



# Bangladesh: Skills for Employment Investment Program - Tranche 3

Project Name	Skills for Employment Investment Program - Tranche 3	
Project Number	42466-017	
Country	Bangladesh	
Project Status	Approved	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan 3839-BAN: Skills for Employment Investment Program - Tranche 3	
	concessional ordinary capital resources lending / Asian Development Fund	US\$ 150.00 million
Strategic Agendas	Inclusive economic growth	
Drivers of Change	Governance and capacity development Partnerships Private sector development	
Sector / Subsector	Education - Technical and vocational education and training	
Gender Equity and Mainstreaming	Gender equity	
Description	<p>The proposed Tranche 3 (2020-2023) aims to harness and institutionalize training partnerships established under Tranches 1 and 2. It will continue to support sector-focused job-ready skills training through the existing partnerships with public institutes, industry associations and other organizations, covering skills requirements in 10 industry sectors. It will introduce selected advanced courses to adopt and adapt emerging Industry 4.0 skill requirements and help industries move up the value chain. It will also support new training specifically targeted at socially disadvantaged groups (including people with disabilities) and women entrepreneurs to ensure inclusive skilling efforts. Overall, Tranche 3 will train about 320,000 people, 30% of whom will be women. Tranche 3 will continue to support the operationalization of the National Skills Development Authority (NSDA) and the National Human Resource Development Fund (NHRDF) to sustain the SEIP efforts in building a strong skilled workforce.</p>	
Project Rationale and Linkage to Country/Regional Strategy	<p>Bangladesh's economy has achieved robust growth of more than 6% annually since 2010, driven largely by the booming garment sector and increasing remittance inflows. However, to place the country into a sustained growth path with diversified economic bases, inadequate education and skills of its workforce pose a binding constraint. More than half of the labor force have only primary education or less; and less than 4% of the working-age population (aged 15-59) had received any technical or vocational training. The working-age population is expanding fast, from 87 million in 2011 to 119 million by 2026, with 2 million potential new entrants to the labor force every year. In the early 2010s, technical and vocational training institutes trained fewer than 500,000 people annually; and poor quality of training resulted in only 25%-40% of graduates finding jobs. Recognizing the challenge, the government has embarked on major educational and training reforms since 2010 to build a strong workforce that will ensure the demographic dividend for a dynamic economy. Significant investments by the government and development partners have underpinned sharp increases in primary and secondary school enrollments. For technical and vocational skills training, the National Skills Development Policy (NSDP) in 2011 has steered major institutional and policy reforms to create a highly skilled workforce across diverse industrial sectors.</p> <p>Anchored in the NSDP, the SEIP has adopted the MFF modality to assist the government's strategic road map that intends to transform its skills development system both quantitatively and qualitatively. The roadmap envisages to equip the growing young population with industry relevant, job-ready skills to enhance their employability, productivity, and income. The MFF supports the government's ambitious skilling agenda in phases for the following areas. First, it expands the national training capacity by mobilizing the private sector (i.e., industry associations) and revitalizing public training institutes to scale up the provision of job-ready skills training. The expanded provision will assure that women and socially disadvantaged groups can access the training. Second, the MFF aligns quality and contents of training with specific industrial demands by fostering direct involvement from industries. Quality assurance is enhanced through improved training infrastructure, trainers' qualifications, and assessment and certification procedures. Finally, the MFF supports key institutional reforms: the establishment of the National Skills Development Authority (NSDA) to coordinate fragmented training systems in the public and private sectors; and the creation of the National Human Resource Development Fund (NHRDF) to serve as a unified financing mechanism to sustain nationwide skilling initiatives.</p>	
Impact	Income and productivity of the working population aged 15 and over increased	
<b>Project Outcome</b>		
Description of Outcome	Inclusive access to basic, mid-level, and advanced skills training for priority sectors increased.	
<b>Progress Toward Outcome</b>		
<b>Implementation Progress</b>		
Description of Project Outputs	<p>Market-responsive inclusive skills training delivered Quality assurance system strengthened Institutions strengthened Monitoring and management for skills development enhanced</p>	
Status of Implementation Progress (Outputs, Activities, and Issues)		
Geographical Location	Nation-wide	
<b>Safeguard Categories</b>		
Environment	B	
Involuntary Resettlement	C	

