v) train qualified staff in a combination of technical and teaching skills; and (vi) establish and strengthen the links between industry and TVET institutions. To help achieve the government’s goals, the SEIP will support the delivery of market-responsive, inclusive skills training; the development of qualification packages; the training of teachers; the improvement of training facilities; the strengthening of relevant TVET institutions; the establishment of a robust</p>

monitoring and evaluation system; and the strengthening of planning and budgeting in the TVET sector.

2. Beneficiaries.

The SEIP targets new entrants as well as those already in the work force and focuses on increasing the participation of women, the poor, ethnic minorities, and persons with disabilities.

3. Impact channels.

Impacts will be measured against (i) enrollment and completion of skills training of target groups in priority skills, and employment rate of graduates and (ii) share of people with vocational training in labor force.

4. Other social and poverty issues.

To make TVET accessible, the SEIP will address the specific needs of females, persons with disabilities, as well as those from ethnic minorities who have additional disadvantages. It will also address issues of safety, gender-based discrimination, extreme poverty, culturally inappropriate facilities, and accessibility of the differently-abled by targeting training in each priority sector.

5. Design features.

The program incorporates design features that address gender equity and equality of opportunities. These are detailed in the gender action plan (GAP). By improving the quality of the training and conducting a social marketing campaign, the SEIP will help improve the poor perception of the TVET sector that potential students and employers currently have. Social marketing will include strategies to attract more females to the priority sectors of the program. The SEIP will incorporate design features to address gender equity, access for vulnerable groups and disadvantaged regions, and affordability for poor students by strengthening the training in the informal sector.

II. PARTICIPATION AND EMPOWERING THE POOR

1. Summary of the participatory approaches and the proposed project activities that strengthen inclusiveness and empowerment of the poor and vulnerable in project implementation.

Representatives of the project stakeholders were consulted during program preparation. The stakeholders consulted were the TVET regulating body, those responsible for labor market functioning, industry and other employers, private and nongovernment organization providers of TVET, and development partners. The program will seek inputs from other stakeholders, such as trade unions, new TVET students, TVET graduates, parents, and international employers, and secondary and higher education institutions to improve the quality of training.

2. If civil society has a specific role in the project, summarize the actions taken to ensure their participation.

Public consultations were conducted with industry associations, public training institutions, the Bangladesh Bank small and medium enterprise program, and Palli-Karma Sahayak Foundation, which partners with more than 200 nongovernment organizations. Regular consultation will be undertaken during program implementation not only to identify any program-related grievances but also to seek feedback from the community on how it sees the program achieving its targets.

3. Explain how the project ensures adequate participation of civil society organizations in project implementation.

This will be done through constant dialogue, workshops, training programs, and dissemination of findings from monitoring and evaluation.

4. What forms of civil society organization participation is envisaged during project implementation

Information gathering and sharing Consultation Collaboration Partnership

5. Will a project level participation plan be prepared to strengthen participation of civil society as interest holders for affected persons particularly the poor and vulnerable? Yes. No.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: Gender Equity (GEN)

A. Key issues. Female participation in TVET is very low, ranging from 9% to 13% in public institutions and averaging 33% in private institutions. Tracking by gender is rampant, with females and males being channeled into different occupational paths, resulting in different earnings, and further reinforcing gender-based occupational segregation. While this may be a direct result of individual career choices based on established social views on the appropriate occupations for men and women, the prevailing TVET environment is also a strong factor in discouraging women from going into nontraditional occupations. Some factors that determine a female's ability to enter nontraditional courses include (i) the presence or absence of female-friendly training facilities; (ii) attitudes of career counselors towards females taking on nontraditional job training; (iii) the degree of gender-sensitivity in the training programs; (iv) the presence or absence of female models and teachers in nontraditional occupations; (v) limited incentives, such as stipends for the poor; (vi) entry requirements that may inhibit females' participation, such as prior learning in nontraditional trades; and (vii) the uncertain employment prospects for females enrolled in nontraditional courses. Obstacles also include the fact that females are made responsible for most household work. Safety and protection from sexual harassment are also special issues for women.

