



# Grant Assistance Report

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Project Number: 42164  
March 2009

Proposed Grant Assistance  
Kingdom of Cambodia: Piloting the Post-Harvest  
Technology and Skills Bridging Program for Rural  
Poor  
(Financed by the Japan Fund for Poverty Reduction)

Asian Development Bank

## CURRENCY EQUIVALENTS

(27 January 2009)

Currency Unit	–	riel (KR)
KR1.00	=	\$0.0002417
\$1.00	=	KR4,137.2

## ABBREVIATIONS

ADB	–	Asian Development Bank
BTOR	–	back-to-office report
CARM	–	Cambodia Resident Mission
CBO	–	community-based organization
CDS	–	community development specialist
COBP	–	country operations business plan
CPM	–	country programming mission
CRDB	–	Cambodia Rural Development Bank
CSP	–	country strategy and program
DGTVET	–	Directorate General Technical Vocational Education and Training
EA	–	executing agency
ESDP	–	Education Sector Development Program
ESP	–	Education Strategic Plan
ESSP	–	Education Sector Support Program
GTZ	–	German Technical Cooperation
ILO	–	International Labour Organization
JFPR	–	Japan Fund for Poverty Reduction
JICA	–	Japan International Cooperation Agency
MAFF	–	Ministry of Agriculture, Forestry and Fishery
M&E	–	monitoring and evaluation
MEF	–	Ministry of Economy and Finance
MIS	–	management information system
MIME	–	Ministry of Industry, Mines and Energy
MoC	–	Ministry of Commerce
MoEYS	–	Ministry of Education, Youth and Sport
MOLVT	–	Ministry of Labor and Vocational Training
MoWA	–	Ministry of Women's Affairs
NGO	–	nongovernment organization
NPIC	–	National Polytechnic Institute of Cambodia
NSDP	–	National Strategic Development Plan
NTVETDP	–	National Technical Vocational Education and Training Development Plan
NTB	–	National Training Board
NTF	–	National Training Fund
NTTI	–	National Technical Training Institute
OVOP	–	One Village, One Product
PHT	–	post-harvest technology
PPTA	–	project preparatory technical assistance
PTB	–	provincial training board
PTC	–	provincial training center
SERD	–	Southeast Asia Department
SEGF	–	Self-Employment Generation Fund
SME	–	small and medium-sized enterprises

sq m	–	square meter
TA	–	technical assistance
TTC	–	technical training center
TVET	–	technical vocational education and training
UNESCO	–	United Nations Education, Scientific and Cultural Organization
VSTP	–	Voucher Skills Training Program

### NOTES

- (i) The fiscal year of the Government of Cambodia and its agencies ends on 31 December. FY before a calendar year denotes the year in which the fiscal year ends, e.g., FY 2009 ends on 31 December 2009.
- (ii) In this report, “\$” refers to US dollars.

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# CAMBODIA

## PILOTING POST-HARVEST TECHNOLOGY AND SKILLS BRIDGING PROGRAM FOR RURAL POOR



- Project Location
- ★ National Capital
- Provincial Capital
- City/Town
- National Road
- Other Road
- Railway
- River
- Provincial Boundary
- International Boundary

Boundaries are not necessarily authoritative.

# JAPAN FUND FOR POVERTY REDUCTION (JFPR)

## JFPR Grant Proposal

### I. Basic Data

<b>Name of Proposed Activity</b>	Piloting the Post-Harvest Technology and Skills Bridging Program for Rural Poor
<b>Country</b>	Kingdom of Cambodia
<b>Grant Amount Requested</b>	\$2,000,000
<b>Project Duration</b>	3 years
<b>Regional Grant</b>	<input type="radio"/> Yes / <input checked="" type="radio"/> No
<b>Grant Type</b>	<input checked="" type="radio"/> Project / <input type="radio"/> Capacity building

