

INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC6578

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I. BASIC INFORMATION

A. Basic Project Data

Country:	Guinea	Project ID:	P146474
Project Name:	Stepping Up Skills Project (P146474)		
Task Team Leader:	Nathalie Lahire		
Estimated Appraisal Date:	26-Jun-2014	Estimated Board Date:	30-Sep-2014
Managing Unit:	GEDDR	Lending Instrument:	Investment Project Financing
Sector(s):	Tertiary education (50%), Vocational training (50%)		
Theme(s):	Administrative and civil service reform (20%), Education for the knowledge economy (80%)		
Financing (In USD Million)			
Total Project Cost:	20.00	Total Bank Financing:	20.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			0.00
IDA Grant			20.00
Total			20.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The proposed Project Development Objective(s) (PDO) is to improve the employability of education graduates and strengthen governance systems.

C. Project Description

The Guinean tertiary education and TVET systems are dominated by programs that do not meet the needs of the labor market. Inappropriate orientation of training is one of the causes of programs' lack

of relevance to business requirements. The system lacks scientific technical and professional training opportunities. Tertiary education graduates rarely develop entrepreneurial skills, as most of them aspire to enter the public service. Challenges include overstaffing, poor linkages between universities and businesses, an overabundance of theoretical courses, dilapidated laboratories and lack of practical activities. These factors result in a very high unemployment rate among young graduates, despite many years of study.

Component 1: Set up of a Competitive Innovation Fund to support short term professional programs linked to growth sectors (US\$10 million)

The project will establish a competitive Innovation Fund contributing to reforms by incentivizing and supporting innovative approaches to improve skills, employability, and self-employment. The fund will create opportunities to design and test new training program models with a view to improving quality and relevance. Public tertiary education institutions may submit proposals for short-term professional programs developing key skills meeting labor market needs, with an emphasis on practical training. The Fund will be established between the central Ministry and institutions through performance agreements with defined measurable outcome indicators. Initially, the fund will be set up for tertiary education institutions, and in year 3, TVET institutions will be invited to participate in the Fund, using the lessons learnt for tertiary institutions and ensuring adequacy with the proposed tertiary programs linked to economic sectors.

Each institution will be encouraged to identify key areas in which to develop new professional training programs. The relevant department will prepare a project proposal to be endorsed by the institution's decision-makers before being submitted to the Ministry for consideration. Selected project proposals will be reviewed closely and adjusted jointly by the submitting institution and Ministry experts if necessary, before the two parties sign a three-year contract. To be eligible for a grant from the competitive fund, institutions must propose short-term (2-3 years) professional programs with a strong focus on practical training and learning modules developed in close collaboration with the private sector. At least 40 percent of training hours must be delivered by professionals, and the program must require and facilitate an internship for credit. Cooperation between training and businesses will thus be ensured and responding to their immediate skills needs.

The Fund will follow best-practice principles critical for long-term success and sustainability. These include (a) security of income: ensure sustainable and adequate volume of fund's income (b) autonomy and control: secure autonomy for fund's management and its control over budget allocations (c) stakeholder ownership: foster ownership through substantial representation of major stakeholders of labor market (d) activities will be aligned to national training needs only, and (e) decision-making transparency to ensure allocation is open, consistent, and competitive.

For sustainability and vibrancy, the Fund will use a public private partnership (PPP) approach that leverages external and non-donor financing to create a well-diversified capital structure and augment limited IDA/donor funds. The Fund aims to exploit three methods of non-donor external and internal funding: (a) public resources: government's budgetary as well as non-budgetary means to augment the fund (i.e public investment program ; (b) private resources, through grants or equity based investments made by corporations, subsidiaries, or parent holding companies that have active or potential business interests in Guinea. For instance, several mining corporations active in Guinea have stated interest in contributing to education and skills growth (c) revenue generation is another potential source of income for the fund. Revenue generation activities can include but not be limited to splitting of earnings generated at the level of financial institutions (for e.g. through fees to recover

unit costs which could be an option down the road).

The Fund's governance will be through a Steering Committee, composed of 10 members, 5 of whom will be professionals (areas to be determined) will be responsible for reviewing and selecting proposals to finance. The IDA project, technical and financial partners, and private sector partners will support the fund in Year 1. Beginning in Year 2, the Government will contribute 25 percent from public budget or non-budgetary resources (such as levies), and gradually increase its share to reach 100 percent in Year 4. The Fund will be set up as an autonomous not-for-profit entity under the Ministry of Higher Education. A professional Fund Manager will manage the fund, reporting directly to the Steering Committee. The Fund Manager will have a core staff team (procurement experts, financial analysts) supporting daily functions.

