Project No. 42466-015 Semestral Report June 2016

ADB Loan Number 3131-BAN (SF) & Grant Number 0391-BAN (EF)]: Skills for Employment Investment Program (SEIP)

Prepared by Skills Development Coordination and Monitoring Unit (SDCMU), Skills for Employment Investment Program (SEIP), Finance Division, Ministry of Finance for the People's Republic Government of the People's Republic of Bangladesh and Asian Development Bank This social monitoring report is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff, and may be preliminary in nature.

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1. PROJECT PURPOSE AND COMPONENTS

1.1 Scope and Objectives

The Skills for Employment Investment Program (SEIP) supports the Government of Bangladesh's reforms in skills development, anchored in the National Skills Development Policy (NSDP), 2011. The overall objective of the project is to qualitatively and quantitatively expand the skilling capacity of identified public and private training providers by establishing and operationalizing a responsive skill eco system and delivery mechanism through a combination of well-defined set of funding triggers and targeted capacity support.

Specifically, the objectives are to:

- i. improve job focused skills along with up-skilling of the existing workforce to enhance productivity and growth of industry sectors
- ii. impart skills training linked to gainful employment or self-employment through PKSF partners and their livelihood programs;
- iii. develop a network of training providers that are endorsed by industry for providing excellence of training to meet the skills needs of employers;
- iv. establish and implement a strategy to address the special needs of groups specified in the NSDP and ensure their participation in SEIP programs.
- v. implement a vocational trainer development program for trainers and assessors and a management leadership program for training provider management reflecting NSDP requirements;
- vi. support the training providers for capacity development to ensure quality training delivery mechanism.
- vii. establish and institutionalize a credible recognition of prior earning (RPL) system;
- viii. support the NSDC-S and key government ministries to strengthen institutional arrangements to enable the TVET system to meet policy objectives within a coherent skills development framework; and
- ix. support the establishment and operationalization of a National Human Resources Development Fund (NHRDF).

1.2 Project Components

SEIP consists of four output areas:

- (I) Market Response Inclusive Skills Training Delivered
 - Training of about 47,400 people through 32 public training institutions under three ministries of GOB;
 - Training of about 192,400 people through nine industry associations, 10,000 people by PKSF and 10,200 people Bangladesh Bank;

- Ensuring that of the total trainees 30% are women;
- Also ensuring that of the total trainees, 40,000 are from disadvantaged groups including people with disabilities; and
- Support to piloting targeting financial support schemes.
- (II) Quality Assurance System Strengthened
 - Supporting development of at least 5 qualification packages including occupational standards, one for each priority sector, and support registration of all participating training providers;
 - Training of 1,320 trainers, 300 industry assessors, and 92 principals and managers of public and private training institutions;
 - Support improvements of training facilities or participating public training providers, following public-private partnership modality including helping the establish centers of excellence; and
 - Strengthening the capacity for assessment and certification through partnership between BTEB and industry skills councils in each priority sector, and supporting recognition of prior learning.
- (III) Institutions Strengthened
 - Supporting the establishment of National Human Resources Development Fund as envisaged in the Borrower's National Skill Development Policy to increase funding to substantially scale-up high quality skilling and up-skilling;
 - Supporting the establishment of a new ministry or a skills authority with its own medium term budgetary framework for skills development;
 - Delegating powers to 32 participating public training institutions to generate earnings which will be reflected in additional budget, hire trainers and any other resource persons, offer flexible courses, and enter into partnership with employers and enterprises; and
 - Strengthening industry linkages, job placement and career counseling in partnership with training providers and employers.
- (IV) Effective Program Management.
 - Supporting M&E system to track students and training providers to ensure high quality training and job placement;
 - Strengthening sector planning and budgeting for the skills development sector to move towards a sector wide approach by 2017;
 - Establishment of mechanism to strengthen governance and risk management in skills development in close partnership with NSDC-S; and
 - Supporting strong project management including effective management of technical assistance under the Project particularly in targeting, quality assurance, institutional development, M&E and capacity development.

1.3 Implementation Arrangements

The Finance Division of the Ministry of Finance is the sponsoring ministry as well as the executing agency of the project. Three other ministries are also be responsible for implementation of the project: (i) Ministry of Education (Directorate of Technical Education); (ii) Ministry of Expatriates' Welfare and Overseas Employment (Bureau of Manpower, Employment & Training); and (iii) Ministry of Industries (Bangladesh Industrial Technical Assistance Centre). In addition, the Bangladesh Bank, Palli Karma Shayak Foundation and 9 Industry Associations of 6 priority sectors are involved in project implementation.¹

High level policy, inter-agency coordination and program oversight for the project will be provided by an inter-ministerial Project Steering Committee (PSC), chaired by the Secretary, Finance Division, Ministry of Finance (MOF). The PSC oversees all aspects of project implementation, reviews project progress, approve annual work plan and budgets, as well as make policy decisions related to inter-ministerial policy and implementation matters.

The Project Implementation Unit (PIU), headed by a National Project Director (NPD), is established to coordinate policy issues and monitor implementing activities of the project. An Additional Secretary of the Finance Division is assigned with the responsibility, in addition to his current duty, of the NPD/PIU of the SEIP.

Project management and coordination functions for the project are provided by the Skills Development Coordination and Monitoring Unit (SDCMU). SDCMU is also responsible for providing secretarial support to the PSC and ensuring overall coordination for implementation of the project. The SDCMU is headed by an Executive Project Director (EPD), supported by 3 Deputy and 7 Assistant Executive Project Directors.

