

**ASIAN DEVELOPMENT BANK
AIDE MEMOIRE**

**GRANT 0178-CAM: STRENGTHENING TECHNICAL AND VOCATIONAL
EDUCATION AND TRAINING (STVET)**

Special Project Administration Mission, 19-23 March 2012

I. INTRODUCTION

1. The Strengthening Technical and Vocational Education and Training (STVET) was approved by the Asian Development Bank (ADB) on 13 November 2009 for \$24.5 million and became effective on 26 February 2010. The Project is expected to expand the employment-ready, national mid-level workforce in both rural and urban areas. The expected outcome is an expanded, enterprise-endorsed and more integrated training system that will be better aligned with the basic and mid-level skills requirements of the formal and informal economies in mechanics, construction, and business services and information and communications technology. The Project will produce three outputs: (i) more industry-relevant formal training programs in mechanics, construction, and business and ICT; (ii) expanded and better quality nonformal training, and (iii) strengthened institutional capacity to plan and manage the technical and vocational education and training (TVET) system. The Ministry of Labour and Vocational Training (MoLVT) is the Executing Agency and the Directorate General of TVET implements the Project. The Secretary of State of MoLVT is the Project Director, and the Director of DGTVET is the Project Coordinator and heads the Project Coordination Unit (PCU).

2. An ADB Special Project Administration Mission (the Mission)¹ visited Phnom Penh from 19 to 23 March 2012 to: (i) review progress on contract awards and disbursement; (ii) discuss and agree with the Ministry of Labour and Vocational Training (MoLVT) on the revised implementation schedule and contract awards and disbursement projections covering the entire remaining project period; and (iii) discuss and resolve any project implementation issues, including the issue of the regional training and study tour packages. The kick-off and wrap-up meetings were held on 19 March and 23 March 2012, chaired by HE Pok Pann, Under Secretary of State, MoLVT and HE Pich Sophoan, Secretary of State, MoLVT, respectively. The List of Key Persons met by the Mission is in Appendix 1.

II. PROJECT MANAGEMENT

3. **Consulting Services.** SMEC contract is ongoing and all consultants have been mobilized. Some adjustments particularly on the increase/decrease of inputs have already been made through one contract variation. Future adjustments, where necessary and justified can also be formalized through additional contract variations.

4. Two site engineers have been deployed for full-time supervision of construction in each of the two new Provincial Training Centers (PTCs) in Phase I. The recruitment of 5 more site engineers has been submitted for ADB's approval, to provide full-time supervision of construction of the buildings that are to be constructed in the 5 designated Regional Training Centers (RTCs) in Phase 2.

¹ The Mission comprised Yasushi Hiroso, Principal Education Specialist/Mission Leader, Mylene Camara-Crespo, Project Analyst, Sophea Mar, Senior Social Sector Officer, CARM and Sam Sideth Dy, Education Specialist (Staff Consultant at CARM), attended some of the meetings.

5. The baseline study has been contracted on 16 December 2011, commenced on 17 January 2012, and is expected to be completed by the end of May 2012. The Inception Workshop, participated by all important stakeholders, was held on 13 March 2012. A key challenge faced by the PCU is on the recruitment of consulting services for the five regional training and study tour packages (para. 35 for details).

6. **Procurement.** A total of \$566,000 comprising of 8 packages for goods consisting of office furniture, equipment, motorcycles, pick-up vehicles, mini-bus and TVETMIS equipment have been awarded. Two civil works packages for the construction of 2 new PTCs and 5 RTCs have also been awarded with a total amount of \$2.08 million. Currently, 3 different lots of basic and advance automotive tools and training equipment estimated at more than \$1.0 million are undergoing bidding and submission date is on 19 April 2012.

7. **Grant Covenants.** Nine out of the 45 covenants are one-time covenants, 32 are being complied with, and 4 are expected to be complied throughout project implementation. Status of Compliance with Covenants (as of 23 March 2012) is in Appendix 2.

8. **Gender and Ethnic Minorities.** The Project has a covenant to ensure that women and ethnic minorities benefit equally from the Project. In line with the Gender and Ethnic Minorities Analysis and Action Plan (GEMAP), PCU has confirmed that priority in the selection of VSTP trainees and other training participants will be given to female and ethnic minority candidates. The targets for training and the selection criteria are in the GEMAP. The Project has conducted a survey on gender and ethnicity profile of students, teachers and courses in PTCs. A stakeholders consultation has been conducted in Siem Reap (among graduates, current trainees, local authority, other TVET institution). The Project has shared the GEMAP with all PTC directors and technical staff.

9. **Imprest Account and Disbursements.** The imprest account was established and the initial withdrawal application amounting to \$1.0 million was disbursed on 17 June 2010. So far, the Project has made 14 withdrawal applications with a total incurred amount of \$2.9 million (net of imprest). The project's request for an increase in imprest from \$1.0 million to \$2.0 million was received and is currently being reviewed by ADB Controller's Department.

10. **Project Website.** The Mission was pleased that the project website is operational and is being updated regularly. The progress reports and other documents of public interest are being uploaded on the website regularly. The Mission, once again, reminded the PCU to continue to comply with the two mandatory requirements relating to the website: (i) public disclosure of procurement information, for example participating bidders, names of winning bidders, basic details on bidding procedures adopted, amount of the contracts awarded, lists of goods and services awarded to date; and (ii) the grievance redress mechanism specified in the grant covenants must be posted clearly, and the focal person for all complaints identified.

III. OVERALL IMPLEMENTATION PROGRESS

11. The Mission was pleased to see that good progress has been made on the action plan for the 6 months from October 2011 – March 2012. Of the 63 actions to be taken, 38 have been completed, and 11 have been partly completed. 14 actions are expected to be completed in the next few months. The Progress of Action Plan (since October 2011 Mission) is in Appendix 3.

12. **Overall Project Performance:** As of 29 February 2012, the overall implementation progress is estimated at 33% against an elapsed period of 40% from Grant approval date. The

Project has achieved cumulative contract awards of \$6.5 million (27%), and cumulative disbursements of \$4.0 million (16%) including the \$1.0 million imprest, against the total grant amount of \$24.5 million. The Project is currently rated as a “potential problem” project.

13. **2012 Contract Awards and Disbursements.** Annual contract awards and disbursement were originally projected to be \$4.5 million and \$6.5 million respectively. Year to date, contracts amounting to \$1.7 million have been awarded and \$0.2 million disbursed. The annual contract projections are expected to be met, if not exceeded, with the award of (i) the basic and advance automotive equipment estimated at above \$1.0 million in 3rd quarter; (ii) the 5 packages of regional training and study tour estimated at more than \$1.0 million in the 3rd quarter; and (iii) the Voucher Skills Training Program (VSTP) estimated at \$1.6 million. However, annual disbursements projections may be underachieved even with the progress payments to ongoing civil works and equipment contracts, the SMEC and regional training contracts, and the VSTP expenditures.

