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Report No: 88066-SN

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED CREDIT

IN THE AMOUNT OF SDR23.7 MILLION
(US$35 MILLION EQUIVALENT)

TO THE

REPUBLIC OF SENEGAL

FOR A

SKILLS FOR JOBS AND COMPETITIVENESS PROJECT

November 12, 2014

Education Global Practice
AFRICA

CURRENCY EQUIVALENTS

(Exchange Rate Effective September 30, 2014)

Currency Unit	=	CFA Franc (CFAF)
CFAF 520	=	US$1
SDR 1	=	1.480

FISCAL YEAR
January 1 – December 31

ABBREVIATIONS AND ACRONYMS

AFD	French Development Agency *(Agence Française de Développement)*
AfDB	African Development Bank *(Banque Africaine de Développement)*
AFP	Certificate in Vocational Training (*Attestation de Formation Professionnelle*)
ANIDA	National Agency for Employment and Agricultural Growth (*Agence nationale d'Insertion et de Développement Agricole*)
APC	Skills Approach *(Approche par les Compétences)*
BEP	Certificate of Professional Studies *(Brevet d'Etudes Professionnelles)*
BFEM	Certificate of End of Middle School *(Brevet de Fin d'Etudes Moyennes)*
BT	Certificate of Technician *(Brevet de technicien)*
BTS	Diploma of Higher Technician *(Brevet de technicien supérieur)*
CAP	Certificate in Vocational Aptitude *(Certificat d'Aptitude Professionnelle)*
CEP	Cellule d'Etudes et de Planification *(Unit for Studies and Planning)*
CETF	Technical Training Center for Women *(Centres d'Enseignement Technique Féminin)*
CFCE	Lumpsum contribution provided by the Employer *(Contribution Forfaitaire à la Charge de l'Employeur)*
CFP	Technical and Vocational Center *(Centres de Formation Professionnelle)*
CIMEL	Centre d'impulsion pour la modernisation de l'élevage
CNID	National Center for Information and Documentation (*Centre National d'Information et de Documentation)*
CPS	Country Partnership Strategy (2013-2017)
DA	Directorate of Apprenticeship *(Direction de l'Apprentissage)*
DAGE	Directorate of General Administration and Equipment *(Direction de l'Administration Générale et de l'Equipement)*
DFPT	Directorate of Technical and Vocational Training *(Direction de la Formation Professionnelle et Technique)*
DI	Directorate of Investment *(Direction de l'Investissement)*

DTS	Diplôme de Technicien Superieur (HigherTechnical Diploma)
DUT	Technology University Diploma (*Diplôme Universitaire de Technologie*)
EISMV	Dakar Inter-State School of Sciences and Veterinary Medicine (*Ecole Inter Etats des Sciences et Médecine Vétérinaires de Dakar*)
ESMF	Environmental and Social Management Framework
FDI	Foreign Direct Investment
FM	Financial Management *(Gestion Financière)*
FONDEF	Fund for the Development of Technical and Vocational Education (*Fonds de Développement de l'Enseignement technique et de la Formation professionnelle*)
GDP	Gross Domestic Product *(Produit Intérieur Brut)*
GoS	Government of Senegal (*Gouvernement du Sénégal*)
ICR	Implementation Completion and Results Report
ICT	Information and Communication Technology *(Technologie de l'Information et de la Communication)*
IDA	International Development Association
IFR	Interim Financial Reports
IPF	Investment Project Financing
ISEP	Higher Institute of Professional Training (*Institut Supérieur d'Enseignement Professionnel*)
ISFAR	Higher Institute of Rural Development Training (*Institut supérieur de formation agricole et rurale*)
IT	Information Technology (*Technologie Informatique*)
IUT	University Institute of Technology (*Institut Universitaire de Technologie*)
LT	Technical Secondary School (*Lycée Technique*)
LTAP	Technical Secondary School Peytavin (*Lycée Technique André Peytavin)*
LTID	Technical and Industrial Secondary School Maurice Delafosse (*Lycée Technique et Industriel Maurice Delafosse)*
LTIMK	Technical, Industrial and Mining Kédougou Secondary School (*Lycée Technique, Industriel et Minier de Kédougou)*
M&E	Monitoring and Evaluation
MFPAA	Ministry of Vocational and Technical Training, Apprenticeship and Arts and Crafts *(Ministère de la Formation professionnelle, de l'Apprentissage et de l'Artisanat)*
MOD	Delegated Contract Management Entity (*Maître d'Ouvrage Délégué*)
OIF	International Organization of Francophone Countries (*Organisation Internationale de la Francophonie)*
ONFP	National Office of Professional Training (*Office National de Formation Professionnelle*)
ORAF	Operational Risk Assessment Framework
PAD	Project Appraisal Document *(Document d'Approbation du Projet)*
PAQUET	Program for Quality, Equity, and Transparency Improvements in

	Education (*Programme d'Amélioration de la Qualité, de l'Equité et de la Transparence dans l'Education*)
PBC	Performance-Based Contract
PDEF	Ten-Year Education Sector Program 2001-2011(*Programme Décennal de L'Education et de la Formation 2001-2011)*
PDO	Project Development Objective
PPP	Public Private Partnership (*Partenariat Public Privé*)
PSE	Plan for an Emerging Senegal *(Plan Sénégal Emergent)*
QUIEBE	Quality Improvement and Equity of Basic Education
RPF	Resettlement Policy Framework
SME	Small and Middle Entreprise *(Petites et Moyennes Entreprises)*
TEGFR	Tertiary Education Governance and Financing for Results Project
TVET	Technical and Vocational Education and Training *(Formation Professionnelle et Technique)*
WAEMU	West African Economic and Monetary Union *(Union Economique et Monétaire Ouest-Africaine)*

Regional Vice President:	Makhtar Diop
Country Director:	Vera Songwe
Senior Global Practice Director:	Claudia Maria Costin
Practice Manager:	Peter Nicolas Materu
Task Team Leader:	Atou Seck

REPUBLIC OF SENEGAL
Skills for Jobs and Competitiveness Project

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PAD DATA SHEET

Senegal

Skills for Jobs and Competitiveness (P145585)

PROJECT APPRAISAL DOCUMENT

AFRICA

0000009057

Report No.: PAD1035

Basic Information			
Project ID P145585	EA Category B - Partial Assessment	Team Leader Atou Seck	
Lending Instrument Investment Project Financing	Fragile and/or Capacity Constraints [ ]		
	Financial Intermediaries [ ]		
	Series of Projects [ ]		
Project Implementation Start Date 05-Dec-2015	Project Implementation End Date 30-Aug-2019		
Expected Effectiveness Date 02-Mar-2015	Expected Closing Date 25-Jan-2020		
Joint IFC No			
Practice Manager/Manager	Senior Global Practice Director	Country Director	Regional Vice President
Peter Nicolas Materu	Claudia Maria Costin	Vera Songwe	Makhtar Diop

Borrower: Ministry of Economy, Finance, and Planning			
Responsible Agency: MINISTERE DE LA FORMATION PROFESSIONNELLE			
Contact:	Mamadou Talla	Title:	Minister
Telephone No.:	338657003	Email:	mformationprofessionnelle@gmail.com

Project Financing Data(in USD Million)					
[ ]	Loan	[ ]	IDA Grant	[ ]	Guarantee
[X]	Credit	[ ]	Grant	[ ]	Other

Total Project Cost:	76.50	Total Bank Financing:	35.00
Financing Gap:	0.00		

Financing Source	**Amount**
BORROWER/RECIPIENT	25.00
International Development Association (IDA)	35.00
Agence Française Développement (AFD)	16.50

Total	76.50

Expected Disbursements (in USD Million)

Fiscal Year	2015	2016	2017	2018	2019	2020
Annual	3.00	10.00	10.00	8.00	2.00	2.00
Cumulative	3.00	13.00	23.00	31.00	33.00	35.00

Institutional Data

Practice Area / Cross Cutting Solution Area

Education

Cross Cutting Areas

[ ] Climate Change
[ ] Fragile, Conflict & Violence
[ ] Gender
[X] Jobs
[X] Public Private Partnership

Sectors / Climate Change

Sector (Maximum 5 and total % must equal 100)

Major Sector	Sector	%	Adaptation Co-benefits %	Mitigation Co-benefits %
Education	Vocational training	70		
Education	Tertiary education	20		
Public Administration, Law, and Justice	Public administration-Education	10		
Total		100		

☑ I certify that there is no Adaptation and Mitigation Climate Change Co-benefits information applicable to this project.

Themes

Theme (Maximum 5 and total % must equal 100)

Major theme	Theme	%
Human development	Education for all	70
Human development	Education for the knowledge economy	30
Total		100

Proposed Development Objective(s)

The project development objective is to strengthen the technical and vocational education and training (TVET) system and to improve the employability of youth in selected priority sectors of the economy.

Components	
Component Name	**Cost (USD Millions)**
Component 1: Improvement of the quality and relevance of training	61.00
Component 2: Reform of the TVET's sector financial system	6.50
Component 3. Support for the System Management, Monitoring and Evaluation, and Project Management	9.00

Compliance

Policy		
Does the project depart from the CAS in content or in other significant respects?	Yes [ ]	No [X]
Does the project require any waivers of Bank policies?	Yes [ ]	No [X]
Have these been approved by Bank management?	Yes [ ]	No [ ]
Is approval for any policy waiver sought from the Board?	Yes [ ]	No [X]
Does the project meet the Regional criteria for readiness for implementation?	Yes [X]	No [ ]

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment OP/BP 4.01	X	
Natural Habitats OP/BP 4.04		X
Forests OP/BP 4.36		X
Pest Management OP 4.09		X
Physical Cultural Resources OP/BP 4.11	X	
Indigenous Peoples OP/BP 4.10		X
Involuntary Resettlement OP/BP 4.12	X	
Safety of Dams OP/BP 4.37		X
Projects on International Waterways OP/BP 7.50		X
Projects in Disputed Areas OP/BP 7.60		X

Legal Covenants

Name	Recurrent	Due Date	Frequency
Funding of the Fonds Unique	X		Yearly

Description of Covenant

The Recipient shall, not later than September 30 of each year, allocate an annual amount, acceptable to the Association, to the Fonds Unique.

Name	Recurrent	Due Date	Frequency
Internal Audit Department		02-Jul-2015	

Description of Covenant			
The Recipient shall recruit to the internal audit department of Ministry of Vocational and Technical Training, Apprenticeship and Arts and Crafts (MFPAA), not later than four (4) months after the Effective Date, a qualified auditor to be responsible for strengthening the internal control environment of the Technical and Vocational Education and Training (TVET) sector.			
Name	**Recurrent**	**Due Date**	**Frequency**
Fonds Unique Manual		02-Jun-2015	
Description of Covenant			
Preparation and adoption of a Fonds Unique Manual no later than three (3) months after effectiveness			
Name	**Recurrent**	**Due Date**	**Frequency**
Accounting Software		03-Jun-2015	
Description of Covenant			
The Recipient shall acquire and install in MFPAA and each Selected Lycée Technique, not later than four (4) months after the Effective Date, accounting software with specifications satisfactory to the Association, and shall thereafter maintain such accounting software in a manner satisfactory to the Association throughout the implementation of the Project.			
Name	**Recurrent**	**Due Date**	**Frequency**
Counterpart Funds	**X**		Yearly
Description of Covenant			
The Recipient shall, not later than September 30 of each year, pay into an account within the Recipient's treasury, a percentage of the Counterpart Funding, acceptable to the Association, as shall be required to cover expenditures made against such Counterpart Funding, based on activities to be carried out pursuant to the applicable Annual Work Plan.			
Name	**Recurrent**	**Due Date**	**Frequency**
Project Auditor		03-Jul-2015	
Description of Covenant			
The Recipient shall recruit, not later than four (4) months after the Effective Date, the independent auditor referred to in Section 4.09 (b) of the General Conditions, in accordance with the provisions of the Financing Agreement and pursuant to terms of reference satisfactory to the Association.			
Name	**Recurrent**	**Due Date**	**Frequency**
Clusters of Training Centers	**X**		CONTINUOUS
Description of Covenant			
The Recipient shall establish, not later than January 31, 2015, and thereafter maintain throughout the implementation of the Project, Clusters of Training Centers for each of the horticulture, poultry farming, and tourism sectors, to be responsible for implementing Parts A.2 and A.3 of the Financing Agreement of the Project.			
Name	**Recurrent**	**Due Date**	**Frequency**
Delegated management contract		31-Dec-2014	
Description of Covenant			

By no later than December 31, 2014, the Recipient shall enter into a delegated management contract with National Office of Professional Training (ONFP), in form and substance satisfactory to the Association, to provide, inter alia, for the technical management of construction, rehabilitation and equipment of facilities, by ONFP on behalf of MFPAA, the Training Centers, and the Selected Lycées Techniques

Conditions

Source Of Fund	**Name**	**Type**
IDA	Staffing and Board of Directors of the Fonds Unique	Effectiveness

Description of Condition

The Recipient has staffed the Fonds Unique and appointed private and public sector members to its board of directors in a manner satisfactory to the Association.

Source Of Fund	**Name**	**Type**
IDA	Project Implementation Manual	Effectiveness

Description of Condition

The Recipient has prepared and adopted the Project Implementation Manual, in form and substance satisfactory to the Association.

Source Of Fund	**Name**	**Type**
IDA	Co-financing	Effectiveness

Description of Condition

The Co-financing Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of the Financing Agreement) have been fulfilled.

Source Of Fund	**Name**	**Type**
IDA	Recruitment of an accountant	Effectiveness

Description of Condition

The Recipient has recruited an accountant to DAGE, with qualifications, experience and terms of reference satisfactory to the Association, and in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement.

Team Composition

Bank Staff

Name	**Title**	**Specialization**	**Unit**
Maya Abi Karam	Senior Counsel	Senior Counsel	LEGAM
Marie Roger Augustin	Legal Analyst	Legal Analyst	LEGAM
Aminata Ndiaye Bob	Programming Asst.	Team Assistant	AFCF1
Aissatou Diallo	Senior Finance Officer	Senior Finance Officer	CTRLA
Alassane Diawara	Consultant	Consultant	GEDDR
Samira Halabi	Education Spec.	Education Spec.	GEDDR

Mouhamadou Moustapha Lo	E T Consultant	E T Consultant	GEDDR
Shingira Samantha Masanzu	E T Consultant	E T Consultant	LEGES
Mamadou Mansour Mbaye	Consultant	Consultant	GGODR
Fatou Fall Samba	Financial Management Analyst	Financial Management Analyst	GGODR
Leopold Sarr		Consultant	GEDDR
Atou Seck	Senior Education Specialist	Team Lead	GEDDR
Cheick Traore	Senior Procurement Specialist	Senior Procurement Specialist	GGODR
Juliana Chinyeaka Victor	Senior Monitoring & Evaluation Specialist	Senior Monitoring & Evaluation Specialist	GPSOS

Non Bank Staff

Name	**Title**	**City**
Sciandra Calogero	Project Manager	Paris
Veronique Sauvat	Project Manager	Paris

Locations

Country	**First Administrative Division**	**Location**	**Planned**	**Actual**	**Comments**

I. STRATEGIC CONTEXT

A. COUNTRY CONTEXT

1. **Senegal, with an estimated population of 13.5 million, is one of the most politically stable countries in Africa, and has considerably strengthened its democratic structures in recent years.** The last presidential elections in February 2012, which brought in a new administration, were characterized by a high degree of transparency, a peaceful electoral process acceptance of the results.

2. **Data from a variety of sources suggest that Senegal has considerable growth potential but also confronts many constraints and challenges to transition from a predominately factor based economy, most particularly in the business environment and in workforce skills**. The McKinsey Global Institute also classifies Senegal as a country in transition to a more diversified economy (Fine et al 2012). Similarly, in the World Economic Forum (WEF) index of competitiveness, although Senegal is classified as a factor-driven economy due to significant gaps in basic requirements and efficiency enhancers, Senegal scores much higher on innovation and sophistication factors suggesting a promising indicator in the foundation for economic transition. Among Sub-Saharan African countries, Senegal ranks 7th in innovation and sophistication factors and also ranks high relative to more competitive economies. On the Kierney Global Services Location Index, in 2011 Senegal ranked in the top 50 countries worldwide that provide the most common remote functions for offshoring, including Information technology (IT) services and support, contact centers and back office support (A.T. Kierney 2007), coming in 26th place. Finally, a comparative analysis of Foreign Direct Investment (FDI) by Ernst and Young (2011) concludes that Senegal's resource endowments (particularly minerals), stable political and macroeconomic environments, proximity to European markets and good port facilities make for an attractive location for FDI.

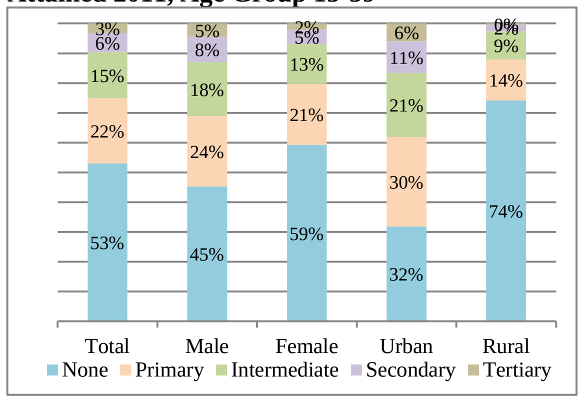
3. **Over the last decade and particularly since 2005/06, low growth in the economy has been observed.** Between 2000 and 2010, gross domestic product (GDP) growth averaged 4.0 percent annually and fell to 3.3 percent in the latter half of the decade; a rate that falls only slightly above the estimated annual population growth rate of 2.6 percent and well below the average for many other Sub-Saharan countries. As a result, progress in poverty reduction has been slow. In 2011, the prevalence of poverty remained high with an estimated 46.7 percent of the population living below the national poverty line compared with 55.2 percent in 2001/02. However, compared with many high growth countries in Sub-Saharan Africa, inequality has not risen.

4. **Currently, the macroeconomic situation has stabilized, but the economy struggles to move to higher and more inclusive growth.** Real GDP growth in 2013 is expected to be higher than the 3.4 percent in 2012 but below the projected rate of 4.0 percent. In the short-term, GDP growth projections of 4.6 percent for 2014, even if achieved, still fall short of the country average in the West African Economic and Monetary Union (WAEMU) zone.

5. **Several factors have contributed to lackluster growth over this period, including external shocks (poor rainfall, rising fuel prices, floods) and deteriorating economic governance, particularly in the key economic sectors of fishing and tourism.** Further, the Senegalese economy has been unable to transition to a higher growth and more competitive economy due to: (i) the structure of the economy which has changed little over the past 30 years; (ii) a limited export base; and (iii) an unfavorable business and investment climate particularly in infrastructure (especially power) and in the low education and skill level of the working-age population.

6. **In 2011, the average number of years of education completed by the Senegalese working-age population was estimated at only 3.6 years.** Over half of the working-age population, and three out of four rural residents, had never attended school; 22 percent had some primary education; and 25 percent had some middle school education.

Figure 1.Senegal: Highest Level of Education Attained 2011, Age Group 15-59



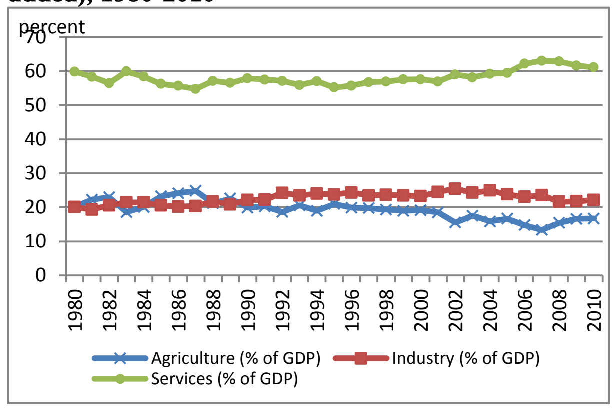
Source: ESPS II data.

7. **Levels of educational attainment will continue to improve as a result of public investments in primary and general secondary education over the past two decades.** Nevertheless, the proportion and absolute number of youth with no formal education remains high and school attendance rates among primary school-aged children are rising very slowly, which will have repercussions on both the economy and youth employability. In 2011, only 60 percent of school-aged children attended primary school and only one in two attended primary school in rural areas. Even at the peak school attendance (from ages 9 to 11), 30 percent did not attend school.

8. **On the fiscal front, prudent fiscal management and accountability have also weakened.** Current public spending rose from 13.8 to 18.1 percent of GDP between 2005 and 2011, driving up the deficit from 3.0 percent of GDP in 2005 to 6.8 percent in 2011. Since 2011, the deficit has declined to 5.2 percent in 2013 relative to an initial projection of 4.9 percent. The core problem of this larger than expected deficit remains revenue collection, which will continue into 2014 and contribute to a projected deficit of 4.9 percent of GDP. Despite repeated public financial management (FM) reforms over the decade, the strengthening of the institutions of public resource management has not kept pace with the fast growth in budgetary means. The tools, policies and institutions to manage an ever-growing budget require adaptation to the evolving reality to improve efficiency, effectiveness, equity and governance. After a decade where the thrust of budget policies was to spend more, the state needs to shift its emphasis to spending better.

9. **The structure of the economy has evolved only marginally over the past 20 to30 years both in terms of output and employment.** In terms of economic output, the Senegalese economy is predominately a service-based economy. Figure 2 shows that the tertiary (service) sector has dominated economic output for at least 30 years, accounting for about 60 percent of GDP. Over the past decade, growth in output has been strongest in the tertiary sector (growing at an average of 5 percent annually), driven by real estate, transport, telecommunications and enterprise services. In 2010, the primary (agriculture and fisheries) and secondary sectors (industry) contributed 16 and 24 percent to total output, respectively. In the industrial sector, recent growth has been driven by chemical products and construction, although growth in the industrial sector has stagnated at about 3.8 percent a year over the past decade. Across all three economic sectors, annual fluctuations in output are substantial which reflects the weight of primary commodities in the economy as well as limited exports.[1]

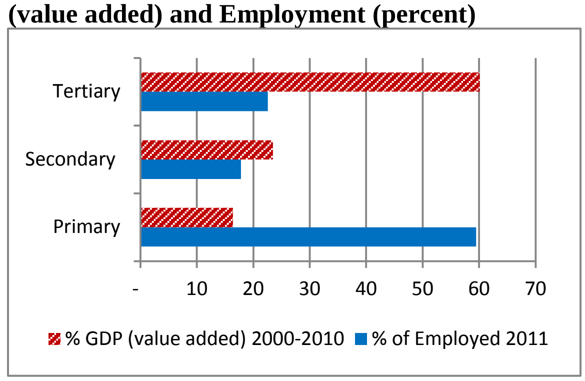
Figure 2. Sector Output as a Percent of GDP (value added), 1980-2010



Source: World Bank World Development Indicators data base, July 2012

10. **Despite comprising only 16 percent of GDP, the primary sector provides employment for six out of ten workers as shown in Figure 3.** By comparison, the secondary, and particularly, the tertiary sectors, are considerably more productive per worker. The secondary sector accounts for 23 percent of GDP and 25 percent of employment, with a value added per worker at least three times that of the primary sector. The tertiary sector accounts for nearly two-thirds of GDP but for only 16 percent of employment, with a value added per worker at least six times that of the primary sector. However, only the tertiary sector shows a modest but sustained growth in value added per worker of about 1.6 percent a year over the past decade.

Figure 3. Economic Sector Contribution to GDP (value added) and Employment (percent)



Sources: GDP: World Bank World Development Indicators on line July 2012; Employed: ESPS II

11. **Senegal aspires to be a high middle-income country by the next decade, and to be an emerged economy by 2035.** To reverse the low growth trend, the Government of Senegal (GoS) developed an ambitious program -- *Plan Senegal Emergent* (PSE) -- which aims to reverse this stagnant trend by increasing the productivity and competitiveness of the economy in

[1] Main imports are petroleum products, cereals, machines and devices, metals and metal products, and transportation equipment which together comprise 54 percent of total imports. (Source: ANDS, 2010.)

domestic, regional and international markets, promoting increased domestic and foreign direct investment, and strengthening governance and accountability. The strategy focuses on continued improvement in the business climate, and the development of clusters of services and skills to raise the productivity and capacity of businesses (particularly small and medium enterprises – SMEs) and of the labor force. Efforts will focus on key economic sectors that have the potential for high value added, employment creation, and boosting exports: Agriculture and Agro-industries, Mining, the Fisheries sector (processing industries and fish farming), Clothing Manufacturing, Information and Communication Technology (ICT) including business process outsourcing, high standard Education and Health care services, and Tourism including cultural and artistic industries.

12. **The GoS aims to create 300,000 jobs over the next five years to reduce the unemployment rate to 6 percent.** To achieve this goal, the Government intends to: (i) improve the productivity of the economy and the qualifications of the youth population; (ii) ensure better linkages between training programs and economic needs; (iii) reinforce the institutional framework for the management of the jobs agenda; (iv) incentivize the creation of enterprises; and (v) implement a system to monitor the labor market and employment trends. Achieving this goal is the Government's highest priority among its poverty reduction strategies.

B. SECTORAL AND INSTITUTIONAL CONTEXT

Presentation of the TVET sector

13. **The GoS has established an official certification system that provides options by skill level from lowest to highest, entry qualifications, and normal length of time required to complete a given level of qualification.** In addition to these official diplomas, vocational training centers also issue *"attestations"* or certificates of course completion to individuals who are unsuccessful in the certification exams or choose not to sit for them, but attestations are not a part of the official diploma structure. Further, some private institutions issue their own diplomas which are difficult to map onto the official diploma structure due to lack of information, and the absence of oversight and accreditation processes for private providers.

Box 1. Diploma Structure

Level	Diplôme	Entry Requirement	Years of Training	Total Years of education & training
V	CAP: *Certificat d'aptitude professionnelle* BEP: *Brevet d'enseignement professionnel*	Completion of *classe de 4^eme^* (9 years of general education)*	3	12
IV	BT: *Brevet de technician*	BEPC*: classe de 3^eme^* (10 years of general education)	3	13
III	BTS: *Brevet de technicien supérieur* DUT: *Diplôme universitaire de technologie* *DTS : Diplôme de technicien supérieur*	*Baccalauréat* (13 years of general education)	2	15
II	Masters, Ingénieur	Licence	2	17
I	Doctorat			

*Although level V certification targets individuals who have completed three years of lower secondary education/middle school(classe de 4eme), individuals with two and four years of lower secondary education/middle school may also enroll.