The Fund will also support self-employment/business start-up activities with IFC as the leading implementation partner. The project is exploring the idea of conducting an access to finance diagnostic for self-entrepreneurs, to determine need and feasibility to set up a small seed grant facility for educational institutions who wish to encourage graduates to set up their own business.

The project would finance:

- TA for the set-up of the competitive innovation fund and the accompanying procedures manual.
- Training for teachers and technical personnel.
- Re-engineering, equipment, and light rehabilitation.

Component 2: Education-to-employment intervention (US\$4.6 million)

The E2E program's central approach is based on development of skills for job roles identified by industry, based on standardized occupational standards that ensure minimum employability.

Objectives and corresponding indicators are:

Objectives of e2e	-	Indicator
Building a critical mass of skills	-	Number of candidates trained
Make skills training relevant to industry	-	Training content linked to job roles and occupational standards
Increase employability	-	Assessment shows increase in Employability Index
Feedback into education system reform	-	Curriculum incorporates e2e training modules
Reduce cost of talent recruitment and training	-	Firms indicate benefits from e2e labor matching
Increase in placements with industry	-	Number of jobs and internships

The education-to-employment intervention (E2E) would provide training and certification to unemployed graduates to increase their employability and quickly connect them to jobs. The E2E intervention, to be piloted in select high-potential sectors (mining, tourism, telecommunications), would bridge the education-employment gap using industry-based standards for skills training. E2E program will scan best practices observed in similar programs in other countries, including Egypt, India, Nigeria, USA, and Australia, and incorporate elements suitable for Guinea's context. Moreover, the employers survey suggests that significant synergies exist between skills demanded in mining, and in related sectors (construction, infrastructure). E2E will build on these synergies and develop core and foundational skills that are fungible across industries and sectors.

Core elements of the E2E program would include:

1. development of industry-led competency/occupational standards in two key sectors;
2. an industry-based assessment, training, and certification instrument;
3. partnership with leading private sector companies in a particular sector to create jointly endorsed, industry wide certification frameworks
4. a network of accredited training providers with a corps of certified trainers recruited from industry; and
5. an integrated job information management portal.

The intervention would involve:

- a. Requirement gathering from industry sectors building on Employers Survey, identification of prevalent training programs/mechanisms in firms in Guinea, selection of industry champions for anchoring E2E, and development of a 'live' database of companies willing to commit as future potential employers,
- b. Selection of a competency framework for (a) foundational skills certification (cognitive, computer, communications, entrepreneurship training (Business Edge) in partnership with IFC to promote self - employment) and (b) identification of domains for advanced skills certification (e.g. in mining, tourism, telecom, other trades),
- c. Development of industry-endorsed assessment and certification tool, linked to the competency framework. Certification will follow a flexible vocational model. Certification will signal a minimum expected level of skills gained. Certification will indicate completion of training and attainment of minimum standards (pass/fail). Certification will have the following characteristics: (a) it will be consistent nationwide, (b) it will be accepted and recognized by industry, (c) the underlying standards will be subject to periodic review (alternate years) to reflect changing demand structure for skills.
- d. Development of modular curriculum and content derived from private sector's existing training initiatives.
- e. Set up of a robust Labor Market Information System. The LMIS (upgrade version of l'AGUIPE) will contain a live, continuously updated database of trained candidates and potential employers (SMEs, large firms). Each candidate will have an individual profile page. Candidates will be matched with employers based on their skills profile. The LMIS will contain information on certifications that the candidate has obtained.

This component will be governed by a committee and sectoral councils including private sector partners, professional associations, sector-specific labor unions, and line ministries. The committee will be supported by an executive secretariat comprising a coordinator and a communications specialist. This program may be integrated as a separate window of the competitive fund in component 1.

Only accredited training providers would be considered for funding. Criteria for accreditation would include capacity to provide training delivered by professionals meeting occupational standards in an environment facilitating practical training. Funding to institutions would be provided on a contract agreement with payments made based on enrollment.

The project would thus finance technical assistance for

- a. the development of professional standards in the priority sectors covered, the development of training modules and assessment/certification tools. and

- b. the establishment of an information system/database to provide the AGUIPE (agency for the promotion of employment) and employers have to give priority to these certified graduates, including
1. employers who participated in the development of occupational standards,
 2. certified graduates.

The project would also finance the costs associated with the training as per the contract agreements. The E2E component is a targeted, fixed-term intervention specifically for unemployed graduates. Once the target number of trainees is reached in the selected sectors and xx graduates find employment, the training and certification model will be broadly incorporated into professional training curriculum throughout the country.

