

Project Administration Manual

Project Number: 40555
Grant Number: 0178-CAM
November 2010

Cambodia: Strengthening Technical and Vocational
Education and Training Project

Contents

ABBREVIATIONS	4
I. PROJECT DESCRIPTION	1
A. Impact and Outcome	1
II. IMPLEMENTATION PLANS	5
A. Project Readiness Activities	5
B. Overall Project Implementation Plan	6
III. PROJECT MANAGEMENT ARRANGEMENTS	9
A. Project Stakeholders – Roles and Responsibilities	9
B. Key Persons Involved in Implementation	10
C. Project Organization Structure	11
D. Project Management Structure	12
IV. COSTS AND FINANCING	13
A. Detailed Cost Estimates by Expenditure Category	14
B. Allocation and Withdrawal of Grant Proceeds	15
C. Detailed Cost Estimates by Financier ^a	16
D. Detailed Cost Estimates by Outputs ^a	17
F. Fund Flow Diagram	19
V. FINANCIAL MANAGEMENT	20
A. Financial Management Assessment	20
B. Disbursement	20
C. Accounting	21
D. Auditing	21
VI. PROCUREMENT AND CONSULTING SERVICES	22
A. Procurement of Goods, Works and Consulting Services	22
B. Procurement Plan	23
E. Consultant's Terms of Reference	28
VII. SAFEGUARDS	29
VIII. PERFORMANCE MONITORING, EVALUATION, REPORTING AND COMMUNICATION	30
A. Project Design and Monitoring Framework	30
B. Monitoring	30
C. Evaluation	31
D. Reporting	31
E. Stakeholder Communication Strategy	31
IX. ANTICORRUPTION POLICY	31
X. ACCOUNTABILITY MECHANISM	32
XI. RECORD OF PAM CHANGES	32

APPENDICES

1. Design and Monitoring Framework
2. Implementation Strategies for Regional Training Centers
3. Establishing an Integrated System of Professional Support for Trainers
4. Financing and Implementing the Voucher Skills Training Program
5. Procedures for Phased Extension of Voucher Skills Training Program
6. Strategies for Development of Management Capacity
7. Human Resources Development Plan
8. Developing and Implementing Skills Standards
9. Strategies for Career Guidance
10. Systems for Monitoring of Training Institutions
11. Consulting Services and Outline Terms of Reference
12. Gender and Ethnic Minorities Analysis and Action Plan
13. Grant Covenants
14. Summary Poverty Reduction and Social Strategy
15. Good Governance Framework

SUPPLEMENTARY APPENDICES

- A. Strategies for the Development of TVET Information Systems
- B. Financial Management Capacity Assessment
- C. Procurement Capacity Assessment

Abbreviations

ADB	=	Asian Development Bank
ADF	=	Asian Development Fund
AFS	=	audited financial statements
CQS	=	consultant qualification selection
DMF	=	design and monitoring framework
EARF	=	environmental assessment and review framework
EIA	=	environmental impact assessment
EMP	=	environmental management plan
ESMS	=	environmental and social management system
GACAP	=	governance and anticorruption action plan
GDP	=	gross domestic product
ICB	=	international competitive bidding
IEE	=	initial environmental examination
IPP	=	indigenous people plan
IPPF	=	indigenous people planning framework
LAR	=	land acquisition and resettlement
LIBOR	=	London interbank offered rate
NCB	=	national competitive bidding
NGOs	=	nongovernment organizations
PAI	=	project administration instructions
PAM	=	project administration manual
PIU	=	project implementation unit
QBS	=	quality based selection
QCBS	=	quality- and cost based selection
RRP	=	report and recommendation of the President to the Board
SBD	=	standard bidding documents
SGIA	=	second generation imprest accounts
SOE	=	statement of expenditure
SPS	=	Safeguard Policy Statement
TOR	=	terms of reference

I. PROJECT DESCRIPTION

1. The Project will support the Government's strategies to reduce poverty and achieve socioeconomic development for all Cambodians. These include (i) promotion of vocational and skills training to ensure continuing improvement in national productivity; (ii) creation of jobs in the formal and nonformal sectors; (iii) an increase in agricultural productivity to create jobs in rural areas; and (iv) the establishment of technical vocational education and training (TVET) networks to assist both men and women, especially the poor, disabled and vulnerable, to respond to labor market needs. The design and monitoring framework (DMF) is in Appendix 1.

2. The Project will help ensure an expanded public TVET system that is endorsed by industry and is better aligned with the skills requirements of the formal and informal economies. The project will develop replicable models for transforming the system so it is more relevant to industry, focusing initially on three industry sectors: mechanics, construction, and business services and information and communication technologies (ICT). These models can be used as the basis for continued reform in other industry sectors.

3. **Project approach.** As there is an absence of labor market data, it is not yet possible to identify and address specific skills shortages with any validity, so the Project has not been designed to target specific shortages. Instead, the objective is to build a platform for continued reform by developing replicable models so the system can be made more relevant to industry. The key steps will include the establishment of industry advisory groups; the development of skills standards led by these groups; development of curricula and assessment procedures; retraining of instructors, including skills training; upgrading of facilities if needed; and training institute directors to operate in more enterprise-directed ways. Eventually this approach will need to be replicated in all major employment sectors.

4. The three sectors (mechanics, construction, and business services and ICT) were chosen to develop this model because they (i) represent general, mainstream skill areas with substantial national coverage, (ii) are representative of skills provision in Cambodia, (iii) cover both the lower and mid-levels of skills employment and (iv) are offered in all PTCs. The selection was based on data collected from employers and center directors, data on graduate placement and the rate of growth in these sectors, and training demand. A further consideration for including business and ICT is that it is the only area of TVET training where girls and young women are represented.

A. Impact and Outcome

5. The Project is expected to expand the employment-ready, national mid-level workforce in both rural and urban areas. By 2020, it is expected that there will be at least a 30% increase in the number of employees holding formal TVET qualifications, and greater employer satisfaction with employees holding new formal TVET qualifications.

6. The expected outcome is an expanded and more integrated training system that is endorsed by industry and better aligned with the basic and mid-level skills requirements of the formal and informal economies in the three industry sectors of mechanics, construction and business services and ICT. Key success indicators by 2015 will include (i) a 20% increase in enrollments in the three sectors; (ii) a 25% increase in the number of graduates from formal programs in the three sectors; (iii) a 400% increase, to 210,000, in national access to nonformal, basic skills training programs requested by communities; (iv) a 20% increase in the number of women graduating from formal courses in RTCs and polytechnics or institutes; (v) at least 50%

of all participants in the nonformal VSTP programs to be women; (vi) 40% of nonformal VSTP training to be enterprise- or center-based (based on person days or training hours) and (vii) 40% of graduates from enterprise- and center-based VSTP training to be placed in full-time employment or self-employment.

B. Outputs

7. The Project will produce three outputs: (i) more industry-relevant formal training programs in mechanics, construction, and ICT and business; (ii) expanded and better quality nonformal training; and (iii) strengthened institutional capacity to plan and manage the TVET system.

1. Formal Programs that are more Relevant to Industry

8. The Project will improve access to formal TVET that is linked to the demands of industry and will use industry-endorsed skills competency standards as the basis for the training curriculum, trainer training, training equipment, and an assessment of trainee performance. It will also facilitate expanded access to formal training for girls.

9. **Upgrade five provincial training centers to regional training centers.** PTCs in five provinces (Battambang, Kampot, Siem Reap, Svay Rieng and Takeo) will be expanded and upgraded to RTCs so they can offer formal TVET programs in rural areas at entry, mid-level, and technician levels in mechanics, construction, and ICT and business. The RTC training programs will be based on the new standards and curriculum. In addition, the RTCs will be the venue for regional inservice training for instructors, organized from the NTTI. The institutional management and development skills of the RTC directors will be sharpened through comprehensive training and mentoring. ICT training, trainer training and subject- and technology-based upgrading will be provided to all RTC instructors. The Project will also support the construction of hostels for female trainees in each RTC. The PTCs to be upgraded were chosen on the basis of their institutional performance, geographic location and a growing enterprise base that could absorb skilled graduates. The implementation strategy for the RTCs is in Appendix 2.

10. **Develop training modules based on skills standards and train trainers.** The Project will develop competency standards for mechanics, construction, and ICT and business. Capacity will be built among lead teachers from the specialist institutes, trainers from NTTI, and senior officers of DGTVET. In addition, curricula and learning materials for the new standards will be produced for the PTCs and RTCs; equipment for the new curriculum will be installed; assessment procedures will be developed; and assessors trained. Effective implementation of the new standards-based programs will be supported through regular training of all PTC and RTC teachers in TVET skills development and instructional techniques for the new curriculum.

11. **Increase industry involvement.** Independent industry advisory groups consisting primarily of employers will be established in each industry sector to review standards, endorsement, and ongoing assistance in curriculum, training development, and assessment procedures. More contracting of small-scale employers for VSTP training will also occur, both through increased allocations of training hours and increased numbers of trainees.

12. **Strengthen the National Technical Training Institute for system upgrading.** An important project initiative is the establishment of a new, integrated system to develop skills standards, curriculum and training materials, and TVET teacher training. This will be achieved

through the closer integration of institutions in pedagogy, technical skills development and entrepreneurship. NTTI will be the lead institution for teacher training and curriculum and three specialist institutes in mechanics, construction, and ICT and business will be responsible for developing skills standards and training models for the target industry sectors (the Industrial Technical Institute, the National Institute of business and the Preah Kossomak Polytechnic Institute). A fourth institute (the Cambodia-India Entrepreneurship Development Center) will be responsible for entrepreneurship. Each technology institution will bring together an industry advisory group; provide technical direction for the development of skills standards; assist the development of curriculum and learning materials; support the training of assessors from industry; provide skills strengthening for NTTI trainees and in-service training; and monitor training in the PTCs. The technical skills of lead teachers from each institute will be upgraded through regional training, and training equipment to match the new curriculum will be provided. A postgraduate TVET teacher-training program will also be introduced (Appendix 2).

2. Expanded and Better Quality Nonformal Training

13. The second output of the Project will extend national access to (i) nonformal TVET training (including in urban areas); (ii) training provision for the young and unemployed, female and male; and (iii) nonformal programs at different levels that yield qualifications allowing graduates to enter the next level of training.

14. **Establish provincial training centers in unserved provinces.** PTCs now exist in 21 of the 23 rural provinces. All PTCs target rural poverty alleviation through courses that relate directly to enhancement of family income. The Project will support the development of a PTC in the provincial capitals in each of the two remaining rural provinces (Monduliri and Preah Vihear), providing classrooms, workshops, equipment and teacher upgrading. Women will make up 50% of enrollments at the newly constructed PTCs in Monduliri and Preah Vihear. The Project will also support the rehabilitation of existing PTCs as needed.

15. **Extend the voucher skills training program to all provinces.** The pilot VSTP supported the development and delivery of nonformal, community-responsive training in seven of the poorest provinces, covering 53,000 participants in 2007/08. The communes selected received a “voucher” to fund training linked to local commune planning. Under this Project, a revised VSTP will be extended to all 24 provinces (with a further 210,000 participants). Provinces will progressively engage with the scheme, to allow strengthening and preparation of inexperienced PTCs. Each province will be funded for a 2-year period. To improve the quality of training, the expanded VSTP will be modified through (i) reductions in group size in field-based training, (ii) greater emphasis on enterprise attachments and center-based training and combinations of both, (iii) new incentives for placing VSTP graduates in employment, and (iv) the implementation of two new pilots: a microenterprise training pilot and a pilot urban VSTP. Both pilots will be located in Phnom Penh. The microenterprise training will be implemented by the Cambodia-India Enterprise Development Center, and the urban pilot will be implemented in the automotive sector through contracted enterprise placements, administered by the Japan Vocational Center, a training institution under MOLVT. At least 50% of the recipients of training under the expanded and rural VSTP will be women (see Appendices 3 and 4 for detailed implementation strategies for the VSTP).

16. **Develop directors and staff of provincial training centers.** The Project will strengthen management capacity in all 24 PTCs to develop and manage demand-responsive training. PTC directors who implemented the pilot VSTP will mentor other directors. DGTNET confirms that some of the best PTC directors are women, and they will play a key role in the training and

mentoring strategy for other directors. Staff directly managing the VSTP will be trained in (i) linking with small employers through informal apprenticeships, (ii) management and planning, (iii) finance, (iv) community outreach, entrepreneurship, and revenue generation, (v) provincial training board (PTB) support, (vi) career guidance and job placement for graduates, and (vii) data reporting.

17. **Upgrade training on skills standards in the provincial training centers.** All PTC instructors will be trained for the new curriculum through in-service training in the five RTCs. Equipment will be provided to the PTCs to meet the training requirements of the three industry sectors. Assessment services and new procedures for recognition of prior learning will be provided to give workers credit for training and to support progress to further training. Technical staff from the NTTI complex and DGTVET will undertake regular mentoring and compliance visits.

18. **Increasing accessibility to structured skills training.** Currently, graduates from nonformal training in PTCs cannot continue to government-provided mid-level training unless they have higher academic qualifications (i.e., they have completed lower secondary school). The Project will take the first steps toward a more integrated system by developing new courses, curricula and standards to systematize nonformal training by introducing pathways to higher levels of training within the nonformal system. To improve the pathways between nonformal and formal programs, strategies that allowing more students to progress from nonformal to mid-level formal programs will be identified. This will eventually allow PTC graduates to enter mid-level programs in the RTCs and elsewhere.

3. **Strengthened Institutional Capacity to Plan and Manage Technical and Vocational Education and Training**

19. The Project will strengthen the capacity of DGTVET, provincial offices, and the training institutions in policy development, management and supervision; planning; budget preparation and disbursement; financial management and reporting requirements; information collection, processing, analysis and dissemination; quality assurance; and system governance and support. The proposed strategies for the development of management capacity are in Appendix 6 and the human resource development plan is in Appendix 7.

20. **Assess technical and vocational education and training policies.** The evolution of the Cambodian economy, changes in the educational and social preferences of Cambodians that affect demand for education, and dramatic improvements in access to basic education, suggest that it is time to review the TVET policy framework in Cambodia. The Project will undertake a comprehensive review of current policies, strategies and structures to identify the reforms needed to help match the system to the needs of industry while still serving the needs of those who lack academic qualifications. The study will examine the levels of training, the qualifications offered, and pathways between different levels and types of training, as well as the regulatory and financing framework for the TVET system, the scope for public-private partnerships in training provision, and improved institutional financing. A second study will look at potential sources of additional financing, including a training levy. Both studies will help to ensure that the TVET system can develop according to the country's emerging needs and demands.

21. **Strengthen planning capacity.** DGTVET will formulate a new Medium-Term TVET Development Plan (MTTDP), a Medium-Term Expenditure Framework, 2012–2014 and annual operational plans for 2010 to 2015. The Project will support system planning through a senior

level study tour on regional TVET policy for NTB and PTB members and senior officials. Support will also be provided for annual NTB policy reviews as a basis for preparing the MTTDP, the annual plan, and the expenditure framework.

22. **Strengthen management capacity.** To build a stronger system for DGTvet monitoring of training institutions, officers will be trained in system management, supervision and development. Financial management in PTCs and DGTvet will be strengthened, as well as the institutional management and development skills of directors in all PTCs, RTCs, and polytechnics. All mid-level female DGTvet officers will be selected for regional training, while 50% of officers selected from the provincial Labor and Vocational Training Department will also be women.

23. **Improve technical and vocational education and training information systems.** System management and planning will be supported by the design, development, and commissioning of a vocational education and training management information system (VETMIS) and a labor market information system (LMIS) to provide essential data on the training system and the skill requirements of industry. ICT facilities and training will be provided for MOLVT and all of its training institutions and provincial offices. Gender- and, where relevant, ethnicity-disaggregated indicators, including those related to TVET outcomes, efficiency and effectiveness, will be incorporated into the VETMIS and LMIS. Further information is in Supplementary Appendix A.

24. **Develop and implement skills standards.** The expertise and systems for skills standards development in partnership with industry will be supported, leading to the agreement of an NVQF by 2015. Project activities will target the three selected industry sectors to ensure full development of relevant standards and capacity building, and effective industry and enterprise links for later replication and extension to other skills areas. Training will be provided to relevant national and provincial officers in the development and implementation of the new national skills standards-based training system and skills assessment. More detail on the development and implementation of skills standards is in Appendix 8.

25. **Introduce career information systems.** The Project will develop and distribute career guidance materials for schools, and develop a web portal for dissemination of career guidance information, to encourage young people to take up vocational training and consider a related career. The materials and outreach activities will also encourage young women to take up training in nontraditional skills areas. As a condition of involvement in the VSTP, PTCs will be required to designate a staff member to take responsibility for career guidance and employment placement for graduates of the program (see Appendix 9 for more detail on career guidance).

II. IMPLEMENTATION PLANS

A. Project Readiness Activities

Indicative Activities	Months						Who responsible
	1	2	3	4	5	6	
Establish project implementation arrangements	X						MOLVT
ADB Board approval				X			ADB
Grant Signing				X			Government, ADB
Government legal opinion provided						X	Government
Government budget inclusion						X	MEF, MOLVT
Grant effectiveness						X	Government, ADB

Sub-Comp No.	Activity	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6				Responsibility
		Q1	Q2	Q3	Q4																					
3.3	Database specialist																									PCU
3.4	VETMIS IT systems analyst																									PCU
3.5	Labor market information specialist, development and training																									PCU
3.6	Labor market information web site specialist																									PCU
4	Project finance specialist																									PCU
4	Monitoring and evaluation specialist																									PCU
1.1	Social and gender specialist																									PCU
2.1	Deputy team leader and VSTP implementation																									PCU
2.2	Community development specialist, TNA, microenterprise, curriculum and training specialist																									PCU
2.3	VSTP implementation specialist																									PCU
2.4	VSTP implementation specialist																									PCU
2.5	In-service teacher training specialist - PTCs																									PCU
2.6	Curriculum development specialist - PTCs																									PCU
3.1	Senior TVET management and institutional development specialist																									PCU
3.2	ICT specialist																									PCU
4	Clerk of works/civil engineer project manager																									PCU
4	Monitoring and evaluation specialist																									PCU
	Staffing - locally engaged																									PCU
4	General staff x 4																									PCU
4	Clerical staff x 2																									PCU
4	Casual staff for workshop and training assistance																									PCU

DGTVET = Directorate General of Technical and Vocational Education; DMF = design and monitoring framework; ICT = information and communication technology; IT = information technology; LMIS = labor market information system; MOEYS = Ministry of Education, Youth and Sport ; MOLVT = Ministry of Labor and Vocational Training; M&E = monitoring and evaluation; NTB = National Training Board; NTTI = National Technical Training Institute; NVQF = national vocational qualifications framework; PMU = project management unit; PTC = provincial training center; RTC = regional training center; TNA = training needs analysis; TVET = technical and vocational education and training; VETMIS = vocational education and training management information system; VSTP = Voucher Skills Training Program.

Source: Asian Development Bank.

III. PROJECT MANAGEMENT ARRANGEMENTS

A. Project Stakeholders – Roles and Responsibilities

Project Stakeholders	Management Roles and Responsibilities
<ul style="list-style-type: none"> ● Ministry of Labor and Vocational Training 	<ul style="list-style-type: none"> ➤ Oversee overall project implementation
<ul style="list-style-type: none"> ● Directorate General of Technical and Vocational Education and Training 	<ul style="list-style-type: none"> ➤ Coordinate relations with the National Employment Agency. ➤ Undertake on a best effort basis to develop and approves a National TVET Qualifications Framework. ➤ Ensure the provision of reasonable office accommodations, properly equipped for the consultant. ➤ Ensure that the NTB is informed as required of project goals and achievements. ➤ Provide a coordinating role in reducing overlap and supporting convergence between the project and other initiatives taken by the Ministry with donors and new programming. ➤ Advise the consultant on Government policy changes including new national planning documents.
<ul style="list-style-type: none"> ● Project Coordination Unit 	<ul style="list-style-type: none"> ➤ Support project implementation and, specifically, ensure compliance with all ADB-MEF procedures and time lines in civil works, procurement and financial control. ➤ Provide support to the project in logistics, workshop facilitations and implementation processes with DGTVET institutions. ➤ Supervise the development of annual work plans by the consultant and monitor project progress based on approved work plans. ➤ Ensure the baseline, midterm and final impact surveys are comprehensive and carried out on time ➤ Supervise the completion of Quarterly Progress Reports (QPR) and submit these in a timely fashion to ADB. ➤ Resolve or contribute to the resolution any issues arising from project implementation among the stakeholders.
<ul style="list-style-type: none"> ● ADB 	<ul style="list-style-type: none"> ➤ Supervise project implementation and ensure compliance with the Grant Agreement and PAM

- Ensure Project achieves the expected outputs and outcome
 - Ensure compliance with good governance, social safeguards and anti-corruption measures
- Provincial Training Centers
 - Ensure that every effort is made by institutional staff to support the implementation of the project.
 - Comply with the planning, financial and reporting requirement of the VSTP.
 - Ensure that staff and data support is given to the VETMIS input.
 - Provide data as requested in a timely fashion.
- Training Institutions
 - Complete an annual work plan for the Institution.
 - Participate fully in the planning of the new facilities and equipment.
 - Ensure staff fully support the implementation of skills standards and new curricula in the 3 target technologies.
 - Identify staff for workshop participation who will be directly involved in implementation and support the implementation of required curriculum, management processes

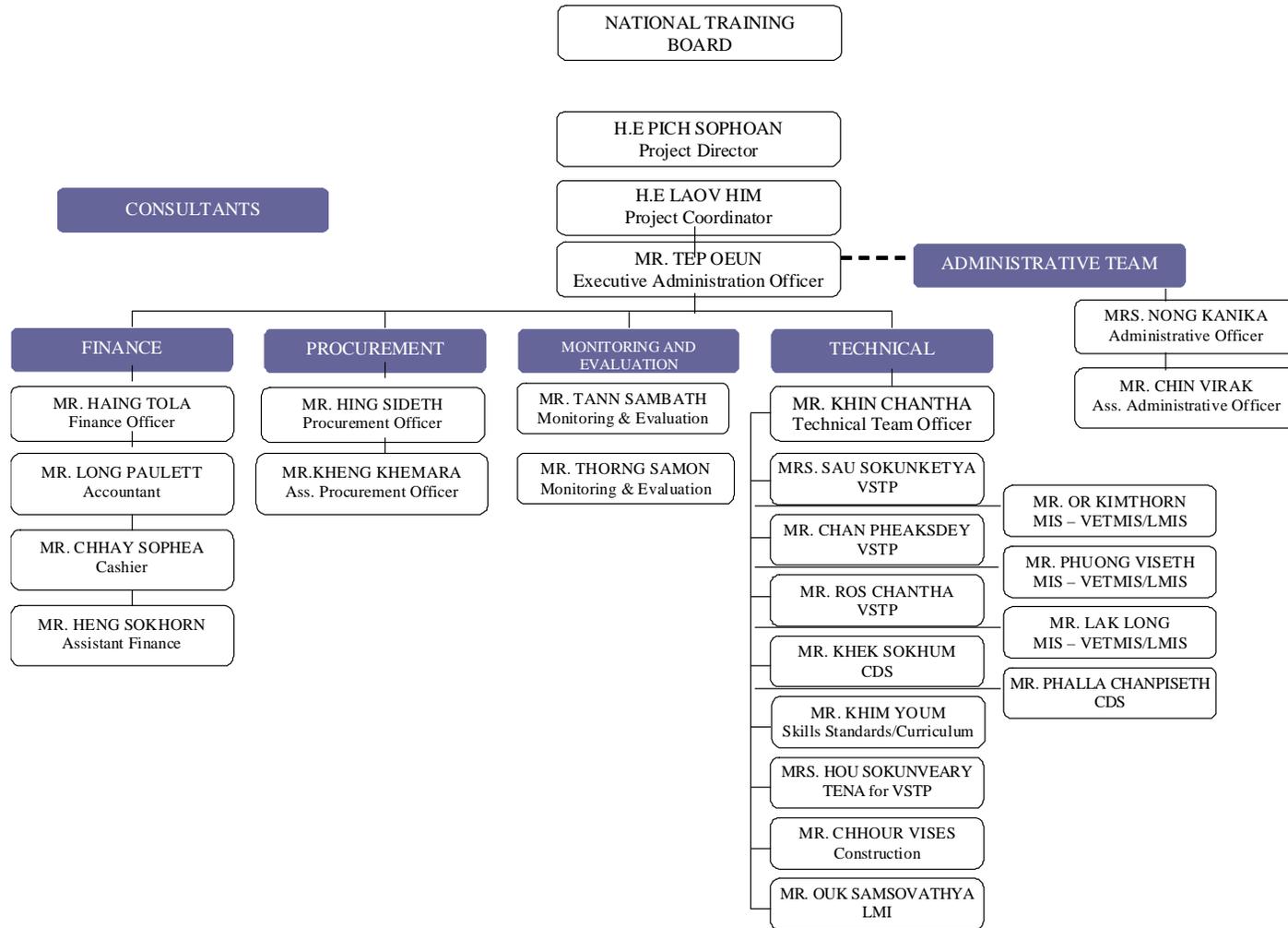
B. Key Persons Involved in Implementation

<p>Executing Agency Ministry of Labor and Vocational Training</p>	<p>H.E. Pich Sophoan Secretary of State (Project Director) Contact No.: 855-23 884 276 Office Address: #3 Russian Confederation Blvd., Khan Toul Kork, Phnom Penh, Cambodia</p>
<p>Implementing Agency Directorate General of Technical and Vocational Education and Training</p>	<p>Mr. Laov Him Director General, DGTVET (Project Coordinator) Contact No.: 855-23 884 276 E-mail address: tvetproject@gmail.com Office Address: #3 Russian Confederation Blvd., Khan Toul Kork, Phnom Penh, Cambodia</p>
<p>ADB Division Director</p>	<p>Ikuko Matsumoto Director, Social Sectors Division Contact No.: (63-2) 632-6853 E-mail address: imatsumoto@adb.org Office address: 6 ADB Avenue, Mandaluyong City 1550 Metro Manila, Philippines</p>
<p>Mission Leader</p>	<p>Wendy Duncan Principal Education Specialist, Social Sectors Division Contact No.: (63-2) 632-6316 E-mail address: wduncan@adb.org Office address: 6 ADB Avenue, Mandaluyong City 1550 Metro Manila, Philippines</p>

C. Project Organization Structure

26. MOLVT will be the Executing Agency (EA) and DGTVET will be the Implementing Agency. DGTVET will establish the PCU under the guidance of the project director (the secretary of state, MOLVT), who will oversee overall project implementation. The PCU will be headed by a project coordinator (the director general, DGTVET) who will be responsible for day-to-day project implementation, planning and budgeting, procurement, disbursement, monitoring, supervising, overseeing of implementation in the training institutions, and submitting required reports to the Government and ADB. The project coordinator will be supported by an executive administration officer. The PCU will have at least 15 staff members, including procurement, finance, monitoring and reporting, and administrative staff. Project implementation will occur through all departments of DGTVET, with selected technical specialists from each department supporting the implementation of the project's technical programs and working closely with the relevant consultants. PCU activities will be assisted by an international finance consultant, an international monitoring and evaluation (M&E) consultant, a national M&E consultant, and a national consultant in civil works and procurement. The NTB will act as the steering committee, chaired by a deputy prime minister, and will provide overall guidance to the Project on general policy and strategic directions, and ensure coordination with the concerned ministries and institutions.