14. **Since 2005, the GoS has maintained a Technical and Vocational Education and Training (TVET) Ministry separate from the Ministry of General Education which allowed for some degree of political will, leadership and technical capacity to develop.** Prior to 2005, the TVET Ministry experienced varying degrees of attachment to the Ministry of Education, depending on changes in government organization. Providers of pre-employment TVET in Senegal fall into two broad groups: (a) the formal or center-based sector which consists of public and registered private training institutions offering certificate or diploma programs; and (b) the traditional apprenticeship system.

15. **The public sector network consists of Vocational Training Centers (*Centres de Formation Professionnelle – CFP*), Female Vocational Training Centers (*Centres d'Enseignement Technique Féminin – CETFs*), and *Lycées techniques (LTs)*.** The CFPs and CETFs were established with the intention of providing a pathway to entry-level work or self-employment for youth and women. With few exceptions,[2] they offer programs leading to the Certificate in Vocational Aptitude (*Certificat d' Aptitude Professionnel - CAP)* or Certificate of Professional Studies (*Brevet d'Etudes Professionnel* - BEP) only. As the name implies, the CETF targets young women. The large majority of CETF programs are limited to hairdressing, fashion, textiles, catering, crafts, health, and grassroots development. To access training programs in the Centers, individuals apply to the Center for admission. The majority of TVET centers (75 percent) administer entrance exams.

[2]The exceptions are the *CFPT Senegal-Japon*, the *Centre de Formation Professionnelle Commercial*, and the *Centre d'Entreprenariatet de Développement Technique* which offer the Certificate of Technician (Brevet de technician –BT) and Diploma of Higher Technician (Brevet de technician Supérieur –BTS). All are located in Dakar.

Table 1: TVET Institutions and Enrolment, 2006/07-2010/11

	Institutions		Enrolment		
	Nbe	Share of total (%)	Nbe	Share of total (%)	Average size
Private Institutions	145	64%	19,817	53%	137
Public Institutions	81	36%	17,699	47%	219
LYCEES TECHNIQUES	9	4%	6,643	18%	738
CFP	30	13%	6,678	18%	223
CETF	42	19%	4,378	12%	104
TOTAL	226	100%	37,516	100%	166

Source : METFP 2010/11

16. **In 2012, the GoS completed the establishment of four modern, high quality *Centres Sectoriels* training centers in the fields of food processing, civil works, agriculture machinery and port services.** Financed by the French Development Agency *(Agence Française de Développement - AFD),* the training centers operate on a Public-Private-Partnership (PPP) basis, function autonomously and are governed by a Board of Trustees chaired by a representative from private industry. They deliver programs leading to a CAP, BT, or BTS.

17. ***The Lycées Techniques* (LTs) prepare students for the technical baccalaureate,** this is not a professional degree in the sense that it does not prepare students in a specific field, but prepares students for continuing education for the University Institute of Technology (*Institut Universitaire de Technologie - IUT*), BTS, or engineering school. Specific sections are math and mechanics, agriculture, food processing, mechanical manufacturing, and chemistry. LTs and post-secondary institutions are more selective academically, offer higher level diploma programs, place greater importance on academic achievement in mathematics and sciences, and offer access to more advanced education and training offered by universities and institutes of higher education. In contrast to the TVET Centers, the LTs do not recruit directly. After completion of junior secondary, the Ministry of Education determines the list of students that should enroll in LTs.

18. **The IUTs and Higher Institute of Professional Training (*Institut Supérieur d'Enseignement Professionnel* – ISEPs) offer the *Diplôme Universitaire de Technologie (DUT)* and the *Diplôme de Technicien Superieur (DTS)*, respectively.** The IUTs are autonomous entities within the university system. The Tertiary Vocational Training Institutes, *Instituts Superieurs d' Enseignement Professionnel (ISEPs*) are new institutions. The first ISEP opened in 2013 in Thiès with support of the World Bank. In contrast to the IUTs, although overseen by the Ministry of Higher Education, ISEPs are managed by a Board of Directors chaired by a representative of the private sector. More than half the trainers in the ISEPs are drawn from enterprises, and training curricula are designed and updated in collaboration with enterprises.

Issues

Employment and unemployment

19. **Senegal's employment ratio is estimated at 0.52 in 2011, indicating that only about one in two individuals of working-age is working**. The general pattern is for the employment ratio to be higher in low-income economies and lower in wealthier economies where youth participation in secondary and post-secondary education is high. Senegal, however, does not fit this pattern. Senegal's employment ratio falls at the low end of the distribution being slightly higher than South Africa, Tunisia and Egypt, which have all experienced sustained high unemployment rates and higher school participation rates, but considerably lower than the majority of countries, both low and high-income. The comparatively low employment ratio applies to both men and women.

Figure 4. Distribution of The Working-Age Population by Activity (%), 2011

	Working	In School	Idle[3]	Total(%)	Weighted Obs.
Ages 15-34	44%	19%	37%	100	4,439,256
Ages 35-59	67%	0%	33%	100	2,395,692
Ages 15-59	52%	12%	36%	100	6,834,948
Male	57%	22%	21%	100	2,001,492
Female	32%	17%	51%	100	2,437,763
Urban	35%	26%	38%	100	2,240,865
Rural	52%	11%	36%	100	2,198,390

Source: ESPSII 2010/11.

20. **A remarkably large share of the working-age population (36 percent) is neither working nor attending school.** Senegal's low employment ratio relative to other countries is not attributable to a relatively higher school attendance in Senegal. Rather, it is due to a large share of the population that is neither working (whether looking for work or not) nor attending school. This is observed among youth and adults, many of them are educated, and both urban and rural populations at a similar rate. This translates into a major lost opportunity.

Access and quality issues facing the TVET system

21. **Links between TVET, economic sectors and the development agenda are weak.** The ministry in charge of TVET has been isolated in the education and training policy formulation process which has been driven mainly by the general education sector. With the exception of a few new centers like the ISEP and the Sectoral TVET centers, the classic problem of lack of dialogue between industry and public education in Senegal has made it difficult to develop vocational training programs that are responsive to economic potential and labor market demand. Due mainly to a lack of pragmatism and the bureaucracy underlying the working relationship within the public administration, business people have not been involved in the design and implementation of training policies and strategies.

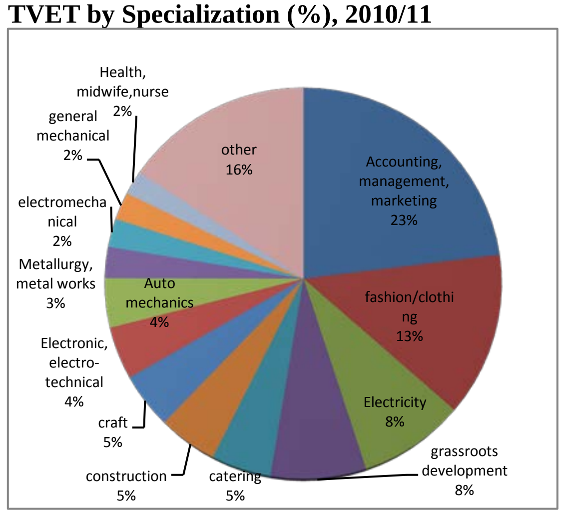
[3] Idle is defined as individuals who did not work during the previous four weeks preceding the survey and were not attending school.

22. **Despite several economic sectors requiring well trained and dynamic workers, and willingness among the youth population to participate in training and enter the labor force, TVET provision remains limited in terms of enrollment and the diversity of specializations offered.** Despite high demand and higher wages for technical and vocational skills in Senegal, the system serves only a small proportion of the eligible cohort. Of the population aged 15-59, only 15.5 percent had received technical or vocational training in 2011. Out of a working age population of 6.8 million, fewer than 520,000 received some sort of formal TVET, and of this group, only 386,000 obtained a diploma or certificate. The Ministry of Vocational and Training, Apprenticeship and Arts and Crafts (*Ministère de la Formation Professionnelle, de l'Apprentissage et de l'Artisanat* -MFPAA) has a total enrollment of 16,000 across institutions, while the population of 14-24 year-olds is over three million, meaning TVET institutions are effectively serving a little over 0.5 percent of the target population.

23. **Recent trends in TVET enrolment suggest that a diminishing share of youth will enter the labor market with vocational and technical skills over the medium term.** Since 2007, total enrolment in TVET has been growing at an annual rate of 3.4 percent, considerably lower than the annual growth rate of 12 and 14 percent in *collège* and *lycée* enrolment, respectively. Over the period 2007-2011, enrolment in private centers grew by an annual rate of only 2 percent a year. In the public sector, enrolment growth in recent years has been highest in the CFP and CETFs (averaging 6 percent a year), aided by the opening of 15 new centers since 2009. In contrast, the number of LTs has remained the same, and enrolment in the LTs has been growing at a rate of only 3.2 percent a year.

24. **Enrolments by TVET specialization suggest that overall the diversity of specializations offered is very limited.** Public and private TVET providers offer about 40 TVET specializations (*filières*)[4] but 55 percent of TVET enrollments are in four specializations: accounting/management/marketing, hairdressing, dressmaking/tailoring/clothing, and electricity. Ninety percent of students are enrolled in only 20 specializations. To a certain extent, the public and private sectors occupy particular niches in the training market, although they overlap in some areas.[5] Significantly, TVET programs offer very few opportunities, in some cases none at all, for technical and technician training in high labor demand areas. This is especially the case in fields of study relevant to the priority economic sectors targeted by the PSE, notably horticulture, fisheries and food processing; infrastructure building, management and maintenance (particularly water and sanitation systems, energy and

Figure 5. Distribution of Enrolment in Public TVET by Specialization (%), 2010/11



Source: METFP statistiques 2010/2011

[4] By way of comparison, more than 350 specializations are offered in France.

[5] Similarly, the informal apprenticeship system also occupies a particular niche, providing the majority of training for craftsmen in the building trades.

roads); tourism and hotel services, and natural resource conservation and management. Finally, the data point to significant gaps in the qualification hierarchy in nearly all specializations.

25. **Courses offered are obsolete, equipment is lacking or outdated, and teachers are not trained adequately.** Training centers and the vast majority of LTs are underequipped, and most of the public buildings they occupy were built in the 1970s. Although there are some exceptions, skills development programs offered by public TVET institutions have evolved little over time such that, for example, trained mechanics continue to be trained with basic tools leaving trainees without the skills to repair vehicles on the market today that rely heavily on electronic and computer systems. The same is true in other technical occupations. For CFP, the large majority of instructors have weak academic education combined with limited vocational training.

26. **Gender and geographic inequities in training opportunities.** The distribution of training is uneven with men and urban residents receiving more training than women and rural residents. Most formal training opportunities, both public and private, are located in Dakar. While only 20 percent of the population resides in the Dakar area, 66 percent of all youth enrolled in TVET programs nationwide attend centers in Dakar. Dakar residents represent over 80 percent of all private TVET enrolment and 46 percent of public enrolment.

Key economic sectors need skilled workers

27. **Senegal needs a qualified labor force to transform its economy, sustain growth, and create jobs.** All of the rankings mentioned in paragraph 2 above also highlight significant constraints to growth, economic transition, and job creation in the private sector. The two predominant challenges are infrastructure, particularly power and transport, and the low skill level of the population. The GoS aims to emerge as a strong, middle-income country. The Senegalese population also has high expectations in terms of job creation, employment and living standards. The GoS considers tourism, horticulture, and poultry as key economic sectors that can make a significant contribution to economic growth and employment. However, these sectors need to become more competitive by raising both productivity and the quality of their products and services.

28. **Tourism is the largest foreign exchange earner in Senegal but is in decline, encumbered by poor quality service and the limited range of services offered.** In 2013, the number of passengers arriving by air in November and December fell by 10 and 21 percent, respectively, compared with the same period in 2012. Common challenges faced by the tourism industry include the seasonal nature of tourism, financial constraints and a weak domestic presence. Other constraints include: i) declining quality of service despite increased competition and demand for higher quality; and ii) a limited range of services at a time when global demand is diversifying and moving towards an increase in adventure tourism, cultural tourism and solo travel rather than the beach holidays in which Senegal has specialized. Tourism sector professionals cite a lack of skills as the main challenge in improving quality and updating existing services.

29. **Two factors contributing to the difficulties faced by the tourism sector include the poor quality and limited range of services being offered, caused by a lack of qualified workers**. The review of training for different jobs in the tourism sector shows a near total absence of training programs at CAP, BT and BTS levels in the restaurant and hotel industries, as well as the many new areas of tourism that Senegal could develop. Efforts to boost the sector are hampered by the lack of skilled workers. The sole public training institution specializing in tourism trains at a very low level of quality and admits very few students (only about 40 per year). In response to demand, a number of private schools offering training at BTS level have been established in recent years. However, the lack of quality control of the training delivered has led to low competency levels among graduate students. Further, the system trained only 150 students per year compared to the 75,000 workers employed in the sector.

30. **The horticulture sector requires new competencies that the current agriculture training system is not able to provide**. The Senegalese horticulture sector lags behind in terms of scientific knowledge about production methods and processes, and packaging and transportation, which constrains its development and contribution to economic growth. There is a huge need for skilled human resources, restructuring and upgrading of training infrastructures, upgrading the skills of trainers, and the training of a critical mass of workers at all levels from CAP to BTS with a focus on the certification of small producers. The provision of appropriately skilled workers will help this dynamic sub-sector within Senegal's agricultural sector, which has evolved dramatically in recent years. Pedoclimatic conditions in Senegal are advantageous for horticultural production in several regions, including les Niayes, the Senegal River Valley, eastern Senegal and the Casamance. The climate in the Northwest of the country is particularly well suited to horticulture and has become a training center for other regions.

31. **Higher productivity and competitiveness of poultry products are impeded by a huge deficit of skilled workers and technicians throughout the value chain**. This deficit impacts production, processing and packaging, and management of poultry farms which must comply with quality standards, and keep pace with advances in technology. Senegalese poultry farming, which was practiced on a small scale until the end of the 1980s, has subsequently experienced rapid growth. Today, poultry farming is one of the key industries in the economy and a driving force within the agricultural sector (which accounts for about 60 percent of GDP), producing 33 percent of Senegal's meat consumption and employing approximately 30,000 workers in mainly in small enterprises. However, the poultry industry must become more competitive if it is to survive when the poultry farming industry reopens to poultry imports which have been banned due to avian flu. Competitiveness is negatively affected by a lack of specific poultry curriculum in vocational training institutions, as well as the lack of industry involvement in developing training policies and standards.

Educated youth need skills to enter the labor market

32. **The majority of economic sectors in Senegal are facing a deficit of quality manpower to sustain their growth, competiveness, innovation and high standard of service provision**. At the same time, massive numbers of Senegalese youth have completed primary, secondary or higher education without acquiring the skills required for entering the labor market. This schooled population represents an important opportunity for Senegal to train workers in

specific fields that need high standards of delivery to boost economic growth. Currently, informal apprenticeships provide the only opportunity for the majority of this young population to acquire labor market skills. Information suggests that although the apprenticeship system produces some talented semi-skilled and skilled craftsmen, it does not respond to the needs of the educated youth willing to enter the labor market or to the needs of the private enterprises that are trying to improve their competiveness.

33. **The following three main drawbacks limit the traditional apprenticeship system in skilling educated youth or to contributing to raising productivity, particularly in strategic economic sectors.** First, the traditional apprenticeship is not attractive to educated youth who consider it regressive, although it is critical to provide opportunities for this youth population to enter the labor market with relevant qualifications. Second, it is unable to support industry's goal to improve productivity and competiveness as the quality of training it provides is closely linked to production technologies which have been slow to change. As a result, for example, skills required to install, maintain or repair modern machines and equipment are not provided through the traditional apprenticeship system while productivity remains low in the fledgling clothing and textile industries. Finally, from a pedagogical perspective, training is based on the imitation of master craftsmen. It does not cultivate higher order thinking skills which would enable apprentices, for example, to read and interpret a diagram or plan and follow a set of instructions. Furthermore, it neglects the role of meticulous implementation of rigorous procedures.

Inefficient financing system

34. **Low effectiveness and efficiency in the financing of the system.** Resources allocated to TVET have grown slightly between 2008 and 2011, but the relative share of resources compared to the entire education sector is only 3.9 percent of total education sector expenditure. Salaries make up the majority of public expenditure. The sector's resources are inefficiently managed by three entities: the Directorate of General Administration and Equipment (DAGE), *the Office National de la Formation Professionelle* (ONFP), and the Fund for the Development of Technical and Vocational Education (*Fonds de développement de l'enseignement technique et de la formation professionnelle* - FONDEF).

35. **The DAGE manages most of the institutions' budget at the central level limiting their ability to make decisions about staffing, resource allocation, and program design.** Although educational institutions are legally entitled to manage their own budgetary resources, 41 percent of the TVET budget continues to be managed at the central level. Moreover, budget lines are rigid and do not allow for adjustment during execution. For example, TVET institutions cannot respond to the skills needed by private industry as they cannot hire contractual teachers or professionals with the right mix of skills and practical work experience. This arrangement significantly limits the effectiveness of institutions to provide quality training. Greater financial autonomy for training institutions that would enable them to raise additional resources is particularly appropriate as resources are scarce.

36. **In addition to the DAGE, two autonomous funds finance TVET for individuals and businesses, though they operate separately from each other, resulting in disjointed efforts.** Results of a TVET survey suggest that overall the scope of the FONDEF and ONFP remains

limited. Almost 99 percent of formal enterprises and 88 percent of informal enterprises in the sample reported that none of their employees had benefited from training with financial support of the FONDEF or ONFP. Further, in the small number of firms that had benefited from FONDEF financing, the training benefitted only 1 to 3 employees per firm. Further, the ONFP and FONDEF have come under criticism for lack of transparency in the selection of training providers, while financial audits of the ONFP uncovered employee misconduct and numerous cases of dubious resource allocations (World Bank 2007).

37. **The ONFP was created by law 86-44 in 1988 as an autonomous public agency to provide guidance to Government on TVET policy but ended up being a funding agency**. Its mission was to help Government determine and implement vocational training objectives, assist public and private institutions in the implementation of their activities and in monitoring their results, carrying out employment studies, developing professional qualifications, and coordinating interventions. Over time, the ONFP diverted from its mission and became a funding agency, financing training for job seekers and workers in the informal sector. In addition to the level and quality of training, another weakness of the ONFP is the lack of monitoring to ensure the effectiveness of training in improving business productivity for future job creation.

38. **The FONDEF is a funding agency for on-the-job training for formal and informal sector enterprises that wish to develop the skills of their staff.** It has financial autonomy and is governed by a Board of Directors composed of representatives of the state, employers and unions. Based on the TVET survey, there is a high unmet demand among enterprises for quality training services. FONDEF functions with high inefficiencies with 50 percent of its budget used to finance operating costs. Its provides services only to existing enterprises that need to upgrade the skills of employees, leaving out training schools that need flexible resources to improve service delivery and youth who need skills to enter the labor market.

39. **The way forward is to modernize and increase efficiency and effectiveness of the financing system by creating a new fund that will combine the funding activities of the ONFP, the FONDEF, and the training center financing activities managed by the DAGE.** Along with increased budgetary resources, the new fund will improve opportunities for training for employment and competitiveness if the resources are aligned with professional requirements whether the enterprise operates as a registered business or informally. Also, this new funding structure would potentially take over the funding of vocational schools that are more autonomous and in particular would ensure the transfer of government subsidies for the operation of these institutions.

40. **The monitoring, evaluation, and information system is weak.** Although the MFPAA gathers data on public and registered private providers, the information is basic and used for administrative purposes only (e.g., establishments, enrolment, etc.) The data are fragmented, and the database is too cumbersome to allow for longitudinal analysis. The data collected are insufficient for accountability or resource allocation purposes as they contain no information to assess institutional efficiency, effectiveness or expenditure. There is also little oversight of institutions in terms of quality of instruction, or time students spend on practical work. Dissemination of information to service providers and consumers is also extremely limited.

Government strategy

41. **Human capital development is a key pillar of GoS's development strategy**. The priorities identified by the GoS to significantly elevate the quality of the labor force focus on: (a) continued expansion and strengthening of the quality of basic education; (b) expanding opportunities for high quality technical and vocational education and training driven by the demand for specific skills in priority economic sectors; (c) introducing occupational education and guidance throughout the school system; (d) boosting the quality of the informal apprenticeship system, certifying the skills attained and opening up opportunities in non-traditional areas; and (e) facilitating the transition from school to work. Additionally, emphasis is placed on the need to recognize enterprises as the drivers of, and central partners in, the development and implementation of any TVET sector reform to ensure that investments in TVET contribute to productive employment.

42. **In the last two development plans for the education sector, *Programme Décennal de l'Education et de la Formation 2001-2011 (PDEF)* and Improvement of Quality, Equity, and Transparency of the education sector 2012-2022 (Program for Quality, Equity, and Transparency Improvements in Education – *Programme d'Amélioration de la Qualité, de l'Equité et de la Transparence dans l'Education* - PAQUET), TVET has consistently figured as a priority second only to primary education.** The first effort to respond to this stated priority dates to a 2002 "Policy Paper for Technical Education and Vocational Training," developed by the Ministry of Education and National Languages following broad consultations and a national conference. The goals of the Policy Framework were to develop the TVET system into one that contributes to economic growth and poverty reduction, is responsive to labor market demand, boosts productivity in the formal and informal productive sectors of the economy, and facilitates the insertion of youth into the labor market. The issues and goals, as well as many of the strategies identified to achieve the goals, remain relevant and have recently been updated and integrated into the PAQUET.

43. **The main new strategies embodied in the PAQUET include**:

- diversification of training opportunities, focusing on mid-level qualifications;
- regular updating of training programs, equipment and instructional personnel as occupations in the economy evolve;
- widespread establishment and use of public-private partnerships in the development and delivery of training programs and in the management of training institutions;
- expanded work-study/apprenticeship experiences to complement center-based instruction in a dual approach to TVET;
- reform of diploma requirements and training programs particularly by the introduction of a competency-based approach to develop and deliver training programs (*Approche Par les Compétences – APC*);
- modernizing informal apprenticeships by complementing apprenticeship training with theoretical studies and certifying the competencies achieved; and
- encouraging young women to take up non-traditional training opportunities.

44. **The Policy Paper also proposed the creation of several new institutions or bodies to drive and implement the reform.** These included: (a) a new Ministry for TVET in order to consolidate public policy and operational responsibilities under one national body and provide strategic leadership and coordination; (b) a National Consultation Commission; (c) National Commission for Approval of Degrees and Diplomas for private institutions; and (d) expert commissions to advise on developing the specifications for qualifications and for quality assurance. Expanded avenues to reform TVET financing were also proposed, such as the reform of the payroll tax levied on employers, part of which is intended to be used to finance TVET, and the creation of a national fund to support TVET.

Rationale for Bank involvement

45. **There is an urgent need to increase the low productivity of the economy and meaningfully diversify the productive base**. Programs in TVET need to be designed in a way that provides greater relevance and the skills needed by key economic growth sectors. The World Bank can bring the knowledge, financial resources and technical advice on designing and implementing more professional diploma programs, modernizing management of training institutions and strengthening quality assurance mechanisms**.**

46. **The proposed project will fill the gap in World Bank interventions in the Senegal education system by providing support that goes beyond general education.** So far, the World Bank is the main development partner supporting the education sector with various instruments that aim at improving access and quality of basic and secondary education, reforming the higher education system, and promoting excellence in teaching and learning at that level. With this operation, the World Bank will be supporting the entire education sector and this complementary project will help the country improve job opportunities and overall productivity of the economy. In addition, as donors have for the most part been supporting primary and secondary education thanks to the Bank's leadership in policy dialogue and advice at these levels of education, the Bank would play the same role in the future and assist the GoS in attracting more donor financing for the TVET sector.

47. **This operation is the first World Bank support to the TVET sector in Senegal and is based on a comprehensive analysis of the sector conducted in 2013**. The findings and recommendations of this sector work guided the preparation of the project**.** The Bank has developed good partnerships with stakeholders in the sector which allows it to provide good advice in policy development. That partnership also boosted the involvement of private sector representatives in the project preparation.

Partnership with the French Development Agency (AFD)

48. The project was prepared in close partnership with AFD that will provide co-financing. AFD's experience in supporting policies for training and youth employment through PPPs will directly benefit the current project, which aims to strengthen these nascent partnerships. Over the last five years, AFD has been actively supporting the MFPAA and has gained tremendous experience in establishing PPP training centers in the fields of food processing, civil works, agriculture machinery, and poultry professions. A partnership framework between the

Government and the private sector for training, implementation and management of training centers has been put in place.

49. These centers are governed by private-sector led Boards of Directors and are providing training that respond to economic needs. The PPP approach will create long-term dialogue between public and private stakeholders in the interest of improving the relevance of vocational education. Private sector involvement in TVET management will support the sector's efficiency, flexibility, financing, and sustainability. The project will build on AFD's experience in this regard.

Donors involved in the TVET sector

50. The following donors are active in the area of skills development:

(i) Canada is supporting the Government with around US$5 million through a project that focuses on vocational training through apprenticeships, entrepreneurship training and business plan development, and youth employment (2013-2016).
(ii) Luxembourg, International Labour Office, Unites Nations Industrial Development Organization, and United Nations Development Program are collectively providing around US$25 million for support to the TVET sector, including support for the governance of the TVET system, for curricular reform, including the creation and implementation of programs, and for employment for trainees (2013-2017). Project activities also include the construction and rehabilitation of structures, capacity building of trainers and officials, support for the implementation of revised training policies, and support for the establishment of mobile training units.
(iii) The International Organization of Francophone Countries, the *Organisation Internationale de la Francophonie (OIF)* is reviewing three pilot programs in the fields of mechanical engineering, electronics, and quantitative management techniques (2014-2015).
(iv) AFD is supporting the establishment and operation of a two sectoral centers (2013-2017): 1) one in motorized mechanics with two branches: for farm machinery in Diama (St. Louis area), and for heavy trucks, automobiles, motorcycles and outboard motors; and 2) a sectoral center for energy management. Financial resources allocated to the activities total US$5,454,918.
(v) The Islamic Development Bank (2009-2013) implemented a youth apprenticeship program for youth ages 16 to 24.
(vi) *Communauté Française de Belgique* is supporting coordination and training of trainers in *Ecole Nationale Supérieure de l'Enseignement Technique et Professionnel (ENSETP),* the university level National Technical and Vocational Education School with funds totaling US$1,770,270.
(vii) The African Development Bank (AfDB) has committed US$2 million to provide support for the rehabilitation and equipment of two centers for training of trainers, in Guerina and in Thies (2013-2017).