B. Key actions.

Gender action plan Other actions or measures No action or measure

The program will address gender issues in TVET education by (i) targeting an increase in female enrollment in occupations in the identified priority sectors; (ii) increasing the number of women trainers and assessors, and the number of and women members of the Equity Advisory Committee and the Industry Skills Councils; (iii) supporting women-friendly training environments and facilities including gender-sensitive teachers and counselors; (iv) creating a project monitoring system with gender indicators that track the progress in access by women to TVET and trace their employment experiences; (v) increasing female participation in project steering committees; and (vi) engaging with industry to ensure that women who qualify based on merit are placed in jobs after graduation.

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

A. Involuntary Resettlement	Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI
1. Key impacts.	
2. Strategy to address the impacts.	
3. Plan or other Actions.	
<input type="checkbox"/> Resettlement plan	<input type="checkbox"/> Combined resettlement and indigenous peoples plan
<input type="checkbox"/> Resettlement framework	<input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework
<input type="checkbox"/> Environmental and social management system arrangement	<input type="checkbox"/> Social impact matrix
<input checked="" type="checkbox"/> No action	

B. Indigenous Peoples	Safeguard Category: <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI
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1. Key impacts. Is broad community support triggered?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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2. Strategy to address the impacts.	
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3. Plan or other actions.	
<input checked="" type="checkbox"/> Indigenous peoples plan	<input type="checkbox"/> Combined resettlement plan and indigenous peoples plan
<input type="checkbox"/> Indigenous peoples planning framework	<input type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework
<input type="checkbox"/> Environmental and social management system arrangement	<input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary
<input type="checkbox"/> Social impact matrix	
<input type="checkbox"/> No action	

V. ADDRESSING OTHER SOCIAL RISKS

A. Risks in the Labor Market

1. Relevance of the project for the country's or region's or sector's labor market. Indicate the impact as high (H), medium (M), and low or not significant (L).

H=unemployment M=underemployment L=retrenchment L=core labor standards

2. Labor market impact. The proposed program interventions will improve the quality and competitiveness of the current labor force and enhance short- and long-term employability of the country's workers. The demand-driven skill training programs will overcome an existing skills-jobs mismatch in the labor market and improve the overall employment situation by creating more and better jobs.

B. Affordability. Subsidies for tuition-free training, combined with stipends, will enable the disadvantaged and the poor to access training under the program. Tranche 1 training will not require fees.

C. Communicable Diseases and Other Social Risks
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1. Indicate the respective risks, if any, and rate the impact as high (H), medium (M), low (L), or not applicable (NA):
N/A Communicable diseases N/A Human trafficking Others (please specify) High impact _____

2. Describe the related risks of the project on people in project area.

N/A

VI. MONITORING AND EVALUATION

1. Targets and indicators: Please see the design and monitoring framework.
2. Required human resources: Implementation and technical support is described in the facility administration manual (FAM).
3. Information in FAM: The FAM describes all program review, monitoring, and reporting requirements.
4. Monitoring tools: The SEIP will review and draw on existing good practices to help strengthen a sex-disaggregated skills development management information system to inform on participation and its link with poverty, gender, and social dimensions.

^a Government of Bangladesh, Planning Commission. 2011. *Sixth Five Year Plan, FY2011–FY2015*. Dhaka.

^b ADB. 2011. *Country Partnership Strategy: Bangladesh, 2011–2015*. Manila.¹

^c World Data Atlas. <http://knoema.com/atlas/Bangladesh/Poverty-level>

^d Index Mund. <http://www.indexmundi.com/facts/bangladesh/labor-participation-rate>

^e Razia Begum. http://www.unevoc.unesco.org/up/Bangladesh_Country_Presentation.pdf

Sources: Labour Force Survey, 2010; Sixth Five Year Plan 2011-15; Asian Development Bank estimates.