### II. Grant Development Objectives and Expected Key Performance Indicators

<p><b>Grant Development Objectives:</b></p> <p>The objective is to reduce poverty among the rural poor in Cambodia by improving the post-harvest skills of agricultural producers and enhancing the knowledge and technical skills of youth to meet the demands of industry. The immediate objectives are to (i) increase the value added to agricultural produce through post-harvest skills development and training, and (ii) meet the needs of diversified enterprises through a technical vocational education and training (TVET) skills bridging program for youth.</p> <p>The grant will create new earning and income opportunities for poor agricultural producers in pilot communes during both on and off-farm seasons, and create business opportunities and access to training and employment for out-of-school youth through improvements in their knowledge and skills that respond to the increasing demands of the labor market.</p>
<p><b>Expected Key Performance Indicators:</b></p> <ol style="list-style-type: none"> <li>1. Poverty incidence in the targeted communes reduced by 5%, by 2012.</li> <li>2. Provision of post-harvest skills training to 3,000 agricultural producers in targeted communes by 2012.</li> <li>3. Family income of 3,000 agricultural producers increased by 20%, by 2012.</li> <li>4. 700 youth/school leavers in targeted locations have graduated from the TVET skills bridging program by 2012 (50% of them have entered further training at the certificate level, and the remaining 50% are employed by 2012).</li> </ol>

### III. Grant Categories of Expenditure, Amounts, and Percentage of Expenditures

<b>Category</b>	<b>Amount of Grant Allocated in \$</b>	<b>Percentage of Expenditures</b>
1. Civil Works	165,000	8
2. Equipment and Supplies	182,000	9
3. Training, Workshops, and Seminars	65,000	3
4. Consulting Services	497,000	25
5. Project Management, Monitoring, and Evaluation	121,000	6
6. Other Project Inputs (technical training centers (TTCs)/nongovernment organizations (NGOs)/community-based organizations (CBOs)	906,000	46
7. Contingencies	64,000	3
<b>Total</b>	<b>2,000,000</b>	<b>100</b>

**JAPAN FUND FOR POVERTY REDUCTION**  
**JFPR Grant Proposal**  
**Background Information**

<b>A. Other Data</b>	
<b>Date of Submission of Application</b>	1 September 2008
<b>Project Officer</b>	Sopheha Mar, Social Sector/Poverty Officer
<b>Project Officer's Division, E-mail, Phone</b>	Cambodia Resident Mission (CARM), Southeast Asia Department E-mail: <a href="mailto:smar@adb.org">smar@adb.org</a>
<b>Other Staff Who Will Need Access to Edit/Review the Report</b>	Sopheark Mith Chea, Assistant Project Analyst, CARM E-mail: <a href="mailto:smchea@adb.org">smchea@adb.org</a>
<b>Sector</b>	Education
<b>Subsector</b>	Technical and Vocational Education
<b>Theme</b>	Inclusive social development
<b>Subtheme</b>	Human development
<b>Targeting Classification</b>	Targeted Intervention-Geographic
<b>Was JFPR seed money used to prepare this grant proposal?</b>	Yes [ ] No [ x ]
<b>Have SRC comments been reflected in the proposal?</b>	Yes [ x ] No [ ]
<b>Name of Associated Asian Development Bank (ADB)-Financed Operation(s)</b>	Second Education Sector Development Project (ESDP II) (Loan 2122-CAM), and a prospective technical vocational education and training (TVET) project in 2009
<b>Executing Agency</b>	Ministry of Labor and Vocational Training (MOLVT ) H.E. Pich Sophoan, Secretary of State, MOLVT No. 3, Russian Confederation Blvd., Phnom Penh, Cambodia E-mail: <a href="mailto:sophoanpich@camnet.com.kh">sophoanpich@camnet.com.kh</a> Telephone: (855-23) 884 275 Fax: (855-23) 884 276
<b>Grant Implementing Agency</b>	Directorate General, Technical Vocational Education and Training (TVET) H.E. Laov Him, Director General General Director, TVET, MOLVT No. 3, Russian Confederation Blvd., Phnom Penh, Cambodia E-mail: <a href="mailto:tvt-cambodia@camnet.com.kh">tvt-cambodia@camnet.com.kh</a> Fax/Phone: (855-23) 222 407