C. HIGHER LEVEL OBJECTIVES TO WHICH THE PROJECT CONTRIBUTES

51. **The project's overall aim to improve labor force skills is an explicit objective of the Bank's Country Partnership Strategy 2013-2017 (CPS).** The major aim of the CPS is to strengthen governance systems and processes to enhance predictability, credibility, and accountability of government. The proposed project's focus on reforming governance of the TVET sector supports this overarching goal. By improving the employability of youth in selected growth sectors, the project will help to ensure the availability of skills necessary for accelerating growth and creating employment, which is one of two CPS pillars. By engaging the private sector, reforming financing mechanisms, and establishing a quality assurance unit, the project contributes to the overall improvement of service delivery in the social sector, which is the second CPS pillar.

52. The project is aligned with Government strategic priorities as laid out in the PSE. It focuses on reforming diploma requirements and training programs; diversifying training opportunities, focusing on mid-level qualifications; improving productivity in key economic growth sectors; wide-spread establishment and use of PPPs in the development and delivery of training programs and in the management of training institutions.

53. In its focus on improving training opportunities for youth and enhancing their employability, the project contributes to the Bank's twin goals of ending extreme poverty and boosting shared prosperity. The training opportunities that will be created by the project are closely aligned with labor market needs so youth will be equipped with relevant skills and ready to enter the wage-earning workforce. As the identified sectors have more reliable and better trained labor, they will be better positioned to expand and have potential to drive economic growth.

II. PROJECT DEVELOPMENT OBJECTIVES

A. PDO

54. The long term goals of the proposed investments are to improve the employability and earning prospects of the youth population, and increase the quality and quantity of skilled workers to support the key growth sectors required for Senegal's economic and social development.

55. The project development objective (PDO) is to strengthen the technical and vocational education and training (TVET) system and to improve the employability of youth in selected priority sectors of the economy.

B. PROJECT BENEFICIARIES

56. Private enterprises in the tourism, horticulture and poultry sectors, and youth are the beneficiaries of the project. Senegalese private enterprises in the mentioned sectors are expected to benefit from availability of well trained workers in the labor market to support their

development and competitiveness. Senegalese youth opting for technical or vocational education are expected to benefit from: (a) a smoother transition from training to work and higher earnings compared to youth without vocational training and youth in traditional programs; (b) expanded opportunities to acquire vocational training with employment potential; and (c) improved opportunities for high quality technical and scientific training for successful engineering and scientific studies. At the system level, strengthened capacity of the vocational training centers as well as governance and other improvements are expected to result in a better match between demand and supply of skills for more robust economic development.

C. PDO LEVEL RESULTS INDICATORS

57. Expected key results include: (i) improvement in quality of training provided by the LTs which will be transformed into centers of excellence in technical and scientific studies; (ii) provision of skilled workers in CAP, BT, and BTS to sustain the competiveness of tourism, poultry, and horticulture sectors; (iii) provision of opportunities for less educated youth and to graduate students from secondary or general higher education to enter the labor market with recognized skills; and (iv) establishment of more sustainable governance and financing of the TVET system.

58. These results will be measured using the following PDO indicators:

Project Development Objective	Key performance indicators
a) To strengthen the TVET system	The Fonds Unique is established and functional for the financing and quality assurance of training institutions (yes/no)
	Number of TVET institutions with a functioning Board of Directors
b) To improve the employability of youth in selected priority sectors of the economy	Number of youth who graduated from short term skills development training (of which % female; of which employed one year after completion of the training)
	Number of youth graduating from tourism, poultry and horticulture training clusters (number), and the percentage of females graduating
	Number of trained students (in targeted schools) graduating from targeted programs

III. PROJECT DESCRIPTION

A. PROJECT COMPONENTS

59. The project development objective is to strengthen the TVET system for delivery of better quality and more relevant training in order to improve the employability of youth in selected priority sectors of the economy. The project will support investment and policy reforms that will: (i) improve the quality of training provided by LTs; (ii) improve the relevance and quality of vocational training centers; (iii) improve the competiveness of selected growth sectors; and (iv) provide opportunities for youth to enter the labor market with recognized skills.

60. The proposed project will have **three components**: (i) improvement in the quality and relevance of training; (ii) reform of TVET sector's financial system; (iii) support for system management, monitoring and evaluation (M&E), and project management.

Component 1: Improvement in the quality and relevance of training (Total costs US$61 million of which IDA US$28 million)

61. The objective of this component is to improve the quality and relevance of training in the lycées techniques, to establish a cluster of training centers for skills development in priority sectors; and create and implement a system for certification of skills. This will be achieved through the following three sub-components:

Subcomponent 1.1. Improvement of the quality of existing training institutions

62. The objective of this sub-component is to improve the quality and relevance of technical training in Senegal by upgrading selected LTs to centers of excellence. The proposed project will finance: (i) improvements in infrastructure; (ii) performance-based contracts (PBCs) to improve the quality of service delivery; and (iii) the implementation of renovated technical programs and the technical baccalaureate. IDA will finance the technical and architectural studies for infrastructure rehabilitation and construction, grants to finance PBCs, consultancies and workshops to develop the new programs and the revision of the technical Baccalaureat. The Government will finance civil works activities. Technical auditors will be recruited (under Component 3) to carry out an external evaluation of each PBC and to certify the level of achievement of the expected results. The technical auditor report will be used to decide on the allocation of funds for the following year.

Subcomponent 1.2. Skilling workers in horticulture, poultry farming and tourism sectors

63. Activities to be supported under this subcomponent reflect the needs of the private sector and are based on wide consultation and agreement with both the Government and the private sector. These activities will be implemented in partnership with the private sector as agreed during the consultations.

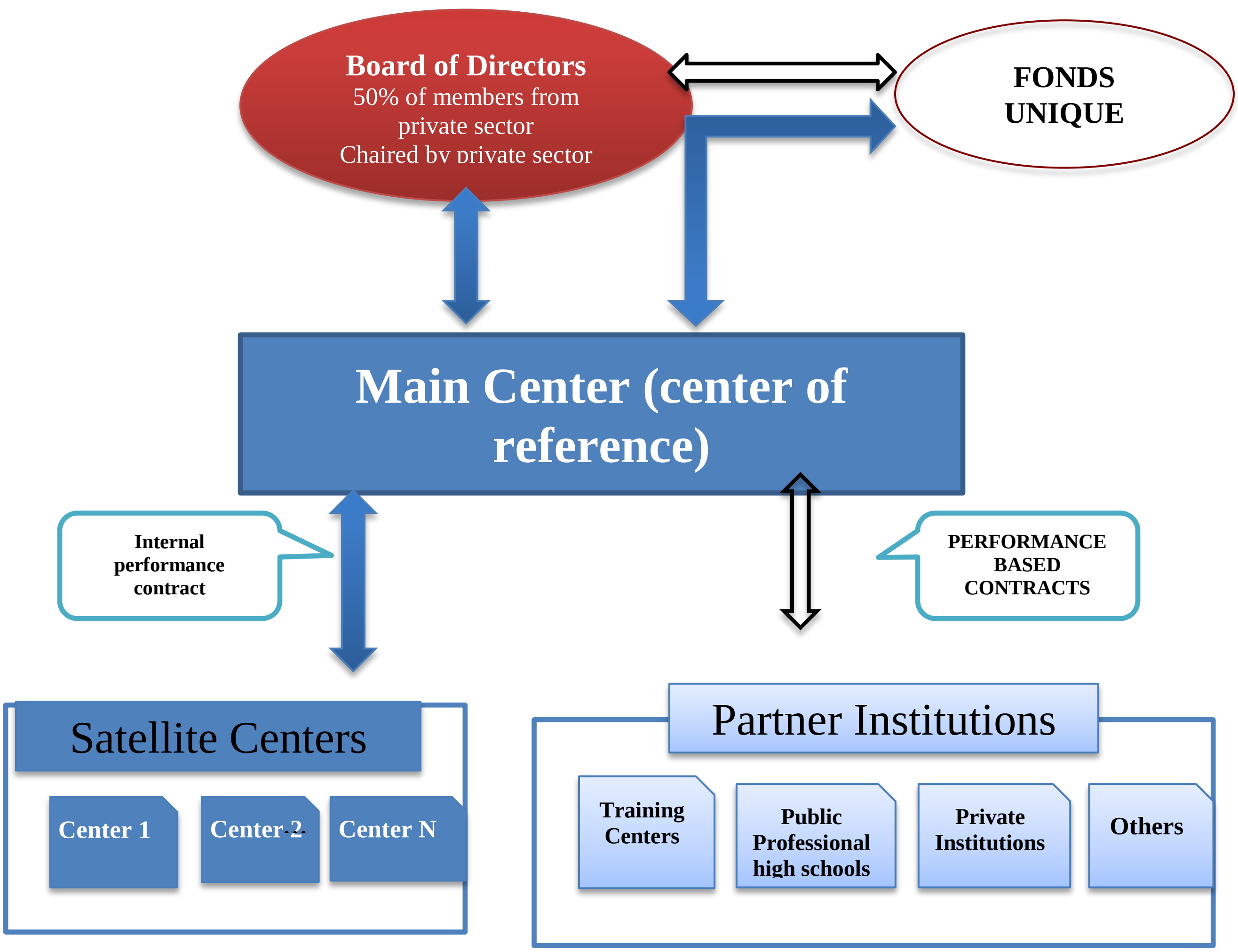
64. The objective of this subcomponent is to put in place an arrangement that enables a targeted focus on human capital development throughout the value chain within three priority

economic sectors. A cluster of training centers will be established for each of the three sectors selected from the list of the seven government priority sectors identified to support an accelerated growth and to boost jobs creation. Several criteria were used, among others: (i) the readiness of the private sector in terms of structuration and engagement to contribute in the development and the financing of the training system; and (ii) the potential for massive jobs creation; and a high value added to the economic growth. In addition to the upgrading of existing centers, the clustering will involve the construction of other centers to establish homogenous entities that work across sites to ensure appropriate training for a range of activities in the value chain, comprising all levels from the CAP to the BTS. The objective is also to increase the productivity of these sectors by: (i) improving significantly the level of expertise of trainers and the qualification of workers through a concerted public-private development of quality vocational training provision; and (ii) creating new competencies needed for each of the sectors. The cluster will develop a program for country wide expansion. Training will be provided in both the center and in enterprises. The project will support the training of tutors in host enterprises to facilitate and establish better links with the private sector.

Table 2: Training provided by location and sector

Sector	Trainings provided	Location
Horticulture	• CAP Agricultural Worker • CAP Nursery Worker • BTS Cultural Specialist • BTS Assistant, Expedition Leader • BTS Agricultural Engineer • CAP Agribusiness production worker • BTS Agricultural Science of agribusiness Technician • BTS Senior Agribusiness Technician • BTS Quality Assurance and Packaging Technician	1. Centers of reference • Thiepp in Louga • Neteboulou in Tambacounda
Poultry	• Husbandry : Head of Poultry Husbandry, Poulterer husbandry, Hatchery Technician • Production: Poultry Production Supervisor, Poulterer Production, Production Technician, Poultry Meat • Processing: Supervisor Technology for processing and packaging of poultry products; General Technician: Meat and Poultry Products • Poultry Farming Services: Manager of Poultry Farming Project, Henhouse Manufacturer, Manufacturer of poultry farming equipment	1. Centers of reference • CIMEL in Mbao 2. Satellite centers: • Dakar • Sedhiou • Bambey • St-Louis 3. Partners: • ISFAR • EISM
Tourism	• Hotel: CAP Hotel services (valet), BT Hospitality, BTS Hotel Management, CAP Housekeeping/Laundry, CAP Receptionist • Catering : CAP Chef, CAP Cook, CAP Restaurant Service, CAP Pastry Chef, Sommelier, BTS Culinary Arts • Travel: BT Commercial tourism agent, BTS Tourism, BT Tour Guide ; • Eco-tourism	1. Centers of reference • Diamniado Tourism Center 2. Satellite centers: • Saint-Louis • Ziguinchor • Ecole Hotelière of Dakar

65. A unique governance framework will be established for each group with a board composed of institutional and private sector representatives. The management will be recruited on a competitiveness basis. Each entity in the group will be semi-autonomous.



66. The project will finance the construction, rehabilitation and equipping of infrastructure, consultant services for program reform and new program design, training of teachers and administrators as well as the development and implementation of management tools. Meanwhile, clusters will temporarily work with existing institutions to address their immediate needs and if need be, these institutions could receive minor upgrading of their infrastructure and equipment to fulfill the clusters' requirements. In addition, when a cluster is established, it (or individual training centers) will negotiate and sign a grant agreement pursuant to which it will receive a grant (financed by the project) from the Fonds Unique for purposes of undertaking a development subproject. AFD will co-finance certain of the activities under this sub-component.

Subcomponent 1.3. Certificate of Specialization Program

67. This subcomponent will provide short duration training to youth who are either not eligible for the first degree of vocational training because they do not meet the minimum

education admission requirements (e.g. primary or middle school graduate) or are unwilling or unable to attend training programs of long duration having already graduated from secondary or higher education without any qualification to enter the labor market. Training will be provided to 10,000 trainees over the four-year duration of the project and will allow youth access to training to improve their employability in the labor market.

68. The graduates from this training program will be granted a Certificate of Specialization (*Certificat de Spécialisation*) that will be established with the objectives of: (i) providing recognized training opportunities to young people who are excluded from the education system early on or have completed general education without a relevant qualification for employment; (ii) providing employers with a system of recognized professional references to facilitate hiring; and (iii) giving the state the means to initiate needed regulation in several professions that have significant safety responsibilities such as passenger transport in buses and taxis, security, the food trade, beauty, and construction, thereby offering employers and consumers a minimum of guarantees.

69. These courses will be provided through existing training centers that are certified to deliver high quality training and will be specific to each business and individual, allowing individuals to acquire the skills they lack. The central pillar of this training will be the personal record of professional competence issued to each youth. The record will describe their skills, experiences and qualifications, including the components provided by the training. Each item in the record will have been subject to evaluation, and a certain number of items will lead to a certificate of complete professional training. The Directorate of Apprenticeship (*Direction de l'Apprentissage*-DA) in relation with the Examination and Professional Certification Directorate, *(Direction des Examens, Concours Professionels et Certification-DECPC)* will define the selection criteria of the training centers. The *DA* will also define the profile of their workshops. The areas of training are already identified in the table below.

Agriculture	Nursery Worker, Fruit and Vegetable Processing, Dairy, Processing of Enriched Cereal Products, Peanuts
Services	Specialist Car Mechanic (tires, engine, electro-mechanics, moped, outboard motor, body work, paintwork); Coil specialist; Engine Maintenance, Hair and Beauty, Plastics Manufacturing, Agricultural Mechanization, Leather Goods, Packaging
Industrial Manufacturing	Welding, Surface Finishing, Ceramic Molds and Forms, Soap
ICT	Computer Maintenance, Mobile Phone Repair, Television Specialist.
Tourism and Hospitality	Housekeeping, Holiday Cottage Manager, Local Guide, Maintenance and Catering Materials, Bar Staff, Waiter/Waitress, Junior Chef, Laundry
Construction:	Masonry General Options: ironwork, formwork, tiler, painter and decorator, plumber, water proofing technician, plasterer, joiner, metal fittings
Power	Solar, Renewable Energy
Fashion	Seamstress, Embroidery, Dyeing, Printing

70. The project will finance the development of the training standards, vouchers for students to support part of the training fees, consultancies to support the development and the implementation of the training program, and renovation or small scale construction and equipment of the selected centers to increase their standards or to support their expansion in rural areas. The voucher will be given to eligible students who have submitted a request and are pre-registered in a certified training center selected through a competitive process. All literate Senegalese aged 16 to 40 years are eligible. Before the finalization of the selection process of training institutions that will deliver the trainings, the following training institutions will be used to pilot the program: Senegal-Japan Training center, the Agriculture and Food Processing Training Center, and the Thies LTs. The Quality Assurance Unit within the Fonds Unique will be in charge of the verification of the quality and the effectiveness of the training services provided. The selection of beneficiaries will be done by the Fonds Unique in collaboration with DA following the Fonds Unique Manual that will detail the selection criteria, payment mechanism, auditing, and reporting system. The Fonds Unique Manual will be developed and approved by IDA no later than three months after effectiveness. AFD will also finance some activities of this sub-component.

Component 2: Reform of TVET sector's financial system (Total costs US$6.5 million of which IDA US$4.5 million)

71. This component aims to streamline and reinforce the funding instruments of the Government's TVET policy in order to make them consistent with the sector reform as well as appropriate to the growing needs of the sector. Activities will include revision of the DAGE operating system, the refocusing of ONFP on its initial main missions, and the operationalizing of a new fund, the *Fonds Unique,* that will consolidate the main missions of ONFP and the FONDEF. The *Fonds Unique* was created by the decree 2014-1264 of October 7, 2014. The Fonds Unique Manual will describe the modalities of operation based on the revised regulatory framework. It will be financed through consolidation of existing resources as well as through donor contributions and will have the following four main functions: (i) financing of on-the-job training of workers on request of existing businesses that need to upgrade the skills of employees; (ii) financing of training centers and institutions on the basis of performance criteria; (iii) financing of individual training for youth that are seeking qualifications to enter the labor market; and (iv) quality assurance which will include standard setting, program accreditation of both public and private providers, quality audits, and the publication of reports on the institutions.

72. The project will finance consultant services for the operationalization of the Fonds Unique, construction and equipment of facilities, and contribute to the Fund's initial resources. AFD will co-finance the Fund. The main sources of funding will be the government recurrent and investment budget and the Lumpsum contribution provided by the Employer (*the Contribution Forfaitaire à la Charge de l'Employeur-CFCE).* The Government has committed to contributing to the Fund by consolidating some recurrent and investment budget lines and will allocate annually CFA 2 billion to the fund from the CFCE. The CFCE represents 5 percent of the wage bill of private enterprises.

73. In addition to its role of managing the budget of central units, the DAGE will devote itself to developing criteria to enable rational budget allocations, supervise the management of

resources transferred to the autonomous training institutions, and follow-up on the construction program transferred to ONFP. The project will assist the DAGE to develop its capacity for conducting these tasks. ONFP will refocus its activities on studies, development of didactic supports, pedagogical engineering and the management of the construction and equipment of training centers and LTs. The project will assist ONFP to develop its capacity in construction management as a Delegated Contract Management Entity. A delegated contract management contract will be signed between ONFP, the MFPAA, clusters or LTs.

Component 3. Support for system management, monitoring and evaluation, and project management (Total costs US$9 million of which IDA US$2.5 million)

74. This component aims at improving the management of the TVET sector by strengthening the capacity of the *Direction de la Formation Professionnelle et Technique (DFTP*), the Directorate of Apprenticeship (DA), the unit responsible for communication and orientation, and the Unit for Studies and Planning *(Cellule D'Etudes et de Planification-CEP)*. The project will also support the establishment of an M&E system, fiduciary management and the coordination of Project activities. The M&E system is considered critical for the success of the project, particularly the implementation of PBCs and subprojects, and will be strengthened at the central level as well as at the LTs and the clusters. The Project Implementation Manual will specify the mechanism and the arrangement for the M&E system. The project will yield a huge amount of data to collect, analyze and disseminate that will require capacity building of units involved in the project implementation.

75. This component will also develop and implement a communication program on sector reforms undertaken by the government, on legal documents as well as the results of studies carried out on the sector. The National Center for Information and Documentation (*Centre National d'Information et de Documentation*–CNID) will be responsible for the above-mentioned communication program and legal documents update.

76. The component will finance external evaluation of each annual PBC which will be used for decision making for financing of subsequent PBCs. The project will also finance data collection and analysis, tracer surveys of graduates, technical assistance, studies, computers, servers, software and informatics infrastructure, and the accountant at central level, training and logistics. The project will also support, as part of the operating costs, results-based premiums for selected civil servants that have responsibilities in the technical and fiduciary management of the project. The list of eligible staff will be subject for approval by the Project Steering Committee and reviewed by IDA for No Objection. At the end of the year payment decisions will be based on achievement of agreed performance and remuneration matrix approved by the Project Steering Committee. IDA will provide its No Objection before payment. The project financial auditor and the PBC technical auditor will review and certify the accuracy of the performance achieved and amounts proposed for payments. The project will also support training institutions to develop systems to track post-training employment of their graduates. AFD will co-finance the coordination activities.

B. PROJECT FINANCING

Lending instrument

77. Investment Project Financing (IPF) will be the lending instrument.

Project Cost and Financing

78. **The project will be implemented over five years to support the Government program.** The total program cost is US$76.5 million which will be financed by an IDA credit of US$35 million, Government financing of US$25 million, and US$16.5 million (Euro 12 million) from the AFD as co-financing partner. AFD and IDA funds will use a parallel financing mechanism using separate bank accounts. Also, according to the detailed project cost in Annex 2, steps will be taken to ensure that IDA will not finance expenditure already financed by AFD. Although they could co-finance a set of linked activities, they will not co-finance the same contract. Government counterpart funds will co-finance either an IDA or AFD financed contract.

Project Components	Project cost	IDA	% Financing	AFD	% Financing	Gov't
1 Improvement of quality and relevance of training	61.00	28.00	100	13.00	100	20.00
2. Reform of governance and financing	6.50	4.50	100	1.00	100	1.00
3 System management, M&E, and project management	9.00	2.50	100	2.50	100	4.00
Total Project Costs	76.50	35.00		16.50		25.00

C. LESSONS LEARNED AND REFLECTED IN THE PROJECT DESIGN

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79. **From analytical work:** A comprehensive study of the TVET sector in Senegal provided the analytical base on which this project was designed. In 2013, the World Bank undertook sector work in TVET and published a report entitled "Vocational and Technical Education for Jobs and Competitiveness." The main findings of the analysis were: (i) the TVET system serves only a small proportion of the eligible cohort. Of the population aged 15-59, only 15.5 percent had received technical or vocational training in 2011; (ii) demand for TVET skills is high in Senegal, and the labor market provides strong signals for individuals to pursue TVET in the form of lower unemployment and large wage differentials; (iii) the diversity of specializations offered is very limited; (iv) traditional apprenticeships are the most widespread mode of training in the Senegalese economy; (v) the volume of resources allocated to TVET has grown steadily between 2008 and 2011, but the subsector's relative share of resources is unfavorable; (vi) individuals and businesses can access financing for training opportunities through two autonomous funds - the ONFP and FONDEF - whose efforts are disjointed and limited in scope; (vii) quality assurance is missing; and (viii) the MFPAA is relatively isolated and has few strong, active connections to

other important players in training and employment, such as other Ministries, employers, local authorities, and parliamentarians. The project directly addresses the main challenges identified in the study, including the limited capacity of the TVET system to absorb eligible youth, the relevance and diversity of training offered, and the weak governance and financing systems in place. In addition, the study pointed to a need for strong quality assurance mechanisms and the importance of engaging the private sector in decision-making and design of TVET programs. The project's components were designed taking into account the solid base of evidence and collectively will address the critical gaps highlighted in the study.

80. **From the previous Senegal Education project:** The Implementation Completion and Results Report (ICR) of the Ten-Year Education Sector Program (*Programe Décennal de l'Education et de la Formation* – PDEF) highlighted that (i) strong commitment is crucial for the achievement of the PDO. A strong commitment from the Government is a major force behind the success of a program or a project. In the case of Senegal, the Government sustained this commitment by annually providing resources to enable the implementation of policies and activities and (ii) regular M&E of a program or a project contributes to the achievement of sought outcomes. The Ministry which regularly carries out monitoring activities to follow closely the progress of activities, gathers feedback from actors and beneficiaries and adjusts an activity when necessary.

81. **From the ongoing tertiary education project**, progress reports have highlighted: (i) PBCs proved to be good instruments to improve the management of training institutions by creating a culture of planning and accountability; and (ii) postponing legal texts until after credit effectiveness foretells future failure of reform implementation.

82. **Not establishing a separate Project Implementation Unit (PIU) but using government entities to implement a World Bank financed project could be an effective way of improving sustainability and ownership and long term institutional capacity building if accompanied by technical support.** Since 2000, World Bank projects in the Senegal education sector have used regular directorates and units to implement each of the project activities that fall into its mandate. Projects have allowed the most cross-cutting structures to undertake the technical coordination role. In that context, several actors will be involved in project implementation as opposed to a single externally funded and separate PIU. Although that design might look complex for an external or donor project oriented point of view, it will be more understandable by the internal actors who will assume ownership. This approach has been successful in the Ministry of Education and in the Ministry of Higher Education and will be used for this project.

83. **Working with the private sector from the AFD funded vocational project**. The AFD participated in the preparation of the project. The project also incorporates lessons learned from AFD's experience in creating the sectoral training centers that involve public and private partners in governing semi-autonomous institutions linked to the labor market. The project is also informed by the analysis of and recommendations from AFD's sector work on tourism.

84. **From international good practice and experience**: The Government representatives participated in study tours to India and China. The lessons learned are related to the importance

of involving the private sector and training institutions in designing and delivering training programs. The Project design also includes lessons learned and international good practices from World Bank financed projects and analytical works notably in: (i) Asian countries such as Philippines, Malaysia, and Vietnam; (ii) African countries including Mozambique and Rwanda; and (iii) Latin American Countries such as Chile and Brazil.

85. **Postponing reforms to project implementation could hinder the achievement of development objectives.** Experience from the last project showed that the reasons for not implementing reforms were due to political expediency, bad policy advice from senior officials, lack of technical capacity to implement reforms and a reform agenda that was too ambitious. Even by being selective, the adoption of many texts was delayed negatively impacting the project's progress. For this project, it was decided to ensure that all major texts are adopted before negotiations. That was done by the Government.

86. **World Bank experience in co-financing reflects lessons regarding divergent rules for debarred firms**. Although the Bank and AFD will co-finance this project, each contract will be financed exclusively by one agency to avoid the use of both procedures for one given contract.

87. **These lessons have been considered in the project design as follows**: (i) the Government is committed to allocating more resources to TVET and policy dialogue will be maintained to support implementation; (ii) the project will focus on improving the M&E system; (iii) the project introduces PBCs to improve LT*s* management and introduce accountability mechanisms; (iv) the key legal texts have been adopted prior to credit negotiations; and (*v*) the private sector has been fully involved in the project design and will play a key role in delivering the operation via PPP modalities.

IV. IMPLEMENTATION

88. The project will be implemented by the MFPAA which will have the overall responsibility of the project implementation including the establishment of the clusters.

A. INSTITUTIONAL AND IMPLEMENTATION ARRANGEMENTS

89. **The Steering Committee**: The Minister of Vocational and Technical Training, Apprenticeship and Arts and Crafts (MFPAA) will be responsible for sector and policy coordination and will chair the Steering Committee. Steering Committee membership will consist of the representatives of relevant ministries' departments and directorates, including Ministry of Finance, Ministry of Agriculture, Ministry of Livestock and Ministry of Tourism and representatives from the private sector.