The Skills Development Implementation Committee (SDIC), headed by the SDCMU Executive Project Director (EPD) and represented by the chief project coordinators of the industry associations as members, has been established to provide project implementation support. The committee meets regularly to take stock on project progress and solve problems arising during project implementation.

The compliance status with respect to loan covenants is presented in table below:

| Sl No | Status of Loan Covenants | Status of Compliance | |
|-------|--|--|--|
| 1 | Safeguards The Borrower shall ensure that the preparation, design, construction, implementation, operation and decommissioning of the Project, and all project facilities comply with (a) all applicable laws and regulations of the Borrower, relating to environment, health and safety, involuntary Resettlement and small ethnic communities; (b) the communities Safeguards; and (c) the EARF, the RF and the SECPF; and any corrective or preventative actions set forth in a Safeguards Monitoring Report. | The Project ensures all applicable laws and regulations of the Borrower, relating to environment, health and safety, involuntary Resettlement and small ethnic communities; (b) the communities Safeguards; and (c) the FARF, the RF and the SECPF; and any corrective or preventative actions set forth in a Safeguards Monitoring Report. | |
| 2 | Human and Financial Resources to Implement Safeguards Requirements The Borrower shall make available, or cause the Project Executing Agency to make available, necessary budgetary and human resources to fully implement the EARF, RF and SECPF, as necessary. | There is no project intervention in this Project which can hamper environment and possibility of dislocation of ethnic minority. As such no separate budget allocation and dedicated manpower is required to implement EARF, RF and SECPF | |
| 3 | Safeguards-Related Provisions in Bidding Documents and Works Contracts The Borrower shall ensure, or cause the Project Executing Agency to ensure that all bidding documents and contracts for Works contain Provisions that require contractors to: a) comply with the measures and requirements relevant to the contractor set forth in any safeguards documents (to the extent they concern impacts on affected people during construction), and any corrective or preventatives actions set out in a Safeguards Monitoring Report; | There is no construction work in the Project except such repair and renovation. There is no threat of hampering resettlement of small ethnic community people risks, or agricultural land or due to project activities and hence no such requirement for reinstating pathways, other local infrastructure, and agriculture land to at least their pre- project condition upon the completion of construction. | |
| | set out in a Safeguards Monitoring | | |

| Sl No | Status of Loan Covenants | Status of Compliance |
|-------|--|--|
| | c) provide the Borrower with a written notice of any unanticipated environmental, resettlement or small ethnic community peoples risks or impacts that arise during construction, implementation or operation of the Project that were not considered earlier; | |
| | adequately record the condition or roads, agricultural land and other infrastructure prior to starting to transport materials and construction; and | |
| | e) fully reinstate pathways, other local infrastructure, and agriculture land to at least their pre-project condition upon the completion of construction. | |
| | Safeguard Monitoring and Reporting The borrower shall do the following, or shall cause the Project Executing Agency and Project implementing Agencies to do the following: | |
| | (a) Submit semiannual Safeguards Monitoring Reports to ADB and disclose relevant information from such reports to affected persons promptly upon submission; and | (a) This semiannual Safeguards Monitoring Reports to ADB is the first one; (b) If any unanticipated |
| | (b) If any unanticipated environmental and/or social risks and impacts arise during construction, implementation or operation of the Project, promptly inform ADB of the occurrence of such risks or impacts, with detailed description of the event and proposed corrective action plan. | environmental and/or social risks and impacts arise during implementation or operation of the Project, ADB will be informed regarding the event and proposed corrective action plan. |

Status of Training for Ethnic Minority people

Out of total 260,000 nos. of trainee in first tranche 40,000 nos. of trainee are to be targeted from disadvantaged groups including people with disabilities; The disadvantaged people consists of poor, female and disable people and ethnic minority. Status of Training of ethnic minority trainee up to December, 2016 is as follows:

| Ethnic Group | Trainee Count (No.) | Male (No.) | Female (No.) | % of Female |
|--------------|------------------------|------------|--------------|-------------|
| Bom | 8 | 6 | 2 | 25.00 |
| Chakma | 518 | 232 | 286 | 55.47 |
| Garo | 3 | 2 | 1 | 33.33 |
| Hajong | 1 | 1 | 0 | 0.00 |
| Khasia | 3 | 2 | 1 | 33.33 |
| Mandi | 11 | 9 | 2 | 18.18 |
| Manipuri | 6 | 5 | 1 | 16.67 |
| Marma | 26 | 11 | 15 | 62.50 |
| Munda | 1 | 1 | 0 | 0.00 |
| Rakhain | 2 | 2 | 0 | 0.00 |
| Santal | 13 | 11 | 2 | 28.57 |
| Tanchyanga | 17 | 8 | 9 | 52.94 |
| Tripura | 2 | 2 | 0 | 0.00 |
| Total | 611 | 292 | 319 | |

Status of Training of ethnic minority trainee Up to June, 2016

Impact of Training on Ethnic Minority people

The SEIP training for the ethnic minority focuses skill development through technical and vocational Training. Such training is expected to have substantial impact on members of such minority groups to uplift their social and financial status by being skilled and getting employment. Such positive impact will empower them to better understand their on cultural values and better protect their own identities. This is expected to draw attention of the ethnic minority people in the long run who might eventually be more interested in technical and vocational educational and training. The ultimate impact of such training would be to reduce poverty in the ethnic minority populated region.