D. Project Management Structure



IV. COSTS AND FINANCING

27. The project investment cost is estimated at \$27.52 million, including taxes and duties of \$2.06 million (7.5%) and contingencies of \$2.49 million (9.0%). The foreign exchange component of the project is estimated at \$12.27 million (44.6%) while the local currency component is \$15.25 million (55.4%). Expenditure on the VSTP is estimated to be \$6.24 million (24.9% of the base cost); equipment and furniture \$5.09 million (20.3%); consulting services \$4.12 million (16.4%); civil works \$3.30 million (13.2%); training \$1.89 million (7.6%); surveys and studies \$0.4 million (1.6%); learning materials \$0.26 million (1.1%); and administrative support costs \$3.75 million (15%).

28. The Government has requested a grant of \$24.5 million from the Asian Development Fund (ADF) to help finance the Project. The Government's contribution of \$3.02 million will be in the form of the land for the two new PTCs, accommodation for the PCU, additional DGTVET staff, as well as taxes and charges foregone. The ADF grant will fund 89% of the proposed project, with the Government accounting for the remaining 11% (Table 2). Detailed costings are provided in Appendix 11.

Table 1: Project Investment Plan^a
(\$'000)

Item	Output	Amount
A	Base Cost^b	
	1. Formal Programs are More Industry Relevant	7,587
	2. Expanded and Better Quality Nonformal Training	12,138
	3. Strengthened Capacity to Plan and Manage TVET	3,005
	4. Project Management	2,297
	Subtotal (A)	25,028
B	Contingencies^c	2,491
	Total (A+B)	27,519

TVET = technical and vocational education and training.

^a Includes taxes and duties of \$2.06 million

^b In mid-2009 prices.

^c Physical contingencies computed at 5% for civil works and 5% for field research and development, training, surveys and studies. Price contingencies computed at 3% on foreign exchange costs and 3% on local currency costs; includes provision for potential exchange rate fluctuation under the assumption of a purchasing power parity exchange rate.

Source: Asian Development Bank estimates.

Table 2: Financing Plan
(\$ million)

Source	Total	%
Asian Development Bank	24.50	89.0
Government	3.02	11.0
Total	27.52	100.0

A. Detailed Cost Estimates by Expenditure Category

Item	(\$'000)			% of Total Base Cost
	Foreign Exchange	Local Currency	Total Cost	
A. Investment Costs				
1 Civil Works				
a. Land acquisition and preparation	0	390	390	1.6%
b. Building and construction	396	2,246	2,643	10.6%
2 Machinery and Equipment	3,967	63	4,030	16.1%
3 Learning Materials Packages	0	240	240	1.0%
4 Training and Workshops	832	962	1,794	7.2%
5 Consultants	3,982	126	4,108	16.4%
6 VSTP and the urban training scheme	0	6,238	6,238	24.9%
7 Surveys and studies	0	360	360	1.4%
8 Taxes and Duties	0	1,476	1,476	5.9%
Subtotal (A)	9,177	12,101	21,278	85.0%
B. Recurrent Costs				
1 Salaries of Locally Engaged Staff in PCU	0	44	44	0.2%
2 Additional DGT VET staff	0	346	346	1.4%
3 PMU Office Accommodation	0	225	225	0.9%
4 Equipment Operation and Maintenance	1,544	278	1,822	7.3%
5 Procurement services	436	270	706	2.8%
6 External Audit	0	25	25	0.1%
7 Taxes and Duties	0	584	584	2.3%
Subtotal (B)	1,980	1,772	3,752	15.0%
Total Base Cost	11,157	13,873	25,030	
C. Contingencies				
1 Physical	552	686	1,238	4.9%
2 Price	558	694	1,252	5.0%
Subtotal (C)	1,110	1,380	2,490	9.9%
D. Financing Charges During Implementation				
1 Interest During Implementation	0	0	0	0.0%
2 Commitment Charges	0	0	0	0.0%
3 Front-end Fees	0	0	0	0.0%
Subtotal (D)	0	0	0	0.0%
Total Project Cost (A+B+C+D)	12,267	15,253	27,520	

Source: Asian Development Bank estimates.

B. Allocation and Withdrawal of Grant Proceeds

Number	CATEGORY		ADB FINANCING
	Item	Amount Allocated in \$ Category	Percentage and basis for Withdrawal from the Grant Account
1	Civil Works	2,642,000	91% of total expenditure
2	Equipment	4,030,000	100% of total expenditure*
3	Learning Materials	240,000	91% of total expenditure
4	Training	1,794,000	95% of total expenditure
5	Consultants	4,108,000	100% of total expenditure*
6	Voucher Skills Training Program	6,238,000	100% of total expenditure*
7	Surveys and Studies	360,000	91% of total expenditure
8	Recurrent Costs	2,598,000	82% of total expenditure
9	Unallocated	2,490,000	
Total		24,500,000	

* Excluding local taxes and duties

C. Detailed Cost Estimates by Financier^a

Item	Total (\$'000)	ADB		Government			
		Total Amount (\$'000)	% of Cost Category	Net of Taxes and Duties	Taxes and Duties	Total Amount (\$'000)	% of Cost Category
A Investment Costs							
1 Civil Works							
a. Land	390	0	0.0	390	0	390	100.0
b. Building and construction	2,907	2,642	90.9	0	265	265	9.1
2 Machinery and Equipment	5,085	4,030	79.2	0	1,055	1,055	20.8
3 Learning Materials	264	240	90.9	0	24	24	9.1
4 Training and Workshops	1,890	1,794	94.9	0	96	96	5.1
5 Consultants	4,108	4,108	100.0	0	0	0	0
6 Voucher Skills Training Program	6,238	6,238	100.0	0	0	0	0.0
7 Surveys and studies	396	360	90.9	0	36	36	9.1
Subtotal (A)	21,278	19,412	91.2	390	1,476	1,866	8.8
B Recurrent Costs							
1 Incremental Administrative Costs	3,752	2,598	70.0	570	584	1,154	30.0
Subtotal (B)	3,752	2,598	70.0	570	584	1,154	30.0
Total Base Costs	25,030	22,010	87.90	960	2,060	3,020	12.10
C Contingencies							
1 Price Contingencies	1,238	1,238	100.0	0	0	0	0.0
2 Physical Contingencies	1,252	1,252	100.0	0	0	0	0.0
Subtotal (C)	2,490	2,490	100.0	0	0	0	0.0
Total Project Cost (A+B+C)	27,520	24,500	89.0	960	2,060	3,020	11.0
Percentage of Project Cost		89.0				11.0	

Source: Asian Development Bank estimates.

D. Detailed Cost Estimates by Output^a

	(\$'000)									
	Total Cost	Formal Programs are more Relevant to Industry			Expanded and Better Quality Nonformal Training		Strengthened Institutional Capacity to Plan and Manage TVET		Project Management	
		Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category	
A. Investment Costs										
1 Civil Works										
a. Land acquisition and preparation	390	0	0	390	100	0	0	0	0	
b. Building and construction	2,907	1,771	61	1,132	39	4	0	0	0	
2 Machinery and Equipment	5,085	2,654	52	1,840	36	290	6	302	6	
3 Learning Materials Packages	264	264	100	0	0	0	0	0	0	
4 Training and Workshops	1,890	282	15	586	31	992	52	29	2	
5 Consultants	4,121	1,112	27	380	9	1,518	37	1,111	27	
6 VSTP and the urban training scheme	6,238	0	0	6,238	100	0	0	0	0	
7 Surveys and studies	396	0	0	0	0	0	0	396	100	
Subtotal (A)	21,291	6,083	29	10,566	50	2,805	13	1,838	9	
B. Recurrent Costs										
1 Salaries of Locally Engaged Staff in PCU	44	0	0	0	0	17	38	27	61	
2 Additional DGTVET staff	346	230	67	115	33	0	0	0	0	
3 PMU Office Accommodation	225	0	0	0	0	0	0	225	100	
4 Equipment Operation and Maintenance	2,259	832	37	1,122	50	155	7	150	7	
5 Procurement services	838	442	53	336	40	29	4	30	4	
6 External Audit	28	0	0	0	0	0	0	28	100	
Subtotal (B)	3,739	1,505	40	1,574	42	201	5	460	12	
Total Base Cost	25,030	7,587	30	12,140	49	3,006	12	2,297	9	
C. Contingencies										
1 Physical	1,252	379	30	607	49	150	12	115	9	
2 Price	1,238	376	30	601	49	149	12	114	9	
Subtotal (C)	2,490	755	30	1,208	49	299	12	229	9	
D. Financing Charges During Implementation										
1 Interest During Implementation	0	0	0	0	0	0	0	0	0	
2 Commitment Charges	0	0	0	0	0	0	0	0	0	
3 Front-end Fees	0	0	0	0	0	0	0	0	0	
Subtotal (D)	0	0	0	0	0	0	0	0	0	
								0		
Total Project Cost (A+B+C+D)	27,520	8,342	30	13,348	49	3,306	12	2,526	9	

Source: Asian Development Bank estimates.

E. Detailed Cost Estimates by Year

		(\$'000)				
	Total Cost	Year 1	Year 2	Year 3	Year 4	Year 5
A. Investment Costs						
1 Civil Works						
a. Land acquisition and preparation	390	390	0	0	0	0
b. Building and construction	2,907	777	738	1,085	307	0
2 Machinery and Equipment	5,085	457	2,386	1,344	899	0
3 Learning Materials Packages	264	0	50	72	72	72
4 Training and Workshops	1,890	904	592	191	184	19
5 Consultants	4,121	1,414	1,151	764	479	312
6 VSTP and the urban training scheme	6,238	893	1,787	2,226	1,332	0
7 Surveys and studies	396	249	0	73	0	73
Subtotal (A)	21,291	5,084	6,704	5,754	3,273	476
B. Recurrent Costs						
1 Salaries of Locally Engaged Staff in PCU	44	10	10	8	8	8
2 Additional DGT VET staff	346	0	0	38	154	154
3 PMU Office Accommodation	225	45	45	45	45	45
4 Equipment Operation and Maintenance	2,259	96	405	573	625	559
5 Procurement services	838	162	312	243	121	0
6 External Audit	28	6	6	6	6	6
Subtotal (B)	3,739	319	778	913	958	772
Total Base Cost	25,030	5,403	7,481	6,667	4,231	1,248
C. Contingencies						
1 Physical	1,252	270	374	333	212	62
2 Price	1,238	0	236	426	412	164
Subtotal (C)	2,490	270	610	760	624	227
D. Financing Charges During Implementation						
1 Interest During Implementation	0	0	0	0	0	0
2 Commitment Charges	0	0	0	0	0	0
3 Front-end Fees	0	0	0	0	0	0
Subtotal (D)	0	0	0	0	0	0
Total Project Cost (A+B+C+D)	27,520	5,673	8,091	7,427	4,855	1,475
% Total Project Cost	100%	21%	29%	27%	18%	5%

Source: Asian Development Bank estimates.

V. FINANCIAL MANAGEMENT

A. Financial Management Assessment

29. The financial management capacity assessment (Supplementary Appendix B) identified areas where strengthening is required and these have been addressed in the proposed project activities and specialist services, training, and hardware and software equipment inputs. The Project will develop a financial management system, which will embrace training institutions as well as MOLVT and provincial offices. This will be a component of the Project's planned VETMIS. There will also be a comprehensive training program for Department of Finance and State Property, provincial office and TVET institution staff in principles and practice of financial management. MOLVT financial management activities at all levels will be supported with suitable equipment and software. With these actions, and current reforms in financial management, the assessment concluded that MOLVT will be able to successfully manage the project.

B. Disbursement

30. A deposit account, under the control of the MEF, will be established at the National Bank of Cambodia. A second generation imprest account under the control of MOLVT will be established at a commercial bank acceptable to ADB. The imprest account will have an initial advance ceiling of \$2 million, or the estimated expenditures to be funded from the imprest account for the first 6 months, whichever is lower. This account, and all subsidiary accounts, will be established, managed, replenished and liquidated in accordance with ADB's *Loan Disbursement Handbook* (2007, as amended from time to time). The amount to be deposited into the second generation account shall be equivalent to the initial deposit into the imprest account. The statement of expenditure procedure may be used to liquidate or replenish the second generation imprest account for contracts not exceeding \$100,000. Funds for VSTP will be transferred directly from the second generation imprest account to the bank accounts of the PTCs, each of which will be authorized to make payments agreed under the VSTP to PTBs, commune councils and approved training providers. As the statement of expenditure procedure cannot be used at the PTCs (or the provincial level), all supporting documents, including evidence of expenditures, will be retained by the PCU. SOE records should be maintained and made readily available for review by ADB's disbursement and review mission or upon ADB's request for submission of supporting documents on a sampling basis, and for independent audit.¹

31. Before the submission of the first withdrawal application, MEF should submit to ADB sufficient evidence of the authority of the person(s) who will sign the withdrawal applications on behalf of the borrower, together with the authenticated specimen signatures of each authorized person. The minimum value per withdrawal application is US\$100,000, unless otherwise approved by ADB. MEF is to consolidate claims to meet this limit for reimbursement and imprest account claims. Withdrawal applications and supporting documents will demonstrate, among other things that the goods, and/or services were produced in or from ADB members, and are eligible for ADB financing.

¹ Checklist for SOE procedures and formats are available at:
http://www.adb.org/documents/handbooks/loan_disbursement/chap-09.pdf
http://www.adb.org/documents/handbooks/loan_disbursement/SOE-Contracts-100-Below.xls
http://www.adb.org/documents/handbooks/loan_disbursement/SOE-Contracts-Over-100.xls
http://www.adb.org/documents/handbooks/loan_disbursement/SOE-Operating-Costs.xls
http://www.adb.org/documents/handbooks/loan_disbursement/SOE-Free-Format.xls

32. For every liquidation and replenishment request of the imprest account, the borrower will furnish to ADB (a) Statement of Account (Bank Statement) where the imprest account is maintained, and (b) the Imprest Account Reconciliation Statement (IARS) reconciling the above mentioned bank statement against the EA's records.²

33. Pursuant to ADB's Safeguard Policy Statement (2009) (SPS),³ ADB funds may not be applied to the activities described on the ADB Prohibited Investment Activities List set forth at appendix 5 of the SPS. All financial institutions will ensure that their investments are in compliance with applicable national laws and regulations and will apply the prohibited investment activities list (SPS, appendix 5) to subprojects financed by ADB.

C. Accounting

34. The MOLVT will maintain separate project accounts and records by funding source for all expenditures incurred on the Project. Project accounts will follow international accounting principles and practices.

35. Each project beneficiary institution will be required to keep separate accounts and evidence of expenditures. Each institution will submit to the PCU monthly financial reports. The PCU will review and retain supporting documents, including evidence of expenditures funded from the imprest account which will be maintained by MOLVT. The PCU may from time to time arrange semi-annual audits of accounts and records. In cases where financial or other irregularities have occurred in relation to project funds, the PCU may suspend project supported activities at the institution involved until the case is resolved to the satisfaction of the PCU. Matters of funds recovery will be determined on the advice of the PCU in collaboration with ADB.

D. Auditing

36. MOLVT will maintain records and accounts adequate to identify all goods and services financed from the ADB grant proceeds, and ensure that all accounts and financial statements are audited annually by a certified, independent external auditor acceptable to ADB, and in accordance with corporate accounting standards in use in Cambodia at the time of each audit. The auditor will prepare a report on the use of grant funds, compliance with grant covenants, use of the imprest account(s), and statement of expenditure procedures; issue findings of any irregularities or discrepancies; and recommend corrective measures so that financial statements and audited accounts will be certified by the auditor as meeting generally accepted corporate accounting practices in Cambodia. The auditor will provide and describe audit standards and key procedures used in their report.

37. MOLVT will submit the audited financial statements and the auditor's report on the project accounts, including separate opinions on the imprest account and use of the statement of expenditure, to ADB in English within 6 months from the end of each fiscal year. The PCU will prepare and submit to ADB and DGT VET quarterly reports on the status and progress of project implementation and use of funds within 1 month of the completion of each quarter. The reports will be in a format acceptable to ADB and indicate progress made against established targets; status of performance against stated indicators; problems encountered and remedial actions taken; financial- and procurement-related information; compliance with grant covenants; and a

² Follow the format provided in Appendix 30 of the *Loan Disbursement Handbook*.

³ Available at: <http://www.adb.org/Documents/Policies/Safeguards/Safeguard-Policy-Statement-June2009.pdf>

proposed program of activities for the following quarter. Within 3 months following the physical completion of the project, the Government will prepare and submit to ADB a project completion report in the agreed format.

VI. PROCUREMENT AND CONSULTING SERVICES

A. Procurement of Goods, Works and Consulting Services

38. All ADB-financed goods, works and services will be procured in accordance with the ADB's *Procurement Guidelines* (2010, as amended from time to time). The project director, assisted by the project staff, will be responsible for all procurement. The indicative procurement plan and a procurement capacity assessment have been prepared, along with details of the proposed equipment and unit costs of inputs.

39. Supply contracts for goods such as laboratory and workshop equipment estimated at \$500,000 equivalent or more will be awarded on the basis of international competitive bidding. Supply contracts for goods such as motorcycles, computers and office equipment of more than \$50,000 but less than \$500,000 will follow national competitive bidding procedures. Items costing less than \$50,000 will be procured through shopping. Details of procurement packages and technical specifications must be submitted to Ministry of Economy and Finance (MEF) and ADB for approval before procurement.

40. Civil works under the Project will consist of construction and/or rehabilitation of training facilities, workshops, and dormitories. Civil works contracts estimated at \$1 million or more will be awarded on the basis of international competitive bidding. Civil works contracts of more than \$50,000 but less than \$1 million will be procured through national competitive bidding procedures, and contracts less than \$50,000 may be procured through shopping.

41. The procurement capacity assessment (Supplementary Appendix C) revealed that the DGT VET is experienced in the procurement of goods, but less experienced in procuring works and services and consultants, and the site management and monitoring of civil works (Appendix 13). Training and mentoring will be provided by the consultants to strengthen capacity, specifically in the preparation of bid documents and bid evaluation reports for civil works, bid evaluation, training of PCU staff, and procurement review committees on procurement regulations and ADB guidelines, preparation of detailed lists, and technical specifications of equipment, and selection and contracting of consulting services.

42. All consultants will be recruited according to the *Guidelines on the Use of Consultants by ADB and its Borrowers*.⁴ All consulting packages should be advertised at ADB's CSRN.

⁴ Checklists for actions required to contract consultants by method available in e-Handbook on Project Implementation at: <http://www.adb.org/documents/handbooks/project-implementation/>

B. Procurement Plan

Project Information	
Country	Kingdom of Cambodia
Name of Borrower	Government of Cambodia
Project Name	Strengthening Technical and Vocational Education and Training
Date of Effectiveness	26 February 2010
Amount	\$24.5 million
Executing Agencies	Ministry of Labor and Vocational Training (MOLVT)
Approval Date of Original Procurement Plan	6 October 2009
Approval of Most Recent Procurement Plan	
Publication for Local Advertisement	(TBD)
Period Covered by this Plan	1 May 2010–30 November 2011

1. Project Procurement Thresholds

43. Except as ADB may otherwise agree, the following process thresholds will apply to procurement of goods and works.

Procurement of Goods and Works	
Procurement Methods	To be used above/below (\$)
International Competitive Bidding (ICB) for Works	Above \$1,000,000
International Competitive Bidding (ICB) for Goods	Above \$500,000
Limited International Bidding for Works	Below \$1,000,000
Limited International Bidding for Goods	Below \$500,000
National Competitive Bidding (NCB) for Works	Above \$50,000 up to \$1,000,000
National Competitive Bidding (NCB) for Goods	Above \$50,000 up to \$500,000
Shopping (SHP) for Works	Below \$50,000
Shopping (SHP) for Goods	Below \$50,000

2. ADB Prior or Post Review

44. The following prior or post review requirements apply to the various procurement and consultant recruitment methods used for the Project.

Procurement Method	Prior or Post	Comments
Procurement of Goods and Works		
ICB Works ICB Goods	Prior Prior	Prior review of all bidding documents
NCB Goods NCB Works	Prior/Post Prior/Post	Prior review for first two English language version of bidding documents. ADB-approved procurement documents will be used as a model for subsequent procurement.
Shopping for Works Shopping for Goods	Prior/Post Prior/Post	Prior review of the first draft English language version.
Limited International Bidding	Prior	Usage subject to <i>Procurement Guidelines</i> , para 3.2 and PAI 3.03 H

Procurement Method	Prior or Post	Comments
Recruitment of Individual Consultants		
Individual Consultant Recruitment	Prior	DGTVET/MOLVT selects, contracts, and manages contract. One DGTVET/MOLVT submission is required: candidate ranking and draft contract.
Recruitment of Consulting Firms		
QCBS (80:20)	Prior	DGTVET/MOLVT selects, negotiates, and manages the contract. Three DGTVET/MOLVT submissions are required: (i) draft RFP (including TOR and bid data sheet) alongside with the shortlist, (ii) technical evaluation, (iii) financial evaluation and overall ranking, and (iv) minutes of negotiations and draft negotiated contract.
CQS	Prior	DGTVET/MOLVT selects, negotiates, and manages the contract. The shortlist of at least 3 firms shall be established on the basis of evaluation of amplified EOIs.

3. Goods and Works Contracts Estimated to Cost More than \$100,000

45. The following table lists goods and works contracts for which procurement activity is expected to commence within the next 18 months.

General Description	Contract Value Estimate (\$)	Number of Contracts	Pre-Qualification of Bidders	Procurement Method	Advertisement Date
Works					
Construction of five RTCs:					
(i) Kampot	435,000	1	No	NCB	First 18 months
(ii) Svay Rieng	254,000	1		NCB	
(iii) Battambang	263,300	1		NCB	
(iv) Takeo	274,300	1		NCB	
(v) Siem Reap	435,000	1		NCB	
Construction of two new PTCs:					
(i) Monduliri	144,000	1	No	NCB	First 18 months
(ii) Preah Vihear	141,000	1	No	NCB	First 18 months
(iii) Takeo	124,000	1	No	NCB	First 18 months
Rehabilitation existing PTCs	572,500	Multiple	No	NCB/SHP	First 18 months
Basic workshop equipment 21 PTCs	306,000	1	No	NCB	First 18 months
Basic workshop equipment 3 new PTCs	300,000	1	No	NCB	First 18 months
Automotive equipment upgrade 21 PTCs	378,000	1	No	NCB	First 18 months
Automotive equipment 3 new PTCs	300,000	1	No	NCB	First 18 months
Construction equipment NTTI complex and RTCs	900,000	1	No	ICB/NCB	First 18 months
Automotive workshop equipment NTTI complex and RTCs	900,000	1	No	ICB/NCB	First 18 months
Computer labs NIB, RTCs	180,700	1	No	NCB	First 18 months
Computers PTCs and DGTVET	232,400	1	No	NCB	First 18 months
Vehicles	192,000	1	No	NCB	First 18 months

ICB = international competitive bidding, NCB = national competitive bidding, SHP = shopping.

4. Consulting Services Contracts Estimated to Cost More than \$100,000

46. The following table lists consulting services contracts for which procurement activity is expected to commence within the next 18 months. These should be advertised in ADB's CSRN.

General Description	Contract Value (\$)	Recruitment Method	Advertisement Date	International or National Assignment
Consulting Services for Project Implementation	4,108,000	QCBS 80:20	First 3 months	International
Policy Study: Future Directions for TVET	120,000	CQS	First 12 months	International
Midterm and Final Project Impact Evaluations (M&E)	160,000	CQS	First 24 months	National/International
Regional Training 2 contracts	380,250	CQS	First 18 months	National/International
Regional Study Tours 2 contracts	325,000	CQS	First 18 months	National/International
International Study Tour	126,800	CQS	First 18 months	International

QCBS = quality- and cost-based selection, CQS = consultant's qualification selection.

C. Indicative List of Packages Required Under the Project

General Description	Estimated Value (\$)	Number of Contracts	Procurement Method	Domestic Preference Applicable
Works				
Civil works contracts for the construction of classrooms, workshops, dormitory and canteen facilities for new RTCs:				
(i) Kampot Institute of Polytechnic	435,000	1	NCB	No
(ii) Svay Rieng PTC	254,000	1	NCB	No
(iii) Polytechnic Institute of Battambang or Technological Institute of Battambang	263,300	1	NCB	No
(iv) Takeo PTC	274,300	1	NCB	No
(v) Siem Reap PTC	435,000	1	NCB	No
Civil works contracts for the construction of new PTCs:				
(i) Mondulhiri Province	144,000	1	NCB	No
(ii) Preah Vihear Province	141,000	1	NCB	No
(iii) Takeo Province	124,000	1	NCB	No
Civil works contracts for rehabilitation of existing PTCs	572,500	Multiple	NCB/SHP	No
Civil works contract for rehabilitation of other facilities (NTTI complex, MOLVT for VETMIS facility)	2,800	1	SHP	No
Equipment and Furniture				
Classroom furniture for three new PTCs (including Takeo)	6,000	1	SHP	No
Dormitory, canteen equipment and furniture for five RTCs	74,800	1	NCB	No
Basic workshop equipment for 21 existing PTCs	306,000	1	NCB	No
Basic workshop equipment for two new PTCs and Takeo	300,000	1	NCB	No
Automotive equipment upgrade for 21 existing PTCs	378,000	1	NCB	No
Automotive equipment for 2 new PTCs and Takeo	300,000	1	NCB	No
Certificate level construction workshop equipment for NTTI complex and five RTCs	900,000	1	ICB/NCB	No
Certificate level automotive workshop equipment for NTTI complex and five RTCs	900,000	1	ICB/NCB	No
Certificate level computer laboratories for NIB and five RTCs	180,700	1	NCB	No

General Description	Estimated Value (\$)	Number of Contracts	Procurement Method	Domestic Preference Applicable
Office equipment for NTTI, two new PTCs and PCU	49,000	1	NCB	No
Computers, financial management software and internet connections for PTCs and DGTVET	232,400	1	NCB	No
Audio-visual equipment for NTTI and PCU	8,000	1	SHP	No
Vehicles	192,000	1	NCB	No
Motorcycles	83,000	1	NCB	No
Consulting Services				
Project Implementation Consultants	4,108,000	1	QCBS 80:20	No
Policy Study: Future Directions for TVET	120,000	1	CQS	No
Policy Study: TVET Financing	50,000	1	CQS	No
Baseline Study	80,000	1	CQS	No
Midterm and Final Project Impact Evaluations	150,000	1	CQS	No
Training Programs				
Regional Training	380,250	2	CQS	No
Regional Study Tours	325,000	2	CQS	No
International Study Tour	126,800	1	CQS	No
In-country Training	35,000	5	CQS	No
Individual consultants		Multiple		No

CQS = consultant's qualification selection, DGTVET = Directorate General of Technical and Vocational Education and Training, ICB = international competitive bidding, MOLVT = Ministry of Labor and Vocational Training, NIB = National Institute of Business, NTTI = National Technical Training Institute, PCU = project coordination unit, PTC = provincial training center, QCBS = quality and cost-based selection, RTC = regional training center, SHP = shopping, VETMIS = vocational education and training management information system.

D. National Competitive Bidding

1. General

47. The procedures to be followed for national competitive bidding shall be for tendering with unlimited participation and the single-stage, one-envelope system, with post qualification tendering set forth in ADB's *Procurement Guidelines* (2010, as amended from time to time) shall be followed.

2. Eligibility

48. The eligibility of bidders shall be as defined under Section I of ADB's *Procurement Guidelines*, published by ADB in April 2010. Accordingly, no bidder or potential bidder should be declared ineligible for ADB-financed contracts for reasons other than those provided by Section I of ADB's *Procurement Guidelines* (2010, as amended from time to time). Bidders must be nationals of member countries of ADB; and offered goods, works, and services must be produced in and supplied from member countries of ADB.