90. **The Unit for Studies and Planning (CEP)** will serve as the secretariat of the Steering Committee, will be responsible for technical day-to-day management and coordination of the project, and for the M&E system, and will be responsible for the overall implementation of Component 3. The CEP is the MFPAA Unit responsible for planning and developing the information and statistics system. It will manage the day-to-day implementation of the project.

91. **The Professional and Technical Training Directorate (DFPT) and the Directorate of Apprenticeship (DA):** Each technical Directorate will be in charge of the implementation of components relative to their responsibilities. They will coordinate the implementation of the vocational training sector reform program in their respective area of competency. DFPT will be in charge of technical coordination of the cluster initiatives and will be responsible for mapping new institutions with the clusters. DFPT will be in charge of technical *lycée* activities, notably coordinating the implementation of the baccalaureate reform and oversight of the PBCs. DA will be in charge of coordinating initiatives under the certification of specialties.

92. **The Clusters:** Each cluster will be in charge of implementing its strategic development plan and subprojects. The board of directors of each cluster will be responsible for the plan. It would delegate the construction and rehabilitation of facilities to a relevant construction agency which has proven capacity. Under the project, the Government will finance their development plans (to be implemented through subprojects) with grants from the Fonds Unique. Each cluster will put in place a management unit to implement its subproject(s).

93. **The *Lycées techniques*** will be in charge of implementing their activities under their PBCs. They will manage the resources they receive from the budget and project autonomously, but will not have sufficient capacity to manage and implement all their activities. They already benefit from technical assistance financed by other donors such as Canada and Luxembourg. In coordination with these donor partners, the project will support additional needs to strengthen the governance bodies, management structure and systems. Each *lycée* will put in place a management unit to implement the PBCs.

94. **The *Office National de la Formation Professionnelle* (ONFP**), an autonomous institution under MFPAA, will be in charge of managing the construction, rehabilitation and equipping of facilities on behalf of the MFPAA, the clusters and the Lycées. The ONFP will also be responsible for safeguards compliance. It will also be responsible for ensuring and controlling quality standards and norms of infrastructure built. The project will provide technical assistance for architectural studies and procurement management, and the necessary equipment to manage the construction program.

95. **The Directorate of General Administration and Equipment (DAGE)** will be in charge of overall financial management and disbursement for the project in coordination with the Directorate of Investment (DI) at the Ministry of Economy, Finance, and Planning. The DAGE also has primary responsibility for procurement activities that are not under the responsibilities of the ONFP, the Lycées and the Clusters.

96. **The *Fonds Unique*,** an autonomous institution under the MFPAA, will finance vouchers for eligible beneficiaries, development plans/subprojects of eligible training centers. It will carry out quality assurance activities of public and private providers. The Fonds Unique will be composed of operational units as defined in the decree, including a financial management unit.

97. Training will be provided by the project to strengthen procurement capacities of these institutions and to improve their familiarity with World Bank procurement procedures.

B. RESULTS MONITORING AND EVALUATION

98. ***Framework*:** A monitoring and evaluation framework has been developed and discussed with Government. The results framework (RF) in Annex 1 defines the baselines and targets that will be used to assess progress towards the achievement of the PDO.

99. ***System***: The project will support the implementation of an information system that will support the M&E system. The CEP will be in charge of coordinating the monitoring of implementation of the entire program. Each cluster and LT has its proper sub-system linked to the general system. This sub-system will be used to monitor progress in performance and implementation by the cluster or institution. The project will provide technical assistance and IT equipment to strengthen the system. A TVET statistical yearbook will be produced annually.

100. ***Reports***: The CEP will be responsible for preparing: (i) an annual general progress report that will provide an analysis of the outcomes of the sector, financing and expenditure, and the efficiency and effectiveness of the system; (ii) a quarterly project implementation report with the DAGE, ONFP, the Clusters, and LTs*;* and (iii) tracer surveys. Each cluster and LT will prepare a semi-annual implementation plan progress report. The reports will be consolidated into an annual project implementation report which will be used as the basis for an annual review.

101. ***Safeguards***: ONFP has the primary responsibility for monitoring safeguards compliance. It will provide specific information to be included in the quarterly progress reports. The day-to-day monitoring and management of safeguards compliance will be handled by a project team within the ONFP. ONFP will designate a staff to act as a safeguards focal point and will acquire safeguards external services when needed to ensure compliance with the conditions of the project.

C. SUSTAINABILITY

The following elements of the project support its sustainability:

102. **Strong participation from the private sector:** There is a strong demand from the private sector for better vocational training and skilled workers as demonstrated by their involvement in the project preparation and the role they will play in implementation. The training programs will be defined by the Government in close cooperation with private sector representatives who will be involved and take the lead in the governance system of the clusters.

103. **Strong financing commitment:** The Government committed to increase the share of the sector in the education budget from 4 percent in 2013 to 8 percent 2015 to 15 percent in 2022. The percentage of the CFCE will be increased to 10 percent by 2015. The budget allocation system will be strengthened and streamlined and more resources transferred to autonomous institutions. An important investment budget will be allocated yearly for the creation of new centers or upgrading existing facilities.

104. **Technical viability**: The project design has considered only strategies and activities already in the Government TVET policy framework. The project will be entirely implemented by

Government entities that were already involved in the project preparation. Results-based premiums will be provided to selected civil servants responsible for the implementation of key project activities. The innovation is aligned with the Country Financing Parameters and will create incentives for effective results delivery in addition to strengthening the governmental institutions and paving the way for a more sustainable implementation arrangement. Furthermore, it addresses a high turn-over of civil servant involved in projects who are fiduciary staff. The other additional innovations that are introduced in the project design - the performance-based approach and PPP for clusters management - will benefit from World Bank assistance and close monitoring.

V. KEY RISKS AND MITIGATION MEASURES

A. RISK RATINGS SUMMARY TABLE

Risk Category	**Rating**
Stakeholder Risk	Moderate
Implementing Agency Risk	
- Capacity	Substantial
- Governance	Moderate
Project Risk	
- Design	Substantial
- Social and Environmental	Low
- Program and Donor	Substantial
- Delivery Monitoring and Sustainability	Substantial
- Counterpart funding	Moderate
Overall Implementation Risk	**Substantial**

B. OVERALL RISK RATING EXPLANATION

Political economy

105. The political economy of the TVET sector is not as complex as in higher or general education. Stakeholders in the TVET sector felt abandoned by the donor community and are willing to engage in an ambitious program with partners like the World Bank. Further, the TVET system is not very unionized. There might be potential vested interests among a very few individuals who might try to undermine reforms related to the financial autonomy of institutions

and a more transparent and improved management of funds**.** Mitigation measures: All major texts reforming the system will be passed before project negotiations. The focus of the project will be to support the implementation of the new legislation. A strategic communication plan will be developed and implemented.

106. **Ownership by stakeholders.** The project brings together public and private sector leaders for collaborative delivery. Successful implementation will require buy-in and involvement of business people, MFPAA, the Ministries of Tourism, Animal Husbandry Agriculture, as well as the LTs. Mitigation measures: Program design and its implementation strategy have been developed in collaboration with stakeholders, with business people and Government playing leading roles. A Steering Committee chaired by the Minister of Vocational and Technical Training, Apprenticeship and Arts and Crafts, and including all ministry representatives and business leaders has been set up. This Committee will oversee project implementation. In preparing the project, all stakeholders have been consulted. A communication strategy will be developed to build support for the program and the Government. The project has already been presented to the Cabinet Council as reflected in the *Communiqué du Conseil des Ministres* and submitted to the National Assembly on September 8, 2014.

Institutional

107. **The capacity of the MFPAA to implement policy reforms and new programs is weak**. In the past, projects have been implemented by project units outside the Ministry which undermined capacity and effectiveness. Mitigation measures: the institutional capacity of the MFPAA has been clarified during preparation. Moreover, an institutional strengthening plan was agreed upon as part of the project. The team that implemented the AFD financed project will be mainstreamed in the ONFP and the CEP.

108. **Slow pace of implementing reforms.** Experience under the previous projects in the education sector shows that reasons for not implementing reforms were due to political expediency, bad policy advice from senior officials, lack of technical capacity and insufficient commitment to implement reforms. Mitigation measure: the project has been selective in choosing the number of reforms to implement and involving stakeholders in the design of the reform program. In addition, all key reforms have been passed before project negotiations.

109. **Fiduciary:** The overall fiduciary risk is rated as Moderate. The identified risks are generic to the country and will be mitigated during project implementation. In terms of financial management, the generic risks are the unfamiliarity of the TVET sector with preparing and submitting reports on fund utilization, undocumented procedures and the unfamiliarity of the MFPAA DAGE with managing donor-funded projects. Mitigation measures: (i) recruiting seasoned Financial Management staff in the DAGE; (ii) developing an FM manual of procedures which will be part of the Project Implementation Manual; and (iii) setting up accounting software for the project. The procurement risks identified are: the number of implementing agencies, the lack of procurement procedures manual, and the lack of equipment. To mitigate these risks, a procurement specialist will be recruited before project effectiveness. A procurement handbook will be developed for the DAGE, clusters, and LTs, and capacity building will be provided through equipment and training of all staff involved in procurement and FM.

110. The overall risk for implementation is Substantial.

VI. APPRAISAL SUMMARY

A. ECONOMIC AND FINANCIAL ANALYSIS

Economic analysis

111. Analyses of the supply and demand for technical, vocational and professional skills in the labor market point to the existence of high demand in the labor market for TVET skills, particularly in the formal sector, insufficient supply relative to demand, as well as skill mismatches.

112. Several indicators point to a strong demand for technical, vocational and professional skills in the labor market, particularly in the formal sector. An analysis of a 2011 household survey shows the following: (i) individuals with a TVET diploma are substantially more likely to be employed than individuals with a comparable number of years of general education at all levels of education, and particularly individuals with lower and upper-secondary TVET diplomas (CAP, BT, BTS); (ii) individuals who followed a TVET course of study are significantly more likely to be employed in the formal sector; and (iii) TVET diploma holders earn significantly more than their peers who followed a course of general education. In addition, (iv) a survey of enterprises found that 89 percent of employers in the sample reported having sought to recruit new employees with TVET diplomas, but 28 percent could not find the applicants.

113. At same time, there is evidence of a skill mismatch among TVET graduates of public institutions due to the limited range of specializations and diploma levels offered and perceived low quality of public training institutions among employers.

114. The proposed project aims to address the shortage of mid-level skilled workers in specific priority sectors where job growth is expected, and do so by creating specializations and diplomas that are industry relevant. The proposed project is expected to result in better employment and earnings for youth. In addition, investments in expanding quality training are expected to yield positive externalities such as improving the quality of services and products in targeted industries, and raising industry productivity and competitiveness, among others, which are difficult to monetize. Therefore, this cost-benefit analysis focuses on the economic costs of the investment and the estimated benefits that would be expected in terms of future earnings.

115. The cost-benefit analysis is conducted on Component 1 of the proposed project – improving the quality and relevance of training – which represents project investments in the development and delivery of training programs. Because the cost and benefit streams differ by the targeted diploma level (CAP and BTS), the Net Present Value (NPV) of benefits, costs and the Internal Rate of Return (IRR) are estimated separately for the two levels of training.

116. Table 1 in Annex 6 summarizes the investment expenditure by program and estimated beneficiaries over the project period 2015-2019. Programs are expected to continue after the project but for the purposes of the cost-benefit analysis we consider the beneficiaries as those

participating in training under the project. Because training is for a duration of three years, few cohorts would have completed training by the end of the project. Therefore, the graduate beneficiaries include those enrolled during project implementation but completing later. The project would invest US$18.9 million in developing and delivering programs targeting an estimated 4,300 students at the CAP level, and US$34.3 million for programs at the BT/BTS levels for about 3,200 students. The combined investment is US$53.2 million, taking in about 7,500 trainees and producing about 6,700 TVET graduates at a targeted completion rate of 90 percent.

117. *Net Present Value of Benefits, Costs and Internal Rate of Return*. Table 3 in Annex 6 shows the estimated net present value of the future earning streams and the IRR under the two methods for the BT/BTS and CAP programs, under the base, low and high case scenarios.

118. Due to the high employment and earnings advantage of TVET diploma holders, particularly for BT/BTS trainees, investments in the proposed training programs yield high returns both in terms of future earnings without a comparison group, and compared with the alternative of a general education of a similar duration.

119. For the BT/BTS programs, the average cost per trainee for a three year program is estimated at US$22,400. In the base case, assuming a 90 percent completion and employment rate, the NPV of the benefit stream over the medium-term (10 years) and longer term (20 years) are an estimated US$50,000 and US$91,000, for an IRR of 22 percent and 25 percent, respectively. When compared with the alternative of a general education of a comparable duration, the IRR is 12 percent over a ten year horizon and 17 percent over a 20 year period. Both of these IRR are well above the opportunity cost of capital of 4 percent. Even under lower assumptions of completion and employment, the IRR of the investment in BT/BTS trainees is an acceptable rate of return of 15 percent over 20 years.

120. For the CAP programs, the average cost per trainee for a three year program is estimated at US$15,100. In the base case, assuming a 90 percent completion and employment rate, the NPV of the benefit stream over the medium-term (10 years) and longer term (20 years) are an estimated US$25,800 and US$47,000, respectively under the first method, for an IRR of 10 percent and 15 percent, respectively. When compared with the alternative of a general education of a comparable duration, the IRR is estimated at 9 percent over a 20-year period.

Rationale for public investment and provision

121. The estimated high rates of return to project investments in the form of future earnings -- even only when calculated on the basis of expected beneficiaries over the life of the project as above -- far exceeds the current opportunity cost of capital of four percent, as well as the returns to public investments in general education of a similar duration. This is due to both an undersupply of TVET graduates relative to the labor market demand, and their higher productivity relative to individuals with a general education. While the future earnings accrue mainly to the individual, additional benefits accrue to society more generally through higher future tax revenue, lower youth unemployment, and a more productive labor force to support the

development and improve the productivity of industries that the Government has identified as priority areas for development due to their high growth and employment potential.

122. Market imperfections in the supply of TVET also provide a rationale for public investment, and for provision of training in certain fields. The supply of TVET opportunities is bifurcated. Private centers, which have grown in recent years, offer certificate and diploma programs almost exclusively in business, management, accounting, hairdressing, and logistics because such programs are less costly to provide. They involve less equipment and hands on work, and can be taught at higher student: trainee ratios than most other vocational and technical programs. As a result, fees are also affordable. This leaves an enormous gap in the supply of vocational and, particularly, technical training for all other professions needed in the economy which the private sector cannot fill.

Fiscal and sustainability analysis

123. The fiscal impact and sustainability of project investments are assessed by comparing: (a) the additional recurrent cost generated by the project for recurrent expenditure on program delivery and for maintenance of the physical investments with (b) the projected availability of public resources. The analysis shows that the GoS would be more than sufficiently capable of financing the delivery, and maintenance of programs and infrastructure with only a modest increase in the share of total education and training resources allocated to TVET, and well below the targeted 15 percent to be achieved in 2020. Several scenarios were estimated. Table 7 in Annex 6 shows that under the prevailing macro-economic assumptions, and a continuation of education's share of public resources, both the costs of maintaining the existing system and the additional cost generated by the project would require only a modest increase in the share of resources allocated to education and training, well below the GoS target of 15 percent by 2020. The estimated costs are well within a target of only 6 percent of total education and training expenditure representing only a modest increase over the historical average.

124. There are few risks to the financial framework due to conservative assumptions. Parameters that would have the most significant impact on GoS capability to finance the TVET sector as intended are assumptions underlying (a) the projections of total GoS resource availability in the macro framework, and (b) the share of total GoS resources allocated to education and training. With respect to (a), the assumptions are very conservative. GoS expenditure is projected to fall as a share of GDP from 29 percent in 2014 to 27 percent in 2015 while GDP is projected to follow a recent growth trend of 7.4 percent annually in nominal terms. With respect to (b), although the share of public resources allocated to education and training sectors has varied from year to year, it has rarely fallen below 23 percent. The estimates assume the maintenance of a 24.6 percent share over the project period. Nevertheless, even if the share fell to 23 percent at the outset and was maintained at that level, an allocation of 7 percent of the total for TVET would still result in a surplus.

B. TECHNICAL

125. The project responds to the country needs as it will be a key element in contributing to the government agenda outlined in the PSE by providing key economic sectors with adequately skilled workers required to sustain their competiveness and create jobs. The project design is based mainly on the 2013 Senegal Skills for Jobs and Competiveness Report, and also on the findings of the World Bank's 2011 Public Expenditure Review and the 2007 Country Economic Memorandum "Senegal - Looking for Work". The main report provides a comprehensive analysis of the benefits, performance and key features of the TVET system in Senegal. It provides direction for policy and strategy on reforming TVET to improve the alignment of TVET with the Government's strategies for sustainable economic growth and competitiveness and better take into account the role and performance of pre-employment TVET at the semi and mid-skill levels in preparing a labor force with relevant skills needed for future growth and competitiveness in sectors of strategic importance.

126. The project was designed using a participative and collaborative process involving public and private sector representatives. Working groups to design the tourism, poultry and horticulture clusters were led by business people which will ensure that the programs, implementation modalities and institutional set up are aligned with private sector needs. LTs have developed their strategic development plans and draft PBCs with support of staff from universities that have the relevant experience with the Senegal Tertiary Education Governance and Financing for Results (TEGFR) Project (P123673). The draft law reforming the TVET orientation and the draft decree establishing the *Fonds Unique* were discussed with the relevant stakeholders before submission for approval.

127. The MFPAA was very engaged in preparing this project which has been a long-standing request. The private sector has also shown similar engagement. They are organized by sector and the team worked closely with horticulture, tourism and poultry groups. All groups welcome the project and worked diligently with the government and World Bank to design the project.

128. From an implementation perspective, the project will build on the experience of the AFD and of the project teams which established the four sectoral centers and the capacity update of the ONFP and directorates within the ministry. Boards of Directors for all clusters will be established formally by project effectiveness. Draft annual work programs were developed during preparation.

C. FINANCIAL MANAGEMENT

129. A financial management assessment of the Directorate of General Administration and Equipment (the DAGE) of MFPAA, the main implementing agency, was conducted. A review of the FM capacity of LTs of Delafosse (Dakar), Peytavin (Saint-Louis) and Kedougou was also conducted. The objective of the assessment was to determine whether the DAGE and the lycées techniques have adequate FM arrangements in place to ensure that funds will be used for the purposes intended in an efficient and economical manner for this Project. Such arrangements comprise budgeting, accounting, internal controls, flow of funds, financial reporting, and auditing arrangements which: (a) are capable of correctly and completely recording all

transactions and balances relating to the project; (b) facilitate the preparation of regular, timely, and reliable financial statements; (c) safeguard the project's assets; and (d) are subject to auditing arrangements acceptable to the World Bank. The assessment complied with World Bank's requirements under OP/BP 10.00 and also with Management Manual for World Bank-Financed Investment Operations that became effective on March 1, 2010. The conclusion of the assessment is that the FM arrangements have to be set up and will meet the Bank's minimum requirements under OP/BP10.00. Once the mitigation measures are implemented, the overall residual risk rating will be Moderate.

130. The DAGE will have the overall FM responsibility for project implementation. However three (3) clusters, *Fonds Unique* and three (3) LTs will be in charge of the implementation of their activities under performance-based contracts. The clusters and the *Fonds Unique* entity are not yet set up. The FM capacity of the DAGE and the LTs present the following weaknesses: (i) lack of sufficient FM at the DAGE; (ii) lack of FM staff in the LTs; (iii) lack of accounting software; and (iv) weak internal control function:

- the internal audit directorate (*Inspection Administrative et Financière-IAF*) of MFPAA is understaffed and cannot cover the activities of decentralized structures and of the Ministry as a whole; there is only one Administrative and Financial Inspector, one technical inspector, and three assistant controllers covering all internal control activities at central and decentralized level;

- lack of manual of financial administrative and accounting procedures.

131. Furthermore, the cluster and *Fonds Unique* are not yet set up, once they become effective they will need to strengthen the financial management arrangement.

132. As a result of the FM capacity constraints, the effectiveness conditions for this project are: (i) recruitment of an accountant and an accountant with skills and experience satisfactory to the World Bank, who will be under the responsibility of the DAGE of the MFPAA; and (ii) Developing and approving of a manual of financial administrative and accounting procedures which will be part of the Project Implementation Manual.

133. The following actions should be taken no later than 4 months after effectiveness: (i) set up accounting software for the MFPAA and for each LTs; (ii) appoint a qualified auditor to the internal audit department of MPFAA; and (iii) recruit an independent auditor. In addition, the following actions will also be taken: (i) developing and approval of a manual of financial administrative and accounting procedures in each lycée technique; (ii) review the legal and technical organization of the internal audit department to design an internal control and internal audit capacity reinforcement action plan; (iii) closely monitor the action plan until the IAF becomes able to independently carry out the internal auditing activities of the MFPAA at central and decentralized levels; and (iv) recruit, on a short-term basis, consultants for the close monitoring of the action plan and for providing technical assistance in order to strengthen the internal control environment. Before the disbursement for each PBC and subproject grant, each LT and cluster will appoint an accountant with skills and experience satisfactory to IDA.

134. Details on the FM arrangements for this project are included in Annex 3.

D. PROCUREMENT

135. Procurement for the Project will be carried out in accordance with World Bank's "Guidelines: Procurement under IBRD Loans and IDA Credits" dated January 2011; and "Guidelines: Selection and Employment of Consultants by World Bank and Borrowers" dated January 2011, and the provisions stipulated in the financing Agreement. A brief summary of the procurement capacity assessment is provided in Annex 3. The Implementing Agencies (IAs) are the Directorate of General Administration and Equipment (DAGE) of MFPAA, the *Office National de la Formation Professionnelle (ONFP),* the lycées techniques, and the clusters in the future.

136. The ONFP, an autonomous institution under the MFPAA, will be in charge of managing the construction, rehabilitation and equipment of facilities on behalf of the Ministry, the clusters and the lycées. The *LTs* will be in charge of the implementation of their activities under their PBCs. So, they have autonomy in managing the resources they receive from the budget and project but will not have enough capacity to manage and implement all their activities even if they are already benefitting from technical assistance from other donors. Each *lycée* will put in place a management unit that will be in charge of implementing the PBCs. The DAGE will handle the procurement activities that are not under the responsibilities of the ONFP, the *lycées*, the clusters, and the *Fonds Unique*.

137. The procurement activities for the DAGE are overseen by the Procurement Commission, *Commission des marches (CM*), which is in charge of bids/proposals opening and contracts award; and a Procurement Unit, *Cellule de passation des marches* (CPM) in charge of quality control and procurement plans. The ONFP, as an autonomous institution has also a CM and a CPM. The LTs have no CM and CPM as their procurement are done through shopping.

138. The assessment carried out during project preparation showed that the main issues/risks concerning the procurement activities for the project's implementation are: (i) the multiple executing agencies have no experience in The World Bank's procedures; (ii) there is no administrative and financial procedures manual; (iii) executing agencies need more equipment and/or space to file the documents of the proposed Project; (iv) there is no procurement specialist with sufficient experience in World Bank procedures; and (v) performance based contracts are an innovation which will be taken into account in the procedures manual.

139. To address these risks, the proposed project will finance four activities: (i) recruitment of a consultant for the elaboration of an administrative, procurement, accounting, and financial procedures manual; (ii) identification of more space and/or purchasing of additional equipment to file archives of the executing agencies; (iii) recruitment of a full-time procurement specialist for the duration of Project implementation who will be mapped in the DAGE but available for all executing agencies; and (iv) training of staff and technical experts involved in project implementation in World Bank basic procurement procedures. This approach will provide basic procurement training to technical specialists and experts who will handle procurement activities. The technical responsibilities in preparing procurement packages (including technical

specifications and terms of reference (TORs) as well as amending basic procurement document templates, such as data sheets) will be carried out by the relevant specialists/experts and not passed to the procurement team.

140. The overall project risk for procurement is **Substantial** and is expected to be moderate once the mitigation measures and hiring of the above mentioned specialists are implemented.

E. SOCIAL (INCLUDING SAFEGUARDS)

141. For this project, World Bank requirement under OP 4.12 on Involuntary Resettlement is triggered as the construction of new training centers is likely to induce acquisition of land and/or temporary displacement of socio-economic activities. A Resettlement Policy Framework (RPF) has been prepared, approved, and disclosed both in-country and at the Bank Infoshop; it provides a comprehensive procedure to apply if any land acquisition issue arises. In such a case, a Resettlement Action Plan (RAP) will be prepared, consulted upon, disclosed and fully executed prior the commencement of the concerned activity whenever resettlement issue arises in the course of the implementation.

F. ENVIRONMENT (INCLUDING SAFEGUARDS)

142. The project is classified category B with respect to activities under Components 1 and 2 which will finance the rehabilitation/upgrading of existing high schools to vocational training centers and the construction of new centers. The expected direct negative impacts of the project will not be large scale, significant or irreversible; but rather minor and manageable (temporary nuisances during civil works, safety at work, risk of involuntary destruction of covered cultural artifacts, etc.). Indirect adverse impacts would arise during the operation of the centers, in the experiment fields for training like horticulture and poultry. To prevent and manage the above-mentioned potential impacts, three Bank safeguard policies were triggered: (i) OP 4.01 on Environmental Assessment; (ii) OP 4.11 on Physical Cultural Resources; and (iii) OP 4.12 Involuntary Resettlement. The World Bank environmental, health and safety guidelines (EHS) also apply. An Environmental and Social Management Framework (ESMF) is finalized, including guidelines and tools (screening checklists, guidelines for the undertaking of environmental and social impact assessments (ESIAs) and specific environmental and social management plan (ESMP) template) and an exclusion list; it was approved and disclosed in country and at the World Bank Infoshop.

ANNEX 1: RESULTS FRAMEWORK AND MONITORING

Country: Senegal
Skills for jobs and competitiveness Project (P145585)

Project Development Objectives

PDO Statement
The project development objective (PDO) is to strengthen the technical and vocational education and training (TVET) system and to improve the employability of youth in selected priority sectors of the economy.