**B. Details of the Proposed Grant**

**1. Description of the Components, Monitorable Deliverables and/or Outcomes, and Implementation Timetable**

<b>Component A</b>	
Component Name	Pilot Testing of Post-Harvest Technology Skills Development Program
Cost (\$)	\$1,155,000 (excluding contingencies)
Component Description	This component aims to: (i) determine appropriate food storage, processing, and packaging technologies; (ii) develop a demand-based curriculum, learning materials, and design training modules in each

	<p>selected post-harvest technology (PHT); (iii) construct and/or upgrade buildings in the target TTCs, and equip them with the required equipment for the basic PHT skills development program; and (iv) provide training to eight PHT trainers (two from each TTC) to deliver PHT training to 44 PHT commune assistants (one from each participating commune) to further train and provide continuing support to a target group of 3,000 agricultural producers in 44 target communes, and bring product samples to TTC-based labs for food safety testing.</p> <p>The PHT skills development grant will be provided to TTCs (at a maximum of \$180,000/TTC for a 3-year period) for the PHT skills development program. They will receive a mobilization grant of 20% of the contract amount and progress payments based on approved budgets, work program and performance. There will be a 10% holdback to be paid on submission of a satisfactory progress report and assurance of deliverables and outputs.</p> <p>The grant will be used for (i) training of PHT and community development specialist (CDS) trainers; (ii) training of 3,000 agricultural producers to apply PHT techniques, including advanced food safety and hygiene requirements, and marketing; (iii) promotional activity on local products, including trade fairs; and (iv) follow-up support to trained agriculture producers.</p> <p>TTCs are expected to provide matching funds (in kind, cash and/or other services) of around 10%–15% of the JFPR inputs to the institutions. Before receiving JFPR grants the TTCs will be required to (i) submit a PHT skills development plan developed in consultation with participating commune councils and endorsed by the Directorate General TVET (DGTJET), and (ii) sign a memorandum of agreement on the use of these funds similar to the existing Voucher Skills Training Program (VSTP) grant model.<sup>2</sup></p>
<p>Monitorable Deliverables/Outputs</p>	<ol style="list-style-type: none"> <li>1. Demand-driven PHT identified, based on baseline information.</li> <li>2. Curriculum, learning materials and handbooks in Khmer developed and, or upgraded.</li> <li>3. TTCs building facilities (200 square meters on one floor) upgraded and/or constructed and equipped with the required equipment for basic PHT technology.</li> <li>4. Around 3,000 agricultural producers trained to select and apply available and usable PHT processing and packaging techniques.</li> </ol>
<p>Implementation of Major Activities: Number of months for grant activities</p>	<ol style="list-style-type: none"> <li>1. Baseline survey<sup>3</sup> and PHT needs assessment completed—within the first month of project implementation.</li> <li>2. PHT curriculum, learning materials, and handbooks developed and printed—within the first quarter of project implementation.</li> <li>3. Food safety testing facilities (200 square meters, one floor, slab-on-grade) constructed and/or upgraded in targeted TTCs—within the first 5 months of project implementation.</li> <li>4. PHT required equipment provided to constructed and/or renovated labs—within the second quarter of project implementation</li> <li>5. First PHT skills development plan submitted by TTCs and endorsed by DGTJET—within the first quarter of project</li> </ol>

<sup>1</sup> TTCs, in this project paper, include provincial training centers (PTCs), the National Technical Training Institute (NTTI) for the skills bridging program, and the National Polytechnic Institute of Cambodia (NPIC) for the PHT development program. They are line institutions of MOLVT in the four project locations.

<sup>2</sup> The ESDP II VSTP was designed as a training mechanism for PTCs in moving from supply-driven TVET to community-responsive, demand-driven TVET. It directly involves the community in selecting training that meets their needs.