3. Prequalification

49. Normally, post-qualification shall be used unless explicitly provided for in the grant agreement and procurement plan. Irrespective of whether post qualification or prequalification is used, eligible bidders (both national and foreign) shall be allowed to participate.

4. Registration and Licensing

(i) Bidding shall not be restricted to pre-registered or licensed firms.

- (ii) Where registration or licensing is required, bidders (a) shall be allowed a reasonable time to complete the registration or licensing process; and (b) shall not be denied registration or licensing for reasons unrelated to their capability and resources to perform the contract successfully, which shall be verified through post-qualification.
- (iii) International bidders shall not be precluded from bidding. If a registration or licensing process is required, an International bidder declared the lowest evaluated bidder shall be given a reasonable opportunity to register or to obtain a license.

5. Bidding Period

50. The minimum bidding period is 28 days prior to the deadline for submission of bids.

6. Bidding Documents

51. Procuring entities should use standard bidding documents for the procurement of goods, works, and services acceptable to ADB.

7. Preferences

- 52.. No preference shall be given to national bidders and to nationally manufactured goods.

8. Advertising

53. Invitations to bid shall be advertised in at least one widely circulated national English daily newspaper and one widely circulated national daily newspaper in Khmer language or freely accessible, national known website, allowing a minimum of 28 days for the preparation and submission of bids.

54. Bidding of international competitive bidding contracts estimated at \$500,000 equivalent or more for goods and related services or \$1,000,000 equivalent or more for civil works shall be advertised on ADB's website via the posting of the procurement plan.

9. Bid Security

55. Where required, bid security shall be in the form of a bank guarantee from a reputable bank.

10. Bid Opening and Bid Evaluation

- (i) Bids shall be opened in public.
- (ii) Evaluation of bids shall be made in strict adherence to the criteria declared in the bidding documents, and contracts shall be awarded to the lowest evaluated and substantially responsive bidder.
- (iii) Bidders shall not be eliminated from detailed evaluation on the basis of minor, non-substantial deviations.
- (iv) No bidder shall be rejected on the basis of a comparison with the employer's estimate and budget ceiling without ADB's prior concurrence.

- (v) A contract shall be awarded to the technically responsive bidder that offers the lowest evaluated price proposal and who meets the qualifying requirements set out in the bidding documents.
- (vi) No negotiations shall be permitted.
- (vii) Price verification shall not be applied.

11. Rejection of All Bids and Rebidding

56. Bids shall not be rejected and new bids solicited without ADB's prior concurrence.

12. Participation by Government-Owned Enterprises

57. Government-owned enterprises in the Kingdom of Cambodia shall be eligible to participate as bidders only if they can establish that they are legally and financially autonomous, operate under commercial law, and are not a dependent agency of the contracting authority. Furthermore, they will be subject to the same bid and performance security requirements as other bidders.

13. Right to Inspect/Audit

58. A provision shall be included in all national competitive bidding for works and goods contracts financed by ADB requiring suppliers and contractors to permit ADB to inspect their accounts and records and other documents relating to the bid submission and the performance of the contract, to have them audited by auditors appointed by ADB.

14. Fraud and Corruption

- (i) The Beneficiary shall reject a proposal for award if it determines that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the contract in question.
- (ii) ADB will declare a firm or individual ineligible, either indefinitely or for a stated period, to be awarded a contract financed by ADB, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for, or in executing, an ADB-financed contract.

15. National Sanctions List

59. National sanctions lists may be applied only with prior approval of ADB.

E. Consultant's Terms of Reference

60. The Project will be supported by a number of consulting services packages. Foremost of which is the project implementation consultants comprising of 600 person-months (160 person-months of international and 440 person-months of national consultants). This package is designed to assist the Project to achieve sustainable outcomes by providing technical support for implementation, system and institutional monitoring and training planning, management, and delivery and staff upgrading. Ten of the international and nine of the national specialists will assist with skills standards and curriculum development, management and instructor training, development of management information systems and a web site, and implementation of the

VSTP. Two of the international and two national consultants will support the PCU in finance, monitoring and evaluation, procurement and civil works. The project implementation consulting services will be engaged through a firm on the basis of quality- and cost-based selection with an 80:20 weighting. MOLVT, through the PCU, will be responsible for selecting and hiring consultants. Outline terms of reference for this package are provided in Appendix 11.

No.	Position	Persons Months		Schedule Years
		Int'l	Nat'l	
1	Policy, Management and Institutional Development/Team Leader	54		1-5
2	Skills Standards & Curriculum, Mechanics	18		1-3
3	Skills Standards & Curriculum, Construction/Civil Technology	18		1-3
4	TVET Teacher Training	18		1-3
5	VETMIS IT Systems Analyst	04		1, 2
6	Labour Market Information and Statistics Specialist	06		1, 2
7	LMIS Specialist, Development and Training	10		1,2,4
8	LMIS Web Site Specialist	04		1
9	Database Specialist	02		1
10	Social and Gender Specialist	12		1-2
11	PCU: Project Finance Specialist	03		1, 2
12	PCU: M&E Specialist	11		1-5
13	Policy, Management and Institutional Development		54	1-5
14	In-Service TVET Teacher Training Specialist		36	2-4
15	Curriculum Development Specialist		46	1-4
16	VSTP Implementation Specialist/Deputy Team Leader		24	1-3
17	VSTP Implementation Specialist (1)		36	2-4
18	VSTP Implementation Specialist (2)		60	1-5
19	Community Development Specialist		36	1-3
20	Social and Gender Specialist		12	1-2
21	ICT Specialist		60	1-5
22	PCU: M&E Specialist		28	1-5
23	PCU: Civil Works and Procurement Specialist/Clerk of Works		48	1-5
Total		160	440	

61. Additional individual consultants will be hired to support the PCU as needed. The Project will also recruit consulting or other firms who will facilitate regional training and study tours as well as carry out M&E baseline and impact studies using the consultants' qualification selection method. In-country training will also be arranged using the consultants' qualification selection method. All consultants will be selected in accordance with the Guidelines on the Use of Consultants by ADB and its Borrowers (2010, as amended from time to time).

VII. SAFEGUARDS

62. The safeguards categorizations for the project are as follows: (i) as no resettlement is envisaged, the Project is categorized as C for resettlement; (ii) for environment, the Project is categorized as C as no significant environmental impacts are expected and (iii) for indigenous

people, the Project is categorized as B since some ethnic groups will be affected by the Project. Specific actions to ensure that ethnic groups are impacted positively by the Project are in the Gender and Ethnic Minorities Action Plan (Appendix 16). The Action Plan will be monitored by the PCU and ADB review missions.

VIII. PERFORMANCE MONITORING, EVALUATION, REPORTING AND COMMUNICATION

A. Project Design and Monitoring Framework

63. The detailed DMF is in Appendix 1.

B. Monitoring

1. Project performance monitoring

64. A comprehensive and gender-disaggregated project management and evaluation system will be designed for the Project during Year 1. This will include all levels of TVET reform activity, including NTB, DGTNET, provincial offices, industry advisory groups, TVET institutions, and the Project itself. It will specifically measure the impact, outcome and outputs of proposed TVET reform, concurrently evaluating the specific contribution of the Project to the achievement of reform goals during Project implementation. In addition to the monitoring of project performance, the proposed system will assist the development of M&E as an integrated, mainstream activity of the TVET system itself.

65. The comprehensive set of targets and indicators in the design and monitoring framework are at the core of project performance monitoring and evaluation. A comprehensive study will be undertaken during the first year to establish baseline data for all targets and indicators in the design and monitoring framework. Comprehensive data on the TVET system will be collected, including enrollments by program and qualification, completion rates, teachers and teacher qualifications, and detailed breakdowns of programs offered and qualifications obtained. As part of this study, analyses of each of the three priority industry sectors will be carried out, focusing particularly on the profile of the members of each workforce holding TVET qualifications, current employer satisfaction with TVET system graduates, and the expected skill needs in the medium term. These analyses will be required to disaggregate data by gender, where relevant. Data generated by baseline studies will provide, in part, an information foundation upon which the VETMIS and LMIS will be constructed. Independent midterm and final evaluation studies based on the design and monitoring framework will also be conducted, covering the industry sector analyses as part of the assessment of project results. The baseline, midterm, and final evaluation studies will be contracted to a firm. Some of the data gathering and analysis relating to the industry sectors may be contracted to peak industry bodies. The PCU will be responsible for monitoring and reporting on project implementation progress and performance, assisted by international and national consultants. A user manual for Project M&E will be developed.

66. **Compliance monitoring:** All project covenants will be monitored regularly by the PCU, and twice a year during ADB grant review missions. The grant covenants are in Appendix 13.

67. **Poverty, Social Action Plans and Gender:** A summary poverty reduction and social strategy (Appendix 14) was prepared for the Project based on the social analysis conducted during project preparation. The gender action plan is in Appendix 15.

C. Evaluation

68. The Government and ADB will review the Project's progress and MOLVT's use of funds, jointly at least twice a year. They will jointly undertake a midterm review shortly after the PCU's submission of the third annual report. The midterm review will focus on overall project strategy and achievements, which may require adjustments of targets and processes and reallocation of resources. Specifically, the midterm review will (i) review the project scope, design, implementation arrangements, institutional development, and capacity building; (ii) assess project implementation against projections and performance indicators; (iii) review compliance with grant covenants; (iv) identify critical issues, problems, and constraints; and (v) recommend changes in project design or implementation. One month before the review, the PCU will submit to ADB a comprehensive report on each of these issues. Finally, a project completion report will be prepared to assess early impact and identify lessons learned.

D. Reporting

69. MOLVT will provide ADB with (i) quarterly progress reports in a format consistent with ADB's project performance reporting system; (ii) consolidated annual reports including (a) progress achieved by output as measured through the indicator's performance targets, (b) key implementation issues and solutions; (c) updated procurement plan and (d) updated implementation plan for next 12 months; and (iii) a project completion report within 6 months of physical completion of the Project. To ensure projects continue to be both viable and sustainable, project accounts and the executing agency AFSs, together with the associated auditor's report, should be adequately reviewed.

E. Stakeholder Communication Strategy

70. Information on the Project will be disseminated regularly through the project web site as well as through regular press releases and other media coverage to highlight project achievements. Regular meetings will be held to key stakeholders to inform them about the Project, and Project achievements, opportunities and other issues.

71. The project website will be a project webpage linked to the website of the National Training Board. It will publicize and share all key information about the Project. The quarterly progress reports will also be posted on the webpage. MOLVT will also conduct bi-annual coordination meetings with project implementers throughout project implementation.

IX. ANTICORRUPTION POLICY

72. ADB's *Anticorruption Policy* (1998, as amended to date) was explained to and discussed with the MEF and the MOLVT. Consistent with its commitment to good governance, accountability, and transparency, ADB reserves the right to investigate, directly or through its agents, any alleged corrupt, fraudulent, collusive, or coercive practices relating to the Project. To support these efforts, relevant provisions of ADB's *Anticorruption Policy* are included in the grant regulations and the bidding documents for the Project. In particular, all contracts financed by ADB in connection with the Project shall include provisions specifying the right of ADB to audit and examine the records and accounts of the EA and all contractors, suppliers, consultants, and other service providers as they relate to the Project.

73. The Project incorporates several additional measures to deter corruption and increase

transparency. The Project will (i) build capacity within DGTVET and training institutions to understand and comply with ADB and government procedures as outlined in the project administration memorandum; and (ii) widely publicize in training institutions and MOLVT the existence of the integrity division within ADB's Office of the Auditor General, as the initial point of contact for allegations of fraud, corruption, and abuse in ADB-financed projects. A project webpage will be developed to disclose information about the project (see para 73), including procurement. The project good governance framework is in Appendix 19. This will be monitored during all ADB review missions.

X. ACCOUNTABILITY MECHANISM

74. People who are, or may in the future be, adversely affected by the project may address complaints to ADB, or request the review of ADB's compliance under the Accountability Mechanism.⁵

XI. RECORD OF PAM CHANGES

75. {All revisions/updates during the course of implementation will be recorded in this Section to provide a chronological history of changes to the implementation arrangements.}

⁵ For further information see: <http://compliance.adb.org/>.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/Indicator	Data Sources/ Reporting Mechanisms	Assumptions and Risks
<p>Impact An expanded, employment-ready mid-level workforce in rural and urban areas, including both men and women</p>	<p>Against a 2010 baseline:</p> <p>A 30% increase in employees in the formal labor force holding formal TVET qualifications by 2020</p> <p>Increased employer satisfaction with the knowledge, skills and attitudes of employees holding new, formal TVET qualifications by 2020</p>	<p>Series of labor force studies disaggregated by qualification, gender, rural/urban area</p> <p>Series of employer satisfaction surveys</p>	<p>Assumption Within 2–3 years, the economy recovers from the current downturn, resulting in FDI, local investment and GDP growth returning to 2007/2008 levels</p> <p>Risks Persistent economic downturn causes low demand for skilled labor</p> <p>Continuing poor recognition of the productive value of skilled labor in wage differentials in most economic sectors</p>
<p>Outcome An expanded, enterprise-endorsed public training system better aligned with the basic and mid-level skills requirements of the formal and informal economies in three industry sectors (mechanics, construction, and business services and information and communication technologies)</p>	<p>Against a 2010 baseline:</p> <p>A 20% increase in enrollments in certificate and diploma programs in the three industry sectors in public institutions by 2015, from an estimated baseline of 980</p> <p>A 25% increase in the number of graduates with formal TVET qualifications from public institutions by 2015, from an estimated baseline of 1,500</p> <p>A 20% increase in the number of women graduating from formal TVET courses in polytechnics, institutes, and RTCs by 2015, from an estimated baseline of 300)</p> <p>Enrollments in nonformal VSTP programs quadruple by 2015, from 53,000 in 2007/08, and 50% of participants are women</p> <p>40% of VSTP training (in terms of training hours) is through enterprise- and center-based training by 2015</p> <p>40% of graduates from VSTP enterprise- and center-based training are in relevant full-time employment or self-employment by 2015</p>	<p>Gender disaggregated enrollment data from public institutions</p> <p>Gender-disaggregated graduation data from all VSTP programs</p> <p>Tracer studies of VSTP graduates</p>	<p>Assumption Government policy and budgets continue to give high priority to better employment outcomes for both rural and urban youth and the poor, through strategic investments and other support for basic and mid-level skill formation</p> <p>Risks TVET training and careers are undervalued in the population at large</p> <p>Industry cooperation and collaboration in the development of national standards and qualifications is not forthcoming.</p>

Design Summary	Performance Targets/Indicator	Data Sources/ Reporting Mechanisms	Assumptions and Risks
<p>Outputs</p> <p>1. Formal programs that are more relevant to industry</p>	<p>Against a 2010 baseline:</p> <p>30% increase in the number of students entering certificate programs (grade 9+) by 2015</p> <p>Five upgraded RTCs established by 2015^a</p> <p>Three industry advisory groups established and operational by end 2010</p> <p>Industry advisory groups endorse skills standards for the three sectors by mid-2011</p> <p>Women make up 25% of industry advisory group membership</p> <p>Skills standards and skills-based training modules developed through industry-led process for certificate programs by 2012</p> <p>Coordinated system of professional support established to improve instructor training by 2012</p> <p>300 TVET instructors graduate each year from NTTI from 2011</p> <p>All instructors in the three sectors meet technical and pedagogical requirements by 2015</p>	<p>Institutional records of competency reporting by qualification, module, year, gender, and instructor(s)</p> <p>Compliance reports against agreed building and equipment standards</p> <p>Records of establishment and membership</p> <p>Statement of endorsement</p> <p>Records of certification</p> <p>M&E reports</p> <p>Training records and records of certification</p>	<p>Assumption</p> <p>Industry recognition of the improved quality of graduates results in better employment outcomes, which raises participation in quality TVET programs</p>
<p>2. Expanded and better quality nonformal training</p>	<p>VSTP extended to all provinces by 2015 with new operating guidelines</p> <p>Skills standards and skills-based training modules developed through an industry-led process for enterprise- and center-based programs</p> <p>New courses, curricula and standards to systematize nonformal training introduced by end 2013</p> <p>210,000 participants have completed VSTP training by 2015</p>	<p>PTC training records</p> <p>Revised guidelines</p> <p>NTTI records</p>	<p>Assumption</p> <p>Continuing development of the rural economy, e.g., through demand for increased productivity or through new investments in post harvest technology and small to medium-scale food processing will raise demand for more complex skill sets</p> <p>Risk</p> <p>Increases in productivity through capital investment in equipment and machinery lead to reduced on- and off-</p>

Design Summary	Performance Targets/Indicator	Data Sources/ Reporting Mechanisms	Assumptions and Risks
	<p>An additional 12% (600) have graduated from non-VSTP courses in PTCs (from 2008 baseline of 5,000)</p> <p>40% of VSTP training is enterprise- or center-based</p> <p>80% of all trainees in enterprise- or center-based training in the three industry sectors will earn a new certificate of competency</p> <p>Two new PTCs have been constructed by end 2011</p> <p>PTC performance improved through better program planning and management, better financial management and data recording, increased community outreach, and more revenue generation by 2015^b</p> <p>All PTC instructors have completed the new teacher in-service training program by 2015^c</p>	<p>PTC enrollment data and records of award of certification.</p> <p>PTC enrollment data and records of award of certification</p> <p>Certificates of completion issued</p> <p>PTC quarterly progress reports</p> <p>NTTI records</p>	<p>farm employment</p>
<p>3. Institutional capacity to plan and manage TVET is strengthened</p>	<p>Policy and road map for future development of TVET system agreed by MOLVT and NTB</p> <p>New medium-term TVET development plan developed by end 2010</p> <p>Draft medium-term expenditure framework (2011–2015) developed for TVET by end 2010</p> <p>Annual TVET operational plans, including specific annual targets and indicators developed for 2010–2014 along with annual performance reports</p> <p>Computerized VETMIS designed and installed across all sites by module according to a specified schedule.</p> <p>LMIS established by 2014</p> <p>NVQF constructed and approved by NTB by 2015</p>	<p>NTB minutes</p> <p>Plan published on schedule</p> <p>Plan published on schedule</p> <p>Published annual plans and performance reports on schedule</p> <p>VETMIS data reports by module can be generated at all sites</p> <p>LMIS data reports as specified generated at all required sites</p> <p>Sub-decree on NVQF signed by Prime Minister</p>	<p>Risks</p> <p>Industry cooperation and collaboration in the development of national standards and qualifications is minimal, if at all</p> <p>Proposed decentralization is not matched with clear delegations of authority, thereby creating confusion in roles and responsibilities</p>

Design Summary	Performance Targets/Indicator	Data Sources/ Reporting Mechanisms	Assumptions and Risks
	<p>DGTVET has implemented procedures for guiding and monitoring PTCs and RTCs by 2012.</p> <p>All female mid-level DGTVET officers will be selected for training</p> <p>30% of provincial MOLVT staff selected for regional training will be women</p>	DGTVET reports of monitoring visits	
Activities with Milestones			Inputs
<p>1. Formal Programs are More Relevant to Industry</p> <p>1.1 Upgrade five PTCs to RTCs by 2015</p> <p>1.1.1 Add skills workshops in three industry sectors (mechanics, construction and business and ICT) to each RTC by 2015</p> <p>1.1.2 Equip new skills workshops in RTCs by 2015.</p> <p>1.2 Develop and introduce competency-based training modules in the target sectors by end 2012</p> <p>1.2.1 Appoint four Phnom Penh institutions as national centers, one for each sector, by end first quarter (Q1), 2010</p> <p>1.2.2 Train two senior trainers in regional training programs in standards, curriculum and teaching skills in target programs by end 2010</p> <p>1.2.3 Develop competency standards for the target programs by end 2011</p> <p>1.2.4 Develop and produce RTC and PTC curriculum and learning materials for the target industry sectors by end 2012</p> <p>1.2.5 Equip new PTCs and RTCs by end 2014</p> <p>1.2.6 Train skills assessors for new standards in the target industry sectors and commence assessment by end 2012</p> <p>1.3 Train trainers for standards based training in the target industry sectors by end 2014</p> <p>1.3.1 Train all teachers in the target programs, pre-service and in-service, in new curriculum by end 2014</p> <p>1.4 Increase industry involvement in development and implementation of training programs by end 2012</p> <p>1.4.1 Establish three industry advisory groups and ensure functioning by end 2010</p> <p>1.4.2 Industry advisory groups to have formally endorsed competency standards that meet local industry requirements at the appropriate qualification level by end mid-2011.</p> <p>1.5 Strengthen NTTI complex for system upgrading, including enterprise-endorsed skills standards, upgraded training programs and materials, trainer training, and instructional monitoring and development, and support national implementation, by end 2012</p> <p>1.5.1 Appoint three institutions in NTTI complex as national centers for trainer and community development specialist pre-service and in-service training, by end Q1, 2010</p> <p>1.5.2 Train five senior trainers in regional programs in training methodologies, lifelong learning, and career guidance by end Q1 2012</p> <p>1.5.3 Develop new TVET trainer-training curriculum, including technical skills upgrading, pedagogy, microenterprise development and career guidance by end 2012.</p> <p>2. Expanded and Better Quality Nonformal Training</p> <p>2.1 Establish, construct and equip two new PTCs by end 2011</p> <p>2.2 Extend VSTP to all provinces, including an urban pilot in Phnom Penh, and monitor outcomes, by end 2015</p>			<p>ADB: \$24.50 million</p> <p>Civil Works: \$2.64 million</p> <p>Machinery and Equipment: \$4.03 million</p> <p>Learning Materials: \$0.24 million</p> <p>Training: \$1.79 million</p> <p>Consultants: \$4.11 million</p> <p>VSTP: \$6.24 million</p> <p>Surveys and Studies: 0.36 million</p> <p>Incremental Administrative Costs: \$2.60 million</p> <p>Physical and Price Contingencies: \$2.49 million</p> <p>Government: \$3.02 million</p> <p>Civil Works: \$0.39 million</p> <p>Taxes and Duties: \$2.06 million</p> <p>Incremental Administrative Costs: \$0.57 million</p>

Design Summary	Performance Targets/Indicator	Data Sources/ Reporting Mechanisms	Assumptions and Risks
	<p>2.2.1 Train all PTC staff in VSTP operations by end 2013</p> <p>2.2.2 Implement new VSTP program in three phases</p> <p>2.3 Develop, deliver and coach PTC directors for implementation of VSTP</p> <p>2.3.1 Provide continuing support to all PTCs and complete strengthening of less able PTCs through intensive coaching programs by 2012</p> <p>2.4 Rehabilitate existing PTCs using a competitive selection process</p> <p>2.5 Implement PTC trainer training, and institutional monitoring and development, through NTTI complex by 2015.</p> <p>3. Strengthened Institutional Capacity to Plan and Manage TVET</p> <p>3.1 Strengthen management capacity at training institutions, provincial training boards and DGTVET by end 2014</p> <p>3.1.1 Conduct training needs assessment for all managers in PTCs and DGTVET</p> <p>3.1.2 Train all PTC directors in institutional management by end 2013, and implement consultant-led institutional mentoring to 2015</p> <p>3.1.3 Train 60 provincial officers in regional programs in TVET system management, supervision and development by end 2011, and on-the-job follow-up mentoring to 2015</p> <p>3.1.4 Complete regional study tour on TVET policy for 12 senior DGTVET officers and polytechnic directors (total 12) by end 2010</p> <p>3.1.5 Train 48 finance officers from PTCs (2 x 24 institutions) and 6 finance officers from DGTVET in basic accounting by end 2011</p> <p>3.1.6 Train relevant DGTVET officers in program performance monitoring (particularly VSTP) by mid 2010</p> <p>3.1.7 Produce a project finance and procurement manual by mid-2010.</p> <p>3.2 Improve TVET information systems including VETMIS and LMIS by 2013</p> <p>3.2.1 Improve ICT facilities in training institutions, provincial offices and MOLVT by end 2010 for implementation of new information systems by end 2010</p> <p>3.2.2 Improve ICT skills of personnel in training institutions, provincial offices and MOLVT by end 2010 to implement new information systems</p> <p>3.2.3 Establish system of localized standard classifications for occupations and industries compatible with NIS, ISCO and ISIC by end 2011</p> <p>3.2.4 Develop data structures, codes and terminology of relevant data to enable data collection for LMIS by end 2011</p> <p>3.2.5 Develop VETMIS and capacity to operate the system by end 2013</p> <p>3.2.6 Develop LMIS and capacity to operate the system by 2014</p> <p>3.3 Strengthen capacity of DGTVET as secretariat of NTB by end 2011.</p> <p>3.3.1 NTB, PTB, and senior MOLVT officers and polytechnic directors to have completed regional study tour on TVET policy review by end 2010</p> <p>3.3.2 Initiate annual NTB TVET workshop policy reviews by mid 2011</p> <p>3.3.3 Formulate new medium-term TVET development plan, 2011–2015 by end 2010 for approval by NTB</p> <p>3.3.4 Complete medium-term expenditure framework, 2011–2015 for TVET by end 2010 for approval by NTB</p> <p>3.3.5 Complete annual TVET development plans for each year from 2010</p> <p>3.4 Develop NVQF by 2014</p> <p>3.4.1 Train 15 DGTVET and provincial officers in regional programs in the management and use of NVQF by end 2010</p> <p>3.4.2 Complete user manual on the management and operation of the Cambodian NVQF by 2014</p> <p>3.5 Implement national system for career guidance by end 2012</p> <p>3.5.1 Develop and implement systems for career information</p> <p>3.5.2 Launch web portal for dissemination of career information and guidance by end 2012</p> <p>3.5.3 Print career guides and distribute to TVET institutions by end 2011</p>		

ADB = Asian Development Bank, DGTVET = Directorate General of Technical and Vocational Education and Training, FDI = foreign direct investment, GDP = gross domestic product, ICT = information and communication technology, ISCO = international standard classification of occupations, ISIC = international standard industry classification, LMIS = labor market information system, M&E = monitoring and evaluation, MOLVT = Ministry of Labor and Vocational Training, NIS = National Institute of Statistics, NTB = National Training Board, NTF = National Training Fund, NTTI = National Technical Training Institute, NVQF = national vocational qualifications framework, PCU = project coordination unit, PTB = provincial training board, PTC = provincial training center, RTC = regional training center, TVET = technical and vocational education and training, VETMIS = vocational education and training management information system, VSTP = Voucher Skills Training Program.

^a Total civil works: 21 new classrooms, 27 classrooms upgraded, 18 new workshops, and 5 new student dormitories.

^b A total of 159 principals and administrators will have been trained.

^c Total teachers to be trained 1,025; new teacher graduates 300 per year.

