

PROJECT PREPARATORY TECHNICAL ASSISTANCE

A. Justification

1. The Asian Development Bank (ADB) will provide project preparatory technical assistance (PPTA) in the amount of \$500,000 to prepare the project. The PPTA will assist the government to prepare a project eligible for ADB financing in line with government policy and strategies and ADB requirements in terms of technical, financial, economic, institutional, sector policy, and safeguard dimensions, and to provide capacity development and other support to ensure a rapid start-up of the implementation. The PPTA design will support the Ministry of Education and Sports (MOES) to establish a format for the school development plans (SDP) to be prepared by school management in close collaboration with companies or community members, and procedures for the stipend scheme to support students from low income families. Given the range of interventions proposed, the project will also require considerable consultation with MOES and stakeholder groups such as employers, business associations, and communities to ensure that investments will be in line with the current and future demand for technical and vocational skills. Lessons learned from the ongoing technical and vocational education and training (TVET) project¹ will inform the design work and implementation arrangements.

B. Major Outputs and Activities

2. The PPTA will include (i) assessing and documenting progress made and lessons learned under the current ADB-financed TVET project; (ii) preparing an assessment of the TVET sector in the context of the new TVET Master Development Plan 2016-2020 and benchmarking against Greater Mekong Subregion countries; (iii) providing an overview of TVET financing and assessing the financing gap towards achieving the targets of the new TVET Master Development Plan 2016-2020, (iv) assessing gender issues in TVET; (v) supporting the ADB-team in formulation of the project design, and preparing the project administration manual; (vi) assessing the current student voucher system used under the ongoing ADB-financed TVET project and formulate procedures for a stipend system for students from low income families; (vii) developing a format for the SDPs; (viii) identifying collaboration areas with other development partners; (ix) assessing the feasibility of using PPPs for the finance and delivery of TVET services; (xiii) reviewing safeguards assessments for environment, indigenous peoples, and involuntary resettlement prepared for infrastructure development under the project; (ix) establishing baseline data for the design and monitoring framework; (x) conducting due diligence including analysis of governance and procurement capacity dimensions.

3. The major outputs and activities are summarized in Table 1.

Table 1: Summary of Major Outputs and Activities

Major Activities	Expected Completion Date	Major Outputs
1. Consultant mobilization	October 2015	Contracts signed
2. Prepare detailed work plan	October 2015	
3. Inception workshop and initial stakeholder consultations	November 2015	
4. Assessment of the training system	November 2015	Assessment Report
5. Assessment of procurement capacity of the EA	November 2015	Assessment reports, RRP Annexes
6. Sector assessment	December 2015	Report on TVET sector
7. Draft Project design	December 2015	draft RRP + draft PAM

¹ ADB. 2010. *Report and Recommendation of the President to the Board of Directors: Proposed Grant to the Lao People's Democratic Republic for Strengthening Technical and Vocational Education and Training Project*. Manila.

Major Activities	Expected Completion Date	Major Outputs
8. Stipend procedures	December 2015	Agreed procedures
9. Assessment of safeguards; Financial evaluation and analysis, and financial management assessment	December 2015	Assessment reports, RRP Annexes
10. In-depth dialogue with EA and stakeholders to confirm the design	January – February 2016	Agreed MOU
11. Bidding documents for initial procurements, technical design for workshops and dormitories.	January 2016	Bidding and design documents
12. Finalization of Reports and project design documents	April 2016	Comprehensive Final Report

RRP = report and recommendation of the President; MOU = memorandum of agreement; TVET = technical and vocational education training; EA = executing agency; PAM = project administration manual

C. Cost Estimate and Proposed Financing Arrangement

4. The TA is estimated to cost \$600,000 equivalent, of which \$500,000 will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-V). The government will provide support in the form of counterpart staff, provision of office space, workshop facilitation, and other in-kind contributions. The detailed cost estimate is presented in Table 2.

Table 2: Cost Estimates and Financing Plan
(\$'000)

Item	Total Cost
Asian Development Bank	
1. Consultants	
a. Remuneration and per diem	
i. International consultants (9.5 person-months)	200.0
ii. National consultants (22 person-months)	90.0
b. International and local travel	40.0
c. Reports and communications	10.0
2. Workshops and training*	90.0
3. Miscellaneous administration and support costs**	30.0
4. Contingencies	40.0
Total	500.0

* The PPTA will be conducted in a participatory manner closely engaging with all key stakeholders. Workshops and training will include costs to prepare school managements to develop SDPs, and discuss project scope and potential project interventions with local business communities, school principals, teachers and government officers. Workshop and training events will be conducted at project schools and at the TVED. In total about 10 workshops/training events are envisaged.

** Miscellaneous administration and support costs will include secretarial and logistical support to facilitate reports, meetings, translations, awareness measures.

