



Tranche-at-a-Glance Report

Project Number: 42466-017
MFF Number: 0081
September 2019

People's Republic of Bangladesh: Skills for Employment Investment Program (Tranche 3)

This document is being disclosed to the public in accordance with ADB's Access to Information Policy.

Asian Development Bank

TRANCHE AT A GLANCE

1. Basic Data		Project Number: 42466-017	
Project Name	Skills for Employment Investment Program - Tranche 3	Department/Division	SARD/SAHS
Country	Bangladesh	Executing Agency	Ministry of Finance
Borrower	People's Republic of Bangladesh		
Country Economic Indicators	https://www.adb.org/Documents/LinkedDocuments/?id=42466-017-CEI		
Portfolio at a Glance	https://www.adb.org/Documents/LinkedDocuments/?id=42466-017-PortAtaGlance		
2. Sector	Subsector(s)	ADB Financing (\$ million)	
✓ Education	Technical and vocational education and training		150.00
		Total	150.00
3. Operational Priorities		Climate Change Information	
✓ Addressing remaining poverty and reducing inequalities		Climate Change impact on the Project	Low
✓ Accelerating progress in gender equality			
✓ Strengthening governance and institutional capacity			
Sustainable Development Goals		Gender Equity and Mainstreaming	
SDG 1.4		Gender Equity (GEN)	✓
SDG 4.3, 4.4			
SDG 5.c			
SDG 8.6			
		Poverty Targeting	
		General Intervention on Poverty	✓
4. Risk Categorization: Low			
5. Safeguard Categorization Environment: B Involuntary Resettlement: C Indigenous Peoples: B			
6. Financing			
Modality and Sources		Amount (\$ million)	
ADB		150.00	
Sovereign MFF-Tranche (Concessional Loan): Ordinary capital resources		150.00	
Cofinancing		0.00	
None		0.00	
Counterpart		41.00	
Government		37.50	
Others		3.50	
Total		191.00	
Currency of ADB Financing: US Dollar			

TRANCHE AT A GLANCE

Date of Receipt by ADB of PFR: 23 June 2019

Tranche Number: 3

7. Country Operations Business Plan

CPS

<https://www.adb.org/documents/bangladesh-country-partnership-strategy-2016-2020>

COBP

<https://www.adb.org/sites/default/files/institutional-document/517801/cobp-ban-2020-2022.pdf>

8. Tranche Summary

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.

Impact: Income and productivity of the working population aged 15 and over increased

Outcome: Inclusive access to basic, mid-level, and advanced skills training for priority sectors increased.

Outputs: (i) Market-responsive inclusive skills training delivered, (ii) Quality assurance system strengthened, (iii) Institutions strengthened, and (iv) Monitoring and management for skills development enhanced

Implementation Arrangements: Ministry of Finance will be the executing agency.

Project Readiness: Project readiness is high with (i) business plans being prepared for Tranche 3 training contracts with continuing partners; (ii) project management unit taking advance actions for preparation of new training courses; and (iii) detail design works finalized and bid documents being prepared for the construction of two new training facilities.

9. Significant Developments in the MFF and Previous Tranches

The government made significant progress with its reform agenda in the MFF program. The cabinet approved the creation of NHRDF in 2016 for sustainable financing of large-scale skills training; and Parliament approved the establishment of NSDA in September 2018 under the Prime Minister's Office, which will coordinate skilling strategies in the country.

Tranche 1 (Loan 3131) for \$100 million was approved on 3 June 2014, signed on 4 June 2014 and became effective on 24 July 2014. Tranche 1 implemented skills training for six priority sectors by partnering with 11 industry associations, 34 public training institutes under three ministries, and other organizations. Against the target of training 260,000 men and women, Tranche 1 has trained more than 255,000 people (30% women) as of May 2019 and placed 168,000 people in jobs (a placement rate of 65%). As of 15 September 2019, contract awards amounted to \$78.6 million and disbursements are at \$77.2 million.

Tranche 2 (Loan 3468) for \$100 million was approved on 24 November 2016, signed on 14 February 2017 and became effective on 30 March 2017. Tranche 2 has (i) expanded the sector coverage for training from six into nine sectors; (ii) introduced industry-specific middle management training in collaboration with universities; and (iii) incorporated training courses affiliated with international certification agencies to promote overseas employment. As of 15 September 2019, contract awards and disbursements are \$69.4 million and \$24.8 million, respectively.

The government has complied with loan covenants under Tranches 1 and 2, and undertakings in the framework financing agreement.

10. Milestones

Estimated Approval

4 October 2019

Estimated Completion^a

18 May 2024

11. Linked Documents

	Required Document	Disclosure Date
MFF	Report and Recommendation of the President	
Weblink:	http://www.adb.org/projects/documents/skills-employment-investment-program-rfp	26-MAY-2014
Tranche	Draft Periodic Financing Request Report	
Weblink:	http://www.adb.org/Documents/LinkedDocs/?id=42466-017-DraftPFR	The Final PFR Report is disclosed upon approval
(i) Environment	IEE - Initial Environment Examination	
Weblink:	https://www.adb.org/projects/documents/ban-42466-017-iee	04-JUL-2019
(iii) Indigenous peoples	IPP - Indigenous Peoples Plan	
Weblink:	https://www.adb.org/projects/documents/ban-42466-017-ipp	04-JUL-2019

^a For Tranches, this refers to the financial closing date.