14. Following recent instructions to re-visit the projections of projects encountering performance rating problems in the E-Operations, a review of the current projections for contract awards and disbursements has been undertaken, to accurately reflect project performance. A revised S-curve graph, as well as the table detailing revised projections per quarter, beginning from 2nd Quarter of 2012 onwards project closing in July 2015, have been discussed and agreed with the EA, which is in Appendix 4.

IV. IMPLEMENTATION PROGRESS BY OUTPUT

1. Formal Programs that are More Relevant to Industry

15. **Development of RTCs.** Formal technical and vocational programs will be expanded to provincial and rural areas through five RTCs. The Mission was pleased to be informed that the five construction contracts for the designated RTCs have been awarded and the construction on all five sites are expected to start on 26 March 2012 and be complete by the end of this year. The Project is awaiting ADB's approval for the recruitment of 5 site engineers, who are expected to be deployed for full-time site supervision from 26 March 2012.

16. **Development of Skills Standards.** After the October 2011 Review Mission, the strategy being followed has been fast-tracked so that the skills standards, competency-based curriculum, training and learning packages as well as assessment packages are completed for 11 job positions for levels 2–4 by the end of 2012.

17. Three technical working groups (TWGs), which were formed in construction, mechanics, and ICT and business services, comprising of 6 to 9 members from the national centers of competence (NCCs)² and other technical and vocational training institutions (NTTI, CIEDC, JVC and CTSDC) and DGTVET are responsible for development of the skills standards. The TWGs have been working very closely with three expert groups comprising of 21 construction industry workers, 17 mechanics industry workers and 11 ICT/Business Studies workers from 37 companies in all the critical stages of validation of competency standards and curriculum development.

18. **National Competency Standards.** To date, competency standards for 11 job positions in the three priority sectors for level 2 courses have been discussed and endorsed by the

² Preah Kossamak Polytechnic Institute (PPI), the Industrial Technical Institute (ITI) and the National Institute of Business (NIB)

respective Industrial Advisory Groups (IAGs). Of these, competency standards for 7 job positions have been reviewed by the Sub-committee on Skills Standards of the National Training Board (NTB) and subsequently approved by NTB in its 8th meeting held on 17 February 2012.

19. **Competency-based Curriculum.** The TWG members of each of the three National Centers for Competency, who have been trained on competency-based curriculum development in preparation for possible adapting or writing of competency-based curricula for mechanics, construction and ICT & business services have produced the first draft of competency based curriculum for 7 job positions for level 2.

20. **TVET Teacher Training.** The TNA surveys have been completed for both RTC TVET teachers (138) and PTC TVET teachers (301) and the findings validated with the National Teacher Training Institute (NTTI) director, as well as relevant stakeholders. A critical issue is staff retention, which is necessary to strengthen the capacity of both teacher and the support staff in TVET. A Pareto analysis of the teachers indicates that (i) teachers are affected by large classes, (ii) teachers have insufficient time to prepare lessons, (iii) students have difficulty reaching their full potential and (iv) teachers have the challenging task of motivating the students. Although many variables affect staff retention, a continued investigation of the issues related to changing demands, teaching environments, and reasons for leaving the profession may help to lessen staff turnover.

21. NTTI has strategies in place to address the gender parity concern. These include a stipend for females entering into the program; a policy to address the hiring of females into teaching and management positions; and the possibility of designing a few select courses for females only.

22. A survey for NTTI in-service teachers and pre-service teachers has been completed. The findings offer in-service teachers insight into teacher attitudes that relate to instructional practices and pre-service teachers performance. The questionnaire focused on Danielson's six dimensions of instruction in occupational education such as, teachers' preparing of lessons, and teachers' attitudes towards students, the elements of lesson preparing, the classroom environment, instructional techniques, and professional responsibilities. The purpose of this survey was to examine how NTTI in-service teachers' attitudes toward their students as learners and their instructional practices in the previously mentioned five dimensions. Overall, pre-service teachers are generally satisfied with the quality of teaching conducted at NTTI, contrasted by the perception of the In-service teachers who on average of 70-90% feel their teaching is appropriate and effective in all domains. Teacher effectiveness training and learner centered approaches are suggested to improve the quality of teacher training at NTTI.

2. Expanded and Better Quality Nonformal Training

23. Nonformal training is being implemented through the VSTP. To expand the VSTP to all provinces, two new PTCs have been established in Mondulkiri and Preah Vihear. The contracts for construction of new buildings in these two PTCs were awarded in November 2011. So far the construction in Preah Vihear is 35% complete and the construction in Mondulkiri is 15% complete.

24. **VSTP Implementation.** VSTP 1st Phase, Year 1 in 209 communes was completed in November 2011. Altogether 41,947 trainees (34,848 female and 288 ethnic groups) completed their training successfully. The Mission noted that the implementation of 1st Phase, Year 2

VSTP has started from the beginning of March 2012 with a budget of \$1.21 for 41,800 trainees. The implementation of VSTP 2nd Phase, Year 1 covering another 7 provinces of Kampong Cham, Kandal, Koh Kong, Kratie, Prey Veng, Pursat, and Sihanoukville, started from February 2012 with a budget of \$1.11 million to train 38,400 trainees in 192 communes.

25. **Urban VSTP.** The urban VSTP will consist of two programs. The first - micro-enterprise training - is to be piloted by CIEDC. This will involve the training by CIEDC of selected NGOs, who will in turn develop the capacities of micro-enterprises and street vendors in 10 sangkats in Phnom Penh. It is proposed that 20 micro-enterprises are covered in each of the 10 selected sangkats per year, although the number of micro-enterprises to be covered may increase. CIEDC will be accountable for the success of this program. The second program will be implemented through JVC and will involve on-the-job training (apprenticeships) in mechanics in selected auto repair shops in Phnom Penh. This training will be supervised by JVC. The trainees will be trained for 6 months (2 per year in each repair shop).

26. Detailed design work for the two programs has commenced. The zero draft of Micro-enterprise and urban pilot VSTP has been developed. The drafts are expected to be finalized by end of the 2nd Quarter of 2012, prior to commencement of implementation.

27. **Training Needs Analysis (TNA).** The existing TNA approach has been reviewed and revised in terms of enhancing more linkage with employment opportunities from the provincial to commune level. Gender and other cultural biases have been taken into consideration. The approach and tools for conducting TNA of in-service community development specialist (CDS) has been drafted, piloted, and revised with inputs from various related stakeholders. The findings will be used as a guide for proposing and designing capacity building plans for CDSs to enable them to complete their respective TORs in an effective and efficient manner. Also, it will be used as basis to review and revise the existing Community Development training program being provided by NTTI.

3. Strengthened Institutional Capacity to Plan and Manage TVET

28. The Mission was informed about progress in finalizing the National Qualification Framework (NQF), which was submitted to NTB on 27 December 2010. The proposed NQF was intensely debated in an inter-ministerial committee throughout 2011. The finalized framework, comprising of 8 levels, was presented in the 8th NTB meeting held on 17 February 2012. The NTB approved the NQF, which will be referred to as Cambodia Qualification Framework (CQF).

29. One 3-day national workshop on “Operational Planning, TVET Management and Quality Assurance (QA) and Monitoring and Evaluation (M&E)” has been successfully conducted. Following this national workshop, another training program on Leadership and TVET Management has been conducted. The Mission was pleased to be informed that so far 4 national workshops and 49 other workshops have been conducted for 2,710 participants.