IMPLEMENTATION STRATEGIES FOR REGIONAL TRAINING CENTERS

1. The effectiveness of Provincial Training Centers in meeting their current and expanded mandates is determined by a range of factors. Some are beyond the control of the PTC but most are directly related to the effectiveness of institutional management

A. Effectiveness Measures and Indicators

2. The following table outlines the effectiveness criteria used in categorizing PTCs:

Table A2.1: Effectiveness Measures and Indicators

	Performance and Effectiveness Measures	Indicators
1	Competence of the Director	DGTVET, NTF performance, state of campus, staff attendance, student numbers
2	Experience of the Director	DGTVET, years in job, range of jobs before Director
3	Energy of the Director	Campus visit by DGTVET, state of campus, relations with Governor's office and MOLVT Provincial office, NTF proposals, other campus activities, ESDP II Consultant data
4	Training of the Director	Interview, survey, Education, experience in MOLVT, schools, teaching
5	Physical state of the campus	DGTVET visit documentation
6	Physical state of teaching equipment	DGTVET visit documentation
7	Use of facilities/equipment for commercial, non instructional activities	DGTVET visit documentation
8	Support given to Director by Provincial MOLVT Director	Interview, PTC Director, DGTVET, number of meetings with Prov. Dir., Knowledge of PD of PTC activities.
9	Support given to the Director by TVETM.	DGTVET, PTC Director, number of visits, direction given
10	Clarity of annual performance objectives	Review of annual plan, survey of PTCs
11	Monitoring of achievement	DGTVET, PTC Director, visits from DGTVET, reports submitted to DGTVET
12	Coaching to support achievement	PTC Director, DGTVET
13	Financial provision	DGTVET, PTC Director
14	Match between staff skills and requirements of PTC	PTC Survey
15	Understanding of the PTC mandate	Interview with PTC Director, DGTVET, PTC activities
16	Direction and support provided by Provincial Director of MOLVT	Interview with PTC Director, PTC Survey
17	Demand for TVET in the Province.	Interview with PTC Director, DGTVET
18	Support from Provincial Governor and PTB	Interview with PTC Director, DGTVET, ESDP II consultant data

3. Using the criteria shown in the above table, PTCs were grouped into three categories as shown in the next table.

B. Effectiveness Categories of PTCs

Table A2.2: Effectiveness Categories of PTCs in Implementing Existing Mandate Based on Survey and Interviews

#	Category 1: Meets minimum performance level	Category 2: Improvement over past 2 years but needs coaching to meet minimum PTC performance	Category 3: Requires significant support to meet minimum PTC performance
1	Battambang	Kratchie	Pailin
2	Kampot	Pursat	Kampong Speu
3	Siem Reap	Kampong Cham	Kampong Thom
4	Takeo	Kandal	Rattanakiri
5	Svei Rieng	Sihanoukville	Beanty Meanchey
6	Stung Treng	Prey Veng	Odar Meanchy
7	Kampong Chhnang	Koh Kong	Kep

4. Those PTCs in category 1 will be included in the first phase of VSTP expansion. Category institutions 2 will receive capacity building and will begin with the expanded VSTP in Group 2, year 2. Category 3 will receive more extensive capacity building including intensive coaching and will be included in Group 3 expansion of VSTP in the 3rd year of the Grant.

C. Criteria for Selecting Institutions to become Regional Training Centers

5. Five PTCs or other DGT VET Institutions will be selected for expansion to Regional Training Centers, providing in-service upgrading to PTC and private provider trainers and middle level and technician diploma level training to PTC and secondary school graduates from the Region. One Regional Training Center is required to service each quadrant of the country. Only Category 1 PTCs from Table A2.2 were considered for upgrading to Regional Training Center Status.

6. Further criteria for selecting four PTCs to Regional Training Center status include:

- (i) Space (land) for future growth. Centres will need to grow quite quickly as the population responds increasingly to the link between TVET and job prospects. Investing in a location that cannot be expanded is very questionable. Generally an area of 500 meters by 500 is required. In some cases a 2 campus solution will be required.
- (ii) In or close to a city to provide OJT opportunities, student accommodation, and a resident student base both full time and part time.
- (iii) Proximity to Industrial/Economic Parks/Zones
- (iv) Projected population growth in the catchment area over the next 10 years.
- (v) Site of an existing PTC that has shown consistent improvement in quality over the ESDP II project in the assessment of DGT VET and ESDP II consultants.
- (vi) Planned road access from surrounding provinces.
- (vii) Relative attractiveness of the location as compared with others in region to potential students:

- Availability of and ease of access by part time students.
- Electrical power (on-line)
- Internet access with broadband available or in planning
- Other higher education institutions/credible Universities now or planned (critical mass)
- Region

D. Selected Regional Training Centers Using the Criteria

7. Using the criteria, the following table shows the selected Regional Training Centers:

Table A2.3: Selected Regional Training Center Sites Using the Criteria

		Criteria Form Summary													
PTCs in Highest group		i	ii	iii	iv	v	vi	vii	viii	ix	x	xi	xii	xiii	Selected RTCs using criteria
1	Battambang	*	*	*	*	*	*	*	*	*	*	*	*	NW	S
2	Kampot	*	*	*	*	*	*	*	*	*	*	*	*	SW	S
3	Siem Reap		*	*	*	*	*	*		*	*	*	*	NE	-----
4	Takeo	*	*	*		*			*		*	*		SW	S
5	Svei Rieng	*	*	*	*	*	*	*	*	*	*	*	*	SE	S
6	Stung Treng	*	*	*		*	*	*	*		*	*		NE	
7	Kampong Chhnang	*				*		*			*	*		NW	

1. When BIT and PIB sites are both used

2. New land is being located

ESTABLISHING AN INTEGRATED SYSTEM OF PROFESSIONAL SUPPORT FOR TRAINERS

1. The Project will develop an integrated learning services system for the upgrading of technical and vocational education and training (TVET) teacher training, skills standards, testing and assessment; curriculum and training materials; and institutional management and upgrading.

A. Organization of Professional Support Services

2. It is proposed that the major support activities for TVET will be channeled through a coordinated complex of senior TVET institutions in Phnom Penh based on the National Technical Training Institute (NTTI), which is responsible for TVET teacher training and development. Initially four institutions will be designated as national centers of competence (NCC): (i) Industrial Technical Institute (ITI); (ii) Preah Kossamak Polytechnic Institute (PPI); (iii) National Institute of Business (NIB); and (iv) the Cambodia-India Entrepreneurship Development Centre (CIEDC).

3. Three of the four NCCs will provide specialist system development support in a particular technology: (i) ITI in mechanics; (ii) PPI in construction; and (iii) NIB in business and information technology. The CIEDC will provide expert services for professional support and development for entrepreneurship and small and medium-sized enterprises across each of the three technology areas. NTTI will be responsible for TVET teacher training and upgrading, and will exercise overall coordination of the professional support services for the TVET system as a whole under DGTNET.

B. Proposed Professional Service Activities

4. **Skills standards and curriculum.** In addition to its regular teaching role, each of the three technology institutions will (i) bring together an industry advisory group; (ii) translate existing international competency standards to Khmer for endorsement by the industry advisory group and, following endorsement; (iii) send the endorsed standards to the director of standards, Ministry of Labor and Vocational Training for posting on the NTB website; (iv) develop curricula and learning materials that meet these standards; (v) support the training of assessors from industry to ensure graduates meet the agreed standards; (vi) provide skills strengthening to NTTI students preparing to teach in the new curriculum in each target skill area; (vii) partner with NTTI on in-service training for current teachers in the technical areas for teaching against the new standards; and (viii) monitor the provision of training as required through visits to the PTCs and other institutions ensuring the use of the new curriculum.

5. Appropriate skills standards are available from countries such as Sri Lanka and the Philippines. These can be adapted for submission to the industry advisory groups for validation.

6. **Teacher training and upgrading through NTTI.** It is proposed that a new 1-year preservice teacher training program (and qualification) be developed to meet the specific functional needs of TVET trainers and community development specialists who will be employed for the provincial training centers (PTCs) and regional training centers (RTCs).

7. The proposed program will comprise: (i) pedagogy—directly under NTTI (240 hours); (ii) skills upgrading—by specialization in the appropriate NCC with a specific focus on the current technical skills-standards-based curriculum (240 hours); and (iii) community

development, enterprise development, marketing and micro enterprise support—through CIEDC (240 hours). The program will also include supervised teaching experience in the specific specialization of each trainee.

8. The Project will support the development of programs for specialist training and work-place implementation support for institutional managers, TVET trainers, community development specialists and finance officers. It will support professional services development with specialist fellowship training, consulting services, equipment and development and operational costs on the basis of performance-based milestones.

9. Teaching equipment for their specific target technologies will be provided to the NCCs. The three target technologies will be models for the development and implementation of other skills-standards-based training that can be adapted by other sectors in future. Project assistance will also be provided for the establishment of a central NTTI complex office and support unit.

C. Delivery of Teacher Training Through Regional Training Centers

10. The five RTCs will have two major functions: (i) increasing access to technician level (grade 9 or equivalent plus 2 years) skills training, and (ii) providing facilities and support for the continuing in-service upgrading of existing TVET managers, trainers and staff by NTTI complex staff. The Project will provide each RTC with new workshops and laboratories in the three target technologies, new classroom space, equipment to meet the requirements of the new skills-standards-based curriculum in the three target technologies, and a female hostel for female PTC graduates and staff under the new professional support programs.

11. It is anticipated that the RTCs in Battambang, Kampot and Svay Rieng will begin training late in year 3 of the Project, while Takeo and Siem Reap will begin training late in year 4.

FINANCING AND IMPLEMENTING THE VOUCHER SKILLS TRAINING PROGRAM

1. The Voucher Skills Training Program (VSTP) will be expanded to all 24 provinces under the Project. The revised procedures outlined below for this second phase reflect the lessons learned in the pilot phase, and the findings of a survey of about 4,000 of the 140,000 participants in the pilot program, plus provincial training centers (PTC) directors.

2. Adjustments have been made to reduce the cost of the program and to increase the number of trainees in the enterprise-based component (informal apprenticeship). An alternative microenterprise model has been introduced. Strategies have been developed to link training to appropriate entry-level standards in the new enterprise-endorsed curricula under the Project. A new urban-based model has been initiated. Clear guidelines on the allocation of training by delivery format using cost-per-training hour are provided to accelerate the expansion of VSTP in credit-earning technical skills.

A. Rural Areas and Micro-Enterprise Provision

1. Extending the Program to All Provinces

3. **Commune selection criteria.** In line with its objective of poverty alleviation through community-based skills training, the pilot VSTP selected the 40% poorest communes in the seven poorest provinces, as determined by the United Nations World Food Program, Commune Based Poverty Index, 2001. Selected communes were submitted to the Asian Development Bank for approval.

4. The expanded VSTP will include all provinces, and an estimated 210,000 of the poorest rural villagers will benefit directly from the program. No communes that formerly received VSTP may be included in the revised program. Communes will be selected based on data on the poorest communes as identified in the commune data information system of the National Institute of Statistics (2007 data).¹

5. **Costing.** Each province will receive \$5,786 per commune for each of the 2 years in the VSTP cycle. Altogether 530 communes will receive support. Counting the original 210 communes that received support under the pilot program, a total of 740 out of 1,621 communes across the country will have received support by the end of the Project. The allocation of \$5,786 per commune was determined by an analysis of the costs of the pilot program and the effectiveness of training modalities employed under it.

6. A community development specialist (CDS) will prepare a listing of all approved training available and the cost per training unit as well as an overview of local labor market opportunities and of microfinance availability. Villages and communes will be invited to add their own resources to the value of the voucher to enhance the training provided. Operational procedures will be further elaborated in the project administration memorandum.

7. **Schedule.** The schedule ensures that all PTCs will complete 2 years of VSTP during the Project. It provides for the continuation of the program in the seven pilot VSTP PTCs. Implementation in the two new PTCs is scheduled for late in the project. The target group for enterprise- and center-based training will be out-of-school youth between the ages of 15 and 24, at least half of whom will be female. There needs to be some flexibility in these targets. Usually,

¹ National Institute of Statistics. 2007. *Commune Development Information System*. Phnom Penh.

in the first round of training, agriculture is the priority because it affects virtually all of the villagers.

8. **Operational procedures.** In the first year of training, no more than 60% of the total training hours will be allocated to community-based training, 20% to enterprise-based informal apprenticeships, and the final 20% to center-based training (either in the PTC or another training center). In the second year, community-based training will be limited to 40% of the available hours with 30% allocated to each of the other categories.

Table A4.1. Distribution of Training Hours by Type of Training and Year

	% Community-based	% Enterprise-based	% Center-based
Year 1	60	20	20
Year 2	40	30	30

9. A community development specialist (CDS) will prepare a listing of all approved training available and the cost per training unit as well as an overview of local labor market opportunities and of microfinance availability. Villages and communes will be invited to add their own resources to the value of the voucher to enhance the training provided. Operational procedures will be further elaborated in the project administration memorandum.

6. **Program Implementation.** The revised rural VSTP will operate as follows in 23 rural provinces as follows:²

- (i) The National Training Board (NTB) will identify national training priorities based on economic data from Government and independent data sources. The NTB will publish the current National TVET Development Plan with copies to all provincial training boards (PTB).
- (ii) DGTVET will transfer the VSTP allocation to each of the PTCs where it is deposited into a commercial bank and accounted for separately from any other funds the PTC may have.
- (iii) Each of the additional 17 PTCs through the CDS will identify the poorest communes in the province and declare these to be eligible to receive training vouchers. Each commune will receive a training voucher the value of which will not exceed \$5,786 a year for each of 2 years.
- (iv) Communes which have received VSTP under the ESDP II pilot program may not be included in this extension of the program.
- (v) The training target will be the delivery of 16,000 trainee training hours in each commune per year. This roughly equates to around 200-220 trainees per commune per year but achievement of the required training hours in the ratios described below in points (vi) and (vii) is the actual target.
- (vi) In the first year of training for each new province, no more than 60% of the training hours will be allocated to commune based training; 20% will be allocated to employer based informal apprenticeships and the final 20% to center based training (either in the PTC or other training center)

² Phnom Penh (the 24th province) will have a unique program in microenterprise development for urban areas through Cambodian-Indian Entrepreneurial Development Centre (CIEDC).

- (vii) In the second year, commune based training will be limited to 40% of the budget with 30% allocated to each of the other categories. The seven provinces which participated in the first VSTP pilot under ESDP II will be required to meet this ratio (40%:30%:30%) in both Years 1 and 2 to reflect their experience with the scheme.
- (viii) Each province will meet a target of a minimum of 50% of trainees being female. In addition, preference should be given to young people in the age bracket 15-25 who are out-of-school, and unemployed or under-employed.
- (ix) Each eligible commune council will be informed of the availability of the training vouchers through the district governor's office.
- (x) Vouchers may be awarded for a two year period to encourage a more comprehensive training plan. Continuation of the commune plan into the second year will depend on performance and disbursements in each year.
- (xi) A CDS from the PTC will meet with the commune council to assist it to develop a training plan based on the needs of each village as determined in a training needs analysis survey including community mapping to ensure inclusiveness.
- (xii) The CDS will supply the best available market data suggesting opportunities in local markets.
- (xiii) The CDS will have a listing of all approved training available and cost per training unit, and an overview of local labour market opportunities and of micro finance availability. Villages and communes will be invited to add their own resources to the value of the voucher to accelerate implementation of the plan.
- (xiv) If training places remain available in any community-based VSTP program, fee paying participants from other communes may be invited to participate at the daily training cost of the program.
- (xv) The training plan along with each training element being assigned to a proposed provider, with the cost of the training, will be presented to the commune council for endorsement.
- (xvi) The CDS will bring the plan to the PTC assuring, that it is within budget and that all training providers are registered in the PTC on a National TVET Trainers Network (NTTN) registration form.³
- (xvii) If training exceeds 3 weeks in duration, training providers may receive 20 per cent of the voucher based training funds as a mobilization allowance, at least, one month before the start date of the training.
- (xviii) The PTC shall be awarded 10% of the value of all voucher funded training for which it has provided assistance, and which has been completed.
- (xix) The NTB/DGTVET will receive 5% of the voucher value to support monitoring, evaluation and participating in follow up studies.
- (xx) The Provincial Training Board (PTB)/ commune councils will receive 5% of the voucher value to support administrative and other costs in relation to determining provincial training priorities.
- (xxi) The PTC may receive voucher based training revenue itself beyond the 10% of total voucher value provided, if it provides center based training. However, most center- based training (over 50%) should be sourced from private training providers. The PTC may rent or loan its facilities to private sector/NGO providers to carry out voucher based training. The PTC can offer training on a non-voucher, cost recovery basis.
- (xxii) The PTC may use a portion of its VSTP revenue to create incentives for CDS involved in job placement to place VSTP graduates in formal employment. This

³ Available from the PCU, DGTVET, MOLVT.

must be monitored by DGT VET to ensure that the employment continues for at least three months after training completion.

- (xxiii) All financial transactions shall be recorded by the PTC accountant acting for the PTC. All transactions shall be by cheque, on the segregated account in the local bank, and will require the signature of the chairman of the PTC (or her designate) and the signature of either the director of the PTC or designate. At least one signature must be that of the primarily designated position.
- (xxiv) Any NTF voucher funds not committed by the last quarter of the fiscal year may be recovered by the NTF and reallocated to a province that has committed its budget on approved programs.

7. **The Phasing Schedule:** The schedule ensures that all PTCs will complete 2 years of VSTP during the 5 year project period. It also provides for continuation of the program in the 7 pilot VSTP PTCs. Phasing in of the proposed new PTCs is delayed to ensure their completion. The target group for center-based and employer based training will be out-of-school youth between the ages of 15 and 24, with at least 50% female. There needs to be some flexibility in these targets. Usually, in the first round of training, agriculture is the priority because it affects virtually all of the villagers.

Table A4.2: Rural Voucher Skills Training Program

Provinces	Years of VSTP	Number of Communes	Average Number of Participants per Commune per Year	Allowance per Commune/Trainee per Year (\$)	Total Cost of VSTP (\$)
23	2	530	200	5,786	6,133,160

B. Urban Areas

1. Microenterprise Pilot VSTP

10. The Economic Institute of Cambodia estimates that 85% of the workforce was in the nonformal economy in 2003. Of these, about half worked in agriculture and about half in rural and urban services and other activities. There are two important implications of this:

- (i) most graduates of the skills training will work in the informal economy and thus need training in microenterprise operations; and
- (ii) currently most small enterprise workers, street vendors, basic technical service providers, and microenterprise proprietors have little or no access to basic training in finance, microcredit, entrepreneurship, or management.

Proposed Training

11. NGOs often have direct links to the nonformal economy in ways that government would find difficult to copy. Usually, some sense of mission is associated with these smaller organizations and their links to the 'street' communities and to the microenterprises in that locality. The microenterprise VSTP will expand the competence of selected NGOs to deliver a range of microenterprise skills in urban areas to increase family income.

12. With consultant support, CIEDC has the capacity to develop a program for upgrading the skills of NGOs to deliver training in urban areas. A review of its performance in the last 2 years as well as the curriculum model used suggests a capacity to deliver. The same basic financial package developed for the VSTP program could be adapted for the Micro Enterprise Skills

Training Program. CIEDC is also proposed as a contributor to the revised trainer/CDS training program coordinated by NTTI. This ongoing micro-enterprise VSTP would create a training opportunity for CDSs

13. The training will aim to develop the microbusiness skills of existing informal economy micro-enterprise proprietors to increase income. Initially, programs will be confined to enterprises in Phnom Penh: 10 in each of 10 selected urban communes. NGOs will be invited to apply for a training grant. The NGOs will also coordinate related applications for microcredit under the existing Self Employment Generation Fund.

Program Structure

Program Objective: Improve the micro business skills of existing informal economy micro enterprise with the intent of improving income and creating more employment.

Target Population: Informal enterprises in Phnom Penh such as street vendors, transport drivers, service providers, motorcycle repair workers.

Target Numbers: 10 informal enterprises in each of the 10 selected Sangkats in Phnom Penh

NGOs apply for a training grant to work with existing urban entrepreneurs in a target informal sector to improve their business income and profits.

Micro enterprise completing the training become eligible to apply for micro credit under existing SEGF mechanisms, and managed by the NGO.

NGOs may use their own training style but a coaching, one-on-one methodology would be preferred based on SEA experience.

Program Implementation

- (i) 10 Sangkats will be selected on the basis of proximity to CIEDC, and based on a poverty assessment using the CDIS of the NIS
- (ii) There may be up to 2 vouchers per year for each of 10 Sangkats
- (iii) Each voucher will have a value of \$5,786, giving a \$115,720 provision a year for the 2 years of the pilot.
- (iv) CIEDC will receive 10% of the voucher value after assessment that the training has been delivered as contracted.
- (v) CIEDC will contract with NGOs for the delivery of the training. CIEDC may deliver training in 1 Sangkat per year in each of the 2 years of the pilot program.
- (vi) CIEDC will be responsible for recruiting, contracting the training NGOs, and monitoring and assessing the training.
- (vii) Participating NGOs must register with DGT VET as training providers.
- (viii) The NGO will complete a community map in the Sangkat to identify key informal enterprises.
- (ix) The NGO will present a training plan to CIEDC for approval before the beginning of training.
- (x) Existing VSTP financial management process will be used in which CIEDC is designated as the PTC.

Financing

14. The pilot will be financed by using the Phnom Penh provision in the VSTP program (\$115,720 per year for two years) and will use the VSTP mechanisms and will be supported by the VSTP Project consultants. A 10% management fee will be paid to CIEDC.

Table A4.3: Micro-enterprise Training Pilot

	NGOs	Communes	Duration	Cost per Commune per Year (\$)	Total (\$)
CIEDC management fee			2 years		23,140
NGO training contracts	5	10	2 years	11,572*	231,440
Total (\$)					257,580

* 2 x \$5786 per commune

CIEDC = Cambodia-India Entrepreneurship Development Center

2. Urban Pilot VSTP

15. A pilot urban VSTP will be provided in Phnom Penh in mechanics managed through the Japan Vocational Center and Work Shop (JVC). This will target automotive, auto machine shop, motor, small engines, diesel training, and placement jobs. Up to 400 young people will be trained in informal apprenticeships or training courses contracted from TVET providers who have agreed to use the new enterprise skills standards in mechanics that will be developed under the Project. At least 10 trainees should be young women. The new mechanism will lead to entry-level skills for which credit may be earned in the future for further and higher levels of training. The urban pilot will initially apply only in Phnom Penh, but it may be expanded to other urban settings or to other technologies. The urban pilot will begin in year 3 to ensure that the Ministry of Labor and Vocational Training supervises it and that the new skills standards are in place.

16. Advertisements will be placed to call for expressions of interest to provide training based on the new standards and curriculum. Training providers that respond will be required to register with the National TVET Trainers Network. Informal apprenticeship will be the preferred mode of delivery, but classroom or on-the-job training will also be eligible. Selected providers will receive a 20% mobilization allowance, 30% payment at the midpoint of training based on numbers of continuing students, and the remaining 50% on completion of training. A maximum allocation of 20 trainees per provider will ensure a wide range of providers for the pilot. JVC may take up to 20 trainees itself.

17. The costing is based the VSTP pilot of \$0.29 per trainee hour for a 6-month technical skills program, with a cost per trainee of \$278, made up of \$218 for completing the training course and a \$60 supplementary payment to the trainer for graduates who are fully employed 3 months after graduation. The target will be 200 trainees each year for 2 years. JVC will receive 10% of each training contract as a management fee on the completion of training plus 5% for monitoring of training, based on submission of quarterly reports. The total fee per student payable to the training provider will be of \$236.

18. The total financial provision for the urban VSTP program is summarized in Table A3.3. Standard VSTP mechanisms will apply, and the VSTP consultants will support implementation.

Table A4.4: Pilot Urban Voucher Skills Training Program Funding

	Trainees per Year	Cost per Trainee (\$)	Number of Years	Cost per Year (\$)	Total Cost of Urban VSTP (\$)
Training providers	200	278	2	55,600	111,200
JVC Management Fee	200	35	2	7,000	14,000
JVC Monitoring Fee	200	20	2	4,000	8,000
Total		333			133,200

VSTP = Voucher Skills Training Program.

Source: Asian Development Bank estimates.

PROCEDURES FOR PHASED EXTENSION OF VOUCHER SKILLS TRAINING PROGRAM

1. Experience in the ESDP II VSTP pilot program showed that substantial support to the implementing institutions was required before and immediately after the commencement of activities. Variable performance of the 7 PTCs was closely related to the effectiveness of the management in the institutions and the degree of acceptance of community based, demand driven skills training rather than the traditional supply based mode of offering a standard menu of programs regardless of local or provincial needs.
2. A survey of the PTCs was undertaken between March 1 and March 28, 2009 to determine the level of performance of each of the 22 institutions. Follow-up visits were made as required to validate data. Survey results were scanned by Ministry staff to ensure consistency with existing data. All PTCs (22) responded including the two recently promoted to post secondary Status.
3. What is clear from the data is that some PTCs have shown remarkable progress in responding to the needs of their communities. Those seven pilot PTCs that managed a VSTP activity under ESDP II have begun to develop the entrepreneurial skills required in the need to respond to the market as a source of funding. Other PTCs, (eg Svie Reing, Kampot, Takeo) have developed training partnerships with community technical specialists that show a growing awareness of the need to expand provision of TVET through the private sector and not expansion of Government provision alone.
4. The data also clearly identifies less active PTCs; those that offer three or four NTF funded short courses a year in traditional subject areas, regardless of demand. They virtually close down in the interim periods or support commercial ventures located within the institution.
5. More input came from interviews with PTC Directors, site visits by the Consultants, interviews with MOLVT managers (Department of Management of TVET), and a review of performance of PTCs with the continuing ESDP II consultants who worked with all the PTCs and not solely with the 7 Pilot institutions. Other inputs were gathered from performance/responsiveness reviews of PTC performance in ESDP II.
6. Based on these data, PTCs were grouped into three effectiveness categories based on factors including: (i) level of activity, (ii) understanding of PTC mandate, (iii) number and quality of applications for NTF funding , (iv) effort of PTC Director to develop and market training, (v) involvement of Provincial Director, (vi) capacity to report activities as seen in the accuracy and timeliness of reports, vii), access of staff to written curriculum, viii) community network and activities held at PTC, ix) revenue generation activities including knowledge of and links with training NGOs, and (x) state of campus, facilities and equipment . The VSTP expansion process will build on these categories.

A. Effectiveness Measures and Indicators

7. The following table outlines the effectiveness criteria used in categorizing PTCs:

Table A5.1: Effectiveness Measures and Indicators

	Performance and Effectiveness Measures	Indicators
1	Competence of the Director	DGTVET, NTF performance, state of campus, staff attendance, student numbers
2	Experience of the Director	DGTVET, years in job, range of jobs before Director
3	Energy of the Director	Campus visit by DGTVET, state of campus, relations with Governor's office and MOLVT Provincial office, NTF proposals, other campus activities, ESDP II Consultant data
4	Training of the Director	Interview, survey, Education, experience in MOLVT, schools, teaching
5	Physical state of the campus	DGTVET visit documentation
6	Physical state of teaching equipment	DGTVET visit documentation
7	Use of facilities/equipment for commercial, non instructional activities	DGTVET visit documentation
8	Support given to Director by Provincial MOLVT Director	Interview, PTC Director, DGTVET, number of meetings with Prov. Dir., Knowledge of PD of PTC activities.
9	Support given to the Director by TVETM.	DGTVET, PTC Director, number of visits, direction given
10	Clarity of annual performance objectives	Review of annual plan, survey of PTCs
11	Monitoring of achievement	DGTVET, PTC Director, visits from DGTVET, reports submitted to DGTVET
12	Coaching to support achievement	PTC Director, DGTVET
13	Financial provision	DGTVET, PTC Director
14	Match between staff skills and requirements of PTC	PTC Survey
15	Understanding of the PTC mandate	Interview with PTC Director, DGTVET, PTC activities
16	Direction and support provided by Provincial Director of MOLVT	Interview with PTC Director, PTC Survey
17	Demand for TVET in the Province.	Interview with PTC Director, DGTVET
18	Support from Provincial Governor and PTB	Interview with PTC Director, DGTVET, ESDP II consultant data

8. Using the criteria shown in the above table, PTCs were grouped into three categories as shown in the next table.

B. Effectiveness Categories of PTCs

9. Those PTCs in category 1 will be included in the first phase of VSTP expansion. Category institutions 2 will receive capacity building and will begin with the expanded VSTP in Group 2, year 2. Category 3 will receive more extensive capacity building including intensive coaching and will be included in Group 3 expansion of VSTP in the 3rd year of the Grant.