	<p>implementation.</p> <p>6. PHT skills training program started—by the sixth month of project implementation.</p>
<b>Component B</b>	
Component Name	Pilot Testing of the Technical Vocational Education and Training Skills Bridging Program
Cost (\$)	\$360,000 (excluding contingencies)
Component Description	<p>This component aims to help the Government of Cambodia and MOLVT introduce a TVET training model to address the issue of out-of-school youth and the unemployed who have never enrolled in secondary education or have less than grade 7 education, and cannot re-enter school or progress with formal education for economic and/or academic reasons.</p> <p>This component aims to provide TVET skills bridging grants to CBOs, NGOs, and private skills providers to organize a TVET skills bridging program for 700 youth in targeted geographical locations. The TVET skills bridging grant will be small (a maximum of \$42,000/TTC for a 2-year period) for TVET skills bridging classes. The contracting institutions will receive a mobilization grant of 20% of the contract amount and progress payments based on approved budgets, work program and performance. There will be a 10% holdback to be paid on submission of satisfactory progress report and assurance of deliverables or outputs.</p> <p>TTC staff will support and monitor implementation of activities, including oversight of any teaching quality issues. The contracting institutions and community are expected to provide matching funds (in kind, cash and/or other services) of around 10%–15% of the JFPR expense inputs to the institution. Before receiving JFPR grants the institutions will be required to (i) submit a TVET skills bridging plan, developed in consultation with participating commune councils and reviewed and selected by a selection committee<sup>4</sup> appointed by MOLVT; and (ii) sign a memorandum of agreement on the use of these funds, similar to the existing community-based school improvement grant model.<sup>5</sup></p>
Monitorable Deliverables/Outputs	<ol style="list-style-type: none"> <li>1. Entry-level academic skills developed for TVET certificate course.</li> <li>2. Curriculum and learning materials in mathematics, science and Khmer developed or upgraded to move registrants, who may study on a part-time basis, from basic literacy to the entry-level standards for certificate level.</li> <li>3. Standards assessment instruments for trainee achievement designed and field tested.</li> <li>4. Employability skills curriculum and learning materials developed or upgraded with full input and acceptance by employers.</li> <li>5. Graduation of around 700 youth from the TVET skills bridging courses (50% of whom will be recruited by employers, with the remaining 50% enrolled in TVET institutions for further skills training).</li> </ol>
Implementation of Major Activities: Number of months for	<ol style="list-style-type: none"> <li>1. Approval of entry-level academic skills for TVET skills bridging program—(advanced action by the executing agency).</li> </ol>

<sup>3</sup> MOLVT is considering linking the baseline survey for the proposed project with its VSTP program feedback survey in the fourth quarter of 2008. This would represent advanced action for the purposes of project implementation.

<sup>4</sup> One member from a noncompeting NGO or skills provider, one NTB member, and the committee chaired by the DGTNET.

<sup>5</sup> ADB. 2004. *Proposed Grant Assistance to Cambodia for Improving Primary School Access in Disadvantaged Communes*. Manila.