30. The first draft of the TNA survey of mid-level DGTVEET staff and Provincial Directors has been prepared. The findings from this survey will help in formulating an in-country training plan, which will complement the regional training. The Mission was apprised about the reasons in the delay in the recruitment process for the regional training. The latest situation is that there is positive indication that technical and financial proposals will be submitted for regional packages 2 and 3. The severe under-funding for package 1 and the over-budgeting of packages 4 and 5 need to be reviewed carefully and may have to be repackaged. The Mission advised the PCU to

finalize its recommendation on the way forward and assures them of ADB's guidance on how to efficiently address and remedy the situation.

31. The Mission was informed that the project has invited the first-ranked firm to submit the technical and financial proposals for the combined policy study on "Future Directions for TVET and TVET Financing". These proposals are due on 27 March 2012 and if all goes well, this important policy study is scheduled to be awarded by the end of May so that this study can commence in the beginning of July and finish by the end of this year. As part of this policy study, a TVET Strategic Plan, a TVET Development Plan and TVET Financing Plan are to be completed to comply with the requirement of the DMF.

32. **Monitoring and Evaluation (M&E).** According to the STVET M&E framework, including a Weighted Physical Accomplishment Matrix, which was developed and approved by ADB, the physical accomplishment weighted value till the end of February 2012 is 33%. The DGTVET QA-M&E framework for quality monitoring TVET and PTCs was finalized and submitted to NTB for approval. NTB has approved the QA-M&E framework with 6 criteria on 17 February 2012. The DGTVET QA-M&E Framework and guidelines are being translated, and a RTC/PTC quality audit is to be piloted by June 2012.

33. **Technical and Vocational Education and Training Management Information System (TVETMIS)³.** The Mission was informed about progress made in the development of the upcoming TVETMIS. Significant progress has been made in developing the TVETMIS forms. These forms are to be piloted soon, after which the TVETMIS will be rolled out by June 2012.

34. **Labor Market Information System (LMIS).** Significant progress has been made in the development of LMIS. All the available international and national data sources have been analyzed and for each of them, a data map has been constructed. Data tables suitable for input in the data base have been prepared. At present all the data considered as priority for the data base have been uploaded. Capacity continues to be improved by means of on-the-job training. National Employment Agency (NEA) ICT staff have now completed phase 1 of a training (internal) schedule outlined in the Training Plan. Phase 2 training has commenced. The training in labor economics, labor statistics and labor policies for NEA and MoLVT officers, has continued to enable the counterparts to be able to maintain the up-keeping the LMIS in future. The Mission was informed that the writing of a labor market report is underway as well as the preparation of a manual in labor economics, labor statistics and labor policies.

V. PROJECT IMPLEMENTATION ISSUES

35. **Regional Training Packages.** The award of the five regional training packages has been delayed as the 1st ranked firms for the first three packages did not submit the technical and financial proposals, citing inadequacy of the allocated budget. The first-ranked firm has submitted the two proposals for the packages 4 and 5. However, due to a mix-up in the budgeting for the five packages, package 1 is severely under-allocated, packages 2 and 3 are under-budgeted and the last two packages 4 and 5, which are essentially short study tours, are over-budgeted. ADB's advice is being sought and will be given soonest in consultation with COSO to rectify the selection process so that the funds can be reasonably allocated across all five packages to assure reasonable quality of training.

³ TVETMIS is referred to as VETMIS in RRP and PAM.

36. **Priority Operating Costs.** The Mission was pleased that payments under POC are being paid to the various individuals from the date of contract signing. However, the payments under POC will end on 30 June 2012. The Project enquired whether POC will be continued after June 2012. Since POC is being implemented by various Ministries, the decision on POC continuity or any other mechanism will be communicated to the Project in due time.

VI. ACTIONS TO BE TAKEN

37. A 6-month action plan from April 2012 to September 2012 has been developed and is given as Appendix 5.

38. The Mission wishes to thank MoLVT leadership, DGTVET, PCU and other MoLVT staff, SMEC consultants for the excellent cooperation and assistance extended to the Mission.

39. The next review mission is tentatively scheduled for June/July 2012.



Yasushi Hiroso
Mission Leader/Principal Education Specialist
Asian Development Bank

Signed on 23 March 2012 in Phnom Penh

Appendixes:

1. The List of Key Persons met by the Mission
2. Status of Compliance with Covenants (as of 23 March 2012)
3. The Progress of Action Plan (since October 2011 Mission)
4. Revised Projections for Cumulative Contract Awards and Disbursements
5. Action Plan for Next 6 Months (from April 2012 to September 2012)

LIST OF PERSONS MET

Ministry of Labour and Vocational Training

H.E. Pich Sophoan, Secretary of State (Project Director)
 H.E. Pok Pann, Under Secretary of State (EA Representative)
 H.E. Roth Bunla, Advisor

Directorate General of Technical and Vocational Education and Training

H.E. Laov Him, Director General (Project Coordinator)
 Mr. Tep Oeun, Deputy Director General (Executive Admin Officer)

Directorate General of Admin and Finance

Department of Finance and State Property

Mr. Haing Tola, Director (Chief of Finance)

Department of Technical and Vocational Education and Training Management

Mr. Khin Chantha, Director (Chief of Technical Team)
 Mr. Hing Sideth, Deputy Director (Procurement Officer)
 Mr. Kheng Khemara, Deputy Director (Assistant Procurement Officer)
 Mrs. Nong Kanika, Deputy Director (Administrative Officer)
 Mrs. Sau Sokunkethya, Chief Office (VSTP Officer)
 Mrs. Hou Sokunveary, Vice Chief Office (TENA Officer)
 Mr. Chhuor Viset, Chief Office (Construction Officer)
 Mr. Chin Virak, Vice Chief Office (Assistant Administrative Officer)
 Mr. Long Paulett, Vice Chief Office (Accountant)
 Mr. Thorng Samon, Officer (M&E Officer)
 Mr. Phalla Chanpiseth, Officer (CDS Officer)
 Mr. Ouk Samsavathya, Officer (LMI Officer)
 Mr. Ros Chantha, Officer (VSTP Officer)
 Mr. Vy Tolin (TVETM Officer)

Department of National Competency Standards

Mr. An Thaysocheat, Deputy Director
 Mr. Khim Yorm, Chief Office, (Curriculum Officer)

Department of Labor Market Information

Mr. Or Kimthan, Chief Office, (MIS Officer)