Table A5.2: Effectiveness Categories of PTCs in Implementing Existing Mandate Based on Survey and Interviews

#	Category 1: Meets minimum performance level	Category 2: Improvement over past 2 years but needs coaching to meet minimum PTC performance	Category 3: Requires significant support to meet minimum PTC performance
1	Battambang*	Kratchie	Pailin
2	Kampot*	Pursat	Kampong Speu
3	Siem Reap	Kampong Cham	Kampong Thom

4	Takeo*	Kandal	Rattanakiri
5	Svei Rieng*	Sihanoukville	Beanty Meanchey
6	Stung Treng*	Prey Veng	Odor Meanchy
7	Kampong Chhnang*	Koh Kong	Kep

* Recommended to be Regional Training Centers.

10. Category 1 PTCs will be ready to implement the revised VSTP program after completion of planned training to outline the changes and new targets.

11. Category 2 PTCs will require more extensive strengthening in management, (including financial management), reporting competence, skills in participative community development, inventory of competent trainers in a range of possible training options, skills in micro-enterprise support and micro finance access. By delaying the opening of VSTP until the second year of the Project, the planned training for all PTCs will strengthen the capacity of these institutions sufficiently to manage the program.

12. Category 3 PTCs will require substantial effort in capacity development to meet the requirements for managing VSTP. To achieve this, the Project will delay the opening of VSTP until year 3 of the Project, provide general PTC capacity building training over the first three years and provide, at least, one Coaching Team to directly support the strengthening of the management group.

13. A unique institution based mobile coaching program targeted at the weakest PTCs before VSTP is begun in those institutions is proposed. Provision is made for two Coaching Teams of DGT VET staff responsible for institutional management trained by a National and International Specialist to visit designated PTCs monthly to set objectives and coach management in achieving these agreed objectives.

Table A5.3: The Coaching Team (2 teams if possible)

#	Title	Coaching Task	Regional Training Task
1	A Deputy Director General, TVET, Chair	Act as Team leader, PTC annual plan, PTB support.	Planning and Governance
2	Deputy Director-Unit Leader TVETM-NTF	NTTN, Micro credit inventory	Accreditation and Institutional Standards
3	Deputy Director TVETM-Life Long Learning	Marketing plan, VSTP plan, Outreach targets	Support Pre-service and in-service training
4	Deputy Director or Unit Leader TVETM-Finance MIS	Admin. Functions, Finance, facilities/equipment plan	An existing MIS model in TVET
5	VSTP Consultant (3)	Support the Team Direct coaching to PTC staff in required VSTP skills	Support all in-service training
6	NTTI teacher training management staff	Learn from the Consultant and team. Input to NTTI management training curriculum-cases.	Support in-service training

14. The Coaching Teams will concentrate on Category 3 PTCs and develop a performance improvement plan. They will visit each PTC, once a month, for the first 2 years of the Grant to coach the PTC staff in achieving the plan objectives. A provision for vehicles has been made to ensure ease of access to the institutions by the Coaching Team. VSTP expansion should not be implemented in Category 3 PTCs until they have met an acceptable performance standard as

recommended by the Coaching Team and agreed to by the PCU. In cases in which this intensive coaching is not judged to have been effective, a neighbouring PTC(s) may be hired to manage the VSTP in the province with the delinquent PTC.

Table 5.4: Phased Expansion of VSTP Sequence*

	PTC	Year 1	Year 2	Year 3	Year 4	Year 5
1	Battambang	.5	1	.5	NTF	NTF
2	Kampot	.5	1	.5	NTF	NTF
3	Kampong Chhnang	.5	1	.5	NTF	NTF
4	Steung Treng	.5	1	.5	NTF	NTF
5	Takeo	.5	1	.5	NTF	NTF
6	Siem Reap	.5	1	.5	NTF	NTF
7	Svie Reng	.5	1	.5	NTF	NTF
8	Pursat		1	1	NTF	NTF
9	Kep		1	1	NTF	NTF
10	Sihanoukville		1	1	NTF	NTF
11	Kratie		1	1	NTF	NTF
12	Kandal		1	1	NTF	NTF
13	Odar Meanchey		1	1	NTF	NTF
14	Prey Veng		1	1	NTF	NTF
15	Pailin			1	1	NTF
16	Koh Kong			1	1	NTF
17	Kampong Cham			1	1	NTF
18	Ratanakiri			1	1	NTF
19	Kampong Speu			1	1	NTF
20	Preah Vihear			1	1	NTF
21	Beantey Meanchey				1	1
22	Kampong Thom				1	1
23	Phnom Penh *				1	1
24	Mondulkiri				1	1
	Total VSTP Years	3.5	14	15.5	10	4

15. The activity outline used in the pilot VSTP ADB Loan 2122-CAM) has been revised to include feedback from the PTCs and the graduates of the program. The following diagram details the revised outline.

16. The Urban VSTP will begin in Year 3 of the grant and be managed by the JVC campus in Phnom Penh.

17. The Project provides support to the phased expansion of VSTP with Consultant support in preparing each PTC in sequence for the program and then supporting each PTC through the project period, Civil works in the construction of 2 PTCs, equipment as necessary to teach the new NTTI complex developed skills standards, teacher in-service training travel allowances and a Coaching Team to strengthen the least developed PTCs before the phased expansion.

STRATEGIES FOR DEVELOPMENT OF MANAGEMENT CAPACITY

A. System Review

1. There are a series of underlying system issues which limited the effectiveness of TVET in meeting national needs for basic and middle-level skill formation in the formal and informal economies. These include: (i) absence of entrepreneurial focus in most of public TVET; (ii) weak linkages between policies, plans, strategies and budgets; (iii) inadequate involvement of enterprises in TVET provision; (iv) inadequate quality control because there is no national qualifications framework (NQF), skills standards and provider registration; (v) limited access to training and higher levels of training; (vi) lack of information, particularly labor market information; and (vii) lack of system quality development though TVET teacher training and upgrading, curriculum development and training materials.

2. The effectiveness of system management is a major factor in all of these issues. Each of the issues links to the capacity of the central management, monitoring and supervision of the system, as well as the management of the TVET institutions. They also link to the effectiveness of the management of professional and development initiatives including the provision of TEVT teacher training; the organization and management of key quality assurance, and the system services of curriculum, training materials and testing.

B. Proposed Management Provisions under the Project

4. **System Management.** All middle-level DGTNET officers, and one representative from each MOLVT provincial office, will undertake customized regional training in TVET system management, supervision and development. Training will focus on: (i) supervising and assisting development of MOLVT TVET institutions; (ii) gathering of TVET data and statistics; (iii) monitoring and review of NTF; (iv) developing data banks on special needs and gender within TVET and preparation of recommendations for action; (v) reviewing PTB training plans; (vi) supporting TVET system and professional development through NTTI; (vii) monitoring and supporting other TVET provision; and (viii) preparation of policy recommendations. Following their return from regional training, each officer will be involved in ongoing on-the-job performance mentoring by Project consultants to ensure transfer of skills.

6. **System and Institution Finance.** Finance officers from all PTCs and DGTNET will undertake formal basic accounting training through a registered national provider, and a program carrying credit for entry into future professional training. Post-training activities will be supported by detailed operational manuals developed with specialist consultant support.

7. **Management of Policy Development.** DGTNET capacity as secretariat of NTB will be strengthened through two major policy studies and through study tours on regional TVET policy for senior personnel, and through senior consultant support for NTB policy workshop reviews as a basis for preparation of DGTNET plans and expenditure frameworks, and for management of their implementation and review.

8. The recommended focus of the study tours will include: (i) Institutional and non-institutional approaches to TVET; (ii) TVET Governance; (iii) TVET System management, monitoring and development; (iv) TVET professional support services; (v) Labor market and enterprise linkages; (vi) ASEAN skills standards and labor movement; (vii) Public/private partnerships for TVET.

9. **DGTVET Management for System Standards and Regulatory Procedures.** DGTVET officers of the Department of National Competency Standards and representative provincial officers (2 groups) will undertake customized regional training in supervision of NQF and skills standards, or in the administration of trainer provider registration and accreditation. On return from training all participants will be involved in ongoing on-the-job performance mentoring by Project consultants.

10. Training program content, supervision of NQF/national standards: (i) establishing the national qualifications framework; (ii) ensuring and supporting skills standards development and endorsement; (iii) meeting skills standards for overseas workers; (iv) ensuring and monitoring testing systems against skills standards; (v) supporting curriculum development against standards; (vi) monitoring the evaluation of training against standards.

11. Training program content, TVET trainer provider registration and accreditation: (i) organization and implementation of systems for TVET course accreditation; (ii) monitoring accreditation; (iii) organization and implementation of systems for TVET provider registration; (iv) monitoring TVET provider registration; (v) recording systems; (vi) legal constraints; and (vii) developing and implementing advisory services for registration and accreditation.

12. **Information Systems Management.** TVET management and planning capacity will be strengthened by the development and commissioning of a management information system (VETMIS) and a labor market information system (LMIS) closely integrated with national data systems. These systems will be developed through international and national consultant inputs and upgrading of national expertise for system implementation, maintenance, and development. Support for full institutionalization of the system across the MOLVT and the training institutes, and the training of all involved personnel, both system operators and users, will be provided.

13. **Management of Training Institutions.** All PTC and VTC directors will undertake structured training for institute management in each of the first four years of the project, focussing on: (i) developing links with local authorities, employers and community; (ii) managing finance; (iii) diversifying income sources; (iv) managing and upgrading training staff and training methods; (v) developing training proposals for short and long-term programs; (vi) managing data (staff, student, training and materials) records and reporting; (vii) planning of training to meet local labor market needs and opportunities, (viii) analysis of specialist training needs and development/adaptation of training programs; and (ix) evaluating program implementation. Ongoing post-training follow-up (and needs-based) job mentoring by Project consultants will be provided over the Project period.

15. All PTC directors will be trained in-country and supported on-the-job for the management and implementation of the VSTP by the national consultant VSTP implementation specialists.

16. **Organization and Management of Programs Implementation.** Two lead teachers in each of the 3 technologies to be targeted under the Project, and 2 NTTI teacher trainers, will undertake customized regional training programs including (i) skills upgrading in the relevant technology; (ii) skills standards development and application; (iii) training organization, management and methodology; and (iv) organization of work placements for TVET. Ongoing on-the-job consultant mentoring and support (years 1-5) will be provided following return from training, specifically to ensure transmission of skills learned.

17. **Management of Technical and Professional Development and TVET System.** Central management support will be provided under the Project for the proposed development of a central integrated TVET learning services system drawing on the existing complex of

Phnom Penh institutions and the NTTI. One of the goals will be to improve institution management support. The long-term national consultant, management and institutional development specialist will assist the management and operation of the national centres of competence and the central professional services unit.

C. Sustainability

18. Project design provides for implementation of a series of largely integrated activities which together focus on the sustainable attainment of the stated project outcome of an expanded, enterprise-endorsed and more integrated public training system better aligned to the basic and middle level skills requirements of the formal and informal economies. Long-term sustainability of the system management initiatives of the Project is targeted through the following strategies.

19. The majority of proposed training under the Project is customized against identified trainee needs in terms of job requirements, project implementation and long-term capacity development. All proposed programs will be reviewed before finalization of delivery arrangements.

20. **Systematic ongoing on-the-job post-training mentoring** will be undertaken for all recipients of development training under the Project by the relevant consultants, initially involving all trainees, but, after review, focusing on specific individuals or institutions on a needs basis.

21. **Project initiatives and their delivery** will focus on the strategic realignment of the TEVT system with the needs of industry: industry advisory groups, skills standards, and enterprise and training institution links.

22. **Long-term TVET policy and planning** will be supported by an effective management information system and LMIS with trained personnel for continuing operation and redevelopment.

23. **Consultant** will focus on ensuring transferability of skills, both between consultants and system officers, and between recipients of training and other officers. Guides, training materials and manuals will be prepared for continuing support.

HUMAN RESOURCE DEVELOPMENT PLAN

Training Program	Target Group	Program/ Course	Length	Delivery Procedure	Total Participants	Unit	Implementer
Output 1: Formal Programs are More industry Relevant							
1. Skills Upgrading Curriculum Benchmarking	Motor lead teachers	Technical upgrading and standards; TVET curriculum	3 mths year 1	Contracted Regional Program (e.g. Univotech, Sri Lanka)	2	6 person months (pm)	Project consultant PCU
2. Skills Upgrading / Curriculum Benchmarking	Civil Tech lead teachers	Technical upgrading and standards; TVET curriculum	3 mths year 1	Contracted Regional Program (e.g. Univotech, Sri Lanka)	2	6 pm	Project consultants PCU
3. Technical Skills Upgrading /Curriculum Benchmarking	ICT/General Business lead teachers	Technical upgrading and standards; TVET curriculum	3 mths year 1	Contracted Regional Institute Training (e.g. Univotech, Sri Lanka)	2	6 pm	Project consultants PCU
4. Life Long learning, Planning and Implementation and Career Guidance	NTTI teacher trainer	Work placement: non-formal TVET	3 mths year 1	Contracted Regional Institute Training (e.g. Univotech Sri Lanka; Malaysia)	1	3 pm	Project consultants PCU
5. TVET Teacher training (pre and in-service)	NTTI teacher trainer	System overview and work placement	3 mths year 1	Contracted Regional Institute Training Program (e.g. Univotech, Sri Lanka)	1	3 pm	Project consultants PCU
6. TVET Enterprise relation Social Marketing and Partnerships	DGTVET, TVETM senior staff	Structured Program and Placements	3 mths year 1	Contracted Regional Institute Training Program (e.g. Univotech, Sri Lanka)	1	3 pm	Project consultants PCU
7. Competency Standards and Curriculum	NTTI complex: Civil Engineer; Mechanical (Auto) Engineer	Work experience in CS and Curriculum	3 mths year 1	Contracted Regional Institute Training Program (e.g. Univotech, Sri Lanka)	2	6 pm	Project consultants PCU
8. In –service trainer training (NTTI Staff)	NTTI complex subject specialists 3 target technologies	Structured, technical skills and theory	10 days year 1	NTTI lead teachers completed fellowship	16	160 person days (pd)	Project consultants
9. In–service trainer training RTC staff	NTTI complex subject specialists 3 target technologies	Structured, technical skills and theory	10 days a year for years 1-4	NTTI lead teachers completed fellowship,	10	400 pd	Project consultants, PCU
10. PTC/RTC In service Motor	PTC/RTC trainers	Structured hands-on and theory	10 days a year for years 1-5	In service trainers, NTTI	50	2500 pd	PCU
11. PTC/RTC Civil Tech	PTC/RTC trainers	Structured hands-on and theory	10 days a year for years 1-5	In service trainers, NTTI	50	2500 pd	PCU

Training Program	Target Group	Program/ Course	Length	Delivery Procedure	Total Participants	Unit	Implementer
12. PTC/RTC In service ICT/Business	PTC/RTC trainers	Structured hands-on and theory	10 days a year for years 1-5	In service trainers, NTTI	50	2500 pd	PCU
13. NTTI staff training in the New CDS/ and trainer training	NTTI lead teachers	Structure and content of the new program	10 days year 1	TVET Consultant	10	100 pd	Project consultants
14. NTTI Staff training Micro enterprise, micro credit , life long learning	NTTI/CIEDC lead teachers	Structure and content of the new program	10 days year 1	TVET Consultant	10	100 pd	Project consultants
15. NTTI Staff Workshop on the new TVET System	NTTI faculty	All parts of the new system plus trainer training and NCC operations	3 days year 1 2 days year 2 1 day year 3	TVET Consultant DGTVET Director	20	120 pd	Project Consultants
16. Industry advisory groups orientation	3 Committees	The role of the IAG and public private partnerships	2 days year 1 1 day years 2-5	TVET Consultant NTTI leader, DGTVET	30	180 pd	Project Consultants PCU
NTB sub-committee meetings	3 sub-committees and small-group meetings with enterprises by sector	Endorsement of school standards, accreditation and certification	4 days per year	NTB sub-committee members, private sector representatives from the 3 target sectors	60	240 pd	NTB sub-committees
Output 2: Expanded and Better Quality Non-Formal Training							
17. VSTP	PTC/RTC Directors	Structured, managing the new VSTP	4 days year 1 4 days year 2	VSTP consultants	24 year 1 and 2 7 year 3	220 pd	Project Consultants
18.VSTP Finance	Finance officers in each institution	Structured, VSTP financial management	5 days year 1 5 days year 2	PCU, VSTP consultants	24 x 2	240 pd	PCU
19.VSTP	TVETM staff	VSTP program and TVET credit system	5 days year 1 5 days year 3	VSTP Consultants PCU/ PTC Director at NTTI	7	70 pd	Project Consultants

Training Program	Target Group	Program/ Course	Length	Delivery Procedure	Total Participants	Unit	Implementer
20.VSTP	PTC staff Community Development Specialists (PTC)	TENA , Micro enterprise, micro credit, career guidance	5 days year 1 5 days year 2 5 days year 3	VSTP Consultants, PTC Directors	88 year 1 22 years 2, 3	660 pd	Project Consultants
21. RTC/PTC Community Development/ Entrepreneurial Training	PTC Directors, NTTI staff	Life Long Learning, Marketing, market assessment	4 days year 1 4 days year 2 4 days year 3	VSTP Consultants, PTC Directors	24 year 1 and 2 7 year 3	220 pd	Project Consultants
22. DGTVET Staff VSTP training	TVETM, DCS, MOLVT Finance	Project sustainability	3 days year 1 3 days year 2	Project consultants and PTC Director	7	42 pd	Project Consultants
23. DGTVET managers, stakeholders Project Workshop	DGTVET Senior Institutional and Ministry staff, key stakeholders, NGOs	Project overview,/annual work plan/annual report	2 days year 1 2 days year 2 2 days year 3	Project consultants and PCU	100	600 pd	PCU
Output 3: Institutional Capacity to Plan, Manage and Quality Assure TVET is Strengthened							
24. Institute Management	PTC and VTC Directors	Structured Management Training	4 days, twice yearly, years 1-4	Management Consultants	28 (2 x 14)	896 pd	Project consultants
25. Institute Management	PTC and VTC Directors	Performance mentoring	Ongoing, years 1-5	Management Consultants	28	--	Project consultants
26. TVET System Management	DGTVET Mid Level and Provincial Officers	TVET System Management, Supervision and Development	3 mths year 1 3 mths year 2	Contracted Regional Programs (4) (e.g. AIT Bangkok)	70: 14 per program	180 pd	PCU (following consultant TNA)
27. TVET System Management	DGTVET Mid Level and Provincial Officers	Performance Mentoring	Ongoing, years 1-5	Management Consultants	60	--	Project consultants
28. TVET Policy	Senior DGTVET and polytechnic directors	Study Tour	12 days year 1	Regional program (e.g. Thailand/ Malaysia)	12	144 pd	PCU
29. TVET Finance Management	DGTVET mid level and PTC Finance Officers	Basic Accounting	3 mths year 1 3 mths year 2	Contracted Private Training Centre	54 (3 x18)	162 pm	PCU

Training Program	Target Group	Program/ Course	Length	Delivery Procedure	Total Participants	Unit	Implementer
30. ICT (Basic)	MOLVT, TVET Institutes and Provincial Officers	ICT Basic Skills	5 days year 1	Contracted Private Training Centres	120 (8 x 15)	600 pd	PCU
31. ICT (Advanced)	MOLVT Officers (Phnom Penh/ Province)	ICT Advanced Certificate	7 days year 1	Contracted Private Training Centres	100 (6x7 av)	700 pd	PCU
32. ICT (Basic)	MOLVT, TVET Institutes/ Provincial replacement staff	ICT Basic Skills	5 days year 4	Contracted Private Training Centre	60 (4 x 15)	300 pd	PCU
33. ICT (Advanced)	MOLVT Replacement staff	ICT Advanced Certificate	7 days year 4	Contracted Private Training Centre	40 (3 x 14)	280 pd	PCU
34. VETMIS	MOLVT, Institutes & Provincial Officers	Performance mentoring	Ongoing, years 1-5	ICT Consultants	150	—	Project consultants
35. LMIS	MOLVT and Provincial Officers	Performance mentoring	Ongoing, years 1-5	ICT Consultants	8	—	Project consultants
36. NTB Policy	NTB, PTB and Snr MOLVT Officers	Study Tour	10 days year 1	Contracted Program (e.g., Thailand/ Malaysia)	8	80 pd	PCU
37. TVET Management, Supervision, Qualifications Framework and Standards	DGTVET Mid Level Officers (Dept of Nat Competency Standards)	Structured Program	2 mths year 1	Contracted Regional Training (e.g. AIT Bangkok)	15	30 pm	PCU (with consultant TNA and program)
38. TVET Qualification Framework and Standards	DGTVET Mid Level and Provincial Officers	Performance Mentoring	Ongoing, years 1-5	Management Consultants	15	--	Project consultants

DGTVET = Directorate General of Technical and Vocational Education and Training, ICT = Information Communication Technology, LMIS = Labor Market Information System, MOEYS = Ministry of Education Youth and Sport , MOLVT = Ministry of Labor and Vocational Training, M&E = Monitoring and Evaluation, NTB = National Training Board, NTTI = National Technical Training Institute, NQF = National Qualifications Framework, OD = Organizational Development, PCU = Project Coordination Unity, PTB = Provincial Training Board , PTC = Provincial Training Centre, RTC = Regional Training Centre, TNA = Training Needs Analysis, TENA = Training Evaluation Needs Analysis, TVET = Technical Vocational Education and Training, TVETM = Department of TVET Management, VETMIS = Vocational Education and Training Management Information System, VSTP = Voucher Skills Training Program.

Source: Asian Development Bank.

DEVELOPING AND IMPLEMENTING SKILLS STANDARDS

1. The first stage in improving quality of delivery includes (i) developing and implementing a system of national skills standards, (ii) training of trainers to use the standards, (iii) ensuring the teaching equipment is available to meet the standards. The second stage is to strengthen the management capacity of technical and vocational education and training (TVET) institutions so they meet the required standards.

2. The National Training Board Policy 11 (2008) requires a quality control program for all TVET providers based on skills standards implementation. At present, TVET quality is uncertain and neither a national qualifications framework nor national competency standards are used. The Accreditation Council of Cambodia covers higher education but there is no council for TVET. The Ministry of Education, Youth and Sports and some municipal offices register providers but this is not related to quality assurance. The National Training Board (NTB) will now take responsibility for registering and maintaining a quality assurance system for all TVET providers.

A. Development, Validation, and Adaptation of Standards

3. Skills standards will be developed and applied through the Project in three industry sectors (mechanics, construction, and business services and information and communication technologies) through the three nominated national centers of competence (NCC). The standards will act as models for other skills-standards-based training in other sectors. The three institutions will receive project support for the development of the standards and production of training materials.

4. In addition to its regular teaching role, each NCC will (i) bring together an industry advisory group in its assigned industry sector; (ii) translate international competency standards to Khmer, adapt them, and seek endorsement of the industry advisory groups; (iii) send the endorsed standard to the director of standards at MOLVT for posting on the NTB website; (iv) assist in the development of curricula and learning materials to support the standards; (v) support the training of assessors from industry to ensure graduates meet the agreed standards; (vi) provide skills strengthening to National Technical Training Institute (NTTI) students preparing to teach in the new curriculum in those subject areas; (vii) partner with NTTI on in-service training for current teachers in the technical area; and (viii) monitor the provision of training as required through visits to the provincial training centers (PTCs) and other institutions to ensure the new curriculum is being used.

5. Existing skills standards are available from Sri Lanka, and these can be adapted quickly and validated by the industry advisory groups.

6. The implementation model supports the development and adaptation of skills standards and curricula up to the technician level. It does not require new standards to be developed but rather the validation of existing skills standards from other countries in the region which have recently completed the work. These standards will be adapted to the agreed format and adjusted to meet enterprise requirements for validation.

B. Upgrading of Teachers to Implement Standards-Based Training

7. The implementation model ensures that teachers are taught how to deliver the curriculum. The demand in the PTCs is for basic hands-on skills training and this is not currently supported by the largely theoretical skills of the graduates of the national TVET trainers

program. This 1-year postgraduate program offered at NTTI will be revised so it has three distinct components: (i) pedagogy in TVET and for adults; (ii) microenterprise, community development, enterprise-based informal apprenticeship, and job matching career advice; and (iii) technical hands-on skills improvement. Each component will be delivered by specialists in the NCCs, who will have been upgraded with fellowships provided by the grant.

8. The three institutions designated as NCCs will provide hands-on training in their speciality areas. NTTI will provide a revised pedagogy curriculum with much more emphasis on skills that will make students more employable and on-the-job training. The Cambodia-India Entrepreneurship Development Center (CIEDC), a specialist small business development facility within the NTTI campus, will provide training for area (ii) in paragraph 7. The NCCs will provide technical skills improvement. A revised curriculum is being developed.

9. NTTI has a mandate to train TVET teachers and it graduates 300 trainees a year. Graduates have completed 10 months of pedagogy and teaching experience after graduating at the diploma or degree level in engineering or business, usually from a Directorate General of Technical and Vocational Education and Training (DGTVE) institution. The graduates of the NTTI program who are assigned to the PTCs and other TVET institutions have few hands-on skills, although 95% of the training done by these institutions is basic entry-level skills. Some NTTI graduates are assigned to PTCs as community development specialists. Their job is to (i) help commune members develop microenterprises and access microfinance, (ii) provide job matching and career guidance, (iii) provide community training needs analysis in support of voucher skills training program (VSTP), and (iv) develop small enterprise links for informal apprenticeship in support of VSTP. They receive no training for these tasks.

10. The new TVET trainer programs will be coordinated by NTTI, which will also provide 240 hours of pedagogy and adult learning techniques. Teacher trainees will also receive 240 hours of hands-on skills or applied training in their specialties: mechanics, construction and business and information and communication technology in the specialist NCCs. Trainees will then spend 240 hours with CIEDC to prepare for the service activities provided by the TVET institutions. As 90% of opportunities for graduates will be in self-employment or family-based employment, microenterprise management will be integrated into most skills training.

11. For the 400 NTTI graduates currently working in institutions, an in-service program is required. The five regional training centers will form the network in which NTTI campus trainers will provide annual in-service to all trainers and community development specialists.

12. In preparation for the development of skills standards in the three industry sectors, the Project will upgrade the senior teaching staff in the NTTI and NCC institutions through regional fellowships and support from consultants in standards and technical curricula and TVET trainer training design. Training within Asia will be provided for two lead teachers in technical upgrading, skills standards development, TVET curriculum benchmarking and training organization and methodology. Two NTTI trainers will undertake similar programs, including work experience, in order to develop skills standards and curricula. Two other NTTI teacher trainers will undertake programs in pedagogy, work placement, and career guidance. One senior officer of DGTVE will undertake regional training in enterprise relations, social marketing, and TVET partnerships.

STRATEGIES FOR CAREER GUIDANCE

A. Aims

1. Career guidance and development (CGD) in TVET institutions aims to:
 - (i) Develop required knowledge, skills, and attitudes among TVET students during *pre-career* entry by providing programs and services to all students in the following areas: individual inventory, career information and profiles, career counseling, referral, placement, and follow-up
 - (ii) Develop the required knowledge, skills, and attitudes among TVET students and prepare them for their *during-career* experiences through programs and services to all students in the following: information on career motivation, adjustments, and resilience; consultations, research and evaluations involving parents, community, and enterprise regarding opportunities, expectations, and trends in the world of work, prevention of maladjustment and wellness techniques in the workplace.