Using a randomized control approach, an impact evaluation will be introduced to assess the effectiveness of the training program improving employment. Following an expression of interest, the sample of eligible eligibility criteria (i.e. years since graduated < 5 years, applied within the timeframe trainees will be drawn randomly from a pool of applicants, possibly stratified by sector, and assigned by cohort. Given the policy relevance of recruitment strategy and its interaction effect with skills training, two types of recruitment approaches will be evaluated in conjunction with the training program. Therefore, four groups will be defined:

1. Control: trainees not receiving any treatment and assigned to cohort 3 or thereafter.
2. Training only
3. Training and recruitment approach through AGUIPE
4. Training and recruitment approach 2 (tailored information system database with additional efforts to match with certified employers)

To inform the evaluation, extensive data will be collected including pre and post-test to assess knowledge gained through training, employment outcomes, salaries, and duration in employment.

Component 3: System Strengthening and Support for Reforms (US\$2 million)

Improving management and governance is a critical prerequisite to achieve the main goals of developing high-quality and relevant programs, establishing closer links with enterprises, and strengthening the efficiency of the sector. To this end, the project would aim to improve the management of the tertiary education system in alignment with the current reforms for increased autonomy of tertiary education institutions.

The TVET ministry (MEETFP) benefits from substantial financial support from development partners but does not yet have a strategic plan laying out its vision and objectives. To this end, the proposed project would provide technical support to develop a strategy in alignment with tertiary vocational training.

The TVET student body has increased, though less than that of higher education, due to insufficient training availability. The surplus of learners in higher education is partly attributable to the shortage in this branch. The Government intends to develop and diversify supply by creating ERAM and other institutions, but the hiring freeze during the past x years, aging teaching staff, and slowdown of trainer-of-trainer schools has impeded its efforts. Without the necessary human resources, a training development and diversification strategy has little promise. Although the new database developed with IDA additional financing offers a starting point for a better analysis of available human resources, it is not enough. A training development and diversification strategy must be accompanied

by capacity-building in the following areas:

- i) What training programs, in which (high-growth) sectors, with what expected staffing level/participation level?
- ii) What human resources are needed to develop these programs, and under what conditions?
- iii) What are recruitment and training needs in the short and medium terms? Can recruitment and training be implemented by existing structures or do they require capacity-building?

The project could support the Government in refining its sub-sector policy through:

- i) technical support to perform a diagnostic to establish a realistic strategy and operationalize it in a recruitment plan (number of teaching staff, proportion, discipline), and training plan that is realistic in the short and medium term;
- ii) logistical and technical capacity-building in sector planning and management
- iii) technical support to develop a recruitment and training plan for ETFP teaching staff following the decisions made above (i and ii)

The MESRS has made important strides in laying out its strategy with the support of the President for the advanced of the agenda on providing autonomy to institutions in accordance with international practices. Decrees 62 and 63/PRG/SGG, approved by the President on April 3, 2013, stipulating the governance of public tertiary education and scientific research and private institutions, have clearly endorsed the autonomous status of training institutions in the administrative, financial, educational, and scientific realms, allowing institutions to define their own vision, goals, strategies, and activities based on accountability mechanism to their leaders. These decrees involve a radical change in practices and in the Ministry's functional relationship with institutions. This implies a need to rebalance the Ministry's powers with the new responsibilities of institutions under their new mandates.

The project would support:

- Recruitment of a consultant to carry out the organizational diagnostic;
- Technical support for the review of the major management functions in MHESR, as well as standard profiles, based on the recommendations of the organizational diagnostic and training;
- If necessary, logistical support for the new national evaluation and accreditation bureau for tertiary education and research, and technical support in the development of its standards and procedures.

The Decree states that the institutions are directed by a Board of Directors, an Establishment Board and a Rector. The powers of the Board, a majority of whose members are from the business world are considerable. The present framework could constitute an obstacle to the immediate implementation of certain provisions of the decrees, namely recruitment and payroll management. A transitional phase focusing on the delegation of these powers could accompany the first milestone of autonomy. In this regard, a draft transitional procedures manual is being developed by an MESRS-led team.

The project would support:

- Investment in the preparatory phase for the preparation and analysis and alignment of texts by an inter-ministerial commission (Finance, Budget, Public Service, Unions etc)
- Technical and financial support for the development and implementation of a training plan for senior and middle level staff from institutions whose mandates are particularly affected by the new regulatory framework for the autonomy.