National Polytechnic Institute of Cambodia

Mr. Moug Phasy, Deputy Director

Preah Kossamak Polytechnic Institute

H.E. Hem Chantha, Director
 Mr. Moeung Viriya, Deputy Director

National Institute of Business

Mr. Ly Sothea, Director
 Mr. Tear Ivhout, Deputy Director

Industrial Technical Institute

Mr. Ouk Dara, Director

Cambodia-India Entrepreneurship Development Centre

Mr. Tann Kosal, Deputy Director

JVC

Mr. Sim Sorin, Director

Cambodia Thai Skills Development Center

Mr. Ros Peth, Deputy Director

Counterparts STVET Project

Mr. Samrith Vy, Policy Management and Institutional Development
Mr. Nhim Sokny, Policy Management and Institutional Development
Mrs. Ieng Sochanthy, Gender and Social
Mrs. Phou Phoury, Gender and Social
Mr. Bean Han, M&E Counterpart
Mr. Nop Sokum, M&E Counterpart
Mr. Sou Khemarin, Civil Work Counterpart
Mr. Pen Sarith, Civil Work Counterpart
Mr. Bok Miya, ICT Counterpart
Mr. Kong Nhin, TVET Teacher Training
Mr. Khat Promsopheaktra, LMIS Counterpart

Consultants, STVET Project

International

Dr. Sriram B Mathe, Team Leader/Policy, Management & Institutional Development Specialist
Mr. Bruce Hince, TVET Teacher Training Specialist
Mr. Bruni Michele, LM Information and Statistics Specialist
Mr. Ashley Marron, LMIS Development and Training Specialist

National

Mr. Seng Hong, Policy Management and Institutional Development Specialist/Deputy Team Leader
Mr. Rath Sophak, Civil Works and Procurement Specialist
Mr. Sok Chanrithy, M & E Specialist
Mr. Ly Pannaphea, Community Development Specialist
Mr. Heng Dara, ICT Specialist
Mr. Lay Socheat, VSTP Specialist
Mr. Hem Sayon, In-Service TVET Teacher Training Specialist
Mrs. Ung Kimsan, Curriculum Development Specialist
Mr. Ouchpath Akmathak, VSTP implementation Specialist
Mrs. So Rothavy, Gender & Social Specialist

Ministry of Economy and Finance

Mrs. Siv Sinyda, Official, Department of Investment & Cooperation, MEF

Asian Development Bank

Dr. Y. Hiroto, Principal Education Specialist, ADB
Mrs. Mylene Crespo, Project Analyst
Dr. Dy Sam Sideth, Education Specialist, CARM-ADB
Mr. Mar Sophea, Sr. Social Sector Officer, ADB/CARM

GRANT COVENANTS

Updated 22 March 2012

No	Reference in the Grant Agreement	Covenants	Current Status	Compliance
Sector				
1	GA Schedule 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.	<p>The TORs for the combined policy study on "Future Directions of TVET and"TVET Financing" were drafted, approved by ADB; expressions of interest were invited, evaluated and the 1st ranked firm has been invited to submit the technical and financial proposals on 27 March 2012. The TVET Development Plan and TVET Financing Plans 2013-2020 will be twoof a number of outputs of the policy study. The Medium Expenditure Framework will be based on the policy study. The Ministry has an action plan for 2009 – 2013 and annual financial plans with activities.</p> <p>The Annual Plans for 2011 and 2012 for the project were discussed and finalized in national workshops held on 21 December 2010 and 17-18 January 2012. National workshops will be held in December of every year to finalize the Annual Operational Plans for 2013 onward.</p>	Being Complied
2	GA Schedule 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.	<p>M&E framework was submitted to ADB on 15 February 2011; a revised QA-M&E was submitted on 2 May 2011.</p> <p>Weighted physical accomplishment matrix has been finalized and the physical accomplishment till end of every quarter from December 2012 is being reported. The physical accomplishment till the end of February 2012 has also been completed</p> <p>Revised guidelines and responsibilities of QA-M&E Committee have been finalized.</p> <p>The Quality Assurance and M&E framework with six criteria has been approved by the National Training Board. Quality Management Handbook has been developed and isbeing finalized.</p> <p>The Baseline Study was contracted on 17 December 2011 and the study commenced on 16 January 2012 and is expected to be completed by the end of May 2012.</p>	Being complied

No	Reference in the Grant Agreement	Covenants	Current Status	Compliance
3	GA Schedule 4 para 9	The Recipient shall ensure that financial and operational support is provided for VSTP after Project support is completed in each province.	VSTP financial procedure and monitoring workshop was conducted on 16-17 March 2011 and financial guidelines have been finalized. Revised VSTP financial management manual produced in October 2011 The VSTP 1 st Phase, 1 st year implementation has been completed. VSTP 1 st Phase, 2 nd year and 2 nd Phase, 1 st year implementation is ongoing with periodic monitoring from both the provincial and central levels. MoLVT proposes using existing National Training Fund (NTF) to continue support VSTP after project completion.	Not Due
4	GA Schedule 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.	Candidates have been nominated by the institutions for regional training and study tours. Four capacity building national workshops on (i) Annual Plan 2011, (ii) Inception Report (iii) Strategic Planning, Leadership and TVET Management and (iv) Operational Planning, TVET Management and Q-A and M&E have been conducted; a special leadership and TVET management training has been conducted for the directors on TVET institutions and another 48 capacity building workshops have been conducted.	Being complied
5	GA Schedule 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.	The Industrial Advisory Groups (IAGs) have been nominated by the National Centers for Competence (NCCs); IAGs have been established and are actively involved.	Complied
Environment				
6	GA Schedule 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 (2002)</i> , including the requirements for environmental assessment (if any). All Works contracts shall contain standard requirements for environmental impact mitigation.	All construction projects are comparatively small and will all be built on Ministry owned land; these construction works do not have adverse environmental repercussions; the designs and operations will comply with existing laws and regulations. So far, two new PTCs are under construction and are expected to be complete by end of July 2012. The construction contracts for five RTCs (Battambang, Siem Reap, SvayRieng, Takeo, and Kampot), have been signed and the construction is expected to start on 26 March 2012.	Being complied <i>(throughout project period)</i>
Financial				
7	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.	The proceeds of the Grant have and will be applied in accordance with Grant agreement.	Being complied <i>(throughout project period)</i>

No	Reference in the Grant Agreement	Covenants	Current Status	Compliance
8	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.	All categories of Good, Works and Consultant Services and other items of expenditure are in accordance with the provisions of schedule 2 to the Grant Agreement.	Being complied <i>(throughout project period)</i>
9	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.	All Goods, Works and consulting services to be financed out of the proceeds of the Grant have and will be procured in accordance with the provisions of Schedule 3 to the Grant Agreement.	Being complied <i>(throughout project period)</i>
10	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 (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.	Withdrawals from the Grant Account in respect of Goods, Works and consulting services have and shall conform to eligible sources of procurement.	Being complied <i>(throughout project period)</i>
11	GA Article IV, Section 4.02 (a)	The Recipient shall (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.	The accounts and financial statements are being maintained as per stipulations. The audit for FY 2010 and 2011 will be undertaken together, for which ADB has already given its approval.	Being complied <i>(throughout project period)</i>