B. Basic Principles

2. It is suggested that the development, establishment, and management of a TVET CGD system should consider the following basic principles:
 - (i) CGD is a fundamental and integral part of any type of educational system.
 - (ii) Education and CGD support each other to maximize the learner's growth and development as productive members of the society.
 - (iii) Administrative and faculty appreciation and understanding and support of CGD are crucial to its success. CGD should be implemented by trained personnel.
 - (iv) CGD recognizes that each individual is unique and possesses worth and dignity.
 - (v) CGD considers cultural and environmental factors affecting individuals at the time that they are learners and at the time that they become workers.
 - (vi) CGD is a continuous process throughout the individual's school and work life.

C. Proposed Strategy

3. Career goals and paths differ depending on whether the career setting is urban or rural.
 1. **Recommendations for CGD in Urban TVET**
 - (i) Add CGD functions to the Industrial Liaison Office at the National Institute of Business
 - (ii) Add CGD functions to the Enterprise Relations Office of the National Technical Training Institute
 - (iii) Support and enhance the CGD functions of the Planning and Placement Office of the National Polytechnic Institute of Cambodia
 - (iv) Add CGD function to the Entrepreneur Relations Office of the Cambodia India Enterprise Development Center
 2. **Recommendations for CGD in Rural TVET**
4. Capacitate the Community Development Specialist (CDS) of the Provincial TVET Centers and Regional Centres (when established) so that they can provide CGD programs and services focusing on CGD that includes self-employment, small enterprise development and formal sector employment.

3. Key Activities for the Establishment of CGD in Cambodia TVET

5. **Conduct separate focus group discussions** with the following groups: officers and directors of public TVET skills training institutions, TVET students, and employers in order to determine their ideas, thoughts, and awareness about career guidance and development. This should lead to the determination of which career model(s) are suitable for Cambodia TVET.

6. Preparation a detailed critical path with milestones for the establishment of CGD in Cambodia TVET:

Step 1: Prepare materials for capacitating CGD personnel

Step 2: Train assigned personnel in public TVET institutions for managing basic programs and delivering core services in CGD

Step 3: Prepare and upload CGD reference materials on the website for students as well as CGD personnel

Step 4: Prepare information materials on career profiles in urban and rural settings as well as information materials on employer expectations

Step 5: Draft a CGD syllabus that can be used for a possible creation of a subject in CGD and then offer this subject as one of the core subjects within formal TVET programs Prepare educational materials that will accompany the syllabus

Step 6: Adopt the CIEDC module on *Unlocking Personal Entrepreneurial Competencies* as part of the introductory modules in PTC certificate and short courses

Step 7: Add CGD to the function of the Life-Long Learning Section of the Special Programs Division of the DTVETM to ensure the coordinating, impact monitoring and evaluation of CGD in public TVET institutions

Step 8: Prepare impact monitoring and evaluation systems, procedures, and forms for CGD programs and services for both urban-based TVET institutions and rural-based TVET institutions

SYSTEMS FOR MONITORING TRAINING INSTITUTIONS

1. The context constraints suggest difficulty in applying a comprehensive monitoring and evaluation (M&E) system in the DGTVET all at one time. Although a long term and comprehensive plan is required, it can be implemented, step by step, based on the capacity of the M&E team and the commitment of DGTVET.

1. The Structure

2. For the 2010-2015 timeframe, the monitoring structure can be drawn from Figure A9.1. The Monitoring and Evaluation Office should work under the TVETM Director in the Office of Policy, Planning, and Staff Management Deputy Director.

Figure A10

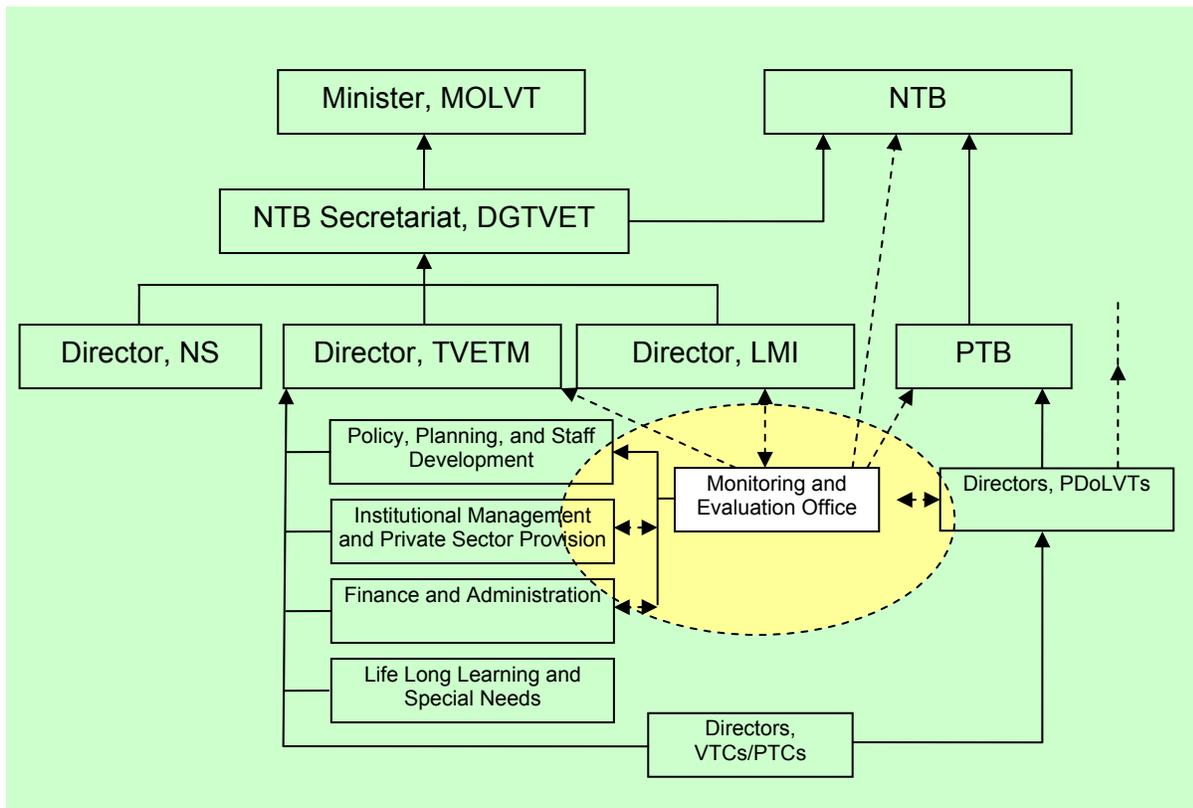


Figure A10: Possible structure for monitoring and evaluation (2010-2015)

3. The diagram shows how the M&E Office operates. The line (→) shows the direct supervision of the office under the support and management of the Deputy Director of Policy, Planning, and Staff Management. The line (↔) shows the coordination work that the M&E Office needs to do with the other offices including Micro-Credit, NTF, TVET Institutions Management, PDoLVT, and even the LMI Department, and the NEA. The line (- ->) shows the report can be submitted for resolution in cases where staff cannot provide suitable options.

2. System

4. The M&E system has to be constructed simply starting a simple database using Excel that everyone who has basic knowledge of computers can use.

3. Staff

5. Two to three staff are required for the start up of the coming loan to support monitoring and evaluation as a pilot activity.

4. Framework and Indicators

6. The following criteria are proposed for M&E designed to evaluate TVET accomplishment.

(i) Training-related criteria

- a. *Access and equity*: How has the strategy improved accessibility to vocational training and reduced economic, gender, and geographical inequities? How many child-soldiers, for example, have been trained?
- b. *Efficiency*: How efficient is the TVET system in relation to trainee input – output ratios? What are the dropout rates?
- c. *Proficiency*: Have the trainees attained the specified proficiency standards?
- d. *Trainee satisfaction*: Are the trainees satisfied with the training they have received?
- e. *Industry participation*: How effectively have employers and industry participated in the training programmes?
- f. *Articulation*: Is there improvement in the linkages and articulation pathways within the TVET system?

(ii) Employment-related criteria

- a. *Employment after training*: What is the percentage of trainees in gainful employment after training, and how long after training does it take to be employed?
- b. *Wage/Salary levels*: Are earnings of trainees comparable to those of holders of similar or equivalent qualifications?
- c. *Employers' satisfaction*: Are employers satisfied with the performance of graduates?
- d. *Relevance of training to actual employment*: Are trainees employed in the skills area they have been trained?

(iii) Citizenship-related criteria

- a. *Public perception of TVET*: Has the poor public perception of TVET changed for the better?
- b. *Social cohesion*: Has the level of awareness of political tolerance, ethnic diversity, and national unity increased?
- c. *Good governance*: Has the level of understanding of human rights and respect for the rule of law increased? What is the level of participation of trainees in the democratic process?

5. Planning and Budgeting

7. Table 1 shows the steps to be taken to develop the M&E in the TVET system with its corresponding location and cost.

Table A10.1: Implementation of the M&E System in TVET

No.	Description	Methods	Location
1	Approve and declare the establishment of a Monitoring and Evaluation Office that can report to the NTB through the NTB Secretariat	Seek for approval from DGTVET and NTB for the establishment and JD of the office	Phnom Penh
2	Select monitoring and evaluation staff to be responsible for the office	Appoint 2-3 potential persons by DGTVET	DGTVET-NTB Secretariat
3	Train on M&E	Team Leader/M&E Specialist	DGTVET
4	Develop simple M&E materials, forms, database	M&E Specialist	
5	Train M&E office staff on how to use and improve the Training Kits and materials, forms and database		
6	Piloting the M&E structure in the implementation of the Project		

6. Project Support

8. The Project supports the development of the M&E function with a Regional Fellowship to an existing M&E system in TVET, computer and office equipment for DGTVET-M&E and consultant support through the Team Leader and TVET specialist. More detail on the proposed system is available.¹

8	Establish and support the Provincial Branch of the National TVET Trainers Network (NTTN) and assure that TVET providers reach an agreed standard before they can receive training voucher contracts from Communes.	Appoint one TVETM (or Standards) Officer) as responsible for the medium term development of the NTTN with registration procedures. Agree on a national format Set targets for each PTC in registration.	TVETM
9	Encourage and assist the entry of new private sector training providers into the market.	Train PTC Director-Assistant Director in Trainer recruitment	NTTI Complex (NTTI)
10	Develop Public- Private Partnerships in training and generate further revenue.	Train MOLVT staff in this as it will start as a central function. They can train CDS as required by Enterprise expansion.	DGTVET-TVETM
11	Bring together a Provincial network of Micro credit providers to set and ensure standards of ethical practice and transparency.	Agree on a national format Set targets for each PTC in registration. Appoint MOLVT officer responsible for SEDF and micro credit provision to support PTCs	TVETM TVETM
12	Develop and support the TVET Management Information System for the Province	Appoint one TVETM staff as the MIS Specialist. Develop the system, train 1 CDS in system data input and distribution Link to possible NEA office in each PTC	TVETM
13	Assist out of school youth with a	Await results of JFPR Program which will test	TVETM

¹ Available from the PCU on request, ADB TA 7116-CAM Documents, July, 2009

	Bridging Program to help them gain access to TVET institutions and to higher NQF level training.	out different bridging models. Appoint one TVETM staff as the Bridging Specialist. Assign appointee as counterpart to JFPR Bridging Specialist. Train CDS in each PTC to support the selected mechanism	New NTTI (NTTI), RTCs
14	Provide career guidance service to Grade 6, and grade 10 students and TVET Career information to Communes. And PTC-RTC graduates	Appoint one TVETM staff member as a Career Guidance Specialist. Train 2 CDS in each PTC to provide career information and to speak effectively to school students and parents. This is partly a marketing function for TVET	TVETM Complex NTTI (NTTI)
15	In cooperation with the proposed National Employment Agency, develop a basic job registry in which employers give in their needs and those with skills register for work. The center would match people with jobs or further training	Appoint a CDS/NEA development officer Develop Job Shop in each PTC Train 2 CDS in each PTC to manage this. Install Internet link in each PTC so national data is shared	TVETM, NEA NEA, NTTI complex(NTTI) TVETM
16	Act as competency assessment sites for the NQF.	Train assessors after Competency Standards are established.	NTTI complex(PPI, JVC, NIB), RTCs
17	Provide internet access to Commune Councils and others for information retrieval	Develop Internet stations in each PTC.	TVETM

9. Column 2 suggests actions required to prepare the system generally for these new tasks Functions 2 through 16 are new. Institution Directors will need a new range of skills and these are beyond the training and experience of most current Directors. Short term training will be useful and the Project provides substantial training through workshops and Coaching Teams assigned to the least able Institutions. The skills outlined above are the basis of much of this training. However it is clear that a longer term and more substantial training program is required as a pre-condition to appointment as a Institution Director. The new Quality Assurance program implemented through NTTN will require that private providers also develop new skills for their institutions to be registered.

10. This program can be at the Executive MBA level (school plus experience), either at NTTI or in affiliation with an existing University such as the National University of Management. The program would include management, staff development, entrepreneurship in the public institution, working with enterprise, community development and the emerging role of TVET. This part time program can be designed as part of the Grant with the first class being current PTC Directors. Subsequently, Deputy Directors must take the program before promotion.

11. Consultants will coach the individuals who will sustain the PSS after project completion to ensure the activities do not end with the Project.

7. Project Support

12. The Project supports the development of PPS with Consultant support in teacher training and TVET systems, Community development and micro enterprise development, job matching, TVET institution management and Fellowships for NTTI complex lead staff in these areas.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. The Project provides for 600 person months of consultants (160 person months international; 440 person months of national consultants). One firm will be contracted for provision of the total consulting services package. Provision is summarized below.

Table A.11: National and International Consultants

No.	Position	Persons Months		Schedule Years
		Int'l	Nat'l	
1	Policy, Management and Institutional Development/Team Leader	54		1-5
2	Skills Standards & Curriculum, Mechanics	18		1-3
3	Skills Standards & Curriculum, Construction/Civil Technology	18		1-3
4	TVET Teacher Training	18		1-3
5	VETMIS IT Systems Analyst	04		1, 2
6	Labour Market Information and Statistics Specialist	06		1, 2
7	LMIS Specialist, Development and Training	10		1,2,4
8	LMIS Web Site Specialist	04		1
9	Database Specialist	02		1
10	Social and Gender Specialist	12		1-2
11	PCU: Project Finance Specialist	03		1, 2
12	PCU: M&E Specialist	11		1-5
13	Policy, Management and Institutional Development		54	1-5
14	In-Service TVET Teacher Training Specialist		36	2-4
15	Curriculum Development Specialist		46	1-4
16	VSTP Implementation Specialist/Deputy Team Leader		24	1-3
17	VSTP Implementation Specialist (1)		36	2-4
18	VSTP Implementation Specialist (2)		60	1-5
19	Community Development Specialist		36	1-3
20	Social and Gender Specialist		12	1-2
21	ICT Specialist		60	1-5
22	PCU: M&E Specialist		28	1-5
23	PCU: Civil Works and Procurement Specialist/Clerk of Works		48	1-5
Total		160	440	

2. **Position 1: Policy, Management and Institutional Development Specialist/Team Leader** (one international consultant for 54 person months over 5 years). She/he will have extensive experience in TVET and project implementation. She/he will (i) assist the development, organization and delivery of training and ongoing mentoring of DGTNET, provincial and institution officers; (ii) assist preparation for international training; (iii) support the National Training Board (NTB); (iv) assist in ensuring industry cooperation and recognition for qualifications, standards and testing and development of enterprise-training links; (v) supervise Vocational Education and Training Management Information System (VETMIS) and Labor Market Information System (LMIS) development under the Project; (vi) assist introduction of

career guidance; (vii) monitor and assist preparation of project documents, manuals and reports; (viii) supervise the inputs of all consultants, and (ix) assist the Government and project coordinating unit (PCU) as required.

3. **Position 2: Skills Standards and Curriculum, Mechanics Specialist** (one international consultant for 18 person months over 3 years). She/he will be a mechanical or automotive engineer with extensive experience in designing competency standards based curriculum. She/he will (i) support fellowship trained staff at the Industrial Technical Institute (ITI) to adapt standards for industry advisory group approval; (ii) develop basic formats for competency standards and assessment processes in cooperation with the Construction Specialist and with Directorate General Technical and Vocational Education and Training (DGTVET) Department of Standards; (iii) prepare a basic curriculum package with learning materials to assist in implementing the new standards; (iv) assist ITI staff to design and implement a skills upgrading program for National Technical Training Institute (NTTI) teacher trainees and an in-service program for existing teachers.

4. **Position 3: Skills Standards and Curriculum Specialist, Construction** (one international consultant for 18 person months over 3 years). The specialist will be a civil engineer with extensive experience in designing competency standard based construction (electrical, masonry, plumbing, bar bending and general labourer curriculum). The specialist will (i) support fellowship trained staff in Preah Kossamak Polytechnic Institute (PPI) to adapt standards for industry advisory group approval, (ii) develop the basic format for writing competency standards, and assessment process in cooperation with the Mechanics Specialist and with DGTVET Department of Standards; (iii) prepare a basic curriculum package with learning materials to assist in implementing the new standards; (iv) assist PPI staff to design and implement a skills upgrading program for NTTI teacher trainees and an in-service program for existing teachers.

5. **Position 4: Technical Vocational Education and Training (TVET) Teacher Training** (one international consultant for 18 person months over 3 years). The specialist will have extensive experience in the organization and management of the training of TVET teachers. Experience in training community development workers and training needs analysis would also be an advantage. She/he will (i) support the development of new TVET teacher training curricula working with the Project trained NTTI staff member in this area; (ii) support development through the new TVET Community Development Specialist (CDS) working with the Project trained NTTI staff member; (iii) direct and assist the efforts of the national consultants for community development, and In-service teacher training in their support of the curriculum and in implementing the new curricula in NTTI and the Regional Training Centers (RTCs); (iv) support the lead teachers in the three industry sectors in the RTCs in developing new curriculum for per-service and in-service teacher training.

6. **Position 5: VETMIS IT Systems Analyst** (one international consultant for 4 months over 2 years). She/he will have extensive experience in development of management information systems for the education sector. She/he will (i) assist with analysis of functions to be included in the VETMIS; (ii) produce a design that can be used as a blueprint for the development of VETMIS; and (iii) develop a production schedule for the development of VETMIS.

7. **Position 6: Labour Market Information and Statistics Specialist** (one international consultant for 6 months over two years). The specialist will have extensive LMIS experience in developed and in developing countries. The specialist will: (i) identify features of LMIS that can

realistically be established and managed in Cambodia; (ii) develop a data map (metadata) for data from various data sources; and (iii) provide expert inputs for the establishment of LMIS.

8. **Position 7: LMIS Specialist, Development and Training** (one international consultant for 10 months over 3 years). She/he will have knowledge of current international best practice and extensive LMIS experience in developing countries, and experience as an on-the-job trainer for LMIS officers. She/he will: (ii) facilitate stakeholder workshops; (iii) assist with design of LMIS modules that are realistic in the Cambodian environment; (iv) prepare a training plan for LMIS officers to extend their capacity through on-the-job training for maintaining and updating the LMIS content; and (v) provide ongoing assistance for development and management of LMIS.

9. **Position 8: LMIS Web Site Specialist** (one international consultant for 4 months). The specialist will have thorough experience in the development of websites, particularly with static and interactive labour market information. She/he will (i) design all modules of LMIS; and (ii) develop the capacity of LMIS officers to design and maintain the LMIS web site.

10. **Position 9: Database Specialist** (one international consultant for 2 months). The specialist will have extensive experience in the design of database structures for education management. She/he will: (i) establish close working relationships with the National Institute of Statistics; (ii) provide training to national officers for the harmonization of reference tables; and (iii) assist with the planning for, and provide training for the development of a relational database for VETMIS.

11. **Position 10: Social and Gender Specialist** (one international consultant for 12 person months over 2 years). The consultant will have experience in analyzing the situation of women, the poor, and ethnic groups, and be experienced in employing participatory methodologies to assist in review of gender and social issues in relation to the development and implementation of relevant action plans. The specialist will (i) confirm the social impact, beneficiaries, and social benefits of the proposed project; (ii) review the relative experiences of the current TVET training programs in attracting women, the poor, and ethnic groups; (iii) review the proposed initiatives of the Project, including the VSTP and the planned RTC initiatives, and prepare recommendations for modifications to planning and/or implementation to increase access and; (iv) develop proposed mechanisms to support initiatives for increasing ethnic involvement in TVET programs, including recommendations for programming, scheduling, methodology and ancillary support, including scholarships and other assistance.

12. **Position 11: Project Finance Specialist** (one international consultant for 3 months over 2 years). She/he will have experience in public sector finance in a developing country, and particularly in a development project context; understanding of project budgeting, transparent procurement procedures, financial reporting and audit requirements, and efficient systems for cash transfer. Knowledge of ADB requirements for procurement and financial reporting is highly desirable. She/he will (i) develop an administration, finance, and procurement manual and required *pro forma* for the project at the commencement of the Project, and train staff in their use. In the second year, she/he will (i) review the efficiency and effectiveness of relevant documentation and procedures, redesign or rewrite them, as required; and (ii) re-train staff.

13. **Position 12: Monitoring & Evaluation (M&E) Specialist** (one international consultant for 11 months over 5 years). She/he will have experience in evaluation at the respective levels of impact, outcome and output for a range of development interventions to improve the quality of

TVET in a currently data-poor systemic environment, and specifically, will be required to (i) formulate a range of appropriate evaluation strategies/approaches; (ii) design required data gathering instruments; (iii) manage and assist data collection; (iv) provide analysis and reports against pre-determined indicators in the project Design and Monitoring Framework (DMF); (v) recommend additional performance measures on which the TVET system should be regularly reporting; and (vi) assist with preparation of major reports including Inception, Mid-Term, and Project Completion; and (vii) assist in the preparation of a *PME User Manual*. The specialist will be assisted by a national M&E consultant.

14. **Position 13: Policy, Management and Institutional Development Specialist** (one national consultant for 54 person months over 5 years). She/he will have extensive experience in TVET and project implementation. She/he will (i) assist the international consultant for the ongoing mentoring of DGTVET, provincial and institution officers; (ii) assist preparation for international training; (iii) support the National Training Board (NTB); and (iv) assist in ensuring industry cooperation and recognition for qualifications, standards and testing and development of enterprise-training links.

15. **Position 14: In-Service TVET Teacher Training Specialist** (one national consultant for 36 months over 3 years). The specialist will have experience in TVET trainer training and a general background in adult learning. The specialist will (i) support the TORs of TVET Teacher Training International Specialist (TOR 13) in the development and implementation of the overall TVET teacher training program; (ii) support the NTTI staff in designing and implementing the in-service training program in the five RTCs; (iii) ensure that all Provincial Training Centers (PTCs) teachers in each industry sector receive in-service training; (iv) coordinate the compliance visits of the NCC lead teachers; and (v) provide in-service training for TVET trainers as required in the five RTCs.

16. **Position 15: Curriculum Development Specialist** (one national consultant for 46 months over 4 years). The specialist will have an extensive background in TVET curriculum and learning materials development in either or both of motive power or civil technology. The Specialist will work closely with the international TVET Teacher Training and Skills Standards and Curriculum consultants to (i) assist the lead teachers in the National Centers of Competency to develop curriculum and learning materials based on approved competency standards; (ii) adapt imported learning materials to local cultural requirements; (iii) train other teachers at NTTI and the five RTCs in learning materials development; and (iv) provide in-service training for TVET trainers as required.

17. **Position 16: Vocational Skills Training Program (VSTP) Implementation Specialist/ Deputy Team Leader** (one national consultant for 60 months). The specialist will have extensive experience in nonformal training, community participative planning and project implementation, preferably in TVET. She/he will (i) plan and supervise the administration and delivery of the VSTP under the Project; (ii) give direction to the work of the two VSTP Implementation Specialists; (iii) undertake reviews and monitoring of the VSTP and prepare regular reports; (iv) monitor and support the PTCs and communes for VSTP implementation and facilitate follow-on training (v) support annual National Training Board policy reviews and planning; (vi) assist the introduction of career guidance in the PTCs; (vii) assist in preparation of project documents, manuals and reports; and (viii) deputize for the Team Leader, and provide other assistance as the Team Leader, the Government and the Project Coordination Unit (PCU) may require.

18. **Position 17: VSTP Implementation Specialist (1)** (one national consultant for 36 months over 3 years). The specialist will have experience in project leadership and administration with Government or an NGO and with a knowledge of micro-enterprise development and micro credit. She/he will be familiar with participative community development and in designing and managing basic-level skills training. Under the day-to-day direction of the Deputy Team Leader, the Specialist will (i) assist PTCs to implement the revised VSTP; (ii) provide training to new CDSs in the PTCs in supporting communes, and sangkats in the Urban VSTP, to develop training plans; (iii) train CDSs in micro-enterprise development; (iv) assist the CIEDC in implementing the Micro Enterprise VSTP Pilot program; (v) provide support to in-service training of CDSs in the RTCs; and (vi) prepare monitoring reports on the performance of the PTCs assigned.

19. **Position 18: VSTP Implementation Specialist (2)** (one national consultant for 24 months over 3 years). The specialist will have experience in rural project leadership and administration with Government or an NGO and with knowledge of basic skills training, trainer recruitment and assessment and training monitoring and assessment. Under the day-to-day direction of the Deputy Team Leader, she/he will (i) assist PTCs to implement the revised VSTP; (ii) assist PTCs to implement basic contracting processes with training providers; (iii) assist PTCs to expand informal apprenticeships with small business; (iv) design and help implement a training monitoring and assessment program for VSTP and other short course activity; (v) contribute to the CIEDC based CDS in-service training program.

20. **Position 19: Community Development Specialist** (one national consultant for 36 months over 3 years). She/he will have experience in project leadership and administration outside of Phnom Penh, either with Government or an NGO. She/he will be familiar with participative community development and in designing and managing basic level skills training. Under the day-to-day direction of the Deputy Team Leader she/he will (i) support the TVET teacher training specialist to develop a community based training module for the new NTTI teacher/CDS training curriculum; (ii) assist PTCs to implement the revised VSTP; (iii) provide training to new CDSs in the PTCs in supporting communes to develop training plans; (iv) train CDS in monitoring training; (v) train CDS in implementing and monitoring informal apprenticeships; (vi) provide support to in-service training of CDSs in the RTCs; and (vii) prepare monitoring reports on the performance of the PTCs assigned.

21. **Position 20: Social and Gender Specialist** (one national consultant for 12 person months over 2 years). The consultant will have experience in analyzing the situation of women, the poor, and ethnic groups, and be experienced in employing participatory methodologies to assist in review of the gender and social issues in relation and for the development and implementation of relevant action plans. The specialist will work closely with the international Gender and Social Development Specialist to (i) confirm the social impact, beneficiaries, and social benefits of the proposed project; (ii) review the relative experiences of the current TVET training programs in attracting women, the poor, and ethnic groups; (iii) review the proposed initiatives of the Project, including the VSTP and the planned RTC initiatives, and assist in the preparation of recommendations for modifications to planning and/or implementation to increase access and effectiveness; (iv) develop proposed mechanisms to support initiatives for increasing ethnic involvement in TVET programs, including recommendations for programming, scheduling, methodology and ancillary support; and (v) supplement and help the monitoring and evaluation consultants for the design, planning and implementation of appropriate monitoring.