Source: Asian Development Bank

D. Consulting Services

5. The TA will mobilize 9.5 person-months (pm) of international consultant inputs, and 22 pm of national consultant inputs, who will work closely with the ADB processing team. ADB will engage these consultants as individuals, in accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). To augment the inputs by the individual consultants, ADB may mobilize additional resource persons as needed, in accordance with ADB procedures. Proceeds of the PPTA will be disbursed in accordance with the Technical Assistance Disbursement Handbook (2010 as amended from time to time). Workshops, training and surveys will be managed by the consultants.

Table 3: Summary of Consulting Services Requirement

International Positions	Person-months	National Positions	Person-months
TVET Expert	6	TVET Expert	5
TVET Procurement Specialist	2	Procurement Specialist	6
		Civil Engineers	6
Training Specialist	1.5	Training Specialist	3
		Gender and Social Development Specialist	2

Source: Asian Development Bank.

6. **TVET Experts** (international 6 pm; national, 5 pm) The international TVET Expert will be the team-leader of the PPTA and should have an advanced degree in education, economics or related discipline and at least 15 years' experience in undertaking assessments and designing projects in the TVET sector, including knowledge of gender assessments in TVET. Experience in GMS countries would be an asset. The expert will work closely with MOES and the project schools and will consolidate PPTA findings into cohesive inception and final reports. The final report will be delivered in ADB Report and Recommendation of the President (RRP) and linked documents formats, suitable for submission to the government and ADB. Working closely with the ADB processing team and other PPTA consultants the international TVET expert will (i) coordinate and oversee the inputs of the consultants; (ii) based on the inputs of other consultants prepare the project administration manual and due diligence- and safeguards-related documents required for the RRP; (iii) conduct a detailed economic (cost-benefit) analysis of the impacts and outputs of the proposed project interventions and prepare the RRP annex on Economic and Financial Analysis according to the ADB guidelines; (iv) conduct a financial analysis to determine the level of available resources for the Government (central and provincial governments) to manage any recurrent costs of the project investments; (v) prepare a risk assessment and risk management plan to be used as RRP annex; (vi) conduct a gender assessment and prepare the draft gender action plan; and (vii) assess the current Education Management Information System and provide recommendation for its improvement. For detailed guidance on financial management matters the team can refer to <http://www.adb.org/projects/operations/financial-management-resources>. The national TVET expert should have an advanced degree in education or economics and at least 10 years' experience related to TVET sector and labor market assessments. The expert should have sound knowledge on the institutional landscape relevant to the TVET system, and a good understanding on the current labor market dynamics in Lao PDR.

7. Jointly, the international and national TVET experts will prepare a description of the current TVET system in Lao PDR, including benchmarking it against GMS countries and identifying sector constraints and issues. Based on available data, reports, information they will (i) assess and document the current provision of TEVT in Lao PDR under MOES and other public training providers, including statistic on number of vocational schools, polytechnics, colleges, enrollments; teacher/instructor deployment; training programs according to trades, etc; (ii) document TVET provision through private training providers and industry based training, (iii) provide an overview on the current policies/regulations and governance arrangements guiding TVET provision, and provide recommendations to further strengthen the TVET Master Plan 2016-2020 and other major policies/regulations, assess whether gender matters are reflected adequately; (vi) assess the capacity and current mandate of the National Training Council (NTC) to guide quality TVET provision in Lao PDR; (vii) assess the TVET financing and estimate financing gaps towards achieving the targets of the TEVT Master Plan 2016-2020; (viii) document TVET interventions/projects supported by other development partners and recommend areas for collaboration to create synergies; (ix) describe current linkages between training providers and industries/employers and identify strategies to promote greater private

sector and industry involvement in TVET development; (x) provide information on the key dynamic economic sectors/employment opportunities for boys and girls, and the ability of TVET institutions to prepare skilled graduates for these sectors; (xi) provide an indication on future skills demand based on the demographic development and economic/investment forecasts; indicate potential skills gaps and gender issues; (xii) assess current teaching material, teaching aids, and IT means used in TVET institutions and recommend innovative ways to introduce new teaching aids/materials and/or update existing teaching aids/materials, assess gender issues related to teaching materials; (xiii) provide an indication on the quality of the physical infrastructure/status of training equipment at vocational schools, consider gender matters related to the set up of training workshops and dormitories; (xiv) assess the ability within the TVET system to prepare demand-driven training programs and/or update training programs to respond to market demands; (xv) provide an indication on the overall quality and relevance of training programs delivered by TVET institutions and review whether graduates are easily absorbed by the labor market; (xvi) assess the voucher scheme used under the current ADB financed TVET project and stipend schemes introduced by GIZ to support disadvantaged/ poor students, recommend best practices to be adopted under the new project; (xvii) assess short-term skills courses prepared by GIZ and other providers and recommend approaches to introduce short-term skills training schemes for youth and adults at project schools; (xviii) recommend innovative strategies/PR measures to improve the public image of TVET and enhance the public awareness of improved income earning opportunities through improved technical/vocational skills; (xix) develop a format for SDPs and assist project schools and selected employers to prepare SDPs; and (xx) develop strategies for career guidance and collaboration schemes with business communities to enhance employment prospects of graduates. To prepare the gender action plan, both experts will review disaggregated gender information on student enrollments, teachers and managers and assess gender issues at vocational schools and at the TVET system.