With regard to improving tertiary education management, the project would support:

- Purchase of compatible software to enhance the transmission of data and information from institutions to MESRS.
- Capacity-building for education services to strengthen management of the License Master Doctorat (LMD) system offering more choices for students, different academic paths, etc., and student monitoring which could require creating a financial aid and scholarships agency.
- Set up of a fiduciary team (FM and procurement) well-versed in Bank procedures to fulfill the fiduciary responsibilities of the project.
- Support for monitoring and evaluation to monitor the strategy and project.

Improving tertiary education faculty performance: Given current capacity and conditions of Guinean graduate schools, will require partnerships with foreign universities, preferably in the sub-region, would be a necessity. Under these agreements, the student would alternate between the Guinean and partner institution, culminating in a joint degree. To encourage graduates to return to Guinea and quickly enter the CAMES (Conseil africain et malgache pour l'enseignement supérieur) system, a start-up fund would be provided to initiate research and develop a scientific product.

The project would finance:

- Technical support for the definition of university partnership frameworks (technical assistance and study tour);
- Financial support for training and costs incurred by post graduate students during training (travel, research costs, etc.);
- A small start-up fund for graduates upon completion of training; and
- Technical support to conduct an analysis for a medium-term strategy to improve motivation of teachers and researchers.

Financing reforms, with a focus on scholarships: Following the survey of higher education students' living conditions supported by the World Bank, 92.3 percent of students would welcome financial aid/scholarship reform (see summary of results in Annex 3). There is a general consensus on the need to review the grant allocation system. The Government has worked on a number of proposals for allocation reforms to be considered at the policy level. Technical support has been requested for the establishment of the Agency of scholarships. This support could be envisaged in the project only if the government has a clear timetable for reform.

D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

Project location will be nationwide

E. Borrowers Institutional Capacity for Safeguard Policies

The borrower capacity for safeguards is limited. Institutions in charge of environment (Ministry of Energy and Environment) and social affairs (Ministry of Social Affairs and of Women and Children Promotion) are few, often understaffed and with little equipment. As of now, they cannot be considered as familiar with the Bank and Bank-funded projects and procedures. To counteract this, a safeguards specialist is included in the Bank team and will provide guidance to the PIU and the TTL as the project evolves.

F. Environmental and Social Safeguards Specialists on the Team

Upulee Iresha Dasanayake (AFCE1)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	OP 4.01 is triggered because of the potential environmental impacts resulting from project activities. However, those impacts are expected to be minimal, site-specific and manageable to an accepted level. Due to the difficulty inherent in defining what the real environmental impacts of envisioned project activities related to re-engineering, equipment, and rehabilitation of facilities, a simplified Environmental and Social Management Framework (ESMF) will be developed. The ESMF will formulate standard methods and procedures, along with institutional arrangements for screening, review, approval and implementation and monitoring of specific EMPs, including the preparation of environmental clauses to be inserted in contractors' bidding documents. The ESMF will be disclosed in-country and at the Bank InfoShop, upon review and clearance by AFTSG, prior to appraisal.
Natural Habitats OP/BP 4.04	No	The project does not affect or involve natural habitats.
Forests OP/BP 4.36	No	The project does not affect or involve forests or forestry.
Pest Management OP 4.09	No	The project does not involve pest management.
Physical Cultural Resources OP/ BP 4.11	No	The project does not affect or involve physical cultural resources.
Indigenous Peoples OP/BP 4.10	No	There are no Indigenous Peoples in the project area.
Involuntary Resettlement OP/BP 4.12	No	This policy is not triggered as the potential rehabilitation supported by the project will take place in existing training institutions. There are no encroachers or squatters in or near the stations. Therefore, the project will not require the preparation of a resettlement framework.
Safety of Dams OP/BP 4.37	No	N/A
Projects on International Waterways OP/BP 7.50	No	N/A
Projects in Disputed Areas OP/BP 7.60	No	N/A

III. SAFEGUARD PREPARATION PLAN

¹ Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.

A. Tentative target date for preparing the PAD Stage ISDS: 03-Feb-2014

B. Time frame for launching and completing the safeguard-related studies that may be needed.

The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

ESMF completed and cleared for public disclosure by March-2014

IV. APPROVALS

Task Team Leader:	Name: Nathalie Lahire	
<i>Approved By:</i>		
Regional Safeguards Coordinator:	Name: Alexandra C. Bezeredi (RSA)	Date: 05-Aug-2014
Practice Manager/ Manager:	Name: Peter Nicolas Materu (PMGR)	Date: 25-Aug-2014