22. **Position 21: ICT Specialist** (one national consultant for 60 months). The specialist will have extensive experience in the management of IT projects, preferably in a similar setting to

that of the Project. She/he will provide advice and assistance for (i) the procurement and maintenance of hardware; (ii) development of templates for statistics and reports; (iii) development of data standards; (iv) analysis and design of VETMIS and of LMIS; (v) production and testing of software; (vi) training of users; (vii) ongoing training, development and mentoring of DGTVET officers; and (viii) provision of technical support to users in all provinces and at the MOLVT.

23. **Position 22: M&E Specialist** (one national consultant for 28 months over 5 years). The specialist will have experience in evaluation of a program or project implemented by government, donors, Non Government Organization or international organisation in education and training or other social sector. She/he will work closely with the international M&E specialist to assist in (i) formulating appropriate evaluation strategies/approaches; (ii) designing required data gathering (iii) undertaking data collection; (iv) data analysis and report preparation; (vii) preparation of the Inception, Mid-Term, and Project Completion Reports, and (viii) ensure that the M&E process proceeds according to schedule during the absence of the international specialist.

24. **Position 23: Civil Works and Procurement Specialist/Clerk of Works** (one national consultant for 48 months). The specialist will be a licensed Civil Engineer with at least 10 years work experience in civil works and procurement including direct development project experience, preferably ADB. She/he will work closely with the PCU and the project institutions to (i) conduct site surveys, review existing site buildings and identify areas for rehabilitation, prepare detailed building designs for new construction and develop the detailed civil works implementation plan; (ii) prepare the Bill of Quantities and confirm the engineering cost estimates for new construction and rehabilitation of existing buildings; (iii) participate in pre-bid meetings and assist in clarifying technical contents of bid documents related to civil works; (iv) assist the PCU in evaluating bid proposals and in preparing bid evaluation reports; (v) supervise all civil works both for new building construction and existing building rehabilitation under the Project to ensure adherence to building standards and plans; (vi) conduct periodic reviews and evaluation of civil works including preparation of implementation reports; (vii) assist the PCU in the preparation of bid documents and in the bidding processes, including evaluation and reporting, for works and procurement of goods; and (viii) prepare reports as required.

GENDER AND ETHNIC MINORITIES ANALYSIS AND ACTION PLAN

1. This gender and ethnic minorities analysis and action plan (GEMAP) is based on social analysis and stakeholder consultations and highlights specific actions that will be implemented and monitored during implementation. The elements have been integrated into the project design, and indicators are included in the design and monitoring framework. The GEMAP was prepared in accordance with the *Policy on Gender and Development* (1998) and *Policy on Indigenous Peoples* (1998) of the Asian Development Bank's (ADB).

A. Background

2. Cambodia has made progress in improving gender equity and equality. The importance of gender equity is reflected in National Strategic Development Plan (NSDP), 2006–2010. In 1999 the Ministry of Women's Affairs launched its first 5-year strategy, *Neary Rattanak* (Women are Precious Gems). This was followed by *Neary Rattanak II* (2004–2008), and *Neary Rattanak III* which will be finalized in 2009. Gender mainstreaming action groups have been established in most technical ministries since 2004, including the Ministry of Education, Youth and Sport (MOEYS), chaired by a secretary or undersecretary of state. The gender mainstreaming strategic plan in education was updated in 2007 for the period 2006–2010 to increase women's participation in the management and delivery of educational services at all levels, and to create positive social attitudes toward girls' education and gender equality. MOEYS is currently preparing a gender mainstreaming policy for education. The gender mainstreaming action plan for the labor and vocational training sectors 2008–2010 was developed in January 2008 and is currently being implemented.

B. Gender and Ethnic Issues in Technical Vocational Education and Training (TVET)

3. Because of the growing mandate for an educated and skilled workforce, vocational and technical training, workforce training outside the classroom, and nonformal basic education are increasing in importance. In the past, girls have been minority participants in these programs. Despite improvements in education outcomes in recent years, there continue to be significant sociocultural and economic obstacles to girls' education in Cambodia. Although enrollment rates for girls and boys are similar at the primary school level, significant disparities exist at the secondary level and girls' enrollments are lower across all income and school levels. There is also significant gender stereotyping at the TVET level. Female TVET enrollments are low compared with those of men and trainees are concentrated in traditionally female-dominated occupational areas. This is due to a number of factors, including the concentration of women in traditional female occupations and the lack of TVET training opportunities beyond traditional female skill areas. The global economic crisis is likely to exacerbate these problems given its significant impact on sectors which employ disproportionate numbers of women in Cambodia.

4. Most of the indigenous ethnic minorities in Cambodia live in the four northeastern provinces of Ratanakiri (where they represent 66% of the population), Mondulkiri (71%), Stung Treng (7%), and Kratie (8%). Overall, ethnic minorities represent 1% of the country's population. One of the new PTCs will be built in Mondulkiri.

C. Legal Framework and Regulations

5. Promotion of gender equality is one of the nine Cambodian Millennium Development Goals to be achieved by 2015. This goal focuses on the elimination of gender disparities in basic education, elimination of gender disparities in wage employment in all sectors, increased

representation of women in decision making and public administration, and elimination of all forms of violence against women. The Government's Rectangular Strategy for Growth states that the Government will implement a systematic policy aimed at establishing skills training networks for the poor, linked to employment assistance, especially for young people and new graduates in response to labor market needs. Government and MOEYS policy is to enable and facilitate a strongly demand-side approach to TVET and youth skills training through strong public-private partnership. MOEYS will effectively coordinate with the Ministry of Labor and Vocational Training (MOLVT) in the implementation of policies and programs. Strategies for TVET were developed in 1999, which encouraged private sector participation in providing a large range of programs and activities.

6. The NSDP includes the creation of decent work in both formal and informal sectors, the creation of vocational training networks for both men and women in the workforce, the establishment of a labor force database system with data disaggregated by sex, a guarantee of better working conditions for the labor force, especially women workers inside and outside the country, addressing wage differentials between men and women and the enforcement of the Labor Law and Social Security Law. The MOLVT 5-year strategic plan, 2006–2010 focuses on four areas: (i) job creation, (ii) guarantee of better working conditions, (iii) promoting the enforcement of the law on social security, and (iv) capacity development of TVET skills for Cambodians.

Table A12: Gender and Ethnic Action Plan

Project Output	Actions Proposed
Output 1: Formal Programs are More Industry Relevant	
1.1. Upgrade five PTCs to RTCs	<p>Ensure that women comprise at least 30% of newly hired teaching and administrative staff at each upgraded RTC</p> <p>Ensure that women comprise at least 50% of enrollments in business and ICT at each newly upgraded RTC</p> <p>Construct separate hostels for women as well as boundary walls in the five RTCs to encourage greater female participation and retention</p> <p>Construction of separate latrine, washing and changing facilities for women – in separate locations from those for men.</p> <p>MOLVT to ensure that at least 50 scholarships per year (out of 300 Government scholarships per year) are provided for women to undertake training in mechanics, construction and business and ICT. Make efforts to encourage more female applicants in mechanics and construction, where women are not currently enrolled. Applicants from ethnic minority groups will be encouraged.</p> <p>Ensure that newly upgraded RTCs' planning processes include provisions for ethnic and gender equity and development</p> <p>Review training programs to identify key reasons for why female enrollment and retention is low and recommend ways to increase the number of female applicants.</p> <p>Develop strategies to increase female and ethnic minority enrollments in the upgraded RTCs, specifically in mechanics and construction where current enrollments are zero.</p>

Project Output	Actions Proposed
1.2. Develop skills-standards-based training modules and train teachers	<p>MOLVT will try to get at least 30% of assessors for each industry to be female.</p> <p>Review of existing PTC and RTC curriculum will consider access and quality issues from a gender and ethnic minority perspective.</p> <p>New PTC and RTC curriculum and learning materials will be developed free of gender and ethnic bias (i.e., promote females and ethnic minorities in positive roles, especially in sectors where they are under-represented).</p> <p>If necessary, specific modules will be developed to help teachers interact with female and ethnic minority students (i.e., sensitivity training)</p> <p>At least one of the two lead teachers in business and ICT sent for technical training at a regional training institute will be women</p> <p>At least one of the two NTTI teacher trainers sent for training at a regional training institute will be women</p> <p>At least 12.5% of NTTI subject specialists trained will be women (industry-specific).</p> <p>At least 30% of PTC and RTC teaching staff in business and ICT who receive training will be women.</p> <p>MOLVT will provide opportunities to female teachers in the other two industries, if qualified women express interest during implementation.</p> <p>Existing female teachers will have access to training programs for the new standards</p>
1.3. Increase industry involvement in development and implementation of training programs	<p>At least 25% of the members in each industry advisory group will be women.</p> <p>Review standards, curriculum and training development from a gender and ethnic minority perspective. Include gender- and ethnic-minority-specific recommendations in all reviews and assessments.</p>
1.4 Strengthen NTTI for system upgrading	<p>At least 25% of industry advisory group members will be women.</p> <p>Review standards, curriculum and training development from a gender and ethnic minority perspective. Include gender- and ethnic-minority-specific recommendations in all reviews and assessments.</p>
Output 2: Expanded and Better Quality Non-Formal Training	
2.1. Establish, construct and equip new PTCs in Preah Vihear and Mondulkiri	<p>Ensure that women comprise at least 30% of teaching and administrative staff at each of the newly constructed PTCs in Mondulkiri and Preah Vihear</p> <p>Ensure that ethnic minorities comprise at least 20% of teaching and administrative staff at the newly constructed PTC in Mondulkiri</p> <p>Develop strategies to increase female and ethnic minority enrollments in the newly constructed PTCs.</p> <p>Ensure that ethnic minorities comprise at least 40% of enrollments at the newly constructed PTC in Mondulkiri</p> <p>Ensure that women make up at least 50% of enrollments in each PTC</p> <p>Ensure that latrine and washing facilities are in separate locations for men and women</p>

Project Output	Actions Proposed
2.2 Extend VSTP to all provinces	Ensure that at least 50% of the recipients of training under the expanded VSTP are women (total is 210,000)
2.3. Develop PTC directors	<p>Females and ethnic minorities will be encouraged to participate in the management of VSTP (e.g., apprenticeships, community outreach, career guidance).</p> <p>Female PTC directors will play a key role in the training and mentoring strategy for other PTC directors. A strategy will be developed during implementation in coordination with the PCU and the gender working group in MOLVT.</p>
2.4. Upgrade skills-standards-based training in PTCs	<p>Ensure that skill standards, instructional materials and training programs are sensitive to gender and ethnicity and free of gender and ethnic minority bias</p> <p>Mentoring and compliance visits by NTTI technical staff and DGTVET will include a review of the number of female PTC instructors trained</p>
2.5. Increase accessibility to structured skills training	<p>New courses (including curricula and standards) will include mechanisms to attract greater numbers of female and ethnic minority students.</p> <p>Workable strategies to allow standards to progress from nonformal to mid-level formal programs will incorporate the obstacles faced by female and ethnic minority students in accessing formal programs.</p>
Output 3: Strengthened Institutional Capacity to Plan and Manage TVET	
3.1. Strengthen management capacity at training institutions, provincial training boards and DGTVET	<p>Ensure that all female mid-level DGTVET officers are selected for regional training</p> <p>Ensure 30% of provincial MOLVT staff selected for regional training are women</p> <p>Ensure that 50% of senior DGTVET and polytechnic participants in regional study tours are women</p>
3.2. Improve TVET information systems including VETMIS and LMIS	<p>Develop and incorporate gender and, where relevant, ethnicity-disaggregated indicators, including those related to TVET outcomes, efficiency and effectiveness, in the VETMIS and LMIS</p> <p>Ensure women will have access to VETMIS training</p>
3.3 Strengthen capacity of DGTVET as Secretariat of NTB	Ensure that at least 25% of NTB, PTB and senior officials selected as regional study tour participants are women
3.4 Develop NVQF and skills standards	Ensure that the NVQF is gender-sensitive and free of gender bias
3.5. Develop and implement career information systems	<p>Develop career guidance materials targeted to females</p> <p>Conduct outreach activities to encourage females to take up training in non-traditional areas</p> <p>Provide gender and ethnic minority sensitivity training to selected staff for career advice</p>

DGTVET = Directorate General of Technical and Vocational Education and Training; LMIS = labor management market information system; MOEYS = Ministry of Education, Youth and Sport; NQF = national qualifications framework; NTB = National Training Board; NTTI = National Technical Training Institute; NVQF = national vocational qualifications framework; PTB = provincial training board; PTC = provincial training center; RTC = regional training center; TVET = technical and vocational education and training; VETMIS = vocational education and training management information system; VSTP = Voucher Skills Training Program.

Source: Asian Development Bank.

D. Implementation Arrangements

7. Implementation arrangements and estimated costs of the GEMAP have been integrated into the overall arrangements and total project budget. The project coordination unit (PCU) will include a staff member with responsibility for overseeing gender activities and monitoring the GEMAP. The national gender and social development specialist consultant will conduct gender and ethnicity awareness training as required, will support the establishment of gender- and, where relevant, ethnicity-disaggregated indicators for project performance monitoring and evaluation, and will coordinate with other specialists during project preparation and implementation. The national gender and social development specialist will also prepare a study highlighting efforts to promote gender balance and ethnic balance within the project, including highlighting successful programs and their impact on gender and ethnic balance within TVET.

8. The PCU will incorporate GEMAP monitoring in its quarterly progress reports to ADB. The PCU will invite the Ministry of Women's Affairs to send representatives to attend meetings. The monitoring and evaluation consultants will mainstream gender actions into their activities (e.g., disaggregate performance indicators and progress information by sex in reports, develop an monitoring and evaluation system that can accommodate gender and ethnicity-disaggregated data, conduct baseline surveys with male and female recipients and ethnic minorities, and train male and female staff and members of ethnic minorities).

9. This GEMAP is based on social analysis and stakeholder consultations and highlights specific actions that will be implemented and monitored during implementation. Its elements have been integrated into the project design, and indicators on gender and ethnic minorities are included in the design and monitoring framework. The GEMAP was prepared in accordance with ADB's *Policy on Gender and Development*.

GRANT COVENANTS

Reference in the Grant Agreement	Covenants	Deadline/Status
Sector		
GA Shedule 4 para 5	The Recipient shall cause MOLVT to ensure that policy studies on future directions for TVET and TVET financing shall be carried out in accordance with the terms of reference for those studies and the studies' recommendations are used in the development and implementation of future TVET policies and strategies. The Recipient shall cause MOLVT to develop a TVET Development Plan, a Medium Term Expenditure Framework 2012–2014 and Annual Operational Plans for 2010 to 2015.	
GA Shedule 4 para 6	The Recipient shall cause MOLVT to ensure that, not later than 12 months after the Effective Date, an initial baseline survey in accordance with the Project's Design and Monitoring Framework is conducted and a detailed implementation plan for monitoring performance results throughout the Project is submitted to ADB.	February 2011
GA Shedule 4 para 9	The Recipient shall ensure that financial and operational support is provided for VSTP after Project support is completed in each province.	
GA Shedule 4 para 10	The Recipient shall ensure that officers in relevant positions and with appropriate technical expertise and necessary language skills are selected for regional training and study tours. With the support of the Project consultants, the Recipient shall undertake capacity development for NTB, MOLVT, Project Beneficiary Institutions, and the PTBs.	Throughout the Project
GA Shedule 4 para 11	By the end of the first year of Project implementation, the Recipient shall ensure that an industry advisory group for each targeted industry sector is established.	December 2010
Environment		
GA Shedule 4 para 13	The Recipient shall cause MOLVT to ensure that design, construction and operation of the PTCs and RTCs shall be done in accordance with the Recipient's laws and regulations and ADB's <i>Environment Policy</i> (2002), including the requirements for environmental assessment (if any). All Works contracts shall contain standard requirements for environmental impact mitigation.	Throughout the Project
Financial		
GA Article III, Section 3.01	The Recipient shall cause the proceeds of the Grant to be applied to the financing of expenditures on the Project in accordance with the provisions of the Grant Agreement.	Throughout the Project
GA Article III, Section 3.02	The Goods, Works, consulting services and other items of expenditure to be financed out of the proceeds of the Grant and the allocation of amounts of the Grant among different categories of such Goods, Works, consulting services and other items of expenditure shall be in accordance with the provisions of Schedule 2 to the Grant Agreement, as such Schedule may be amended from time to time by agreement between the Recipient and ADB.	Throughout the Project

Reference in the Grant Agreement	Covenants	Deadline/Status
GA Article III, Section 3.03	Except as ADB may otherwise agree, all Goods, Works and consulting services to be financed out of the proceeds of the Grant shall be procured in accordance with the provisions of Schedule 3 to the Grant Agreement.	Throughout the Project
GA Article III, Section 3.04	Withdrawals from the Grant Account in respect of Goods, Works and consulting services shall be made only on account of expenditures relating to <ul style="list-style-type: none"> (a) Goods which are produced in and supplied from and Works and consulting services which are supplied from such member countries of ADB as shall have been specified by ADB from time to time as eligible sources for procurement; and (b) Goods, Works and consulting services which meet such other eligibility requirements as shall have been specified by ADB from time to time. 	Throughout the Project
GA Article IV, Section 4.02 (a)	The Recipient shall <ul style="list-style-type: none"> (i) maintain, or cause to be maintained, separate accounts for the Project; (ii) have such accounts and related financial statements audited annually, in accordance with appropriate auditing standards consistently applied, by independent auditors whose qualifications, experience and terms of reference are acceptable to ADB; (iii) furnish to ADB, as soon as available but in any event not later than 6 months after the end of each related fiscal year, certified copies of such audited accounts and financial statements and the report of the auditors relating thereto (including the auditors' opinion on the use of the Grant proceeds and compliance with the financial covenants of the Grant Agreement as well as on the use of the procedures for imprest accounts/ statement of expenditures), all in the English language; and (iv) furnish to ADB such other information concerning such accounts and financial statements and the audit thereof as ADB shall from time to time reasonably request. 	6 months after end of fiscal year
GA Article IV, Section 4.02 (b)	The Recipient shall enable ADB, upon ADB's request, to discuss the Recipient's financial statements for the Project and its financial affairs related to the Project from time to time with the auditors appointed by the Recipient pursuant to Section 4.02 (a) hereabove, and shall authorize and require any representative of such auditors to participate in any such discussions requested by ADB, provided that any such discussion shall be conducted only in the presence of an authorized officer of the Recipient unless the Recipient shall otherwise agree.	Throughout the Project
GA Article IV, Section 4.03	The Recipient shall enable ADB's representatives to inspect the Project, the goods financed out of the proceeds of the Grant, and any relevant records and documents.	Throughout the Project

Reference in the Grant Agreement	Covenants	Deadline/Status
GA Shedule 2 para 4	Except as ADB may otherwise agree, the Grant proceeds for financing Goods, Works, consulting services and other items shall be disbursed in accordance with the Loan Disbursement Handbook.	Throughout the Project
GA Shedule 2 para 5 (a)	<p>Except as ADB may otherwise agree, the Recipient shall</p> <p>(i) establish, immediately after the Effective Date, an imprest account at the National Bank of Cambodia, and</p> <p>(ii) cause MOLVT to establish, immediately after the Effective Date, an SGIA at a commercial bank acceptable to ADB.</p>	<p>Complied</p> <p>Complied.</p>
	<p>The imprest accounts shall be established, managed, replenished and liquidated in accordance with the Loan Disbursement Handbook and detailed arrangements agreed upon between the Recipient and ADB. The currency of the imprest accounts shall be Dollars. The amount to be deposited into the imprest account shall be equivalent to the estimated expenditure to be financed through the imprest account for the next 6 months of Project implementation, but in any event shall not exceed two million Dollars (\$2,000,000). The amount to be deposited from the imprest account into the SGIA shall be equivalent to the initial deposit into the imprest account. Each transfer from the imprest account to the SGIA shall take place within 2 weeks of deposit into the imprest account.</p>	I/A is \$1.0 million
GA Shedule 2 para 5 (b)	The statement of expenditures procedure may be used for reimbursement of eligible expenditures for any individual payment not exceeding \$100,000, and to liquidate advances provided into the imprest account in accordance with the Loan Disbursement Handbook and detailed arrangements agreed upon between the Recipient and ADB.	Throughout the Project
GA Shedule 2 para 5 (c)	Funds for VSTP shall be transferred directly from the SGIA to the bank accounts of the 24 VSTP implementing institutions, each of which shall be authorized to make payments and reimbursements agreed under the VSTP and provided under the VSTP Financial Handbook. The statement of expenditure procedure shall not be used by the VSTP implementing institutions, and all supporting documents including evidence of expenditures shall be retained by the PCU.	Throughout the Project
GA Shedule 2 para 6	Notwithstanding any other provision of the Grant Agreement, no deposit shall be made from the Grant Account into the imprest account until the SGIA has been established.	
GA Shedule 2 para 7	Notwithstanding any other provision of the Grant Agreement, the Recipient shall ensure that no withdrawal shall be made from the SGIA if a misprocurement has occurred or other procurement action by MOLVT, the PCU or a Project Beneficiary Institution has been identified as irregular until such misprocurement or other irregularity has been corrected by the PCU to the satisfaction of the Recipient and ADB.	Throughout the Project

Reference in the Grant Agreement	Covenants	Deadline/Status
GA Shedule 3 para 1	All Goods, Works and consulting services to be financed out of the proceeds of the Grant shall be subject to and governed by the Procurement Guidelines, and the Consulting Guidelines, respectively.	Throughout the Project
GA Schedule 4 para 15	The Recipient shall ensure that the implementation arrangements and funds flow mechanisms agreed between the Recipient and ADB shall remain the same throughout the Project implementation period and shall not be affected by the Recipient's decentralization and deconcentration processes.	Throughout the Project
GA Shedule 4 para 16	Without limitation to the overall application of Section 4.02 of the Grant Agreement, the Recipient shall cause MOLVT to ensure that (a) audit of the Project account by an independent auditor acceptable to ADB is timely undertaken using international accounting and auditing standards; (b) consolidated audit reports are submitted to ADB within 6 months of the close of the Recipient's fiscal year; and (c) the audit opinion includes: (i) an assessment of the adequacy of accounting and internal control systems regarding Project expenditures and transactions to ensure safe custody of Project-financed assets; (ii) a determination as to whether the Recipient, MOLVT, and all Project Beneficiary Institutions have maintained adequate documentation for all financial transactions, specifically including the statement of expenditure and imprest account procedures; and (iii) confirmation of compliance with the Project financial management system and ADB's requirements for Project management.	Throughout the Project 6 months after the end of the fiscal year
GA Shedule 4 para 17	The Recipient shall cause MOLVT to require each Project Beneficiary Institution to keep separate accounts and evidence of expenditures (the Project-related accounts) and to submit these for review to the PCU quarterly and annually. The Recipient shall cause MOLVT to ensure that the PCU: (a) reviews and retains supporting documents including evidence of expenditures; and (b) undertakes spot checks on the Project-related accounts at Project Beneficiary Institutions through semi-annual audits of accounts and records. In cases where financial or other irregularities have occurred in relation to project funds, the PCU may suspend project supported activities at the institution involved until the case is resolved to the satisfaction of the PCU. Matters of funds recovery shall be determined on the advice of the PCU in collaboration with ADB.	Throughout the Project
Social		
GA Shedule 4 para 4	The Recipient shall ensure that construction of the new PTCs and RTCs shall be on the sites identified and agreed between MOLVT and ADB. The Recipient shall ensure that these sites are not changed. In the event that land acquisition and resettlement is required for any activities funded under the Project, the Recipient shall ensure that land acquisition and resettlement is carried out in accordance with ADB's <i>Involuntary Resettlement Policy</i> (1995).	Throughout the Project
GA Shedule 4 para 7	The Recipient shall cause MOLVT to ensure that all civil works undertaken, including the construction of multi-story buildings, comply with relevant building and safety standards.	Throughout the Project

Reference in the Grant Agreement	Covenants	Deadline/Status
GA Shedule 4 para 8	The Recipient shall cause MOLVT to ensure that the necessary funding and expertise shall be in place so that newly constructed PTCs and upgraded RTCs, as well as all equipment and machinery obtained under the Project, are maintained in accordance with sound maintenance practices.	Throughout the Project
GA Shedule 4 para 12	The Recipient shall cause MOLVT to ensure that the Project shall be carried out in accordance with ADB's <i>Policy on Gender and Development</i> (1998) and ADB's <i>Policy on Indigenous Peoples</i> (1998), and that the Gender and Ethnic Minorities Analysis and Action Plan agreed for the Project between the Recipient and ADB is fully implemented, including specifically that: (a) at least 50% of the recipients of training under VSTP and at least 50% of enrollments in each PTC are women; (b) women comprise at least 30% of newly hired teaching and administrative staff at each RTC and the two new PTCs; (c) women comprise at least 50% of enrollments in business and ICT at each RTC; (d) at least 30% of teaching staff in ICT and business shall be women; (e) at least 25% of the members in each advisory group shall be women; (f) at least 25% of NTB, PTB and senior MOLVT officials, and at least 50% of senior DGTVET and Project Beneficiary Institutions staff, selected as regional study tour participants are women; (g) at least 30% of provincial Labor and Vocational Training Department staff selected for regional training are women; and (h) at least 40% of enrollments at the newly constructed PTC in Mondulkiri are ethnic minorities.	Throughout the Project
GA Shedule 4 para 14	The Recipient shall ensure that the construction contractors: (a) provide timely payment of wages and safe working conditions to all workers and are monitored by the PCU; (b) promote women's employment, where appropriate; (c) pay equal wages to men and women employees for the same kind of work; (d) do not employ child labor as required by the relevant laws and regulations of the Recipient; (e) maximize the employment of local poor people who meet the job and efficiency requirements for construction and maintenance of the Project facilities; and (f) include specific provisions to give effect to this clause in the Works contracts and strictly monitor its compliance.	Throughout the Project
Others		
GA Shedule 3 para 3	The methods of procurement are subject to, among other things, the detailed arrangements and threshold values set forth in the Procurement Plan. The Recipient may only modify the methods of procurement or threshold values with the prior agreement of ADB, and modifications must be set out in updates to the Procurement Plan.	Throughout the Project
GA Shedule 3 para 4	The Recipient and ADB shall ensure that, prior to the commencement of any procurement activity under national competitive bidding, the Recipient's national competitive bidding procedures are consistent with the Procurement Guidelines. Any modifications or clarifications to such procedures agreed between the Recipient and ADB shall be set out in the Procurement Plan. Any subsequent change to the agreed modifications and clarifications shall become effective only after written approval of such change by the Recipient and ADB.	Throughout the Project