These results are at Project Level

Project Development Objective Indicators

Indicator Name	Baseline 2014	Cumulative Target Values					
		2015	2016	2017	2018	2019	End Target
1. Number of youth who graduated from short term skills development training (Number)	0.00	150	2250	4800	6500	7500	7500.00
Percentage of female among youth who graduated from short term skills development training and employed one year after completion of the training. (Percentage - Sub-Type: Supplemental)	0.00	40	40	40	40	40	40.00
2. Percentage of youth who graduated from short term skills development training and employed one year after completion of the training. (Percentage - Sub-Type: Supplemental)	0.00	0	70	70	70	70	70.00
3.Youth graduating from tourism, poultry and horticulture training clusters (number), and the percentage of female graduating: Poultry, Horticulture, Tourism (Number)	0.00	0.00	0.00	725	2400	2740	2740.00

Poultry (Number - Sub-Type: Breakdown)	0.00	0.00	0.00	225	500	585	585.00
Horticulture (Number - Sub-Type: Breakdown)	0.00	0.00	0.00	300	1300	1500	1500.00
Tourism (Number - Sub-Type: Breakdown)	0.00	0.00	0.00	200	600	655	655.00
4. The Fonds Unique is established and functional for the financing and quality assurance of training centers (Yes/No)	No	Yes	Yes	Yes	Yes	Yes	Yes
5. Number of TVET institutions with functioning Board of Directors (Number)	3.00	6	11	15	15	15	15.00
6. Direct project beneficiaries (Number) - (Core)	0.00	3250	7250	11250	13000	14105	14105.00
Female beneficiaries (Percentage - Sub-Type: Supplemental) - (Core)	0.00	35	35	35	35	35	35

Intermediate Results Indicators

		Cumulative Target Values					
Indicator Name	Baseline 2014	2015	2016	2017	2018	2019	End Target
Number of short term programs offered (Number)	0.00	4	5	9	20	20	20.00
% programs delivered by a professional trainer from the private sector in targeted institutions (%)	0.00	0	40	40	40	40	40.00
Number of clusters established and functioning for tourism, poultry, and horticulture (Number)	0.00	3	3	3	3	3	3.00
Students enrolled in renovated sciences and technical programs in Lycées Techniques (number) (Number)	0.00	6000	6250	6500	6750	7000	7000.00
Number of trainees enrolled in short term training programs (Number)	0.00	200	3000	6500	8000	10000	10000.00
Number of Lycées Techniques that signed a	0.00	0	3	3	3	3	3.00

performance contract to become a Lycée of excellence (Number)							
Number of institutions benefitting of funding from the Fonds Unique (Number)	0.00	0	2	6	9	9	9.00
Number of performance-based contracts with training institutions (Number)	0.00	0	3	6	9	9	9.00
Number of institutions with a Board of Directors chaired by the private sector (Number)	3.00	3	6	9	9	9	6.00
The annual sector statistical data are analyzed for decision making (Yes/No)	No	Yes	Yes	Yes	Yes	Yes	Yes
A project steering committee chaired by a private sector representative and including 50% from private and social sectors meet at least twice a year (Yes/No)	No	Yes	Yes	Yes	Yes	Yes	Yes

Indicator Description

Project Development Objective Indicators				
Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
Number of youth who graduated from short term skills development training	Total number literate youths who successfully complete a short term training program	Yearly	Project annual report	CEP
Percentage of female among youth who graduated from short term skills development training and employed one year after completion of the training.	Total number of literate females who successfully complete a short term training program divided by the total number literate youths who successfully complete a short term training program	Yearly	Project annual report	CEP
Percentage of youth who graduated from short term skills development training and employed one year after completion of the training.	Total number of youth who graduated from short term skills development training and employed one year after completion of the training divided by the total number of youth who graduated from short term skills development training and employed one year after completion of the training.	Yearly	Tracer survey report	CEP
Youth graduating from tourism, poultry and horticulture training clusters (number), and the percentage of female graduating: Poultry, Horticulture and Tourism	Total number of youth who achieve CAP, BT or BTS	yearly	Project annual report	Training institutions and CEP
Poultry	Total number of youth who achieve CAP, BT or BTS in poultry	Yearly	Project annual report	CEP and clusters
Horticulture	Total number of youth who achieve CAP,	Yearly	Project annual report	CEP and clusters

	BT or BTS in horticulture			
Tourism	Total number of youth who achieve CAP, BT or BTS in tourism	Yearly	Project annual report	CEP and Clusters
The Fonds Unique is established and functional for the financing and quality assurance of training centers	Functional means that the fund is staffed and a board of directors with 50% from the private sector meets at least twice a year	Yearly	Project annual report	CEP
Number of TVET institutions with functioning Board of Directors	A functioning board of directors is a board with 50% from the private sector and that meets at least twice a year	Yearly	Project annual report	CEP
Direct project beneficiaries	Direct beneficiaries are people or groups who directly derive benefits from an intervention (students in targeted TVET institutions, in Clusters, in short term skills development training schools and Number of Head of Company). This indicator is calculated as a number with a percentage of female.	Yearly	Total number of students in targeted lycées techniques, in clusters or attending the certificate of specialty program	CEP
Female beneficiaries	Based on the assessment and definition of direct project beneficiaries, specify what percentage of the beneficiaries are female.	Yearly	Proportion of the total female students in targeted lycées techniques, in clusters or attending the certificate of specialty program divide	CEP.

Intermediate Results Indicators

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
Number of short term	Count of the short term programs offered	Yearly	Project annual report	CEP

programs offered				
% programs delivered by a professional trainer from the private sector in targeted institutions	The number of trainers from the private sector divided by the total number of trainers	Yearly	Project annual report	CEP
Number of clusters established and functioning for tourism, poultry, and horticulture		Yearly	Project annual report	CEP
Students enrolled in renovated sciences and technical programs in Lycées Techniques (number)	The number of students enrolled in renovated sciences and technical programs in Lycées Techniques	Yearly	Annual statistics yearbook	CEP
Number of trainees enrolled in short term training programs	The number of students enrolled in short term training programs	Yearly	Project annual report	DA
Number of Lycées Techniques that signed a performance contract to become a Lycée of excellence	The number of TVET institutions that signed a performance contract to become a Lycée of excellence	Yearly	Project annual report	CEP
Number of institutions benefitting of funds from the Fonds Unique	Enterprises and Institutions that are financed by the Funds	Yearly	Project annual report	CEP
Number of performance-based contracts with training institutions		Yearly	Project annual report	CEP
Number of institutions with a Board of Directors chaired by the private sector		Yearly	Project annual report	CEP
The annual sector statistical	These reports will highlight the status of	Yearly	Annual technical analysis	CEP

data are analyzed for decision making	implementation of policies and also provide an analysis of the distribution and execution of the budget and can be used as support for the preparation of the next budgeting session.		of data collected in the statistics yearbook	
A project steering committee co-chaired by a private sector representative and including 50% from private and social sectors meet a least twice a year		Yearly	Project annual report	CEP

ANNEX 2: DETAILED PROJECT DESCRIPTION

COUNTRY: SENEGAL

1. The project development objective is to strengthen the TVET system and to improve the employability of youth in selected priority sectors of the economy. The project will support investment and policy reforms that will: (i) improve the quality of training provided by lycées techniques (*lycées techniques* - LTs); (ii) improve the relevance and quality of vocational training centers; (iii) improve the competiveness of selected growth sectors; and (iv) provide opportunities for the youth population to enter the labor market with recognized skills.

2. The project will be divided into three components: (i) improvement of the quality and relevance of training; (ii) reform of TVET sector's financial system; (iii) support for the management of the system, monitoring and evaluation, and project management. Table 2 provides the detailed project costs and financing.

Component 1: Improvement of the quality and relevance of training

3. This component is subdivided into 3 sub-components.

Subcomponent 1.1. Improvement of the quality of existing training institutions

4. The objective of this sub-component is to improve the quality and relevance of technical training in Senegal with the goal of moving selected *LTs* to centers of excellence. The project will finance: (i) the renovation of the infrastructure; (ii) performance-based contracts (PBCs) to improve the quality of service delivery; and (iii) the implementation of revised programs and the technical baccalaureate.

5. Renovation of the physical infrastructure of lycées techniques. The project will finance the renovation, extension and upgrading of the building of the three *lycées techniques* of Maurice Delafosse in Dakar, Andre Peytavin in St-Louis, and Mamba Guirassy in Kedougou. IDA will finance the technical and architectural studies and the Government counterpart funds will finance the civil works.

6. Performance-based contracts (PBCs). The project will finance PBCs with the selected *LTs*. Each *lycée* will prepare a strategic plan from which they will derive priority development plans. The Government will support these plans with PBCs. The project supports a first batch of the following PBCs of *Lycée Technique Delafosse*, *Lycée Technique* in Dakar; *Andre Peytavin* in Saint-Louis and *Lycée Technique Mamba Guirassy* in Kedougou. The funding will be built on the following arrangements (i) each *lycée* will prepare a detailed action plan and budget covering outputs and outcomes to be achieved in a four-year period. The agreement would be multi-year and contain (a) funding commitments for the first year by budgeting proposed activities and objectives; (b) funding projections for subsequent years of agreement; (c) agreed targets; and (d) indicators to monitor progress. Adjustments will be made yearly based on the achievement of targets; (ii) the Government would negotiate with each *lycée* and will provide financial support to each plan. IDA will finance PBCs for *Maurice Delafosse* in Dakar, *Andre Peytavin* in St-

Louis, and *Mamba Guirassy* in Kedougou. Technical auditors will be recruited (under Component 3) to carry out an external evaluation of each PBC and to certify the level of achievement of the expected results. The technical auditor report will be used to decide on the allocation of fund for the following year.

7. The *lycée*s of *Delafosse*, *Peytavin*, and *Mamba Guirassy* have already prepared their draft strategic plans and their draft PBCs stem from that. The PBCs are discussed and finalized with the Government.

8. World Bank procedures will be used for procurement and FM. After the PBC is negotiated between the MFPAA and the *lycées*, IDA will review the draft contract for No objection. The Government's recurrent budget will increasingly replace the IDA money starting at the third year to make the mechanism a sustainable and effective one for allocating additional resources to *lycées*. The *lycées* will have an autonomous status with its Board that will endorse the PBC and supervise its implementation. It is expected that by the end of the project, these institutions will be transformed to centers of excellence in technical education, sciences, and math.

9. <u>Reform of the programs and the technical baccalaureate</u>. The project will build on the work already started with the assistance of the *Organisation Internationale de la Francophonie* (OIF) to reform the LTs programs. IDA will finance a consultancy and workshops to develop the new programs and the revision of the technical baccalaureat.

10. **Implementation:** the DFPT will be in charge of the coordination of the implementation of the reform of baccalaureate and will oversee the execution by the *lycées* of their PBCs.

Subcomponent 1.2. Skilling workers in horticulture, poultry farming and tourism sectors

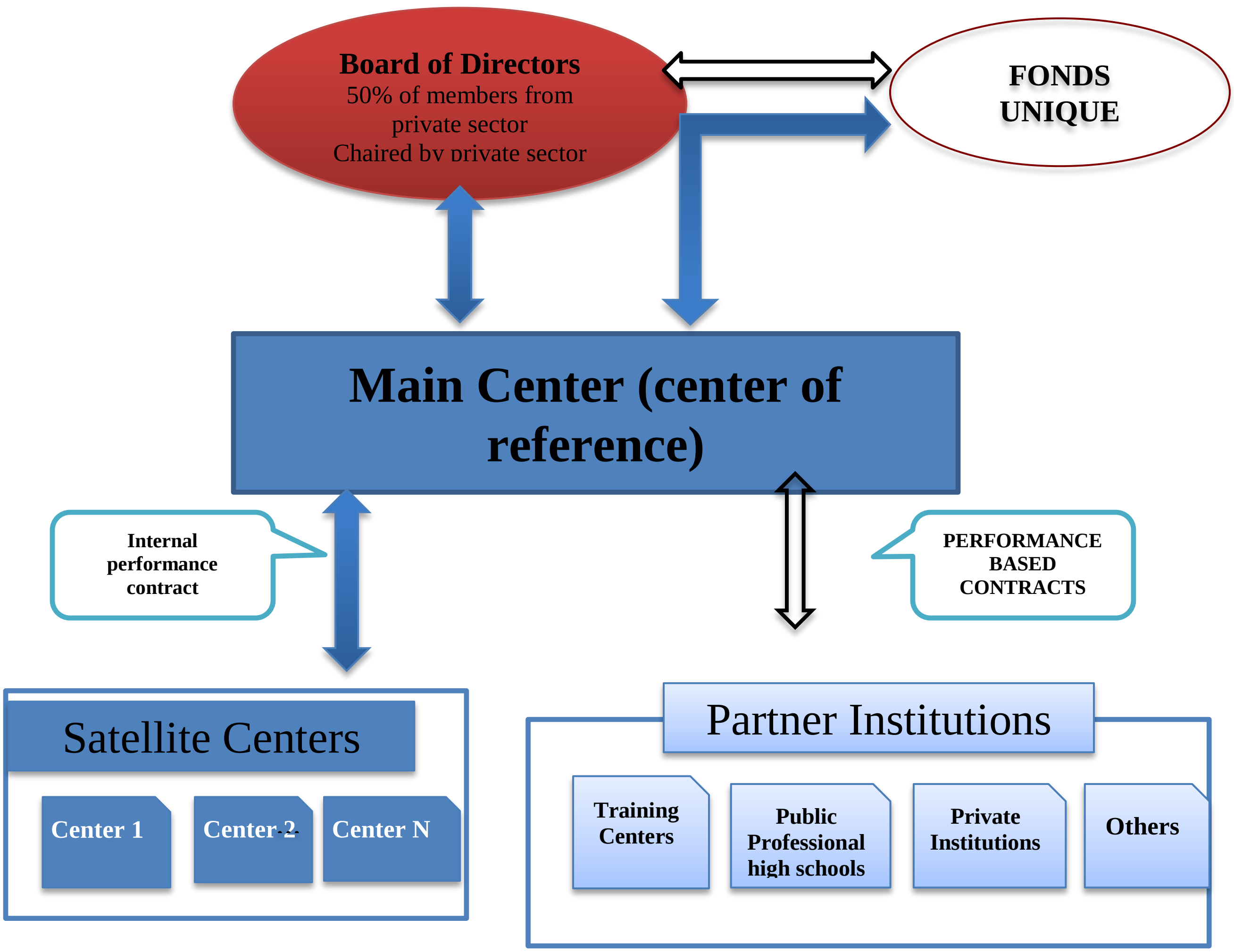
11. The subcomponent has been a subject of wide consultation between the Government and the private sector professionals who were deeply involved in the project preparation. The private sector has led the working groups for the development of this component. Activities to be supported by the project reflect their needs. The process came up with a solid partnership framework which will guide the implementation phase.

12. A cluster of training centers will be established for each of the three sectors selected from the list of the seven government priority sectors identified to support accelerated growth and to boost jobs creation. Several criteria were used among others: (i) the readiness of the private sector in terms of structuration and engagement to contribute in the development and the financing of the training system and; (ii) the potential for massive job creation; a high value added to the economic growth. The objective of this subcomponent is to put in place an arrangement that enables a targeted focus on human capital development along the value chain for these key sectors. The three sector clusters are selected for their great potential for economic growth.

13. In addition to the upgrading of existing centers, the clustering will involve, the construction of additional centers in order to establish homogenous entities that work across sites

to ensure appropriate training for a range of activities in the value chain, comprising all levels from the CAP to the BTS. It will significantly improve the level of expertise of trainers and the qualification of workers through a concerted public-private elaboration of quality vocational training provision to increase these sectors' performance and productivity. It also aims at creating new competencies needed for each of the sectors. The cluster will develop a program to increasingly cover the country. The training method will be based on a strong link with enterprises. The project will support the training of tutors in host enterprises of trainees to facilitate and establish an approach that aims at involving professionals from private enterprises for better quality and more relevant training.

14. A unique governance framework will be established for each group with a board composed of institutional and private sector representatives. Management will be recruited on a competitiveness basis. Each entity in the group will be semi-autonomous.



15. The project will finance the construction, rehabilitation and equipping of infrastructure, consultant services for program reform and new program design, training of teachers and

administrators as well as the development and implementation of management tools. Meanwhile, clusters will temporarily work with existing institutions to address their immediate needs and if need be, these institutions could receive minor upgrading of their infrastructure and equipment to fulfill the clusters requirements. In addition, when a cluster is established, it (or individual training centers) will negotiate and sign a grant agreement pursuant to which it will receive a grant (financed by the project) from the Fonds Unique for purposes of undertaking a development subproject. AFD will co- finance these activities.

16. **Implementation.** Each cluster will be responsible for the implementation of its strategic plan and the primary responsibility goes to the Board of Directors chaired by a private sector representative.

17. **Horticulture** is facing a huge deficit of trained workers at the intermediary level of trade. The cluster will be composed of two centers of reference as the main training institutions with a network of satellite training centers that will be created progressively as required. Two centers will be built in Thiepp - Louga (600ha) and in Neteboulou – Tambacounda. The cluster will conclude a partnership agreement with ANIDA to promote "*champs-école*" on its fields. The following list of training provisions for the first phase has been agreed during the project appraisal. A flexible approach will be retained for the development of training. The project will support the structuring of the "*interprofessionnel*" and an information campaign for producers on the necessity of in-service training. Training strategies for small farmers will be tailored to their needs and their operating modes.

18. The following training subjects have been selected by the cluster:

- CAP Agricultural Worker
- CAP Nursery Worker
- BTS Cultural Specialist
- BTS Assistant, Expedition Leader
- BTS Agricultural Engineer
- CAP Agribusiness Production Worker
- BTS Agricultural Science of Agribusiness Technician
- BTS Senior Agribusiness Technician
- BTS Quality Assurance and Packaging Technician

19. **Poultry farming**: the project will finance the rehabilitation of facilities and upgrading of the existing training center (CIMEL) in Mbao in order to start activities in 2015. The new center will be located in Mbao and will serve as the center of the cluster, which includes the following four decentralized training centers (St Louis, Bambey, Sedhiou and Dakar). CIMEL will be considered as a reference center which will provide sophisticated skills training while the decentralized centers will provide basic skills training. The cluster will develop a partnership with higher education institutions such as ISFAR (Bambey) and EISMV (Dakar) to promote research and innovation.

20. The following training subjects have been selected by the cluster:

Component: Husbandry
- Head of Poultry Husbandry
- Poulterer, Husbandry
- Hatchery Technician

Component: Production
- Poultry Production Supervisor
- Poulterer, Production
- Production Technician, Poultry Meat

Component: Processing
- Supervisor Technology for Processing and Packaging of Poultry Products
- General Technician: Meat and Poultry Products

Component: Poultry Farming Services
- Manager of Poultry Farming Project
- Henhouse Manufacturer
- Manufacturer of Poultry Farming Equipment

21. The levels of qualifications will be defined at the time the training programs are developed.

22. **Tourism**: The challenge for this sector is to upgrade the existing training and subjects offered while developing new competencies to respond to the new needs. The project will finance the construction and equipment of the new center in Diamniadio, the two satellite centers in St-Louis and Ziguinchor, and the rehabilitation and equipping of the *Ecole Nationale Hôtelière*.

23. The following training subjects have been selected by the cluster:

Component: Hotel
- CAP Hotel services (valet)
- BT Hospitality
- BTS Hotel Management
- CAP Housekeeping/Laundry
- CAP Receptionist

Component: Catering
- CAP Cook
- CAP Restaurant Service
- CAP Pastry Chef
- CAP Cuisine
- Sommelier
- BTS Culinary Arts

Component: Travel

- BT Commercial tourism agent
- BTS Tourism
- BT Tour Guide
- Eco-tourism

Subcomponent 1.3. Certification of Specialization Program

24. This subcomponent will provide short duration training to youth who are either not eligible for the first degree of vocational training because they do not meet the minimum education admission requirements (e.g. primary or middle school graduate) or are unwilling or unable to attend training programs of long duration having already graduated from secondary or higher education without any qualification to enter the labor market. The duration of the training will be short. The project aims at giving a certificate of training course completion to 10,000 trainees over the four-year duration of the project and will allow youth access to training which will improve their employability in the labor market. A Certificate of Specialization (*Certificat de Spécialisation*) will be established with the objective of: (i) providing recognized training opportunities to all young people who are excluded from the education system early on or have achieved general education without a relevant qualification to enter the labor market; (ii) providing employers with a system of clear and transparent professional references to facilitate hiring; and (iii) giving the state the means to initiate needed regulation in several professions that have significant responsibilities such as passenger transport in buses and taxis, security, the food trade, beauty, and construction. These professions and their regulation should offer employers and consumers a minimum guaranteed level of skill.

25. These courses will be provided through existing training centers that are certified to deliver high quality training and will be specific to each business and individual, allowing individuals to acquire the skills they lack. The central pillar of this training will be the personal record of professional competence issued to each youth. The record will describe their skills, experiences and qualifications, including the components provided by the training. Each item in the record will have been subject to evaluation, and a certain number of items will lead to a certificate of complete professional training. The DA in relation with *la Direction des Direction des Examens, Concours Professionels et certification (DECPC)* will define the selection criteria of the training centers. The DA will also define the profile of their workshops.

26. The project will finance the development of the training standards, vouchers for students to support part of the training fees, consultancies to establish a mechanism to ensure sustainability, and renovation or small scale construction and equipment of the selected centers to increase their standards or to support their expansion in rural areas. The voucher will be given to eligible students who have submitted a request and are pre-registered in a certified training center. Before the finalization of the selection process, the following training centers will be used to pilot the program: Senegal-Japan Training Center, the Agriculture and Food Processing Training Center, and the Thies Lycées Techniques. The selection of beneficiaries will be done by the Fonds Unique following the Fonds Unique Manual that will detail the selection criteria, payment mechanism, auditing, and reporting system. The Fonds Unique Manual will be developed and approved by IDA no later than three months after effectiveness. The Quality

Assurance Unit within the Fonds Unique will monitor and certify the quality of service delivery. AFD will also finance some activities of this sub-component.

27. **List of jobs/trades**

- Agriculture: Nursery Worker, Fruit and Vegetable Processing, Dairy, Processing of Enriched Cereal Products, Peanuts.
- Services: Car Mechanic Specialist (tires, engine, electromechanics, moped, outboard motor, body work, paintwork); Coil Specialist; Engine Maintenance, Hair and Beauty, Plastics Manufacturing, Agricultural Mechanization, Leather Goods, Packaging.
- Industrial Manufacturing: Welding, Surface Finishing, Ceramic Molds and Forms, Soap.
- ICT: Computer Maintenance, Mobile Phone Repairer, Television Specialist.
- Tourism and Hospitality: Housekeeping, Holiday Cottage Manager, Local Guide, Maintenance and Catering Materials, Bar Staff, Waiter/Waitress, Junior Chef, laundry.
- Construction: Masonry General Options: ironwork, formwork, tiler, painter and decorator, plumber, waterproofer, plasterer, joiner, metal fittings.
- Power: Solar, Renewable Energy.
- Fashion: Seamstress, Embroidery, Dyeing, Printing.

Implementation

28. The DA will be in charge of the component and will oversee the eligible training centers.

Component 2: Reform of TVET sector's financial system

29. This component aims at streamlining and reinforcing the funding mechanism of the Government TVET policy in order to get an instrument that is consistent with the sector reform and able to face the growing needs of the sector. The component activities include the revision of the DAGE operating system, the refocusing of ONFP on its initial main missions, and the operationalizing of a new fund. This fund will build on the existing funds, the ONFP and the FONDEF. The fund will have four main functions: (i) financing of on-the-job training of workers on request of existing businesses that need to upgrade the skills of employees; (ii) financing of training centers and institutions on the basis of performance criteria; (iii) financing of individual training for youth who are seeking qualifications to enter the labor market; and (iv) quality assurance, which will include standard setting, program accreditation of both public and private providers, quality audits, and the publication of reports on the institutions.

30. The creation of the fund will be based on the consolidation of existing resources and donors' contributions. The Fonds Unique Manual will describe the modalities of operation based on the revised regulatory framework.

31. The project will finance consultant services for the operationalization of the fund, construction and equipment of facilities and provide an amount to its initial resources. AFD will co-finance the Fund. The main sources of funding will be the government recurrent and investment budget and the *Contribution Forfaitaire à la Charge de l'Employeur (CFCE)*. The Government has committed to contributing to the Fund by consolidating some recurrent and investment budget lines and will allocate annually CFA 2 billion from the CFCE. The CFCE represents 5 percent of the wage bill of private enterprises.

32. The DAGE, in addition to its role of managing the budget of units at central level, will devote itself to the development of criteria for rational budget allocation; to supervise the management of resources transferred to the autonomous training institutions and to monitor the construction program transferred to ONFP. The project will assist the DAGE to develop this capacity.

33. ONFP will refocus its activities on studies, development of instructional support, pedagogical engineering and the management of the construction and equipment of training centers. The project will assist ONFP to develop its capacity in construction management (*Maîtrise d'ouvrage déléguée*). A delegated contract management contract will be signed between the ONFP, the MFPAA, and the clusters.

Component 3. Support for the management of the system, monitoring and evaluation, and project management.

34. This component aims at strengthening the management of the TVET sector by reinforcing the capacities of the DFTP, the DA, and CEP, and the unit responsible for communication and orientation. The project will also support the establishment of an M&E system and the coordination and fiduciary management of the sector by the DAGE. The creation of the monitoring and evaluation system will apply to the system level and the lycées and clusters. It is critical for the success of the project, especially for the execution of the performance–based contracts. The Project Implementation Manual will specify the mechanism and the arrangement for the M&E system. The project will yield a huge amount of data to collect, analyze and disseminate that will require a capacity building of units involved in the project implementation.

35. This component will also develop a communication program on reforms undertaken by the government for the sector, on legal documents as well as the results of studies carried out on the sector. The project will support the training institutions to establish a monitoring system of graduate students. CNID will be responsible for the above-mentioned communication program and legal documents update.

36. The component will finance external evaluation of each annual PBC which will be used for decision making for financing of each subsequent PBC. The project will also support, as part of the operating costs, results-based premiums for selected civil servants that have responsibilities in the technical and fiduciary management of the project. The list of eligible staff will be subject for approval by the steering committee and reviewed by IDA for No

Objection. At the end of the year payment decisions will be based on achievement of agreed performance and remuneration matrix approved by the Project Steering Committee. IDA will provide No Objection before payment. The project financial auditor and the PBC technical auditor will review and certify the accuracy of the performance achieved and amounts proposed for payments. The project will also finance: data collection and analysis, graduates tracer surveys; technical assistance; studies; computers, servers, software and informatics infrastructure and training. AFD will co-finance the coordination activities.