No	Reference in the Grant Agreement	Covenants	Current Status	Compliance
12	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) here above, 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.	The project shall accommodate ADB's request, whenever it is made related to financial statements and audit reports.	No request from ADB as yet
13	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.	The project shall accommodate ADB's request with regard to the inspection of goods procured under the project, whenever it is made.	No request from ADB as yet
14	GA Schedule 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.	The Grant proceeds are being disbursed in accordance with Loan Disbursement Handbook.	Being complied <i>(throughout project period)</i>
15	GA Schedule 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>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>	<p>The imprest account in the National Bank of Cambodia and SGIA account in ACLEDA Bank have already been established and are already operational.</p> <p>The Imprest accounts are being managed, replenished and liquidated as per ADB's Handbook and as agreed between ADB and Recipient.</p>	<p>Complied</p> <p>Being complied <i>(throughout project period)</i></p>
16	GA Schedule 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.	The SOE procedure is being used for eligible payments.	Being complied <i>(throughout project period)</i>

No	Reference in the Grant Agreement	Covenants	Current Status	Compliance
17	GA Schedule 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.	<p>The budget of \$1,209,274 for VSTP 1st Phase, 1st year in 209 communes in 7 provinces was approved by NTB on 27 December 2010 and funds were transferred to the accounts of the implementing institutions in various stages.</p> <p>The budget \$5,314,666 for VSTP 1st Phase, 2nd Year, and VSTP 2nd and 3rd Phases was approved by NTB on 23 December 2011 and initial advances of \$117,000 has been transferred to the provincial accounts in 7 provinces for 2nd Phase 1st Year and \$195,000 had been transferred to provincial account in 7 provinces for 1st Phase 2nd Year.</p> <p>Funds will be transmitted in stages, reconciled and replenished.</p>	Being complied <i>(throughout VSTP implementation period)</i>
18	GA Schedule 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.	This has been complied with.	Complied
19	GA Schedule 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.	No such misprocurement issue has arisen and will not arise in future as well as the PCU will comply with all the existing financial regulations.	Being Complied
20	GA Schedule 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.	This is an ongoing process and is and will be complied.	Being complied <i>(throughout project period)</i>
21	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.	The implementation arrangement and funds flow mechanisms shall remain the same throughout the project period.	Being complied <i>(throughout project period)</i>

No	Reference in the Grant Agreement	Covenants	Current Status	Compliance
22	GA Schedule 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.	The audit is not due yet, but when it is due, the stipulations shall be complied with.	Not due
23	GA Schedule 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.	This is being complied with.	Being complied (throughout project period)
Social				
24	GA Schedule 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).	The location of construction sites for new PTCs and RTCs have been agreed, master plans for all 7 sites have been completed; construction of 2 new PTCs are ongoing and construction of 5 RTCs will be commence soon; there is no resettlement issue.	Complied
25	GA Schedule 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.	This will be complied with. The designs for 2 new PTCs and 5 RTCs have been completed and do comply with safety standards. Construction already taken and to be taken in future will comply with relevant building and safety standards.	Being complied (throughout construction period)
26	GA Schedule 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.	This will be complied with.	Not due.

No	Reference in the Grant Agreement	Covenants	Current Status	Compliance
27	GA Schedule 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 DGTNET 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.	GEMAP has been prepared; in 1st phase VSTP, the women constitute more than 59% of the trainees. GEMAP will be adhered to.	Being complied (throughout project period)
28	GA Schedule 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.	2 new PTC buildings(Mondulkiri and PreahVihear) are alreadyunder construction; the stipulations mentioned are being complied with and will be complied with in the new construction works.	Being complied
Others				
29	GA Schedule 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.	The procurement plan has been finalized; the procurement undertaken so far comply with ADB's stipulation on thresholds; future procurement shall also comply with the stipulations.	Being complied (throughout project period)
30	GA Schedule 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.	So far, four bidding documents for national shopping of goods, six national competitive bidding of goods and two NCB document for civil works for 1st phase and 2nd phase have been approved by ADB.All bidding has and shall comply with the Procurements Guidelines and Procurement Plan, which will be amended from time to time as required.	Being complied

No	Reference in the Grant Agreement	Covenants	Current Status	Compliance
31	GA Schedule 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.	All construction works will be on MoLVT owned property and as such there is no land acquisition and resettlement issue.	Being complied <i>(throughout construction period)</i>
32	GA Schedule 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>	<p>QCBS was applied for selection of the main consulting contract.</p> <p>CQS was used for selection of consulting firms for baseline survey and CQS is being used for regional training and for policy study.</p>	<p>Complied</p> <p>Being complied <i>(throughout project period)</i></p>
33	GA Schedule 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.	This is and will be complied with.	Being complied <i>(throughout project period)</i>
34	GA Schedule 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.	This is and will be complied with.	Being complied <i>(throughout project period)</i>
35	GA Schedule 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.	This is and will be complied with.	Being complied <i>(throughout project period)</i>
36	GA Schedule 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.	The procurement of consulting services was reviewed by ADB at all critical stages; 4 sets of national shopping of goods, 6 NCB document for goods 2 NCB document for civil works have all been approved by ADB. The ICB for certificate level equipment for construction and automotive workshop equipment for NTTI Complex and five RTCs will be prepared and submitted to ADB, prior to implementation.	Being complied <i>(throughout project period)</i>
37	GA Schedule 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.	This has been complied with.	Complied

No	Reference in the Grant Agreement	Covenants	Current Status	Compliance
38	GA Schedule 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.	This has been complied with.	Complied
39	GA Schedule 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.	This has been complied with.	Complied
40	GA Schedule 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.	Inception Report, all the 4 quarterly reports for 2011 have been submitted to ADB, DGTVET and other stakeholders.	Being complied (throughout project period)

No	Reference in the Grant Agreement	Covenants	Current Status	Compliance
41	GA Schedule 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.	The project is complying with all the requirements so that the procedures and implementation are transparent and accountable.	Being complied <i>(throughout project period)</i>
42	GA Schedule 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.	STVET project website is established and operational, and contains a lot of information related to project activities; the website is being regularly updated. Procurement details are also being uploaded and regularly updated. The website can be reviewed at www.ntb.gov.kh/stvet/	Being complied <i>(throughout project period)</i>
43	GA Schedule 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.	The grievance redress mechanism is incorporated in all bidding documents and a grievance mechanism has also been uploaded in the website.	Being complied <i>(throughout project period)</i>
44	GA Schedule 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.	This is being complied with.	Being complied <i>(throughout project period)</i>

No	Reference in the Grant Agreement	Covenants	Current Status	Compliance
45	GA Schedule 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.	7-11 June 2010 Inception Mission; 11-18 November 2010 : 8-13 May 2011; 29 Sep – 7 October 2011 and 19-23 March 2012 Review Missions have been completed	Being complied (throughout project period)