8. **TVET Procurement Specialists** (international, 2 pm; and national, 6 pm). The consultants should be experienced in procurement of goods and services under similar internationally-supported education projects and provision of related capacity development. Their collective tasks include: (i) assessing the procurement capacity of MOES/Technical and Vocational Education Department, (ii) providing training and guidance to procurement matters, where needed; (iii) based on the emerging project design and the preparation of SDPs, supporting MOES and project schools to develop potential lists of goods and services to be procured under the project and prepare an indicative procurement plan in accordance with government regulations and ADB's Procurement Guidelines; (iv) preparing master bidding documents for equipment to be procured, and assist MOES to start recruiting project consultants for the project implementation unit; and (v) setting up a documentation and monitoring system for procurement activities.

9. **Civil Engineers** (national, 6 pm). The specialist will support MOES, school managements and the polytechnic management in the design for constructing and upgrading workshops, dormitories and water and sanitation facilities. The specialist should have a relevant qualification in architecture, design, engineering or related area, and 10 years work experience in architectural and engineering design in Lao PDR. Specific activities will include: (i) preparing the conceptual technical drawings for the construction of new workshops, classrooms, dormitories and providing cost estimates for the construction; (ii) preparing technical drawing for upgrading workshops, dormitories, and water and sanitation facilities, and providing cost estimates for the upgrading work; (iii) ensuring that the most cost-effective, practical, and easy-to-maintain strategies for construction are applied; (iv) ensuring that architectural and construction solutions are responsive to contextual factors such as climate, type of usage, anticipated loads, and cultural considerations that may have an impact on the quality and nature

of the spaces; (v) ensuring appropriate conditions for ICT-specific spaces, networks, etc.; (vi) developing schematic engineering drawings and technical specifications for all mechanical and electrical work for inclusion in building construction (including all plumbing, electrical, ICT network, air conditioning, ventilation, air exhaust, and other layouts); (vii) determining the most suitable options for management of wastewater and sewage to be discharged from the buildings and describe appropriate septic tanks and/or other systems; (viii) ensuring that all workshops, classrooms, and dormitories are designed and detailed in compliance with government and provincial planning regulations, statutory authorities, and building codes; (ix) providing quantity assessments for inclusion in the cost estimates for all buildings under the project; and (x) supporting procurement specialists in preparing the bid documents for civil works.

10. **Training Specialists** (international 1.5 pm; national, 3 pm). The international training specialist should have proven experience in designing and assessing systems for continuous professional development programs for teachers and principals in the TVET sector. Experience in GMS countries would be an additional asset. The national training experts should be familiar with the pre-service and in-service training system of TVET teachers and school managers in Lao PDR. Their collective tasks include: (i) assess the current in-service training system for TVET teachers, including content of training programs and delivery modalities and considering potential gender issues; (ii) assess the capacity of the Vocational Education Development Institute (VEDI), and recommend strategies to further strengthen the capacity of VEDI; (iii) assess the pre-service training of TVET teachers; (iv) review the criteria/mechanism to select school managers (male and female); (v) assess the available funding for professional development of TVET teachers and manager; (vi) provide recommendations to further strengthen continuous professional development of TVET teachers and managers considering financial, intuitional, organizational and gender aspects and innovative delivery mechanisms, and (vii) assess teacher training packages developed by other development partners and prove recommendations whether this training packages could be adopted in Lao PDR.

11. **Gender and Social Development Specialist** (national 2 pm). The gender and social safeguards specialist will have an advanced degree in gender studies or other relevant discipline, and at least 10 years expertise in assessments of gender and social development issues surrounding females, the poor, indigenous people, and other disadvantaged groups, preferably in the context of the education sector. The specialist will have experience in the use of participatory methodologies to collect and analyze information and develop relevant action plans, as well as a good understanding of relevant ADB policies and requirements. Specific responsibilities include: (i) providing a summary assessment of gender issues in education (in particular in TVET) in Lao PDR; (ii) assessing implementation progress of gender actions and achievement of gender action plan (GAP) targets under the ongoing TVET project; (iii) collecting key sex-disaggregated baseline data to be monitored during the project implementation; (iv) identifying interventions to address challenges and constraints in the TVET system, including those aimed at reducing gender gaps in TVET (e.g., overall enrolments, female enrolments in non-traditional fields, share of teaching staff); (v) contributing to design of dormitories, workshops and school kitchens to ensure that designs are gender sensitive; (vi) preparing a GAP; (vii) working with the team leader and the training specialists to conduct poverty and social analyses, including a disaggregated analysis of social impacts and benefits of the proposed project, and a monitoring and evaluation framework; and (viii) identifying priority interventions and procedures to promote participation by and benefits to women, the poor, indigenous people, and other disadvantaged groups in the proposed project.