Table 1: Project cost in million US$

	IDA	AFD	Gov	Total
Component 1	**28**	**13**	**20**	**61**
Lycées techniques	6	0	12	18
Horticulture	7.5	1	3	11.5
Poultry	7	4	3	14
Tourism	5.5	5	2	12.5
Certificate	2	3	0	5
Component 2	**4.5**	**1**	**1**	**6.5**
Fonds Unique	4.5	1	1	6.5
Component 3	**2.5**	**2.5**	**4**	**9**
Project Management, M&E, capacity building, communication	2.5	2.5	4	9
Total	35	16.5	25	76.5

Table 2 : Detailed Project cost in million US$

	IDA	AFD	Gov	Total
Component 1				
Lycees techniques	**6**	**0**	**12**	**18**
Design studies lycées techniques	0.2	0	0	0.2
Rehabilitation and equipment of facilities	0.6	0	9	9.6
PBC (training, scientific equipment, workshop, consultant)	5.2	0	3	8.2
Horticulture	**7.5**	**1**	**3**	**11.5**
curriculum development, capacity building, center management, general studies	0	1	0	1
Construction of Thiepp and Neteboulou centers	4	0	3	7
Equipment of Thiepp center	1.5	0	0	1.5
Equipment of Neteboulou center	1.5	0	0	1.5
Performance-based contract (Fonds Unique)	0.5	0	0	0.5
Poultry	**7**	**4**	**3**	**14**
Curriculum development, capacity building, center management, general studies	1.5	1	0	2.5
Construction and equipment of Mbao center	4	0	2	6
Construction and equipment of 4 satellite centers	1	3	1	5

Performance-based contract (Fonds Unique)	0.5	0	0	0.5
Tourism	**5.5**	**5**	**2**	**12.5**
Curriculum development, capacity build, center management, general studies	1	1	0	2
Construction and equipment of the Diamniadio Center of Reference	0	4	2	6
Construction and equipment of Ziguinchor and St-Louis centers	4	0	0	4
Performance-based contract (Fonds Unique)	0.5	0	0	0.5
Certificate	**2**	**3**	**0**	**5**
Rehabilitation and equipment of centers	0.5	2.5	0	3
Vouchers (Fonds Unique)	1	0.5	0	1.5
Program development, curriculum	0.5	0	0	0.5
Component 2				
Fonds Unique	**4.5**	**1**	**1**	**6.5**
Studies, consultant, management tools, equipment for the operationalization of the Fonds Unique	1.5	1	0	2.5
Construction and equipment	3	0	1	4
Component 3				
Project Management, M&E, capacity building, communication	**2.5**	**2.5**	**4**	**9**
Studies	0.5	0	0	0.5
Consultant services for project management	0.5	0.5	1.5	2.5
Workshop, training	0.5	0.5	0.5	1.5
Equipment	1	0	2	3
Gender activities		0.5		0.5
Unallocated		1		1

ANNEX 3: IMPLEMENTATION ARRANGEMENTS

COUNTRY: SENEGAL

1. Institutional and Implementation arrangements

1. **The Steering Committee**: The Minister of Vocational and Technical Training, Apprenticeship and Arts and Crafts will have the overall responsibility for sector and policy coordination and will chair the Steering Committee. Steering Committee membership will consist of the representatives of relevant ministries' departments and directorates, including the Ministry in charge of Finance, Ministry of Agriculture, Ministry of Livestock and Ministry of Tourism and representatives from private sector.

2. **The Unit for Studies and Planning (CEP)** will serve as the secretariat of the Steering Committee, will be responsible for technical day-to-day coordination and management of the project, and for the M&E system, and will be responsible for the overall implementation of component 3. The CEP is the MFPAA Unit responsible for planning and developing the information and statistics system. It will manage the day-to-day implementation of the project.

3. **The Professional and Technical Training Directorate (DFPT) and the Apprenticeship Directorate (DA):** Each technical directorate will be in charge of the implementation of components relative to their responsibilities. They will coordinate the implementation of the vocational training sector reform program in their respective area of competency. DFP will be in charge of technical coordination of the cluster initiatives and will be responsible for mapping new institutions with the clusters. DFPT will be in charge of technical *lycée* activities, notably coordinating the implementation of the baccalaureate reform and oversight of the PBCs. The DA will be in charge of certification for specialties initiatives.

4. **The Clusters:** Each cluster will be in charge of implementing its strategic development plan and PBC. The board of directors of each cluster will be responsible for the plan. It would delegate the construction and rehabilitation of facilities to a relevant construction agency which has proven capacity. Under the project, the Government will finance their development plan (to be implemented through subprojects) with grants from the Fonds Unique. Each cluster will put in place a management unit to implement its subproject.

5. ***The lycées techniques (LTs)*** will be in charge of implementing their activities under their PBCs and subprojects. They will manage the resources they receive from the budget and project autonomously, but will not have sufficient capacity to manage and implement all their activities. They already benefit from technical assistance financed by other donors such as Canada and Luxembourg. In coordination with these donor partners, the project will support additional needs to strengthen the governance bodies, management structure and systems. Each *lycée* will put in place a management unit to implement the PBCs.

6. **The *Office National de la Formation Professionnelle (ONFP*)**, an autonomous institution under the MFPAA, will be in charge of managing the construction, rehabilitation and equipment of facilities on behalf of the MFPAA, the clusters and the lycées. The ONFP will also be

responsible for safeguards compliance. It will be responsible for ensuring and controlling quality standards and norms of infrastructure built. The project will provide technical assistance for architectural studies and procurement management, and the necessary equipment to manage the construction program.

7. **The Directorate of General Administration and Equipment (DAGE)** will be in charge of overall financial management and disbursement for the project in coordination with the Directorate of Investment (DI) at the Ministry of Economy, Finance and Planning. The DAGE also has primary responsibility for procurement activities that are not under the responsibilities of the ONFP, the Lycées, and the Clusters.

8. **The Fonds Unique,** an autonomous institution under the MFPAA, will finance training vouchers for eligible beneficiaries and development plans/subprojects of eligible training centers. It will carry out quality assurance activities of public and private providers. The Fonds Unique will be composed of operational units as defined in the decree, including a financial management unit.

9. Training will be provided by the project to strengthen procurement capacities of these institutions and to improve their familiarity with World Bank procurement procedures.

10. To be specific, the implementation of the project activities will be under each government entity or private partner depending on the distribution of roles and responsibilities in the administrative framework. The table below clarifies the implementation responsibilities of each component.

Components/sub-component and actions	**Implementation and reporting responsibilities**
1. Improvement of the quality and relevance training	Supervision: DFPT and DA will supervise every relevant sub-component. Reporting: CEP will consolidate each Directorate's quarterly and yearly reports
1.1. Improvement of the quality of existing training institutions	Implementation: *Lycées* draft, negotiate and sign PBC with the Ministry. The Fonds Unique and DAGE transfer resources to the *lycées* to finance the PBCs and the *lycées* implement. DFPT supervises the implementation. Reporting: *Lycées* prepare and submit quarterly and yearly implementation report to DFPT.

1.2. Skilling workers in horticulture, poultry farming and tourism sectors.	Implementation: The Board of each cluster has the primary responsibility for the preparation of the strategic plan. The reference center(s) implements the plan that will be financed by the Fonds Unique after signature of a PBC between the Ministry and the cluster. Reporting: the clusters will prepare quarterly and yearly implementation report to DFPT.
1.3. Certification of Specialization Program	Implementation: DA is responsible for the selection and supervision of the training centers which will provide training to students who received vouchers. Reporting: centers will prepare quarterly and yearly report to DA.
2. Reform of TVET sector's financial system	
2.1. Creation of a new Fund	Implementation: The *Fonds Unique* will finance (i) on-the job training for staff of enterprises; (ii) training institutions; (iii) individual and mainly youth looking for job and; (iv) ensure quality and implement the accreditation program for private and public training providers. The management of the Fonds Unique will handle financial management and procurement of the operating cost for the structure.
2.2. Revision of DAGE operation system and ONFP	Implementation: DAGE will manage the budget at central level, prepare the framework for decision making on annual budget allocation and supervise

	the management of resources transferred to autonomous units. DAGE is responsible for the overall project financial management and procurement. ONFP is responsible for construction, rehabilitation and equipment of facilities. Reporting: DAGE will prepare quarterly and yearly report to CEP for the Steering Committee.
3. Support for the management of the system, monitoring and evaluation, and project management	CEP is responsible for the overall coordination and for carrying out the consolidated quarterly and annual progress report, the statistical year book and updating of the sector policy document, studies and cross cutting capacity building activities. CNID is responsible for the communication program on reforms and the revising and dissemination of legal documents as well as the diffusion of the results of studies carried out in the sector.

2. Financial Management and Disbursements

11. **Budgeting arrangements**: The budgeting process and monitoring will be clearly defined in the manual of administrative and financial procedures. The budget will be adopted by the Project Steering Committee before the beginning of the year and its execution will be monitored. Annual draft budgets will be submitted to the Bank's non-objection before adoption and implementation.

12. **Accounting arrangements:** The current accounting standards in use in Senegal for ongoing Bank-financed projects will be applicable. SYSCOA is the assigned accounting system in West African Francophone countries. Project accounts will be maintained on an accrual basis, supported with appropriate records and procedures to track commitments and to safeguard assets. Annual financial statements will be prepared by the MFPAA in accordance with the SYSCOA.

13. **Financial Reporting arrangements:** DAGE will produce consolidated Interim Financial Reports (IFRs) which will include sources and uses of funds by project expenditures classification and a comparison of budgeted and actual project expenditures (commitment and

disbursement) to date and for the quarter. The IFRs are to be produced quarterly and submitted to the Bank within 45 days after the end of the calendar quarter.
DAGE will produce consolidated annual Financial Statements, and these statements will comply with SYSCOA and World Bank requirements.

Internal control arrangements:

14. A manual of administrative financial and accounting procedures (which will be part of the Project Implementation Manual) will be prepared, approved, and implemented in order to:

- Clearly define FM procedures;
- Provide a clear description of operations documentation;
- Provide a clear description of the internal control systems that will be used by the project; Maintain an appropriate safeguard of the assets and funds;
- Clarify roles and responsibilities of all stakeholders; and
- Provide a clear description of budget monitoring process.

15. **Internal auditing arrangements:** An in-depth review of the legal and technical organization of the internal audit department to design a capacity reinforcement action plan will be undertaken. This action plan will be closely monitored until the IAF becomes able to carry out by itself the internal auditing activities of the MFPAA at central and decentralized level.

16. **External auditing arrangements:** An external auditor with qualification and experience satisfactory to the World Bank will be appointed to conduct an annual audit of the project's financial statements. The Auditor will express an opinion on the Annual Financial Statements, and perform his audit in compliance with International Standards on Auditing (ISA). The auditor will also verify the accuracy, transparency, and effectiveness of the payment of results-based premiums to civil servants. The Auditor will be required to prepare a Management Letter detailing his observations and comments, providing recommendations for improvements in the internal control environment. The audit report on the annual project financial statements and activities will be submitted to IDA within six months after the end of each project fiscal year.

Entity	***Audit report***	***Due Date***
DAGE of MFPAA	Annual audited financial statements and Management Letter (including reconciliation of the Designated Accounts with appropriate notes and disclosures).	End of June of each year

Flow of Funds and Disbursement Arrangements

17. **Disbursement Methods:** The following disbursement methods may be used under the project: reimbursement, advance, direct payment and special commitment as specified in the Disbursement Letter and in accordance with the *World Bank Disbursement Guidelines for Projects*, dated May 1, 2006, disbursements would be transactions-based whereby withdrawal applications will be supported with Statement of Expenditures (SOE). A Designated Account will be opened in a commercial bank acceptable to the Association to facilitate payment for

eligible expenditures. The Designated Account will be managed according to the disbursement procedures described in the manual of administrative and financial procedures in compliance with the Disbursement Letter. The Designated Account would be managed by DI which is an entity of the Ministry of Economy and Finance in charge of managing the designated accounts in Senegal, in coordination with the MFPAA. The ceiling of the Designated Account will set to CFAF 1.7 billion, equivalent to four months of project expenditures. The minimum value of applications for reimbursement, direct payment and special commitment is twenty percent of the ceiling of to the designated account.

18. The credit will finance 100% of eligible expenditures (inclusive of taxes) in line with the Country Financing Parameters (CFP) for Senegal. The proceeds of the credit have been allocated as follows:

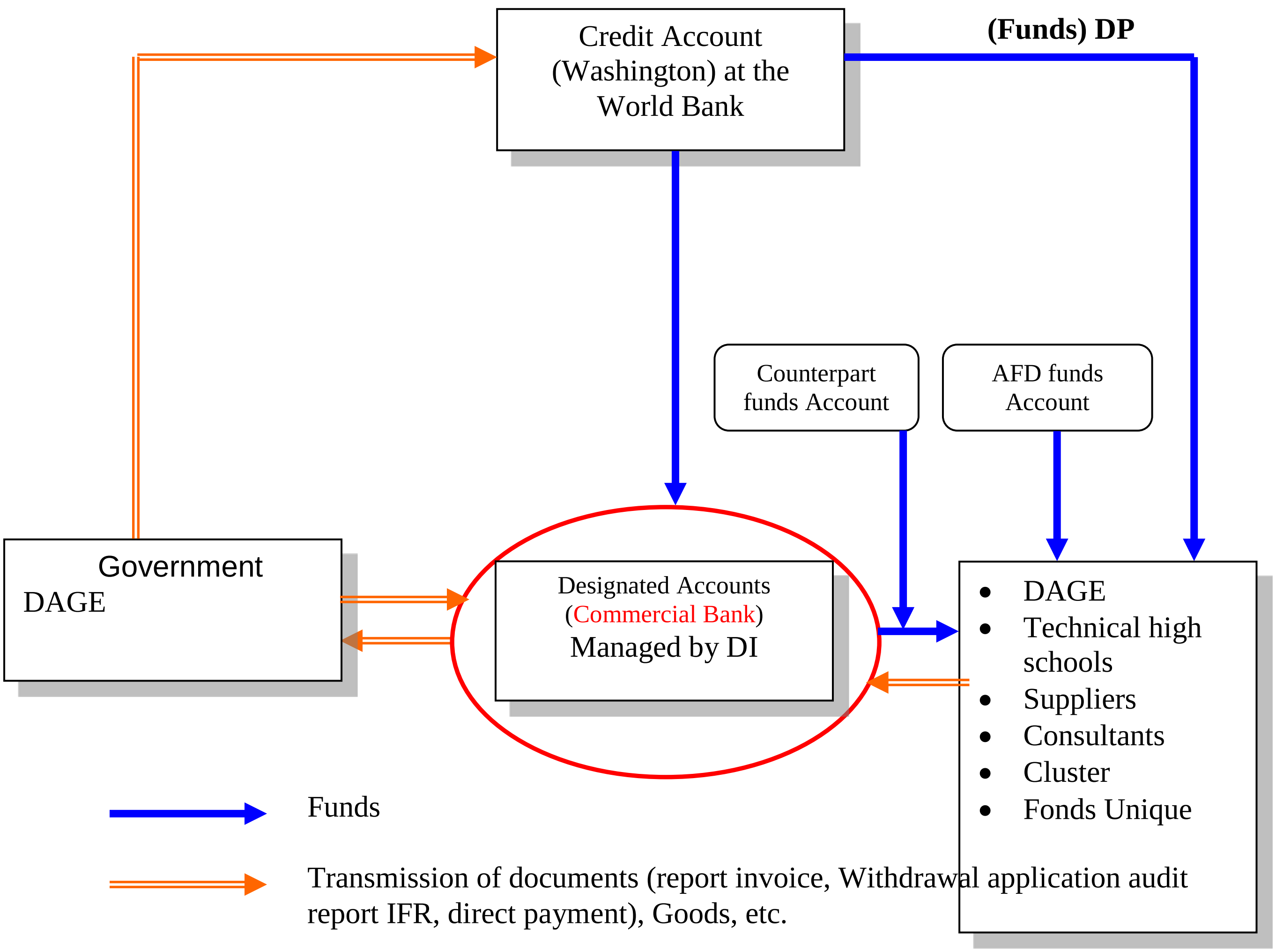
Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consultants' services, Training and Operating Costs for the Project (except under Parts A.1(b), A.2(e), A.3(c), B.1 (b) of the Financing Agreement (FA) of the Project)	17,700,000	100%
(2) Performance-Based Payments under Part A.1(b) of the FA of the Project	3,500,000	100% of amounts disbursed, payable under the respective Performance-Based Payments
(3) FU Grants under Part A.2(e) of the FA of the Project	1,000,000	100% of amounts disbursed, payable under the respective FU Grants
(4) Training Vouchers under Part A.3(c) of the FA of the Project	700,000	100% of amounts disbursed, payable under the respective Training Vouchers
(5) Refund of Preparation Advance	800,000	Amount payable pursuant to Section 2.07 of the General Conditions
TOTAL AMOUNT	**23,700,000**	

Co-financing arrangements

19. AFD funds in the amount of US$16.5 equivalent will finance all project components but through separate contracts than those financed by IDA.

20. Counterpart funds in the amount of CFAF billion (US$25 million equivalent) will finance all project components however though separate contracts than those financed by IDA or AFD. The Government of Senegal will make annual disbursements to the Counterpart Funds Account within its treasury.

Flow of Funds *Arrangements:* Flow of funds arrangements for the project is as follows:
(See the illustration below)



Financial Management Action Plan

21. The following actions need to be taken in order to enhance the financial management arrangements for the Project:

	Action	Date due by	Responsible
1	• Appoint within the DAGE an accountant officer and an accountant with skills and experience satisfactory to the Association; • Appoint within each lycée technique and cluster an accountant with skills and experience satisfactory to the Association; • Accounting software for MFPAA and for each lycée technique will be set up to generate the necessary information.	By effectiveness Prior to the first disbursement of PBC to each such lycee technique Not later than four (4) months after effectiveness	DAGE Head of each lycée technique DAGE
2	• Set up the Project Implementation Manual ; • Undertake an in-depth review of the legal and technical organizational of the internal control department; • Recruit consultants with competence and experience satisfactory to the Bank for the close monitoring of the action plan for technical assistance in order strengthen the internal control environment; • Set up simplified manual of administrative and financial procedures for each lycée technique, Fonds Unique and cluster;	By effectiveness Not later than four (4) months after effectiveness Not later than four months after effectiveness Not later than four months after effectiveness	DAGE MFPAA MFPAA MFPAA
3	• Selection of the auditor with qualification and experience satisfactory to the World Bank.	Not later than four months after effectiveness	DI of the Ministry of Economy, Finance, and Planning

22. **Financial Covenants:** The Borrower shall establish and maintain a financial management system including records, accounts and preparation of related financial statements in accordance with accounting standards acceptable to the Bank. The Financial Statements will be audited in accordance with international auditing standards. The Audited Financial Statements for each

period shall be furnished to the Association not later than six (6) months after the end of the project fiscal year. The Borrower shall prepare and furnish to the Association not later than 45 days after the end of each calendar quarter, interim un-audited financial reports for the Project, in form and substance satisfactory to the Association. The Borrower will be compliant with all the rules and procedures required for withdrawals from the Designated Accounts of the project.

3. Procurement

23. Procurement activities will be managed by the executing agencies (the DAGE, the ONFP and the *lycées techniques*). These agencies will have overall responsibility in carrying the following activities: (i) managing their procurement activities, and ensuring compliance with the procurement process described in the relevant manuals; (ii) preparing and updating annually their procurement plans; (iii) preparing bidding documents, draft Requests For Proposals (RFPs), evaluation reports, and contracts in compliance with World Bank procedures; and (iv) seeking and obtaining approval of national entities and of IDA on procurement documents as required.

24. Procurement of works, goods and consultants' services will be carried out in accordance with: (i) the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006, as revised in January 2011; (ii) the "Guidelines: Procurement of Goods, Works and Non-Consulting Services under IBRD Loans and IDA Credits" published by the World Bank in January 2011 (revised July 2014); (iii) "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits &Grants by World Bank Borrowers" dated January 2011 (revised July 2014); (iv) the provisions stipulated in the Financing Agreement; and (v) the Procurement Plan approved by the World Bank.

National Procurement System and Procurement Reforms

25. The Government substantially improved the country's public procurement system to comply with the WAEMU's Procurement Guidelines and international standards including: (i) the setting up of an Independent Regulatory Body (ARMP) and a Procurement Control Department (DCMP); (ii) an electronic system (SIGMAP) for collecting, disseminating, managing procurement information and monitoring procurement statistics and procurement complaints; and (iii) a set of national standard bidding documents prepared on the basis of IDA's standard bidding documents (SBDs).

26. In general, Senegal's procurement laws and regulations do not conflict with IDA's Guidelines on procurement; IDA procedures take precedence over these laws and regulations.

27. National Competitive Bidding (NCB) procedures may be used for work contracts with a cost estimate less than US$10,000,000 and for goods contracts less than US$1,000,000. The procedures may be those described in the national public procurement code under its "Section 2 – *Appel d'offres ouvert*" included in Chapter 4 of the Title III of the Procurement Code.

28. Some provisions of this code are not concordant with the World Bank's Procurement Guidelines: (1) the procurement of fuel for vehicles for the public administration (the provisions 3.4c(i) of the public procurement code) and the procurement of hotels services (the provisions 3.4c(iii) of the code) may not be submitted to the code and may not be done with transparency and equity; (2) domestic preference may be used in NCB, and bidders from any WAEMU (West African Economic and Monetary Union) country may be eligible for domestic preference (provision 50 of the code) instead of national bidders only; (3) possible restrictions excluding foreign bidders' participation in direct contracting for operations financed under the National Budget (provision 52 of the code); (4) the general procurement notice (GPN) is prepared for each fiscal year instead of the duration of the project; the publication of this GPN and of all ICB procurement notices on UNDB portal is not clearly mentioned as mandatory (provision 56 of the Senegal Code of public procurement); (5) the paragraphs 2(b) and 2(c) of the provision 76 related to direct contracting in the context of imperious urgency refers to possible implication of political authorities in the related cases, which leads to political interference in the procurement process; and (6) the provision 108 related to quality control, allowing possible price refection in case the goods, works or service delivered are not fully compliant with the specifications/description/terms of reference inserted in the contract. These provisions have been seen as weaknesses in the procurement regulation. In particular, the provisions related to (i) the procurement of fuel and hotel services, (ii) the possible involvement of political authorities in direct contracting for imperious urgencies and (iii) the quality control and possible price refection, have been raised by the Association and discussed with the authorities for improvement. Special attention should be accorded to these provisions.

29. With regard to the procurement code, in order that the above referred procurement method designated as "*Appel d'Offres Ouvert*" be acceptable to IDA to be used for NCB, the following special requirements will need to be followed: (a) bids shall be advertised in at least one national newspapers with wide circulation; (b) bid evaluation, bidder qualification and award criteria shall be specified clearly in the bidding documents; (c) bidders shall be given an adequate response time (minimum four weeks following the date of the invitation to bid or the date of availability of the bidding documents, whichever is later) to prepare and submit bids; (d) bids shall be awarded to the lowest evaluated bidder; (e) eligible bidders, including foreign bidders, shall not be precluded from participating; and (f) no preference margin shall be granted to domestic contractors.

30. In addition, the following other dispositions should be applied for contracts financed under the project, irrespective of the procurement method: (1) The GPN will cover the whole duration of the project execution with the possibility to be updated when needed; the GPN as well as all ICB procurement notices, will be advertised in at least one national newspapers with wide circulation; (2) in addition to not using the preference margin in case of NCB, if a preference margin is used in any ICB contract, it will be applied in accordance with the World Bank Procurement Guidelines; (3) the following provisions of the national procurement code will not apply: (a) the provisions 3.4c(i) related to the procurement of fuel for vehicles for the public administration, and the provisions 3.4c(iii) referring to the procurement of hotels services: in the need of procuring such goods and services, reference will be made to the relevant methods described in the Procurement Guidelines; (b) the provision 52 containing the possibility to

exclude foreign bidders' participation in direct contracting; (c) the paragraphs 2(b) and 2(c) of the provision 76, involving political decisions in the use of direct contracting in the context of imperious urgency; and (d) the provision 108 related to quality control and possible price refection.

31. Furthermore, in accordance with para.1.16 (e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that: (i) the bidders, suppliers, contractors and subcontractors shall permit IDA, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the association; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to an obstructive practice as defined in paragraph 1.16(a)(v) of the Procurement Guidelines.

Procurement methods

Procurement of works, goods and non-consulting services

32. *Procurement of works:* The project will finance construction and rehabilitation. For those civil works, given the new thresholds that apply for Senegal, it is not expected to procure them by International Competitive Bidding (ICB); however, ICB will be the procurement method by default. Other methods which may be used when works to be procured meet requirements spelled out in the corresponding paragraph of the procurement Guidelines for such procedures, i.e: NCB as per paragraphs 3.3 and 3.4; shopping as per paragraph 3.5; and direct contracting as per paragraphs 3.7 and 3.8.

33. *Procurement of Goods:* Goods to be procured under this project would include: vehicles and motorcycles, office equipment, printing documents, tools, IT equipment, software, equipment and other furniture needed for the project implementation. Given the new thresholds that apply for Senegal, it is not expected to procure goods by International Competitive Bidding (ICB); however, if any good is to be procured in the future, International competitive bidding (ICB) will be the procurement method by default. Other methods which may be used when the related goods meet requirements spelled out in the corresponding paragraph of the Procurement Guidelines for such procedures, i.e: NCB (for example, for goods available locally) as per paragraphs 3.3 and 3.4; shopping as per paragraph 3.5; and direct contracting as per paragraphs 3.7 and 3.8.

34. *Procurement of non-consulting services:* Non-consulting services procured under the project would include general services for the project implementation, services for training and workshop sessions, insurances, maintenance, etc. These services are not expected to be at high value; *therefore*, they will be procured using shopping procedures as per paragraph 3.5 of the Procurement Guidelines.

35. Contracts estimated at less than US$10,000,000 for works and contracts for goods available locally, or non-consulting services with a cost estimate at less than US$1,000,000, may be awarded through NCB procedures. Contracts for small works (if any), small goods such as office

supplies, minor equipment and furniture available locally, or non-consulting services, with a cost estimate equal or below US$100,000, may be procured under the shopping procedure in accordance with the provisions 3.5 of the Procurement Guidelines.

36. Procurement for works (if any), goods and non-consulting services will be carried using the Bank's Standard Bidding Documents (SBD) for all ICB (if any). In the case of NCB, the Borrower has developed National SBD; however, these ones may not be up to date in particular with regard to provisions related to fraud and corruption. As such, it has been agreed that for this project, the Bank's SBD be adapted (or modified to meet the exceptions authorized under NCB) and used for NCB. In the case of shopping, the procurement will be done in accordance with the Memorandum "Guidance on Shopping" issued by the Bank, date June 9, 2000 (provided this memorandum is not contradictory with the Procurement Guidelines) and the "Guide for the procurement of small contracts" issued on February 1, 2011.