PROGRESS IN TERMS OF ACTION PLAN IN AIDE MEMOIRE OF ADB REVIEW MISSION OF OCTOBER 2011

PLANNED ACTIVITY	Time line	Status
Formal programs		
<i>Skills Standards</i>		
• Complete competency-based curriculum (CBC) for seven competency standards (Level 1) for priority jobs in construction and mechanics (automotive) industry sectors	30 Nov 2011	Completed
• Start adapting or writing competency-based learning packages (Level 1) for priority jobs in construction and mechanics (automotive) industry sector	30 March 2012	Partially completed
• Start adapting or writing seven (7) competency standards (Levels 2 and 3) for priority jobs in the construction and mechanics (automotive) industry sectors	30 March 2012	Partially completed
<i>Curriculum Development</i>		
• Finalize review of curriculum being implemented by 23 PTCs and make appropriate recommendations	04 Nov 2011	Completed
• Review and refine Khmer versions of competency-based curriculum (CBC) – Level 1 for priority jobs in the construction and mechanics (automotive) industry sectors	30 November 2011	Completed
• Review and refine Khmer versions of competency standards (Level 2) for priority jobs in the construction and mechanics (automotive) industry sectors	30 March 2012	Partially completed
• Review and refine Khmer versions of competency-based learning packages (Level 1) for priority jobs in the construction and mechanics (automotive) industry sectors	30 March 2012	Partially completed
<i>TVET Teacher Training</i>		
• Conduct Training Seminar on “Soft Skills” for NTTI pre-service teachers.	31 Oct 2011	Completed
• Finalize NTTI’s teaching team modules for modification to a competency based curriculum for TVET teachers.	30 November 2011	Completed
• Conduct Training Seminar on “ Skills Upgrading” for PTC teachers	30 Dec 2011	Completed
• Conduct Training Seminar on “ Skills Upgrading” for RTC teachers	31 Jan 2012	Completed
• Conduct Training Seminar on “ Skills Upgrading” for PTC teachers	28 Feb 2012	Completed
Non-Formal programs (VSTP)		
• PTB to approve the annual commune training plans of VSTP 2nd phase (Year 1)	31 Oct 2011	Completed
• Conduct orientation workshop on VSTP implementation guideline	31 Oct 2011	Postponed to April 2012
• Select trainees and select training providers for 7 provinces of VSTP 2nd phase (Year 1)	31 Nov 2011	Completed
• Start implementation VSTP 2nd phase in 192 communes (Year 1)	15 Dec 2011	Completed
• Develop annual commune training plan 1st phase (Year 2)	31 Dec 2011	Completed
• Start implementation VSTP 1st phase (Year 2)	28 Feb 2012	Completed
Institutional Development		
<i>TVET Institute management</i>		
• Development STVET 2012 Annual Operational Planning	15 Dec 2011	Completed
• Training on Strategic Planning and Annual Operational Planning (full module)	1-2 Dec 2011	Completed
• Completion of 1 st Submission of Regional Training	15 Oct 2011	Completed
• Completion of 2 nd & 3 rd Submission of Regional Training	31 Dec 2011	Delayed due to non-submission by 1 st ranked firms for Packages 1 - 3
• Training on Leadership and TVET Management for smaller groups	31 Jan 2012	Completed
<i>TVET Systems Development</i>		
• Approve NQF by NTB	31 Dec 2011	Completed
• Completion of Capacity Development Plan for Mid-level Management of DGTVET and TVET institution based on TNA survey	30 Nov 2011	Partially Completed
• Completion of 2 nd and 3 rd Submission of Baseline Study	22 Oct 2011	Completed

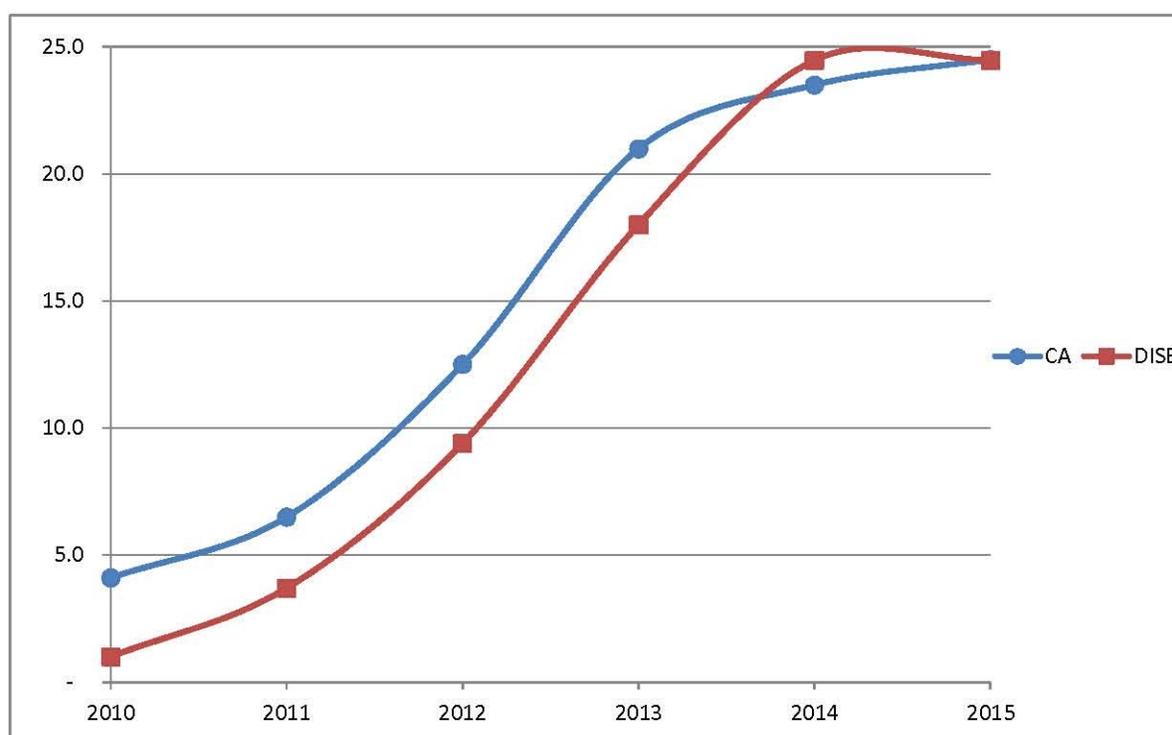
PLANNED ACTIVITY	Time line	Status
• Contract Signing of Baseline Study	16 Dec 2011	Completed
• Start of Baseline Survey	17 Jan 2012	Completed
• Start recruitment of Consulting Firm to undertake Policy studies on “Future Directions for TVET in Cambodia ”and “TVET Financing”	23 Oct 2011	Completed
• Completion of 1 st Submission on Policy Studies	31 Dec 2011	Completed
• Completion of 2 nd and 3 rd Submission on Policy Study	15 Mar 2012	2 nd Submission due 29 March 2012
<i>TVETMIS & LMIS & Database</i>		
• First Stakeholder Meeting	30 Nov 2011	Completed
• Training in labour economics, labour statistics and labour policies for NEA and MoLVT officers (First Quarter or 2)	20 Dec 2011	Ongoing till end of Mar 2012
• Initial map of available labour market information	15 Dec 2011	Completed
• Survey data collection and storage commenced	10 Oct 2011	Completed
• Final map of available labour Market information	15 Mar 2012	Ongoing
• Survey data collection and storage completed	30 Mar 2012	Ongoing
• Finalize output of information system	30 Mar 2012	Ongoing
• Finalize lecture notes on demography, education, labour market and training needs	30 Mar 2012	Ongoing
• Development of VETMIS training plan for the VETMIS team	1 Nov 2011	Completed
• Finalize VETMIS forms and reports sample with supporting matching E/R models.	10 Nov 2011	Partially Completed
• Submission of all VETMIS Analysis documentation	17 Nov 2011	Partially Completed
• Implementation of VETMIS: physical design of database and coding web application	27 Feb 2012	Postponed till April 2012
• Conduct VETMIS 1 st pilot phase	16 Mar 2012	Postponed till April 2012
<i>IT Training</i>		
• Advanced ICT Training Workshop	30 Nov 2011	Completed
<i>M&E</i>		
• Promulgation and implement of M&E System	31 Oct 2011	Completed
• Workshop on Data input and M&E procedure	30 Nov 2011	Completed
• Commence PTC QA Audit	31 Dec 2011	Postponed to May 2012
• Analysis of TVET and PTC QA assessment	29 Feb 2012	Postponed to May 2012
• Feedback workshop on QA-M&E reports	31 Marc 2012	Postponed to June, 2012
<i>Social and Gender</i>		
• Training Workshop on Engendering the Curriculum (Part 1)	20-21 Oct	Completed
• Review Workshop on Engendering the Curriculum (Part 2)	3-4 Nov	Completed
• Training Workshop on Mainstreaming Gender in the TNA framework of VSTP	15 Nov	Postponed to Apr 2012
• ToT on enterprise development and management	15 Dec	Postponed to April 2012
<i>Project Finance Specialist</i>		
• Training VSTP Finance Management & Procurement Continuing input into VETMIS (Finance & M&E)	31 Oct 2011	Completed
• Finalise FMM, Procurement manuals, obtain endorsement & oversee translation	31 Oct 2011	Existing manuals adequate
<i>Procurement</i>		
<i>Civil Works</i>		