Summary of Environmental and Social Aspects	
Environmental Aspects	Tranche 3 will support the renovation of BITAC training facilities and the new construction of BACI training facilities for construction skills training. Hence, Tranche 3 is classified as Environment Category B. Initial environment assessments have been carried out for the two sites of BITAC and BACI facilities, and environment management plans have been prepared in accordance with the environmental assessment review framework. Any potential environment impacts during construction are considered manageable as outlined in the environment management plan. Additional sites for upgrading training facilities may be identified for support under Tranche 3. Accordingly, the environment review framework had been updated during Tranche 3 preparation.
Involuntary Resettlement	Tranche 3 does not require any land acquisition or relocation of people. Upgrading civil works for training facilities will occur within existing premises.
Indigenous Peoples	Tranche 3 will generate positive impacts to small ethnic communities through increased skilling opportunities and targeted financial support.
Stakeholder Communication, Participation, and Consultation	
During Project Design	Participatory approaches and project activities-Key stakeholders were consulted throughout implementation of Projects 1 and 2, and during Project 3 preparation. These included training providers and coordinators, teachers and trainees, representatives from industry associations and nongovernmental organizations (NGOs), and government stakeholders. Public consultations were also undertaken across several districts, including meetings with regional administrators, training institutes, trainees, and trainers. Regular consultations have taken place during Projects 1 and 2 implementation to identify any project-related grievances and to seek feedback from communities about SEIP training programs. Civil society organizations. -Private and NGO training providers are important partners in SEIP. They deliver market-relevant training and coordinate activities to enhance training quality.
During Project Implementation	Industry associations and NGOs, as training partners for SEIP, are regularly consulted during project implementation; hence, a separate participation plan is not needed.
Business Opportunities	
Consulting Services	All consultants will be selected using ADB's Guidelines on the Use of Consultants (2013, as amended from time to time) and will be subject to ADB's prior review. ADB's member country procurement eligibility restrictions will apply.
Procurement	Goods and civil works will be procured in accordance with ADB's Procurement Guidelines (2015, as amended from time to time). Goods valued at \$2 million or more and works valued at \$15 million or more will be procured through international competitive bidding method using ADB's standard bidding documents and will be subject to prior review by ADB. Goods and civil works packages with estimated value below the international competitive bidding threshold mentioned above will be procured using the national competitive bidding method, in accordance with the government's Public Procurement Act (2006, and subsequent amendments) and Public Procurement Rules (2008, and subsequent amendments) subject to modifications agreed between the government and ADB as set out in the FAM and procurement plan. For efficiency and economy, small civil works can be grouped together into larger bid packages, wherever feasible. The existing implementing partners from Tranches 1 and 2 - 13 industry associations, BB-SME, and PKSF will be continuously be engaged through SSS to deliver the ongoing training courses, along with new courses. The same training grants contracts developed in Tranche 1 will be used with the updated business plan template for consistency across the implementing partners. The draft training grants contracts along with the business plan will be submitted to ADB for review and endorsement.

Responsible ADB Officer	Sunhwa Lee
Responsible ADB Department	South Asia Department
Responsible ADB Division	Human and Social Development Division, SARD
Executing Agencies	Finance Division, MOF (EA) Bangladesh Secretariat, Dhaka-1000 Bangladesh Ministry of Finance Economic Relations Division (ERD), MOF Sher-e-Bangla Nagar, Dhaka_1207 Bangladesh

Timetable	
Concept Clearance	-
Fact Finding	-
MRM	04 Jul 2019
Approval	10 Oct 2019
Last Review Mission	-
Last PDS Update	10 Oct 2019

## Loan 3839-BAN

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	191.00	Cumulative Contract Awards			
ADB	150.00	-	0.00	0.00	%
Counterpart	41.00	Cumulative Disbursements			
Cofinancing	0.00	-	0.00	0.00	%

Request for Information

<http://www.adb.org/forms/request-information-form?subject=42466-017>

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