Selection of Consultants

37. Consultant services to be procured would include: studies, development of manuals of procedures, technical assistance, financial audit, and training. Consultants will be selected using the Quality and Cost-Based Selection (QCBS) method in most cases. In other cases specified in the Procurement Plan (PP) the following methods will be used: (1) Least Cost Selection (LCS); (2) Selection Based on the Consultants' Qualifications (CQS); (3) Single Source Selection (SSS) and (4) Individual Consultants (IC) Selection (either through competitive selection or single source).

38. For competitive selection methods, the selection will be done necessarily (i) through requests for expressions of interest (REIs) except for the Selection Based on the Consultants' Qualifications and the selection of individual consultants for which REIs are not mandatory, and (ii) using the Bank's Standard Request for Proposals where required. For simplified selection methods such as the Selection Based on the Consultants' Qualifications and the Selection of Individual Consultants, the "Guide for the procurement of small contracts" issued on February 1, 2011 may be used (in the present case for the use of CQS or Individual Consultants Selection).

39. Short lists of consulting services with a cost estimated cost less than $300,000 equivalent per contract may be composed entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines.

Operating Costs

40. The Credit would finance the operating costs related to the implementation of the project. They would be covered whenever possible using shopping procedures or using the Project Operational Implementation Manual acceptable to the Bank. Operating costs means the reasonable incremental operating costs under the project, based on the Annual Work Plans and budgets approved by the Association, and incurred by the Recipient, on account of utilities and supplies, bank charges, communications, vehicle operation and maintenance, insurance, office space rental, building and equipment maintenance, public awareness-related media expenses,

travel and supervision, and results-based premiums, but excluding salaries of members of the Recipient's civil service.

41. As the project will use regular departments within the MFPAA, results-based premium as top-up is introduced as an innovation to create incentives for effective results delivery in addition to strengthening the governmental institutions and paving the way for a more sustainable implementation arrangement. The results-based premium will be provided to selected civil servants that have responsibilities in the technical and fiduciary management of the project and is aligned with the Country Financing Parameters.

Assessment of the agency's capacity to implement procurement

42. An assessment of the Agency's capacity to implement procurement activities was conducted in May 2014. The assessment reviewed the organizational structure for implementing the Project and the interaction between the staff responsible for procurement for the Project and the executing agencies relevant central unit for administration and finance.

43. Procurement for the Project will be carried out in accordance with World Bank's "Guidelines: Procurement under IBRD Loans and IDA Credits" dated January 2011; and "Guidelines: Selection and Employment of Consultants by World Bank and Borrowers" dated January 2011, and the provisions stipulated in the financing Agreement. A brief summary of the procurement capacity assessment is provided in Annex 3. The Implementing Agencies (IAs): The Directorate of General Administration and Equipment (DAGE) of TVET, the *Office National de la Formation Professionnelle* (ONFP), the *lycées techniques* and the clusters.

44. The assessment carried out during preparation showed that the main issues/risks concerning the procurement activities for the Project's implementation are: (i) the multiple executing agencies have no experience in The World Bank's procedures, (ii) there is no administrative and financial procedures manual; (iii) executing agencies need more equipment and/or space to file the documents of the proposed Project; (iv) there is no procurement specialist with sufficient experience in World Bank procedures, (v) performance based contracts are an innovation which will be taken in account in the procedure manual. The overall procurement risk is *substantial.*

45. The residual risk for procurement is *moderate* after adoption of the following mitigation measures:

(a) Recruitment of a qualified procurement specialist consultant to coach the teams of executing agencies and ensure compliance of contracts with the World Bank procurement procedures; S/he will in addition train the Agency staff on the World Bank procedures;
(b) Development of the manual of financial, administrative and accounting procedures to take into account the specificities of the project;
(c) Finding more space and purchasing appropriate equipment to organize and secure files to ensure compliance with the Bank's procurement filing manual; and
(d) Training of staff in executing agencies on performance based contracts.

Frequency of Procurement Supervision

46. In addition to the prior review of documents to be carried out from Bank offices, the capacity assessment of the implementing agencies has recommended two supervision missions a year; during one of those missions, a post review of procurement will be carried out.

Procurement Plan

47. The Borrower has developed a preliminary Procurement Plan for project implementation during an initial period of 18 months, which provides the basis for the procurement methods. The procurement plan was approved by the Bank. However, it was agreed that this plan will remain dynamic and updated to reflect more details in the implementation of the project.

4. Environmental and Social (including safeguards)

SOCIAL (INCLUDING SAFEGUARDS)

48. For this project, OP 4.12 on Involuntary Resettlement is triggered as the construction of new training centers is likely to induce acquisition of land and/or temporary displacement of socio-economic activities. An RPF has been prepared, approved, and disclosed both in-country and at the Bank Infoshop; it provides a comprehensive procedure to apply if any land acquisition issue arises. In such a case, a Resettlement Action Plan (RAP) will be prepared, consulted upon, disclosed and fully executed prior the commencement of the concerned activity whenever resettlement issue arises in the course of the implementation.

ENVIRONMENT (INCLUDING SAFEGUARDS)

49. The project is classified category B with respect to activities under Component 1 and 2 which will finance the rehabilitation/upgrading of existing high schools to vocational training centers and the construction of new centers. The expected direct negative impacts of the project will not be large scale, significant or irreversible; instead minor and manageable (temporary nuisances during civil works, safety at work, safety at work, risk of involuntary destruction of covered cultural artifacts, etc.); indirect adverse impacts could arise during the operation of the centers, in the experiment fields for training like horticulture and poultry. To prevent and manage the potential impacts, three Bank safeguard policies were triggered: (i) OP 4.01 on Environmental Assessment; (ii) OP 4.11 on Physical Cultural Resources; and (iii) OP 4.12 Involuntary Resettlement. The WBG environmental, health and safety guidelines (EHS) also apply. An ESMF is finalized, including guidelines and tools (screening checklists, guidelines for the undertaking of environmental and social impact assessments (ESIAs), specific environmental and social management plan (ESMP) template), and an exclusion list; it was approved and disclosed in country and at the World Bank Infoshop.

5. Monitoring & Evaluation

50. Framework: A monitoring and evaluation (M&E) framework has been developed and discussed with Government. The results framework in Annex 1 defines the baselines and targets that will be used to assess progress towards the achievement of the project development objective.

51. System: The project will support the implementation of an information system that will support the M&E system. The CEP will be in charge of coordinating the monitoring of implementation of the entire program. Each cluster and lycée technique has its proper sub-system linked to the general system. This sub-system will be used to monitor progress in performance and implementation by the cluster or institution. The project will provide technical assistance and IT equipment to strengthen the system. A TVET statistical yearbook will be produced annually.

52. Reports: The CEP will be responsible for preparing: (i) an annual general progress report that will provide an analysis of the outcomes of the sector, financing and expenditure, and the efficiency and effectiveness of the system; and (ii) a quarterly project implementation report with the DAGE, ONFP, the Clusters and lycées techniques; and graduates tracer surveys. Each cluster and lycée technique will prepare a semi-annual implementation plan progress report. The reports will be consolidated into an annual project implementation report which will be used as the basis for an annual review.

53. Safeguards: ONFP has the primary responsibility for monitoring safeguards compliance. It will provide specific information to be included in the quarterly progress reports. The day-to-day monitoring and management of safeguards compliance will be handled by a project team within the ONFP. ONFP will designate a staff to act as a safeguards focal point and will acquire safeguards external services when needed to ensure compliance with the conditions of the project.

6. Role of Partners

54. Donor coordination: The project will capitalize on AFD's ongoing experience with the TVET sector and AFD's co-financing will ensure that activities are harmonized across donor partners. AFD has been working with the MFPAA to create sectoral training centers that use a PPP model to directly involve the private sector in the improvement of TVE system management and in the delivery of initial and continuing TVE services.

55. The table below summarizes donors' contributions, sector and areas of intervention.

Partners	Sum (in US $)	Area of intervention	Implementation period
CANADA	4,677,755	• Vocational training for youth through apprenticeships in workshops • Entrepreneurship training and development of individual or joint business plans • Youth employment	2013-2016
Luxembourg, ILO, UNDP	24,511,435	• Support for governance of the TVET sector • Support for the development and implementation of programs (curricular reform of the APC) • Support for employment of trained youth • Construction and rehabilitation of training facilities • Capacity building of trainers and officials • Support for the implementation of reformed training policy • Support for the establishment of mobile training units	2013-2017
OIF (Organisation internationale de la Francophonie)	18,447	Revision of three pilot programs in T1: Mechanical Engineering, T2: Electronics; G: Quantitative Management Techniques	2014-2015
AFD / France	5,454,918	• Sectoral central in motorized mechanics with two branches: 1) farm machinery in Diama (St. Louis region), 2) heavy trucks, automobiles, motorcycles, and outboard engines in Diamniadio • Sectoral center in energy management	2013-2017
Islamic Development Bank	1,825,094	Establishing apprenticeship training for youth aged 16-24	2009-2013
French Community of Belgium	1,770,270	• Coordination of the SN 100 program • Support for the training of trainers at L'ENSETP (National College of Technical and Vocational Education) SN 101, l'ENFEFS (National Training School for Family and Social Economy) SN 102, and CNFMETP (National Center for Teacher Training of Technical and Vocational Education) SN 103	2014-2016
African Development Bank	2,079,002	• Support for the rehabilitation and equipment of 2 centers for training of trainers, in Guerina and in Thies	2013-2017

7. Private sector involvement

56. The project has been designed in close consultation with private sector representatives in the selected sectors. The private sector will remain involved during project implementation. Private sector representatives are expected to play an active role in governance, as chairs and members of boards of directors. The Fonds Unique is designed as a PPP entity with 50% of the board members coming from the private sector.

ANNEX 4 OPERATIONAL RISK ASSESSMENT FRAMEWORK (ORAF)

SENEGAL: Skills for jobs and competitiveness (P145585)

<table>
<tr><th colspan="7">Project Stakeholder Risks</th></tr>
<tr><th>Stakeholder Risk</th><th>Rating</th><th colspan="5">Moderate</th></tr>
<tr><td rowspan="6">Risk Description:

Unions. Unions are usually opposing several reforms in the sector that they could see as against their direct or immediate interests.

Communities' involvement. Senegalese communities have held traditionally a passive attitude in terms of training institutions quality of service delivery. That might reduce the accountability behavior of public service management.

Private sector involvement. The Senegal TVET system has not partnered strongly with the private sector in the past. The Ministry did not have a positive experience with a French Development Agency financed project recently, when the private sector, owner of the centers built, has captured them for just a small number of employees from a selective list of big enterprises. The private sector is also suspicious about the effectiveness of the public sector.</td><td colspan="6">Risk Management:
During preparation, the team collaborated with private sector organizations, the administration, and local communities. The design of the project has been done collaboratively with all stakeholders and the dialogue will be maintained with unions during project implementation. The project does not include controversial aspects and this sub sector is not as unionized as the General or the higher education sub sector. This project will be seen by unions as a way to provide more prestige to the TVET staff that feel like second class members within the system. The project aims to empower local communities by creating a bridge with Local Governments which will be part of the Boards of institutions. The project team will draft and implement a communication strategy to be implemented.</td></tr>
<tr><td>Resp:
Client</td><td>Status:
Not Yet Due</td><td>Stage:
Implementation</td><td>Recurrent:
☐</td><td>Due Date:
13-Feb-2015</td><td>Frequency:</td></tr>
<tr><td colspan="6">Risk Management:
The team will continue to ensure that the private sector continues to play a key role.</td></tr>
<tr><td>Resp:</td><td>Status:</td><td>Stage:</td><td>Recurrent:</td><td>Due Date:</td><td>Frequency:</td></tr>
<tr><td>Bank</td><td>Not Yet Due</td><td>Implementation</td><td>☑</td><td></td><td>CONTINUOUS</td></tr>
</table>

<table>
<tr><th colspan="8">Implementing Agency (IA) Risks (including Fiduciary Risks)</th></tr>
<tr><td>Capacity</td><td>Rating</td><td colspan="6">Substantial</td></tr>
<tr><td rowspan="6">Risk Description:

Resources: Capacity of the MFPAA to implement policy reforms and new programs is weak. In the past, projects have been implemented by project units outside the Ministry which undermined capacity and effectiveness.

Processes and systems. The MFPAA is not familiar with World Bank procedures. Financial management, procurement, and safeguards systems and processes are not in place.</td><td colspan="7">Risk Management:</td></tr>
<tr><td colspan="7">During implementation, as in the higher education project, the project unit will get support from the team to build the capacities with additional trainings and management systems.</td></tr>
<tr><td>Resp:
Client</td><td>Status:
Not Yet Due</td><td>Stage:
Implementation</td><td>Recurrent:
☐</td><td>Due Date:
07-Jan-2015</td><td>Frequency:</td></tr>
<tr><td colspan="7">Risk Management:</td></tr>
<tr><td colspan="7">The project team that implemented the AFD financed project will be mainstreamed in the ONFP and the CEP. Technical assistance and consultant services will be provided to fill the gap as needed</td></tr>
<tr><td>Resp:
Client</td><td>Status:
Not Yet Due</td><td>Stage:
Implementation</td><td>Recurrent:
☑</td><td>Due Date:</td><td>Frequency:
CONTINUOUS</td></tr>
<tr><td>Governance</td><td>Rating</td><td colspan="6">Moderate</td></tr>
<tr><td rowspan="6">Risk Description:
Ownership. There is still some marginal resistance from isolated senior staff who have vested interest in maintaining the less transparent FONDEF funds management.

Accountability and oversight. Accountability on resources management and implementation is strong but there is a lack of instruments for an effective resource management.</td><td colspan="7">Risk Management:</td></tr>
<tr><td colspan="7">Dialogue will continue with the authorities and a communication plan developed and implemented.</td></tr>
<tr><td>Resp:
Bank</td><td>Status:
Not Yet Due</td><td>Stage:
Implementation</td><td>Recurrent:
☑</td><td>Due Date:</td><td>Frequency:</td></tr>
<tr><td colspan="7">Risk Management:</td></tr>
<tr><td colspan="7">A Project Implementation Manual will be prepared to guide an adequate use of resources. Regular monitoring and supervision mission will be carried out.</td></tr>
<tr><td>Resp:
Client</td><td>Status:
In Progress</td><td>Stage:
Implementation</td><td>Recurrent:
☐</td><td>Due Date:
15-Jan-2015</td><td>Frequency:</td></tr>
</table>

<table>
<tr><th colspan="7">Project Risks</th></tr>
<tr><td>Design</td><td>Rating</td><td colspan="5">Substantial</td></tr>
<tr><td rowspan="7">Risk Description:

The MFPAA is not very familiar with implementing processes using World Bank procedures. However, there is a great experience in the country and in the education system in preparing and implementing performance-based contracts.</td><td colspan="6">Risk Management:</td></tr>
<tr><td colspan="6">(i) recruiting of seasoned Financial Management staff in the DAGE; (ii) developing an FM manual of procedures which will be part of the Project Implementation Manual; and (iii) setting up accounting software for the project.</td></tr>
<tr><td>Resp:</td><td>Status:</td><td>Stage:</td><td>Recurrent:</td><td>Due Date:</td><td>Frequency:</td></tr>
<tr><td>Client</td><td>Not Yet Due</td><td>Implementation</td><td>☐</td><td>08-Jan-2015</td><td></td></tr>
<tr><td colspan="6">Risk Management:
A procurement handbook will be developed for the DAGE, Clusters, and Lycees techniques, and capacity building through equipment and training of all staff involved in procurement and financial management will be provided. The country experience in managing World bank financed project will be capitalized on.</td></tr>
<tr><td>Resp:</td><td>Status:</td><td>Stage:</td><td>Recurrent:</td><td>Due Date:</td><td>Frequency:</td></tr>
<tr><td>Client</td><td>Not Yet Due</td><td>Implementation</td><td>☐</td><td>15-Jan-2015</td><td></td></tr>
<tr><td>Social and Environmental</td><td>Rating</td><td colspan="5">Low</td></tr>
<tr><td rowspan="3">Risk Description:
There might be negative social or environmental impact due to land acquisition or construction of training centers.</td><td colspan="6">Risk Management:
The project triggers OP 4.01 Environmental Assessment and OP 4.12 Involuntary Resettlement due to potential negative environmental and social impact related to the construction of schools. An Environment and Social Management Framework (ESMF) and a Resettlement Policy Framework have been developed and approved. They will guide these aspects during project implementation.</td></tr>
<tr><td>Resp:</td><td>Status:</td><td>Stage:</td><td>Recurrent:</td><td>Due Date:</td><td>Frequency:</td></tr>
<tr><td>Client</td><td>Not Yet Due</td><td>Implementation</td><td>☑</td><td></td><td></td></tr>
<tr><td>Program and Donor</td><td>Rating</td><td colspan="5">Substantial</td></tr>
<tr><td>Risk Description:
The project is co-financed with AFD. However, World Bank experience in collaborating with the AFD encountered difficulties in Niger due to divergent rules in terms of debarred firms.</td><td colspan="6">Risk Management:
Although both agencies will co-finance this project, each contract will be financed exclusively by one agency to avoid the use of both procedures for one given contract. The education team will continue to maintain a strong working relationship with AFD as during project preparation.</td></tr>
</table>

	Resp: Bank	**Status:** In Progress	**Stage:** Implementation	**Recurrent:** ✓	**Due Date:**	**Frequency:**
Delivery Monitoring and Sustainability	**Rating**	**Substantial**				
Risk Description: More support will be needed to improve the analysis of data collected for policy decision making in MFPAA.	**Risk Management:** Technical assistance will be provided and resources will be devoted to establish a strong M&E system.					
	Resp: Both	**Status:** Not Yet Due	**Stage:** Implementation	**Recurrent:** ✓	**Due Date:**	**Frequency:** CONTINUOUS
Other (Optional)	**Rating**	**Moderate**				
Risk Description: Counterpart funds: the Ministry of Finance might not release the funds if the Government faces budget constraints. Budget cuts are usually done on the Investment side.	**Risk Management:** The legal agreement includes a dated covenant to monitor the government counterpart.					
	Resp: Client	**Status:** Not Yet Due	**Stage:** Implementation	**Recurrent:** ✓	**Due Date:**	**Frequency:** Yearly
Overall Implementation Risk:	**Rating**	**Substantial**				
Risk Description: The overall risk rating is Substantial. Stakeholders have shown enthusiasm and interest in designing and implementing the first World Bank TVET project in the sub-sector and the team is technically strong but has limited experience working with the World Bank, notably in handling fiduciary aspects. However, there might be resistance due to potential vested interests of a small number of people who could try to undermine some reforms related to the financial autonomy of institutions and a more transparent and improved management of funds. In addition, the Ministry should reinforce its working relationship with private sectors and also improve its capacity in managing World Bank project.						

ANNEX 5: IMPLEMENTATION SUPPORT PLAN

SENEGAL: Skills for Jobs and Competitiveness Project

Strategy and approach for the Implementation Support:

1. **The implementation support strategy is based on the project objective, risks, and implementation arrangements**. This strategy is based on: (i) close implementation supported by a country-based task team; and (ii) semi-annual and annual reviews, and (iii) technical support missions.

2. **Close implementation support:** The task team, including the TTL, the safeguards specialists, the procurement and financial management specialists, is based in the country. It will provide a close and regular monitoring of the implementation of the project and will handle a regular policy dialogue to detect and fix problems as they emerge. Monthly meetings will be organized with the project team and the MFPAA to monitor the progress towards achieving the project development objective. Field visits will be regularly organized to support clusters and *lycées techniques*

3. **Semi-annual and annual reviews**: Twice a year, in June jointly with AFD and November of each year, the task team and the Government will organize a joint-review meeting to assess the progress made so far, identify the difficulties in the implementation of the project and agree on the measures to overcome them.

4. **Technical support missions:** Technical support missions will be carried out in specific areas where international expertise is needed notably for the establishment of the clusters to guarantee the quality of results or reinforce the technical capacities at the national level.

Implementation Support Plan

5. As already mentioned, the most important part of the World Bank task team is based in the country and will provide a regular and intensive implementation support.

    - **Technical inputs**: The team will need technical inputs to (i) review and discuss scope of each cluster and the *lycées techniques* strategic plans and performance-based contracts; (ii) support the development the clusters; and (iii) institutional support for the establishment of the Fonds Unique.

    - **Fiduciary requirements and inputs**

Table: FM Implementation support plan

Implementation Support Plan	
Based on the outcome of the FM risk assessment, the following implementation support plan is proposed. The objective of the implementation support plan is to ensure the DAGE of the MFPAA maintains a satisfactory financial management system throughout the project's life. **FM Activity**	**Frequency**
Desk reviews	
Interim financial reports review	Every quarter
Audit report review of the program	Annually
Review of other relevant information such as interim internal control systems reports.	Continuous as they become available
On site visits	
Review of overall operation of the FM system	Annual for Implementation Support Mission
Monitoring of actions taken on issues highlighted in audit reports, auditors' management letters, internal audit and other reports	As needed
Transaction reviews (if needed)	As needed
Capacity building support	
FM training sessions	During implementation and as and when needed.

6. *Procurement*: A seasoned local procurement specialist will be in charge of providing support and coaching to project implementation agencies at all level.

7. *Safeguards*: Environment and social specialists' intervention will be required to supervise the adequate consideration of safeguards issues during project implementation.

8. The main focus in terms of support during project implementation:

Time	Focus	Skills Needed	Resource Estimate Staff Weeks (SWs) annually
First twelve months	Implementation of the PBCs in *lycées techniques*	Operations analyst TTL	2 2
	Institutional support for the establishment of the Fonds Unique	Senior organizational management specialist	3
	Establishment of the clusters	Specialists in	4

Time	Focus	Skills Needed	Resource Estimate Staff Weeks (SWs) annually
	Team Leadership	Horticulture, Poultry, and Tourism TTL	 12
12-48 months	Implementation of the PBCs in *lycées techniques* Institutional support for the establishment of the Fonds Unique Establishment of the clusters Team Leadership	Operations analyst TTL Senior organizational management specialist Specialists in Horticulture, Poultry, and Tourism TTL	2 2 3 4 12
Other			

Skills Mix Required

Skills Needed	Number of Staff Weeks (SWs)	Number of Trips	Comments
Team Leader	14 SWs annually		Country office-based
Operations Analyst	2 SWs annually		Country office based
Procurement	6 SWs annually		Country Office-based
Financial Management Specialist	6 SWs annually		Country office-based
Specialist for Clusters	3 SWs annually		Country office-based consultants
Environment Specialist	2 SW annually		Country office-based consultants
Social Specialist	2 SWs annually		Country office-based

ANNEX 6: ECONOMIC AND FINANCIAL ANALYSIS

SENEGAL: Skills for Jobs and Competitiveness Project

1. This annex presents the economic rationale for the proposed IDA investment in TVET and assesses the financial implications of the project. It provides a brief overview of the economic and employment contexts particularly as they relate to the demand for and supply of TVET graduates, the estimated net present value (NPV) of costs and benefits and the Internal Rate of Return of project investments in the development and delivery of TVET programs, and the feasibility and sustainability of the fiscal impact of the project on Government resources.

2. The background information and underlying data to estimate future earnings, opportunity costs and public expenditure are drawn from a recent World Bank comprehensive review of TVET in Senegal. Private costs were calculated from the same 2011 household survey (ESPS II) used in that analysis.

Economic and Employment Context

3. Economic transformation and low labor productivity are central challenges to increasing employment and incomes, particularly in the primary (agriculture, fisheries, and livestock) and secondary (industry) sectors. The structure of the economy has evolved little over the past 20-30 years. In 2012, the tertiary (service) sector accounted for the largest share of GDP (59 percent). The secondary and primary (agricultural and fisheries) sectors contributed 24 and 17 percent to total output, respectively. Across all sectors, annual fluctuations in output are substantial which reflects the weight of primary commodities in the economy as well as a limited export base.

4. The reverse is true in terms of the structure of employment. The primary sector employs 60 percent of the work force and adds the least value per worker. The service sector employs only 22 percent of the work force for a value added per worker at least six times that of the primary sector. Overall, 90 percent of the workforce is employed in the informal sector where slightly over half are self-employed.

5. Growth in good jobs and wages have not kept pace with population growth, particularly among the youth. Of an estimated working-age population of 6.8 million, two out of three are youths between 15-34 years old. Within this group, 44 percent are working, 19 percent attend school, while the large majority of the remaining 37 percent are neither working, nor attending school, nor looking for work. Women make up the majority (75 percent) of this group. In addition to the large share of youth disengaged from the labor force, underemployment is also a significant, but less obvious, cause of discouragement.

6. To reverse the low growth trend and create more and better jobs, the Government has developed a plan to reach middle-income status within a decade. The plan aims to increase the productivity and competitiveness of the economy, promote higher domestic and foreign direct investment, continued improvements in the business climate, and the development of clusters of

services and skills to raise the productivity and capacity of businesses (particularly SMEs) and of the labor force in key industries that have the potential for high value added, employment creation, and boosting exports, namely Agriculture and Agro-industries, Mining, the Fisheries sector (processing industries and fish farming), Clothing Manufacturing, Information and Communication Technology (ICT), and Tourism.

7. This transition to a higher growth path will depend importantly on the skills of the work force, at all levels from semi-skilled workers to senior management. The competence of skilled workers and technicians who occupy the middle of the work force will be especially critical. TVET plays an important role in the preparation of the labor force for these jobs.

TVET

8. Analyses of the supply and demand for technical, vocational and professional skills in the labor market point to the existence of high demand in the labor market for TVET skills, particularly in the formal sector, insufficient supply relative to demand, as well as skill mismatches.

9. Several indicators point to a strong demand for technical, vocational and professional skills in the labor market, particularly in the formal sector. An analysis of a 2011 household survey shows the following:

- Individuals with a TVET diploma are substantially more likely to be employed than individuals with a comparable number of years of general education at all levels of education, and particularly individuals with lower and upper-secondary TVET diplomas (CAP, BT, BTS). Across the workforce aged 15-59, individuals with a TVET diploma were 72 percent more likely to be employed than those without a TVET diploma, with higher probabilities in urban areas and among women. At the middle levels, individuals with a TVET diploma (CAP) are 50 percent more likely to be employed than their peers with a comparable number of years of general education. At the upper-secondary level, TVET diploma holders have a 170 percent greater chance of being employed than their peers with a general education. In higher education, professional degree holders are 24 percent more likely to be employed.
- Individuals who followed a TVET course of study are significantly more likely to be employed in the formal sector.
- TVET diploma holders earn significantly more than their peers who followed a course of general education. At the middle level, individuals with a CAP earn double their peers with a general education. At the upper secondary level, individuals with a TVET diploma earn 50 percent more, with a post-secondary degree 27 percent more.
- A survey of enterprises found that 89 percent of employers in the sample reported having sought to recruit new employees with TVET diplomas, but 28 percent could not find the applicants. A 2012 McKinsey survey found that 38 percent of potential employers could not find the technical skills they were seeking.