PLANNED ACTIVITY	Time line	Status
• Contract signing and start of contract of 2 site engineers to supervise 2 new PTCs	10 Oct 2011	Completed
• Contract award of 1st Phase Civil Works (PTCs in Mondolkiri and Preah Vihear)	22 Oct 2011	Completed
• Contract Award of 2 nd Phase of Civil Works – 5 RTCs	31 Dec 2011	Completed
<i>Equipment</i>		
• Award of VETMIS Computers package	15 Dec 2011	Completed
• Finalize list of the basic, automotive workshop equipment for existing PTCs and VETMIS computer equipment for all 38 public TVET institutions	15 Oct 2011	Completed
• Contract signing for Basic and Automotive workshop equipment for PTCs	31 Dec 2011	Postponed to May 2012
<i>Workshop</i>		
• Conduct Workshop to TVET and RTCs-PTCs on the Project Procurement Guideline	1 Dec 2011	Modality amended; periodic seminar-based training Jan -June 2012

**Grant 0178-CAM: Strengthening Technical Vocational Education and Training
REVISED PROJECTIONS FOR CONTRACT AWARDS AND DISBURSEMENTS**

Following recent instructions to re-visit the projections of project encountering performance rating problems in the E-Operations, a review of the current projections for contract awards and disbursements has been undertaken to accurately reflect project performance. A revised S-curve graph, as well as the table detailing revised projections per quarter, beginning from 2nd Quarter of 2012 up to project closing in 31 July 2015, are shown below.

	2010*		2011*		2012		2013		2014		2015		TOTAL	
	CA	DISB	CA	DISB	CA	DISB								
Q1	-	-	0.1	0.4	1.8	0.2	1.0	2.0	1.0	3.0	0.5	-		
Q2	-	-	0.2	0.3	0.2	1.0	4.0	3.0	0.6	2.0	0.5	-		
Q3	-	1.0	0.8	1.1	3.5	2.5	1.5	1.5	0.2	1.0	-	-		
Q4	4.1	-	1.2	0.9	0.5	2.0	2.0	2.1	0.7	0.5	-	-		
TOTAL	4.1	1.0	2.4	2.7	6.0	5.7	8.5	8.6	2.5	6.5	1.0	-	24.5	24.5



H.E. Pich Sophoan
Secretary of State
Ministry of Labour and Vocational Training

Yasushi Hiroto
Mission Leader/Principal Education Specialist
Asian Development Bank

Signed on 23 March 2012, Phnom Penh, Cambodia

ACTION PLAN FOR NEXT 6 MONTHS (APRIL TO SEPTEMBER 2012)

PLANNED ACTIVITY	Time line	Responsible
Formal programs		
<i>Skills Standards</i>		
▪ Mechanic CS level 3 validation workshop Expert workers	11-12 April 2012	Director of ITI
▪ Construction CS level 3 validation workshop Expert workers	19-20 April 2012	Director of PPI
▪ Writing CS level 4 for Construction and Mechanics in English & Khmer version	01-30 Apr to 01- 30 May 2012	Directors of ITI & PPI
▪ Writing CS levels 3 and 4 for ICT & Business in English & Khmer version	01-30 Apr to 01- 31 May 2012	Director of NIB
▪ ICT & Business CS levels 3 and 4 validation workshop Expert workers	14-15 June 2012	Director of NIB
▪ Reviewing & Endorsement CS level 3 and 4 for ICT & Business by IAG	17 July 2012	Director of NIB
▪ Mechanic CS level 4 validation workshop Expert workers	20-21 June 2012	Director of ITI
▪ Construction CS level 4 validation workshop Expert workers	19-20 June 2012	Director of PPI
▪ CS levels 3 & 4 for Construction and Mechanics Review & Endorsement by IAG	10 July 2012	Directors of ITI & PPI
▪ CS levels 3 & 4 for Construction, Mechanics and ICT & Business Review and Endorsement Workshop by NTB Sub-committee for Skills Standards	05 August 2012	Directors of ITI & PPI and MoLVT
<i>Curriculum Development</i>		
▪ CBC level 2 for Construction & Mechanics and CS ICT & Business Review and Endorsement by NTB Sub-committee for Skills Standards	30 April 2012	Directors of ITI, PPI, NIB and MoLVT
▪ Writing CBLP –Task Analysis of Elements for Construction & Mechanics level 2 and ICT & Business levels 2 and 3 in English and Khmer version	20 March- May 2012	Directors of ITI & PPI
▪ Formulating Instructional Objectives for Each Element or Learning Outcome for Construction & Mechanics level 2 and ICT & Business Levels 2 and 3 (English and Khmer version)	01Jun - 30 Jul 2012	Directors of ITI & PPI
▪ Construction of Multiple- Choice Test Items for each Element or Learning Outcome for Construction & Mechanics Level 2 (English & Khmer version)	01Jul - 30 Aug 2012	Directors of ITI & PPI
▪ Writing CBLP for each Element or Learning Outcome for Construction & Mechanics Level 2 and ICT & Business (English & Khmer version)	01 Aug - 30 Sep 2012	Directors of ITI & PPI
▪ Writing CBC level 3 for Construction & Mechanics and Levels 3 and 4 for ICT & Business in English and Khmer version	15 June-15 Sept 2012	Directors of ITI & PPI
▪ Writing CBC Level 4 for Construction & Mechanics and Business in English and Khmer version	15 Sept- 15 Oct 2012	Directors of ITI & PPI
▪ Writing CBLP –Task Analysis of Elements for Construction & Mechanics levels 3 & 4 in Khmer version	March – May 2012	Directors of ITI & PPI
▪ Formulating Instructional Objectives for Each Element or Learning Outcome for Construction & Mechanics level 3 & 4 and ICT & Business levels 3 and 4 (Khmer version)	April- June 2012	Directors of ITI & PPI
▪ Construction of Multiple- Choice Test Items for each Element or Learning Outcome for Construction & Mechanics Levels 3& 4 (Khmer version)	July- August 2012	Directors of ITI & PPI
▪ Writing CBLP for each Element or Learning Outcome for Construction & Mechanics and ICT & Business Level 3 & 4 (Khmer version)	Aug – Sept 2012	Directors of ITI, PPI and NIB
▪ Conducting CAP workshop	18-22 June 2012	Directors of ITI, PPI and NIB
▪ Writing CAP Construction & Mechanic level 2 and ICT & Business Levels 2 and 3 in English version	25 Jun - 25 Jul 12	Directors of ITI, PPI and NIB
▪ Writing CAP Construction & Mechanic Level 2 in Khmer version	25 Jul - 25 Aug 12	Directors of ITI, PPI and NIB
▪ Conducting Assessor's Training Course	24-28 Sept 12	Directors of ITI, PPI and NIB