Reference in the Grant Agreement	Covenants	Deadline/Status
GA Shedule 3 para 5	The Recipient shall not award any Works contract financed under the Grant until it shall have confirmed that no land acquisition or resettlement is required at the relevant Project site.	Throughout the Project
GA Shedule 3 paras 6 and 7	<p>Except as ADB may otherwise agree, the Recipient shall apply quality- and cost-based selection for selecting and engaging consulting services.</p> <p>The Recipient may apply Consultant's Qualification Selection (CQS) for selecting and engaging the following consulting services, in accordance with, among other things, the procedures set forth in the Procurement Plan: (i) conducting policy studies on the development and financing of the TVET sector; (ii) conducting baseline, midterm and final Project evaluations; and (iii) providing out-of-country training and study tours. The Recipient shall recruit individual consultants as needed in accordance with procedures set forth in the Procurement Plan.</p>	Throughout the Project
GA Shedule 3 para 8 (a)	The Recipient shall ensure that all Goods and Works procured (including without limitation all computer hardware, software and systems, whether separately procured or incorporated within other goods and services procured) do not violate or infringe any industrial property or intellectual property right or claim of any third party.	Throughout the Project
GA Shedule 3 para 8 (b)	The Recipient shall ensure that all contracts for the procurement of Goods and Works contain appropriate representations, warranties and, if appropriate, indemnities from the contractor or supplier with respect to the matters referred to in subparagraph (a) of this paragraph.	Throughout the Project
GA Shedule 3 para 9	The Recipient shall ensure that all ADB-financed contracts with consultants contain appropriate representations, warranties and, if appropriate, indemnities from the consultants to ensure that the consulting services provided do not violate or infringe any industrial property or intellectual property right or claim of any third party.	Throughout the Project
GA Shedule 3 para 10	All contracts procured under international competitive bidding procedures, the first two sets of bidding documents for Goods and Works contracted through national competitive bidding procedures, the first contract for Goods and Works procured through Shopping, and all contracts for consulting services shall be subject to prior review by ADB, unless otherwise agreed between the Recipient and ADB and set forth in the Procurement Plan.	Throughout the Project
GA Shedule 4 para 1	MOLVT shall be the Project Executing Agency for the Project responsible for the overall implementation and coordination of the Project. The Secretary of State, MOLVT shall be the Project director, and shall oversee Project implementation.	Throughout the Project

Reference in the Grant Agreement	Covenants	Deadline/Status
GA Shedule 4 para 2	DGTVET shall be the implementing agency, and shall establish a PCU within it. The PCU shall be headed by a project coordinator (the Director General, DGTVET), who shall be responsible for day-to-day Project implementation, planning and budgeting, procurement, disbursement, monitoring, supervising, overseeing of implementation in the training institutions, and submitting required reports to the Recipient and ADB. The Project coordinator shall be supported by an executive administrative officer. The PCU shall have at least 15 staff members, including specialists in procurement, finance, monitoring, and reporting, and administrative staff. Technical specialists from each department of DGTVET shall support the implementation of the Project's technical programs. PCU activities shall be assisted by an international finance consultant, an international and national M&E consultant, and a national consultant in civil works and procurement.	Complied.
GA Shedule 4 para 3	The NTB shall act as the Project Steering Committee. The NTB is chaired by a Deputy Prime Minister and includes senior representatives of all ministries involved in economic development and training, and private sector membership. It shall provide guidance to the Project on general policy and strategic directions, and ensure coordination with the concerned ministries and institutions.	Throughout the Project
GA Shedule 4 para 18	The Recipient shall cause MOLVT to ensure that the PCU prepares and submits to ADB and DGTVET quarterly reports on the status and progress in Project implementation, and use of funds in Project implementation, within 1 month of the completion of each quarter. The reports shall be in a format acceptable to ADB and indicate: (a) progress made against established targets; (b) status of performance against stated indicators; (c) financial and procurement-related information; (d) problems encountered and remedial actions taken; (e) compliance with Grant covenants; and (f) proposed program of activities for the following quarter. The Recipient shall ensure that within 3 months following the physical completion of the Project, MOLVT shall prepare and submit to ADB a Project completion report in the agreed format.	Throughout the Project
GA Shedule 4 para 19	During Project implementation, the Recipient shall apply, and cause MOLVT and DGTVET to apply, ADB's Anticorruption Policy, it being understood that ADB reserves the right to investigate directly, or through its agents, any possible corrupt, fraudulent, collusive or coercive practices relating to the Project. To support these efforts, the Recipient shall ensure that (a) MOLVT includes in the bidding documents for the Project, and in all contracts financed by ADB in connection with the Project, the provisions specifying the right of ADB to audit and examine the records and accounts of MOLVT, the PCU, Project Beneficiary Institutions and all contractors, suppliers, consultants and other service providers as they relate to the Project; (b) periodic inspections of the contractors' activities related to fund withdrawals and settlements under the Project are carried out; and (c) the Project auditors have the right to conduct random or spot audits for contract implementation activities under the Project. The cost of this auditing shall be borne by the Project. The Recipient shall ensure that MOLVT complies with all provisions of the Good Governance Framework agreed to with ADB for the Project in a timely manner.	Throughout the Project

Reference in the Grant Agreement	Covenants	Deadline/Status
GA Shedule 4 para 20	Within 12 months of the Effective Date, the Recipient shall cause MOLVT to create a Project webpage linked to the MOLVT and/or NTB website to disclose information about various matters on the Project, including procurement. Information on the list of participating bidders, name of the winning bidder, basic details on bidding procedures adopted, amount of contract awarded, and the list of Goods, Works and services procured shall be disclosed on the Project webpage.	February 2011
GA Shedule 4 para 21	Within 12 months of the Effective Date, the Recipient shall cause MOLVT to ensure that there is a grievance redress mechanism at the PCU, RTCs and PTCs to review and address stakeholder grievances and reports on misuse of funds and other irregularities in relation to the Project, any of the service providers, or any person responsible for carrying out the Project and shall ensure that the existence of this mechanism is publicized. The Recipient shall also ensure that the existence of ADB's Office of Anticorruption and Integrity, which investigates allegations of fraud, corruption and abuse in ADB-financed projects, is widely publicized within Project Beneficiary Institutions and MOLVT.	February 2011
GA Shedule 4 para 22	The Recipient shall cause MOLVT to ensure that a comprehensive and gender-disaggregated project management and evaluation system shall be designed for the Project. The PPMS shall be operated throughout Project implementation to: (a) examine the Project's technical performance; (b) evaluate delivery of Project facilities; (c) assess achievement of the Project's objectives; and (d) measure the Project's social, economic, financial, and institutional impacts. The PCU shall be responsible for carrying out PPMS activities. The PCU shall establish a PPMS baseline based on surveys to be conducted in the first year of Project implementation. Annual PPMS reports shall be prepared by the PCU and submitted to ADB.	Throughout the Project
GA Shedule 4 para 23	The Recipient and ADB shall jointly review the Project's progress and MOLVT's use of funds at least twice a year. The Recipient and ADB shall jointly undertake a midterm review shortly after the PCU's submission of the third annual report. The midterm review shall focus on overall project strategy and achievements, which may require adjustments of targets and processes and reallocation of resources. Specifically, the midterm review shall (a) review the Project scope, design, implementation arrangements, institutional development, and capacity building; (b) assess Project implementation against projections and performance indicators; (c) review compliance with Grant covenants; (d) identify critical issues, problems, and constraints; and (e) recommend changes in Project design or implementation. The Recipient shall ensure that 1 month before the review, the PCU shall submit to ADB a comprehensive report on each of these issues.	Throughout the Project

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country/Project Title: Cambodia: Strengthening Technical and Vocational Education and Training Project			
Lending/Financing Modality:	Sector Grant	Department/Division:	Southeast Asia Department/ Social Sectors Division
I. POVERTY ANALYSIS AND STRATEGY			
<p>A. Link to the National Poverty Reduction Strategy and Country Partnership Strategy</p> <p>Cambodia's socioeconomic planning framework is the Rectangular Strategy for Growth, Phase II, launched in September 2008. Its strategies include improvement of productivity and diversification of agriculture, private sector development, employment generation, and human resource development. The National Strategic Development Plan (NSDP), 2006–2010, based on the Rectangular Strategy, reiterates the importance of capacity building and human resource development, particularly (i) promotion of vocational and skills training, (ii) creation of jobs in both formal and informal sectors; (iii) increase in agricultural productivity to increase rural employment; and (iv) establishment of technical and vocational education and training (TVET) and training networks to assist both men and women, especially the poor, disabled and vulnerable, to respond to labor market needs. The NSDP is carried out through detailed plans from each ministry. The strategic plan of the Ministry of Labor and Vocational Training, 2006-2010 identifies strategies designed to develop the economy and reduce poverty, including development of technical and vocational skills. The Ministry of Labor and Vocational Training (MOLVT) Plan aims to: (i) establish TVET links with enterprises; (ii) establish mechanisms for labor market information; (iii) service both formal and informal sectors; (iv) upgrade TVET through a national vocational qualifications framework (NVQF), competency standards and testing, training of trainers, and accreditation of TVET programs and institutions; (v) modernize training facilities and equipment; (vi) strengthen local planning for local training needs; (vii) establish new centers in unserved provinces; (viii) expand TVET provision through the National Training Fund to reduce poverty more widely; (ix) encourage certificate-based TVET programs in all provinces and municipalities; and (x) encourage TVET institutions to generate their own income.</p>			
<p>B. Poverty Analysis Targeting Classification: General intervention</p> <p>1. Key Issues</p> <p>Poverty in Cambodia is characterized by low income and consumption; poor nutritional status; low educational attainment; poor access to public services, including school and health services; poor access to economic opportunities; and vulnerability to external shocks. Poor access to quality education has led to a low adult literacy rate of 69.4% (80.5% for males and 58.2% for females). The highest poverty rates are found among farmers and those households whose heads have little or no formal education. The poorest households are asset-less. Agricultural productivity is extremely low and food insecurity is still a serious problem for people who are poor. Agriculture remains the backbone of the Cambodian economy, with 68% of the labor force earning their livelihood from agriculture. Cambodian women play an active role in the country's economy and civil society. They represent 53% of the active labor force, compared with 32% for economically active men, and are usually classified as "unpaid family labor," primarily in agriculture. Apart from agriculture, women work in the informal sector, particular commercial activities. The garment industry provides the principal source of formal sector employment for women, but young women are employed there only as semi-skilled workers with almost no opportunities to move into supervisory or management positions. Women outnumber men in the labor force from age 15 to 54, with the exception of the 25 to 29 age group. The shortage of skilled labor and the lack of adequate investment in formal vocational skill formation represent key development constraints for Cambodia and have been a persistent theme in recent assessments by the ADB and the World Bank.</p> <p>2. Design Features</p> <p>The Project proposes a number of interventions to assist in addressing poverty issues. First, it will help to strengthen the informal TVET sector through the creation of two new provincial training centers (PTCs) in provinces that are among the poorest and least developed and have height proportions of ethnic minorities. All other PTCs will have equipment and program upgrades, along with professional development of their teachers, to enable them to deliver better quality, more relevant training for the most deprived. Special attention will be given to the delivery of training programs attractive to women. Under the Vocational Skills Training Program (VSTP), 60% of those trained have been women. The VSTP will be expanded to all 24 provinces. It is anticipated that the majority of these trainees will be women. The training they receive will provide them with mostly non-paddy agriculture and service-related skills that will contribute to their livelihood as self-employed or unpaid family workers. The other major initiative that will help alleviate poverty in regional areas is the planned upgrade of five PTCs to regional training centers (RTCs). This will increase access to long-course programs in areas of the country outside Phnom Penh. When fully operational, these centers will be able to enroll an additional 1,500</p>			

students per year at these two vital levels of training. It is expected that improved course offerings in relevant areas, as well as well-equipped dormitories, canteens and kitchen facilities dedicated to female students, will help attract more women into this stream of post-school education and training.

II. SOCIAL ANALYSIS AND STRATEGY

A. Findings of Social Analysis

There is a direct link between a lack of education and poverty. Poverty rates are similar for the household head with no schooling and one with primary schooling only, but are significantly lower when the household head has secondary, technical, or higher education. Many adults have no education at all, and there are wide rural–urban and gender disparities in access to education. Nearly 60% of women and 40% of men in the provinces of Mondoliri and Rattanakiri have no education, compared with fewer than 15% of women and 5% of men in Phnom Penh. In the province of Svay Rieng, girls are almost three times less likely to attend school than boys. This reflects wide gender and rural–urban disparities in access to education in Cambodia. In 2007, fully 61% of the literate population in Cambodia 25 years of age and over had not completed primary school, while only 23% had completed primary level. Those who had completed lower secondary level of education comprised only 9% of the age cohort, while those who had a secondary level qualification constituted 3%. Fewer than 1% had qualifications higher than secondary level. Through its strengthening of the nonformal TVET system, the project will assist those with lower qualifications.

B. Consultation and Participation

1. Summary of the consultation and participation process during the project preparation.

Project preparation involved two stakeholder workshops with over 100 participants, two surveys of TVET graduates, a questionnaire survey and interviews with seven provincial training center directors and 30 community development specialists on recommended adjustments to VSTP, interviews with the teachers, managers and graduates of the seven Phnom Penh post-secondary institutes; and a survey of the graduates of the national Technical Training Institute (NTTI) on the effectiveness of NTTI teacher training. A sample of 40 private sector TVET trainers was identified and interviewed about non-government provision.

The project team also consulted stakeholders, including Agence Française de Développement, Cambodian Chamber of Commerce and Industry, Cambodian Federation of Employers and Business Associations, Cambodian Institute of Development Studies, Chamber of Commerce and Industry, Chamber of Professional and Micro Enterprises, the Federation of Employers, Garment Association in Cambodia, Garment Industry Productivity Centre and the Travel and Hospitality Institute. The Ministry of Women's Affairs was also consulted. Donor agencies consulted were European Commission, International Labour Organization and the World Bank.

2. What level of consultation and participation (C&P) is envisaged during the project implementation and monitoring?

Information sharing Consultation Collaborative decision making Empowerment^d

3. Was a C&P plan prepared? Yes No

C. Gender and Development

1. Key Issues

Several characteristics of the labor market and the education system are directly relevant to addressing issues related to poverty among women in Cambodia. First, a large proportion of female employment is in the informal sector – only 17% of economically active women are employed in the formal sector (versus 23% of men). Informal employment is largely in the agricultural sector. Second, occupational groups within the formal labor market in Cambodia are highly stratified by gender, with men dominating higher level occupations (including technicians). Even where there is gender parity in occupational groups, there is considerable industry stratification. For example, although there is gender parity among plant and machine operators, women are employed primarily in the garment industry and men in the transport sector. Men, more so than women, are moving into a wider range of better-paid positions outside agriculture. For women, the options are largely limited to the garment industry or the informal sector. There are signs that women are beginning to enter formal employment at a faster rate than men, due mainly to growth in the garment sector and because more women are becoming paid labor in the agriculture sector. Third, the education enrollment gap between boys and girls increases markedly as they progress to higher levels of education. While almost equal numbers of boys and girls are enrolled in preschool and primary school, only 63 girls are enrolled for every 100 boys in lower secondary school and fewer than 50 girls are enrolled for every 100 boys at the upper and tertiary education levels.

2. Key Actions

The project design includes an expansion of the VSTP, as discussed above. The expansion of VSTP to all 24 provinces will provide considerable additional training to women. The VSTP has been successful in redressing some of the imbalance in training opportunities for women. The training they receive will provide them with mostly non-paddy agriculture and service-related skills that will contribute to their livelihood as self-employed or unpaid family workers.

The Gender and Ethnic Minorities Action Plan includes a number of measures aimed at promoting opportunities for women and women's empowerment. These include ensuring that (i) dormitories for female students are secure, well equipped and have adequate kitchen and bathroom facilities, (ii) there is gender balance in both teaching and administrative staff at the newly upgraded RTCs, (iii) training modules are developed for both male and female dominated skill areas and are gender-sensitive and free of gender bias, (iv) males and females have equal access to management training and other capacity-building initiatives, (v) gender balance in the make-up of teams delivering training, (vi) industries that employ large numbers of women are involved in the development and implementation of training programs, (vii) gender-disaggregated indicators, including those related to TVET outcomes, efficiency and effectiveness, are incorporated in the VETMIS and LMIS, and (viii) gender-based factors are included in newly developed TVET provider registration and accreditation system.

Gender plan Other actions/measures No action/measure

III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS

Issue	Significant/Limited/ No Impact	Strategy to Address Issue	Plan or Other Measures Included in Design
Involuntary Resettlement	No impact. The two new facilities will be built on unencumbered government land.	A specific assurance has been included to ensure that facilities may only be built on unencumbered government land.	<input type="checkbox"/> Full Plan <input type="checkbox"/> Short Plan <input type="checkbox"/> Resettlement Framework <input checked="" type="checkbox"/> No Action
Indigenous Peoples	Limited impact (positive). The project impact on ethnic minorities will be beneficial as disadvantaged groups gain access to TVET opportunities.	Specific actions have been included in the Project's Gender and Ethnic Minorities Action Plan.	<input type="checkbox"/> Plan <input checked="" type="checkbox"/> Other Action <input type="checkbox"/> Indigenous Peoples Framework <input type="checkbox"/> No Action
Labor <input checked="" type="checkbox"/> Employment opportunities <input type="checkbox"/> Labor retrenchment <input type="checkbox"/> Core labor standards	The Project is expected to expand the employment-ready, mid-level work force in Cambodia in both rural and urban areas.	The Project will improve access for young Cambodians to formal TVET linked to industry demand, and with industry-endorsed skills competency standards as the basis for training curriculum, trainer training, training equipment, and assessment of trainee performance.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action
Affordability	No impact.	None.	<input type="checkbox"/> Action <input checked="" type="checkbox"/> No Action
Other Risks and/or Vulnerabilities <input type="checkbox"/> HIV/AIDS <input type="checkbox"/> Human trafficking <input type="checkbox"/> Others (conflict, political instability, etc), please specify	No impact.	None.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action

IV. MONITORING AND EVALUATION

Are social indicators included in the design and monitoring framework to facilitate monitoring of social development activities and/or social impacts during project implementation? x Yes No

GOOD GOVERNANCE FRAMEWORK

1. In all instances, the Grant Agreement will be the overriding legal document. ADB's Procurement Guidelines, 2007, as amended from time to time ("Procurement Guidelines"), and ADB's Guidelines on the Use of Consultations by Asian Development Bank and its Recipients, 2007, as amended from time to time ("Consulting Guidelines"), will be applied pursuant to the Grant Agreement as they may be modified by that Grant Agreement. The Government's policies and procedures will be applicable to the extent there is no discrepancy with the Grant Agreement or ADB's Procurement Guidelines. In the event there is a discrepancy, then the Grant Agreement, the Procurement Guidelines and Consulting Guidelines will apply.

No.	Issue	Action to Mitigate Risk	Responsibility	Target/Frequency
Element 1: Procurement				
1.a	Corruption and fraud in the procurement process: <ul style="list-style-type: none"> • Collusion during bidding process • Biased bid evaluation • Suppliers/contractors offering incentives for favorable treatment 	The Project will strictly apply the Government's Standard Operating Procedures (SOP) and Procurement Manual (PM) mandated on 26 February 2007, both of which are in line with ADB guidelines.	Ministry of Labor and Vocational Training (MOLVT) with ADB approval	Throughout project duration.
1.b	Procedures and thresholds	<p>The Project will strictly follow SOP/PM and procurement instructions stated under the implementation arrangement paragraphs 66-71 of Report and Recommendation of the President (RRP)</p> <p>The Project will strengthen in the Project Administration Manual (PAM) to detail project administration procedures, including implementation arrangements, implementation schedule, procurement, disbursement procedures, monitoring and evaluation, reporting requirements, auditing requirements, assurances, key persons involved in the Project, and anticorruption.</p>	<p>MOLVT with ADB approval</p> <p>MOLVT with ADB approval</p>	<p>Throughout project duration.</p> <p>Inception mission.</p>
1.c	Weak procurement capacity	A procurement capacity assessment was undertaken as part of the project preparation technical assistance for preparation of the Project. The assessment found that DGTVET is experienced in the procurement of goods but less experienced in procuring works, services and consultants, and site management and monitoring of civil works.	MOLVT with ADB approval	Throughout project duration.

No.	Issue	Action to Mitigate Risk	Responsibility	Target/Frequency
		<p>Training and mentoring will be provided to strengthen capacity, specifically in the preparation of bid documents for civil works, bid evaluation and preparation of bid evaluation reports for civil works, training of PCU staff and Procurement Review Committees on procurement regulations and ADB Guidelines, preparation of detailed lists and technical specifications of equipment, and selection and contracting of consulting services.</p> <p>The Project will be monitored, and where necessary, additional measures will be incorporated to improve procurement procedures.</p> <p>As procurement process is beyond the award of contract, the Project will organize frequent monitoring visits to work sites in order to ensure that the construction works will meet quality standards in line with desired specification.</p> <p>The Project will recruit a national civil works and procurement specialist (48 months) to build capacity of MOLVT staff in designing, managing, and the evaluation of the civil works and procurement plan.</p>		
1.d	Inadequate or delayed procurement plans	<p>The Project will prepare a procurement plan as guided by ADB's Procurement Guideline and SOP/PM.</p> <p>The Project will prepare an annual Procurement Plan tied to the annual work plan and budget.</p>	<p>MOLVT and ADB</p> <p>MOLVT with ADB approval</p>	<p>First year plan completed by appraisal mission.</p> <p>In October/November 2010, and annually thereafter.</p>
1.e	Informal payments by contractors, suppliers and consultants	All contractors, suppliers and consultants—firms or individuals, national and international—bidding for contracts under the Project shall sign the Declaration on Ethical Conduct and Fraud and Corruption in the SOP/PM, and be subject to the sanctions specified in the ADB's Procurement Guidelines.	MOLVT with ADB approval	Throughout project duration.
1.f	Potential project staff-contractor collusion over volumes and build quality	The Project will strengthen project monitoring and introduce technical audit and the midterm- review to clarify structures, authorities, and effectiveness of project management.	MOLVT with ADB approval	Inception mission.

No.	Issue	Action to Mitigate Risk	Responsibility	Target/Frequency
Element 2: Financial Management (FM)				
2.a	Weak internal controls	<p>The Government will strengthen the financial management system and internal audit function of MOLVT, and provide capacity development through the extension of the PFM reform program to MOLVT.</p> <p>The Project will apply internal control procedures specified in SOP and Financial Management Manual (FMM), both of which are consistent with ADB guidelines, including in the areas of:</p> <ul style="list-style-type: none"> • financial policies and standards; • elements of internal control; • financial accounting system, ledgers, journals; • bank accounts and credit/grant withdrawals; • project expenditure, payroll, petty cash, advances; and • financial management reports, audit, counterpart funds withdrawals. 	MOLVT and Ministry of Economy and Finance (MEF)	Throughout project duration.
2.b	Cash transactions	The Project will ensure that payments to contractors, suppliers and consultants – firms, individuals, national and international – are made by cheque or transfer to bank accounts, and will retain evidence for audit and donor supervision missions.	MOLVT	Throughout project duration
2.c	Inconsistent allowances paid to Government staff attending training, workshops and study tours	<p>The Project will follow MEF's Instruction Letter No. 2000 dated 23 April 2007 on standard daily subsistence and travel allowances.</p> <p>The Project will establish an Annual Training and Workshop Plan.</p> <p>The Project will set eligibility rules for attending training, workshops and study tours. Attendees must:</p> <ul style="list-style-type: none"> • be engaged in work relevant to the training • be competent in the language used • after return, report on and share their experiences for the benefit of the project 	<p>MOLVT with ADB approval</p> <p>MOLVT</p> <p>MOLVT</p>	<p>Throughout project duration</p> <p>Throughout project duration as per annual work plan.</p> <p>Throughout project duration as per annual work plan.</p>

No.	Issue	Action to Mitigate Risk	Responsibility	Target/Frequency
2.d	Delayed or non-existent reconciliation of advances for operating costs and expenses	<p>The Project will reconcile advances of operating expenses of staff or field offices within one week of the end of each month.</p> <p>The Project to ensure that no further advances are paid until previous advance reconciled and cleared against documentary evidence.</p>	<p>The Project financial officers</p> <p>The Project financial officers</p>	<p>Each occasion</p> <p>Throughout project duration</p>
Element 3 : Disclosure				
3.a	Conflict of interest among project staff	The Project will minimize conflict of interest through disclosing of private and public affiliations or personal interest before becoming involved in any project related transaction such as contract award.	MOLVT	Throughout project duration.
3.b	Enhance transparency through greater public disclosure of project information	<p>The Project will disclose on MOLVT's website, with hard copies available for public inspection if requested, at a minimum:</p> <ul style="list-style-type: none"> • project name, objectives, original and revised amount, sources of funding, effectiveness date, number of extensions, name and address of MOLVT, name of ADB officers in charge, list of Project Steering Committee (PSC) members and contact information in the MEF-ADB unit, contact information for ADB office in Cambodia, and contact information and mandate of ADB's Office of Anticorruption and Integrity; • details of project components, percentage completion, data on performance indicators; • annual Work Program and Procurement Plan, identifying contracts to be procured in the next 12 months, nature of each contract, cost estimate, location, method of procurement, means of advertisement, bidding period, location where bidding documents and RFP's can be inspected, expected date of availability, and cost of bidding documents; • consultant long and short lists; • bidding documents and RFP's to be available for inspection; • bid closing dates, names of bidders and their bid prices at opening; • list and details of contracts awarded, names of losing bidders and, if their bid prices were lower 	MOLVT and ADB to agree final list	Agreed at grant negotiation.

No.	Issue	Action to Mitigate Risk	Responsibility	Target/Frequency
		<p>than the winning bidder, the reason for their rejection;</p> <ul style="list-style-type: none"> • six month progress reports; • planned and actual disbursements by sub component; • annual financial statements and audit opinion; • other specific reports prepared by the Project • complaints remedies and mechanism; • criteria and procedure for selection of candidates for scholarships; and • code of ethical conduct once signed by all staff. 		
Element 4: Complaints and Remedies Mechanism				
4.a	Inadequate complaints and remedies mechanisms	<p>The Project will prepare a remedy mechanism to address complaints, including establishment of a grievance redress mechanism at Project Coordination Unit (PCU), Provincial Training Centers (PTC), and Regional Training Center (RTC) to receive complaints/grievances from communities, contractors, etc.</p> <p>Procedures regarding procurement complaints are to follow process set out in the Grant Agreement and SOP/PM</p>	<p>MOLVT with ADB approval</p> <p>MOLVT and MEF</p>	<p>Inception mission</p> <p>Throughout project duration</p>
Element 5: Code of Ethical Conduct				
5.a	Poor enforcement of the Code of Conduct for civil servants	The Project will provide copies of the relevant laws and articles on Code of Conducts for civil servant to all Project staff, including contracted staff. Project will maintain signed declaration of receipt of these documents by all Project staff, including contracted staff.	MOLVT	Inception mission or to be incorporated in PAM
Element 6: Sanctions				
6.a	Inadequate sanctions for fraudulent and corrupt activity by project staff, contracts, suppliers and consultants.	<p>The Project will identify and apply sanctions available under current law and regulations of Cambodia.</p> <p>Sanctions for individuals may include transfer of</p>	MOLVT	Throughout project duration

No.	Issue	Action to Mitigate Risk	Responsibility	Target/Frequency
		duties, retaining, suspension, dismissal, re-grading, prosecution under Cambodian Law. Sanctions for firms may include: termination of contract, debarment, blacklisting, and prosecution under Cambodian Law.		
Element 7: Project Specific Elements				
7.a	Risk of low quality construction and supervision.	The Project will recruit a national civil works and procurement specialist (48 months) to assist the project staff in preparing and costing a design for civil works package; monitoring procurement connected with civil works; supervising the construction and renovation of PTCs and RTCs. See also 1 f. above.	MOLVT and ADB approval	Throughout project duration
7.b	Risk in abuse in resettlements of affected people over appropriate compensation	The Project to ensure that no rehabilitation or construction of facilities for PTCs, RTCs and hostels will involve involuntary resettlement according to ADB's Policy on Involuntary Resettlement (1995) and the relevant Government regulations. Ensure that monitoring of the implementation of any Resettlement Plan is done by External Monitor.	MOLVT, Inter-Ministerial Resettlement Committee, NGOs, and ADB approval	Agreed at grant negotiation Before issuance of civil work contracts