10. At same time, there is evidence of a skill mismatch among TVET graduates of public institutions due to the limited range of specializations and diploma levels offered and perceived low quality of public training institutions among employers.

11. The proposed project aims to address the shortage of mid-level skilled workers in specific priority sectors where job growth is expected by creating relevant specializations and diplomas.

Cost-Benefit Analysis of the Project

12. The proposed Project is expected to result in better employment and earnings for youth. In addition, investments in expanding quality training are expected to yield positive externalities such as improving the quality of services and products in targeted industries, and raising industry productivity and competitiveness, among others, which are difficult to monetize. Therefore, this cost-benefit analysis focuses on the economic costs of the investment and the estimated benefits that would be expected in terms of future earnings. The estimates are a lower bound.

13. The cost-benefit analysis is conducted on component 1 of the proposed project – improving the quality and relevance of training – which represents project investments in the development and delivery of training programs. Because the cost and benefit streams differ by the targeted diploma level (CAP and BTS), the NPV of benefits, costs and the internal rate of return are estimated separately for the two levels of training.

14. Table 1 summarizes the investment expenditure by program and estimated beneficiaries over the project period 2015-2018. Evidently, programs are expected to continue after the project but for the purposes of the cost-benefit analysis we consider the beneficiaries as those participating in training under the project. Because training is for duration of three years, few cohorts would complete training by the end of the project. Therefore, the graduate beneficiaries include those enrolled during project implementation but completing later. The project would invest US$18.9 million in developing and delivering programs targeting an estimated 4,300 students at the CAP level, and US$34.3 million for programs at the BT/BTS levels for about 3,200 students. The combined investment is US$53.2 million, taking in about 7,500 trainees and producing about 6,700 TVET graduates at a targeted completion rate of 90 percent.

Table 1. Targeted Number of Trainees and Graduates

	Project Investment (US$)	Total Beneficiaries	2015	2016	2017	2018	2019	2020
CAP Training	18,900,000							
New cohorts (2015-2018)		4,300	0	700	1000	1200	1400	
Graduates		3,870	0	0	630	900	1080	1260
BT/BTS Training	34,300,000							
New cohorts (2015-2018)		3,181	442	758	945	1,036	-	-
Graduates		2,863	-	-	398	683	850	933

Costs

15. Economic costs include total public and private costs as follows:

- Public costs are comprised of the project investments and public recurrent expenditure.
- Private costs include the direct household cost of education and the opportunity cost of attending training/school represented by foregone earnings. The direct costs include expenditure on school fees, books, supplies and clothing. Since we do not have separate estimates of private expenditure for general education and TVET, we assume that the average will apply for both levels. The assumption is reasonable for public institutions as fees do not vary significantly between public general education and TVET institutions. Opportunity costs represent the loss of earnings for the individual attending the training programs which is equivalent to the average earnings of individuals having completed the previous level of education (lower-secondary/CAP vs primary, and upper-secondary/BTS vs moyen general). This assumes that a student would otherwise be working which is a strong assumption. Therefore, the estimated NPV and IRR should be considered lower bound estimates.

16. Table 2 shows the average annual public expenditure per student, household per student expenditure in public schools which includes household expenditure on fees, books, supplies and clothes, and estimated average annual earnings of the working population with a general education and TVET. The average earnings are estimated from coefficients obtained from estimated Mincer earnings functions of the working population that account for exogenous variables that affect wages in Senegal (gender and location).

Table 2. Public and Private Expenditure on TVET and Annual Earnings

	Annual Per Student Expenditure (FCFA)		Annual Earnings a/		
	Public	Private Direct Costs	FCFA	US$	Ratio TVET:General
General Primary	132,100	5,815	770,173	1,540	
Moyen General	140,263	17,203	1,136,356	2,273	
Moyen TVET (CAP)	550,000	17,203	1,533,539	3,067	1.35
Secondary General	267,672	23,832	1,768,105	3,536	
Secondary TVET (BT/BTS)	775,000	23,832	2,972,803	5,946	1.68
Memo items:					
Exchange rate	500				

Sources: Private expenditure - analysis of ESPS II household survey; Annual Earnings - ESPS II survey as analyzed in World Bank TVET paper; Annual per student expenditure - draft PER and TVET paper.
a/ Annual earnings are average monthly earnings multiplied by 12.

17. Benefits. The benefits are estimated in two ways: (a) as the average net present value of the estimated future earnings stream of project beneficiaries, and (b) as the marginal gain in future earnings of the project beneficiaries relative to the average of what an otherwise equivalent cohort who followed a general education would earn with no project investment

made. The benefit stream is calculated over a ten year period and a twenty year period with the longer time period yielding higher returns.

18. With available data, we cannot distinguish between earnings by area of specialization. The assumption, therefore, is that future earnings do not vary by area of TVET specialization.

19. Other Assumptions:

- Estimated future earnings are adjusted to account for inflation in future years at an assumed annual rate of 3 percent, which is slightly higher than the one to two percent that Senegal has averaged in the past few years.
- The costs are discounted at a rate of 4 percent which reflects the central bank interest rate average over the past few years.

20. **Sensitivity Analysis.** A sensitivity analysis compares the results of the base case which targets a training completion rate of 90 percent and an employment rate of 90 percent, with a lower and a higher case scenario for both rates.

21. **Net Present Value of Benefits, Costs and Internal Rate of Return.** Table 3 shows the estimated net present value of the future earning streams and the IRR under the two methods for the BT/BTS and CAP programs, under the base, low and high case scenarios.

22. Due to the high employment and earnings advantage of TVET diploma holders, particularly for BT/BTS trainees, investments in the proposed training programs yield high returns both in terms of future earnings without a comparison group, and compared with the alternative of a general education of a similar duration.

23. For the BT/BTS programs, the average cost per trainee for a three year program is estimated at US$22,400. In the base case, assuming a 90 percent completion and employment rate, the NPV of the benefit stream over the medium-term (10 years) and longer term (20 years) are an estimated US$50,000 and US$91,000, respectively under the first method, for an IRR of 22 percent and 25 percent, respectively. When compared with the alternative of a general education of a comparable duration, the IRR is 12 percent over a ten year horizon and 17 percent over a 20 year period. Both are well above the opportunity cost of capital of 4 percent. Even under lower assumptions of completion and employment, the IRR of the investment in BT/BTS trainees is an acceptable rate of return of 15 percent over 20 years.

24. For the CAP programs, the average cost per trainee for a three year program is estimated at US$15,100. In the base case, assuming a 90 percent completion and employment rate, the NPV of the benefit stream over the medium-term (10 years) and longer term (20 years) are an estimated US$25,800 and US$47,000, respectively under the first method, for an IIR of 10 percent and 15 percent, respectively. When compared with the alternative of a general education of a comparable duration, the IRR is estimated at 9 percent over a 20 year period.

Table 3. BTS Programs: Lycées Techniques and Priority Sectors | CAP Programs: Priority Sectors

	BTS Programs: Lycées Techniques and Priority Sectors			CAP Programs: Priority Sectors		
A. COSTS						
Total Project Investment	$34,300,000			$18,900,000		
Cost Per Trainee (for three year course of training)						
Project	$10,782			$4,395		
Private	$6,961			$6,299		
Public	$4,650			$4,400		
Total Investment/Trainee	$22,393			$15,094		
B. BENEFITS	Base Case	Low Case	High Case	Base Case	Low Case	High Case
Assumptions:						
Discount Rate	4%	4%	4%	4%	4%	4%
Inflation Rate	3%	3%	3%	3%	3%	3%
Completion Rate	90%	85%	95%	90%	85%	95%
Employment Rate	90%	85%	95%	90%	85%	95%
1. Average Future Earnings of TVET Beneficiaries						
NPV Benefits (10 years) per trainee	$50,015	$44,612	$55,727	$25,801	$23,013	$28,747
IRR	22%	19%	25%	10%	9%	12%
NPV Benefits (20 years)	$ 91,093	$81,253	$101,496	$46,991	$41,915	$52,357
IRR	25%	22%	27%	15%	13%	16%
2. Marginal Gain in Future Earnings Relative to General Education						
NPV Benefits (10 years)	$33,489	$29,871	$37,442	$13,055	$11,645	$14,546
IRR	12%	9%	17%	2%	0%	3%
NPV Benefits (20 years)	$60,994	$54,405	$71,480	$23,777	$21,209	$26,493
IRR	17%	15%	21%	9%	8%	10%

25. Rationale for public investment and provision. The estimated high rates of return to project investments in the form of future earnings -- even only when calculated on the basis of expected beneficiaries over the life of the project as above -- far exceeds the current opportunity cost of capital of four percent, as well as the returns to public investments in general education of a similar duration. This is due to both an undersupply of TVET graduates relative to the demand in the labor market, and their higher productivity relative to individuals with a general education. While the future earnings accrue mainly to the individual, additional benefits accrue to society more generally through higher future tax revenue, lower youth unemployment, and a more productive labor force to support the development, and improve the productivity, of industries that the Government has identified as priority areas for development due to their high growth and employment potential.

26. Market imperfections in the supply of TVET also provide a rationale for public investment, and for provision in certain fields. The supply of TVET opportunities is bifurcated. Private centers, which have grown in recent years, offer certificate and diploma programs almost exclusively in business, management, accounting, hairdressing, and logistics because such programs are less costly to provide. They involve less equipment and hands on work, and can be taught at higher student: trainee ratios than most other vocational and technical programs. As a result, fees are also affordable. This leaves an enormous gap in the supply of vocational and, particularly, technical training for all other professions needed in the economy which the private sector cannot fill.

Financing, Fiscal Impact and Sustainability

27. Government investment in TVET has historically been low relative to other forms of formal education and training and relative to other countries. Over the period 2008-2012, although the GoS continued to invest a large share of public resources in education and training (averaging an estimated 24 percent of total public expenditure), expenditure on TVET represented only 4.3 percent of total government spending on education and training (Table 4). This also included an increase in investment spending during 2009-2011. Over the period 2008-2012, total expenditure on TVET averaged only FCFA 18.4 billion (US$ 38.3 million) per year, representing only 4.3 percent of total GoS spending on education and training. Recurrent expenditure was fairly stable, averaging only 3.3 percent of GoS recurrent spending on education and training. Development expenditure fluctuated with the availability of donor financing and rose from US$7.1 million in 2008 to US$ 20.1 in 2010 before falling back to US$ 7.4 in 2012 as projects were completed.

28. In conjunction with the GOS strategy for economic and social development 2013-2017 and an affiliated Education Sector development plan, GoS plans to increase the resources available to finance better opportunities for TVET to 7 percent of total spending on education and training by 2015 and to 15 percent in 2020.

Table 4. Public Expenditure on TVET/ETFP, 2008-2012

	2008	2009	2010	2011	2012	Period average
Total Public Education Expenditure (FCFA millions)	339,625	379,006	466,387	456,133	518,972	432,025
Recurrent	298,552	323,514	401,905	413,853	448,410	
Development	41,073	55,492	64,482	42,279	70,562	
Percent of Public Expenditure	21.5%	23.6%	27.0%	23.0%	24.6%	24.0%
TVET Public Expenditure (FCFA millions)	12,079	18,635	22,320	19,738	19,172	18,389
Recurrent	8,684	11,298	12,682	13,501	15,640	
Development	3,395	7,337	9,638	6,237	3,532	
As a percentage of:						
Total Education Expenditure	3.6%	4.9%	4.8%	4.3%	3.7%	4.3%
Recurrent Education Expenditure	2.9%	3.5%	3.2%	3.3%	3.5%	3.3%
Development Education Expenditure	8.3%	13.2%	14.9%	14.8%	5.0%	11.0%
Students	34,755	35,901	37,473	37,516	38,549	36,839
Per Student Expenditure	582,936	710,745	761,453	762,811	834,352	736,721
TVET Public Expenditure (US$ millions)	25.2	38.8	46.5	41.1	39.9	38.3
Recurrent	18.1	23.5	26.4	28.1	32.6	25.8
Development	7.1	15.3	20.1	13.0	7.4	12.6
Per Student	1,214	1,481	1,586	1,589	1,738	1,535

Note: Public Expenditure refers to expenditure by the Ministry of Technical and Vocational Education.
Exchange rate = 480 FCFA:US$, the period average

Project Costs

29. The total cost of the project is estimated at US$71.5 million. The breakdown across project components and time is shown in Table 5. The project represents the majority of donor financing currently anticipated over the project period to support TVET. When compared with the period 2008-2012, the project represents only a marginal increase in development expenditure on TVET per year (averaging US$14.3 million compared with US$12.6 million during 2008-2012).

Table 5. Project Cost/Projected Project Expenditure (in US$ millions)

	2015	2016	2017	2018	2019	Total
Total Project Cost	12.2	17.2	17.2	17.2	7.6	71.5
Training Programs (Components 1a and 1b)	8.6	13.6	13.6	13.6	3.9	53.2
Certificate Programs (Component 1c)	2.1	2.1	2.1	2.1	2.1	10.3
Other: management, capacity building, etc.	1.6	1.6	1.6	1.6	1.6	8.0
Donors	9.0	12.2	12.2	12.2	6.0	51.5
Training Programs (Component 1)	7.6	10.8	10.8	10.8	4.6	44.5
Other: management, capacity building, etc.	1.4	1.4	1.4	1.4	1.4	7.0
GoS	3.3	5.0	5.0	5.0	1.6	20.0
Training Programs (Component 1)	3.1	4.8	4.8	4.8	1.4	19.0
Other: Management, capacity building, etc.	0.2	0.2	0.2	0.2	0.2	1.0

Fiscal Impact and Sustainability

30. The fiscal impact and sustainability of project investments are assessed by comparing: (a) the additional recurrent cost generated by the project for recurrent expenditure on program delivery and for maintenance of the physical investments with (b) projected availability of public resources. The analysis shows that the GoS would be more than sufficiently capable of financing the delivery, and maintenance of programs and infrastructure with only a modest increase in the share of total education and training resources allocated to TVET, and well below the targeted 15 percent to be achieved in 2020.

31. Table 6 summarizes the main parameters of the estimates of TVET costs to GoS and GoS resource availability.

32. Projected TVET costs to GoS include both:

- Resource requirements of the existing TVET system and on-going programs, and
- The additional costs to GoS generated by the project.

33. Resource requirements for the existing system and programs assume the following:

- Enrolment growth in existing TVET institutions continues at a low rate of 3 percent per year.
- Recurrent expenditure per student rises at a rate of 4 percent annually, well above the recent trend in inflation.
- Base development expenditure continues at the same level as 2011 and 2012 when previous projects came to conclusion. The rationale being is that this base level represents what GoS would need to spend to accommodate some growth and improvement in the existing TVET institutions and programs.

34. Additional costs to GoS generated by the project are comprised of:

- GoS counterpart investment financing as in the project budget;
- Maintenance of new infrastructure which is estimated at a conventional 15 percent of the investment cost per year; and
- the cost of instructional and management staff for program delivery of components 1(a) and (b) which comprise 80 percent of project investments and will generate the highest demand for recurrent financing. This cost is estimated as the product of current average per student expenditure and the estimated enrolment in project training programs.

GoS Resources for TVET

35. Estimates of GoS resource availability for TVET expenditure are based on the following sources and key assumptions:

- Projected total public budget as estimated in the GoS-IMF macro-economic framework for the project period,
- The share of total public resources allocated to education and training, which is assumed to remain at 24.6 percent; and within that,
- The share of education and training resources allocated to TVET.

Table 6. Main Cost and Resource Parameters

	2014	2015	2016	2017	2018	2019
Costs						
Enrolment in Existing Institutions a/	19,887	20,484	21,098	21,731	22,383	23,055
Additional Enrolment due to Project b/		442	1,892	3,785	5,510	6,540
Per student expenditure (FCFA)	825,057	858,059	892,382	928,077	965,200	1,003,808
Maintenance cost as a % of project investment			15%	15%	15%	15%
Resource Envelope						
Total Public Expenditure (FCFA bilions)	2,280	2,399	2,536	2,711	2,924	3,155
Expenditure on Education and Training as a % of total public expenditure	24.6%	24.6%	24.6%	24.6%	24.6%	24.6%
TVET as a % of expenditure on education and training	4.4%	4.9%	5.3%	5.8%	6.4%	7.0%

a/ Projected enrolment assumes an annual average growth rate of 3 percent.
b/ Additional enrolment assumes 90 percent completion rate, and 3 percent repetition rate per year which translates into a drop out rate of 2 percent per year.

36. Several scenarios were estimated. Table 7 shows that under the prevailing macro-economic assumptions, and a continuation of education's share of public resources, both the costs of maintaining the existing system and the additional cost generated by the project would require only a modest increase in the share of resources allocated to education and training, well below the GoS target of 15 percent by 2020. The estimated costs are well within a target of only 6 percent of total education and training expenditure representing only a modest increase over the historical average.

Table 7. Estimated TVET Cost to GoS and Available Public Resources

	2014	2015	2016	2017	2018	2019
Total TVET Cost to GoS (FCFA millions)	22,800	26,321	30,635	34,995	39,461	41,843
Recurrent	18,541	20,240	23,426	27,499	31,660	35,378
Existing TVET System	18,541	19,861	21,275	22,790	24,413	26,151
Additional Recurrent due to Project		379	2,151	4,709	7,248	9,227
Development	4,259	6,081	7,209	7,496	7,800	6,464
Base Expenditure	4,259	4,515	4,786	5,073	5,377	5,700
Additional Development due to Project		1,566	2,423	2,423	2,423	765
Public Resources for TVET (FCFA millions)						
TVET rising to 7% of Education Expenditure		28,667	33,201	38,885	45,950	54,320
TVET rising to 6% of Education Expenditure		26,834	30,402	34,831	40,263	46,560
Gap: Resources - Costs/Surplus (+) Deficit (-):						
TVET rising to 7% of Education Expenditure		2,346	2,566	3,890	6,489	12,477
TVET rising to 6% of Education Expenditure		513	-234	-164	802	4,717
In US$ millions						
Total TVET Cost to GoS	$47.5	$54.8	$63.8	$72.9	$82.2	$87.2
Recurrent	$38.6	$42.2	$48.8	$57.3	$66.0	$73.7
Development	$8.9	$12.7	$15.0	$15.6	$16.3	$13.5
Public Resources for TVET						
TVET rising to 7% of Education Expenditure		$59.7	$69.2	$81.0	$95.7	$113.2
TVET rising to 6% of Education Expenditure		$55.9	$63.3	$72.6	$83.9	$97.0
Gap: Resources - Costs/Surplus (+) Deficit (-):						
TVET rising to 7% of Education Expenditure		$4.9	$5.3	$8.1	$13.5	$26.0
TVET rising to 6% of Education Expenditure		$1.1	-$0.5	-$0.3	$1.7	$9.8
Memo items: Exchange rate = 480 FCFA:US$, the period average						

Risks to the financial framework

37. There are few risks to the financial framework due to conservative assumptions. Parameters that would have the most significant impact on GoS capability to finance the TVET sector as intended are assumptions underlying (a) the projections of total GoS resource availability in the macro framework, and (b) the share of total GoS resources allocated to education and training. With respect to (a), the assumptions are very conservative. GoS expenditure is projected to fall as a share of GDP from 29 percent in 2014 to 27 percent in 2015 while GDP is projected to follow a recent growth trend of 7.4 percent annually in nominal terms. With respect to (b), although the share of public resources allocated to education and training sectors has varied from year to year, it has rarely fallen below 23 percent. The estimates assume the maintenance of a 24.6 percent share over the project period. Nevertheless, even if the share fell to 23 percent at the outset and was maintained at that level, an allocation of 7 percent of the total for TVET would still result in a surplus.

ANNEX 7: SUPPORTING THE TVET SECTOR IN SENEGAL: THE AFD EXPERIENCE

SENEGAL: Skills for Jobs and Competitiveness Project

I) The AFD and Vocational Training

1. The AFD has been active in the TVET sector in the Mediterranean and in Sub-Saharan Africa since the 90s and the 2000s respectively. By mid-2014, it had allocated 744 million euros to vocational training and youth employment, contributing to the construction or rehabilitation of more than 200 vocational training centers. This support began when the economic, social, and political environments were changing rapidly by and through technology advancements. In this context, AFD funded activity streams that upgraded skills that were a prerequisite for economic competitiveness. The approach aimed to improve the match between training and employment by involving key industrial sectors. The objective is to improve not only the supply of training, but also the employability of youth, their integration into the labor market, and the competitiveness of businesses. The model encompassing these objectives was gradually formalized around a process of dialogue between the public and private sectors.

2. Between 2005 and 2013, AFD granted Senegal 20.25 million euros to support policies for training and youth employment. The first tranche of 4.25 million euros supported a partnership for apprenticeship and expansion of the vocational training system. This project aimed to improve the relevance of training for employment, to develop financially sustainable vocational training for the informal sector, and to train and certify apprentices in the informal sector. The second grant of 10 million euros aimed to strengthen the competitiveness of Senegalese businesses through a program comprising three complementary components: 1) modernization of businesses, 2) strengthening the qualification of human resources through vocational training (*Projet de qualification des ressources humaines*-PQRH), and 3) enhancement of the financial sector. The PQRH aimed to establish a public-private partnership for the design, implementation, and management of sectoral centers of initial and continuing vocational training for select priority industries.

3. Through this project, Senegal was able to accomplish the following:

Set up a partnership framework between the government and the private sector for training, implementation and management of training centers.

- Create sectoral vocational training centers based on specific production sectors. The content and curriculum of vocational training provided at these centers were tied to the labor market, and updated teaching methods were promoted.
- Establish autonomous management of training centers.

4. The third stage of financing is a combination of grants and loans in the amount of 6 million euros to support project management, mobilization of technical assistance, and construction and equipment of centers.

II) A pragmatic model for public-private partnerships

5. The successive funding has contributed to the emergence of a unique partnership between the state and the private sector. The core assumption is that the partnership must involve the private sector to improve the match between the supply of and demand for training, and that the intervention must be based on a commitment and accountability of partners. In a PPP for vocational training, the private sector is a beneficiary of human resources. The PPP is not a goal in itself, but a tool to serve the objective of improving the relevancy of training for employment. This PPP model involves a sharing of missions, tasks, and responsibilities between the state and the industrial/business organizations, starting with a concerted approach to identifying trades and skills sought after by the private sector, adapting curricula to needs, involving professionals in the entire process of training, and better integration of trainees in businesses. The PPP also helps promote financial participation of the private sector through the utilization of continuing education, reducing the dependence of the system on public funding, and promoting the self-financing of the system.

6. The choice of sectoral training centers has implications for governance, both legal and financial. The training system is based on granting a high degree of autonomy to these centers. A Board of Directors would be formed, the Chairman of which would be from the private sector. The management team would be competitively recruited.

7. The role of the state changes in this PPP model. The state becomes responsible for steering the system and ensuring that quality standards are met through performance-based contracts. The state buys services for initial training and provides a balancing subsidy in the early years; it also maintains the right to review results.

8. International partnerships play a key role in this structure. The creation of sectoral centers has been accompanied by the establishment of partnership agreements with “twin” economic sectors in France. These partnerships enable capacity building and support the transfer of "know-how" in all phases of the project, such as pre-feasibility studies, design of buildings, development of standards, training of trainers, etc.

III) A potential for deployment

9. The sectoral centers have the potential to become tools that serve industry as places for consultation for businesses and the state or as providers of services to businesses.

10. The training centers also have technical and educational potential. Centers have opportunities to diversify the supply of training through special certificates, e-learning/distance education. They can also be deployed in the field through mobile training units and networking of institutions through clusters. The centers could also be used to provide training on a regional basis.

11. The ownership of the PPP model by government could be improved. The initial plan for the implementation of sectoral centers relied on an autonomous PIU in the Ministry of Vocational Training. The integration and scaling up the model requires a structural reorganization of the public sector. The funding model for vocational training must also be restructured and consolidated for the emergence of a market for professional training. Consolidating the supply of relevant vocational training requires the development of a culture of qualification and training in companies.

12. Numerous challenges remain in the improvement of the quality of vocational training. The business model in SSA is fragile. Structural changes in the operation of sectoral centers require long-term partnerships throughout the phases of establishment and operation. The difficulties encountered in youth employment and their integration into the labor market raises questions about the financial commitment of the private sector.

13. The PPP approach aims to create long-term dialogue between public and private stakeholders in the interest of improving the relevance of vocational education. It is envisaged that private sector involvement in TVE management will support the sector's efficiency, flexibility, financing, and sustainability.

MAP


SENEGAL
SELECTED CITIES AND TOWNS
REGION CAPITALS
NATIONAL CAPITAL
RIVERS
MAIN ROADS
RAILROADS
REGION BOUNDARIES
INTERNATIONAL BOUNDARIES
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MAURITANIA
MALI
GUINEA
GUINEA-BISSAU
THE GAMBIA
ATLANTIC OCEAN
SAINT-LOUIS
LOUGA
MATAM
DIOURBEL
THIÈS
CAP-VERT
FATICK
KAOLACK
KAFFRINE
TAMBACOUNDA
KÉDOUGOU
KOLDA
SÉDHIOU
ZIGUINCHOR
DAKAR
Saint-Louis
Louga
Matam
Thiès
Diourbel
Fatick
Kaolack
Kaffrine
Tambacounda
Kédougou
Kolda
Sédhiou
Ziguinchor
Podor
Rosso
Dagana
Richard-Toll
Ndiayène
Haïré Lao
Kaedi
Thilogne
Linguère
Dahra
Bakel
Vélingara
La Ferdo
Mbour
Rufisque
Mbake
Gossas
Guinguinéo
Nioro du Rip
Koungheul
Koussanar
Kidira
Saraya
Mako
Bignona
Oussouye
Goudomp
Dioulouloou
Bounkiling
Tanaf
Karang
Sokone
Ndangane
Keur Madiabel
Nganda
Payar
Maka
Dialakoto
Kayar
Tivaouane
Mékhé
Kébémer
Darou Mousti
Koki
Mpal
Lac de Guier
Vallée du Ferlo
Vallée du Mboun
Saloum
Sénégal
Gambia
Gambie
Casamance
Kayanga
Koulountou
Falémé
Malinke
419 m
SENEGAL
0 25 50 75 100 Kilometers
0 25 50 75 Miles
18°W
16°W
14°W
12°W
16°N
14°N
12°N
AUGUST 2010
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