PLANNED ACTIVITY	Time line	Responsible
<i>TVET Teacher Training</i>		
• Conduct training workshop on "Training of Trainers" for lead teachers in Phnom Penh, RTCs and PTCs	30 April 2012	NTTI
• Develop TVET teacher handbook	30 April 2012	NTTI
• Conduct training seminar on "Skills Upgrading" for RTC and PTC TVET teachers	31 May 2012	NTTI
• Develop Soft Skills Training Manual for NTTI	30 June 2012	NTTI
• Conduct follow up workshops on training strategies for PTC teachers	30 July 2012	NTTI
• Conduct follow up workshops on training strategies for RTC teachers	30 August 2012	NTTI
• Conduct training seminar on "soft skills" for pre-service teachers (batch 11)	30 Sept 2012	NTTI
<i>Non-Formal programs (VSTP)</i>		
• Conduct orientation workshop on VSTP implementation guideline	20 April 2012	PCU
• Conduct refresher training workshop on VSTP 3 rd phase, year 1	30 June 2012	PCU
• Conduct TENA survey for VSTP 3 rd phase, year 1	31 August 2012	PCU
• Dissemination workshop on piloting urban VSTP	15 June 2012	PCU
• Select NGO for micro-enterprise pilot VSTP	30 September 2012	PCU
<i>Institutional Development</i>		
<i>TVET Institute management</i>		
• Conduct field survey to understand the roles and responsibilities of the senior management of institutions and complete TORs for all major personnel	30 June 2012	PCU
• Conduct five (5) two day workshops in five RTCs for the public TVET institutions on "Strategic Planning and Annual Plans "	31 July 2012	PCU
• Conduct five (5) two day workshops in five RTCs for the public TVET institutions on "Leadership and TVET Management"	30 September 2012	PCU
• Conduct National Workshop on "Operational Planning for 2013"	4 – 5 Dec 2012	
<i>TVET Systems Development</i>		
• Implementation of VETMIS: physical design of database and coding web application	31 July 2012	PCU
• Conduct VETMIS 1 st pilot phase	31 August 2012	PCU
<i>LMIS & Database</i>		
• Preparation of data tables for data input completed	15 April 2012	MB/NEA
• Data collection completed	30 April 2012	MB/NEA
• Preparation of output tables completed	30 April 2012	MB/NEA
• Lecture notes on labour economics and statistics finalized	1 May 2012	MB
• LMIS Equipment Delivery and Installation	15 May 2012	PCU/NEA
• Training on labour economics and statistics (phase 2) completed	30 May 2012	MB
• LMIS Database Internal Installation	31 May 2012	AM / NEA
• Labour market report finalized	15 June 2012	MB
• Acquisition of recommended web hosting package	30 June 2012	AM / PCU
• LMIS Website to web host	31 July 2012	AM / NEA
<i>IT Training</i>		
• Microsoft .NET framework and SQL server trainings for VETMIS officers	30 June 2012	PCU
• Microsoft .NET framework and SQL server trainings for LMIS officers	30 June 2012	PCU
<i>M&E</i>		
• QA assessment Trial at random PTCs	31 April,2012	PCU, QA-M&E Committee
• Workshop Training on "The implementation of QA system"	31 May 2012	PCU, QA-M&E Committee

PLANNED ACTIVITY	Time line	Responsible
• Commence PTC QA Audit	31 May 2012	PCU, QA-M&E Committee
• Analysis of TVET and PTC QA assessment	31 May 2012	PCU, QA-M&E Committee
• Incorporating Baseline Study Data into M&E Framework and Revising Indicators	30 June 2012	PCU, QA-M&E Committee
• Workshop “Feedback on QA-M&E Reports”	30 June, 2012	PCU, QA-M&E Committee
<i>Social and Gender</i>		
• Training Workshop on Mainstreaming Gender in the TNA framework of VSTP	20 April 2012	PCU
• ToT on enterprise development and management	30 April 2012	PCU
<i>Procurement</i>		
<i>Civil Works</i>		
• Start of construction of 2 nd Phase of Civil Works – 5 RTCs	26 March 2012	PCU, PU
• Start of deployment of 5 site engineers to supervise 5 RTCs	26 March 2012	PCU, PU
• Finalize list of the renovation works for existing PTCs for 3 rd phase	30 July 2012	PCU, PU
• Complete costing of the renovation works	31 July 2012	PCU, PU
• Award contracts for renovation/additional works under 3 rd Phase	30 September 2012	PCU, PU
• Completion of construction of 1 st Phase of Civil Works – 2 New PTCs	31 August 2012	PCU, PU
<i>Equipment</i>		
• Complete delivery, installation and commissioning of VETMIS computer and ICT equipment to STVET	31 May 2012	PCU, PU
• Award of Contracts for Basic Tools and Automotive Equipment	31 May 2012	PCU, PU
• Procure motorcycles for 3 rd phase VSTP	30 September 2012	
<i>Services</i>		
• Complete evaluation of 2 nd and 3 rd Submission on Policy Study	30 April 2012	PCU
• Dissemination Workshop on Findings from Baseline Survey	30 April 2012	SBK
• Submission of final report on Baseline Survey	31 May 2012	SBK
• Conduct Financial Negotiations with Firm selected for Policy Study	31 May 2012	PCU
• Sign Contract with Firm undertaking Policy Study	15 June 2012	PCU
• Completion of 2 nd & 3 rd Submission of Regional Training	30 June 2012	PCU, PU
• Start of Policy Study	16 July 2012	Selected Firm
• Conduct financial negotiations for the 5 Regional Training Packages	31 July 2012	PCU, PU
• Sign contracts with selected trainers for the 5 Regional Training Packages	21 August 2012	PCU, PU
• Start of Regional Training	15 September 2012	PCU, PU