grant activities	<ol style="list-style-type: none"> <li>2. Development and, or upgrading of TVET skills curriculum and learning materials—within the first quarter of project implementation.</li> <li>3. Approval of standards assessment instrument—within the second quarter of project implementation.</li> <li>4. Defining criteria for contracting institutions—(advanced action).</li> <li>5. Submission of first TVET skills bridging plan by contracting institutions, and endorsement by TTCs and DGTVET—by the third month of project implementation.</li> <li>6. Starting the TVET skills bridging program—by the sixth month of project implementation.</li> </ol>
<b>Component C</b>	
Component Name	Capacity Building and Project Management and Monitoring
Cost (\$)	\$421,000 (excluding contingencies)
Component Description	<p>This component aims to build the management capacity of officers of the commune councils, CBOs and, or NGOs, TTCs, and the DGTVET through targeted training programs and logistical support for the selection, monitoring and data collection, and management and financial accounting of component A: Pilot testing of PHT skills development program, and component B: Pilot testing of TVET skills bridging program.</p> <p>MOLVT, via the DGTVET and TTCs, will disseminate experience and lessons through media and stakeholder workshops, and will initiate a policy dialogue between the Government, development partners, and civil society, including the private sector, on (i) inclusion of PHT in agriculture production and employment policies for long-term economic development, and (ii) TVET skills bridging as a permanent component of TVET programming.</p> <p>DGTVET and MOLVT will be responsible for development of policy and strategy recommendations, ensuring the sustainability of the program through provision of microcredit<sup>6</sup> to trained farmers and youths to start and improve their businesses, and allocation of the recurrent MOLVT budget for PHT and TVET programs after project completion.</p>
Monitorable Deliverables/Outputs	<ol style="list-style-type: none"> <li>1. Program management, financial and monitoring systems designed and MOLVT staff trained in systems management.</li> <li>2. Capacity of the staff of the five TTCs and project-related stakeholders (a total of around 80 people, 30% of whom are women) to implement the program management systems and manage the programs enhanced.</li> <li>3. Policy dialogue organized and lessons disseminated to government institutions and stakeholders through various workshops and seminars.</li> <li>4. Exit strategies developed for DGTVET and TTCs to ensure sustainability of the programs after project completion.</li> </ol>
Implementation of Major Activities: Number of months for grant activities	<ol style="list-style-type: none"> <li>1. Completion of grant implementation manual, and submission to ADB for approval—within the first quarter of project implementation.</li> <li>2. Establishment of effective grant reporting and accounting processes.</li> </ol>

<sup>6</sup> The Self-Employment Generation Fund (SEGF) created under ADB. 1995. *Report and Recommendation of the President to the Board of Directors on a Proposed Loan to the Kingdom of Cambodia for Basic Skills Project*. Manila (Loan 1368-CAM, approved on 30 August) will be used to support trained beneficiaries. DGTVET, through TTCs and contracting institutions, ensures microcredit training is provided to trained beneficiaries (by microfinance institutions or TTC trainers) before credit is provided.

	<p>3. Capacity-building training to around 80 people, including the staff of DGTVET and TTCs, and contracting CBOs and NGOs—initiated within the first quarter of project implementation, to continue throughout project implementation.</p> <p>4. Organizing of annual participatory policy dialogue and lesson sharing among the Government and stakeholders—through various workshops and seminars, including ADB’s brownbag events at the end of project implementation.</p> <p>5. Development and endorsement of an exit strategy in the form of a business plan for TTCs and MOLVT for program sustainability—6 months before project completion.</p>
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## 2. Financing Plan for Proposed Grant to be Supported by JFPR

Financier	Amount (\$)
JFPR	2,000,000
Government	200,000
Other Sources (aid agencies, NGOs, CBOs, and community)	120,000
<b>Total</b>	<b>2,320,000</b>

CBO = community-based organization, JFPR = Japan Fund for Poverty Reduction, NGO = nongovernment organization.

## 3. Background

1. Cambodia has experienced impressive economic growth over the past few years. According to the Government, real gross domestic product growth averaged 11.4% per year during 2004–2006. Strong industrial production, a robust expansion in services, a boost in rice production, and construction contributed to the economic upsurge. Despite this strong economic performance, the incidence of poverty is high in rural (34.7%) and remote areas (39%).<sup>7</sup> The most formidable development challenge faced by the Government is sustaining the country’s recent growth in the face of macroeconomic and inflationary challenges, while also improving the standard of living and quality of life of the Cambodian poor.

2. Over the past 10 years, significant progress has been made in implementing pro-poor development policies and achieving development goals. Between 1997 and 2007 the net primary education enrolment ratio increased by 15.5%, while the net secondary education enrolment ratio increased by 10.5%.<sup>8</sup> However, despite rapidly increasing net enrollment, some 76% of children are not enrolled at the secondary level (footnote 8), while an estimated 2 million school youths with less than grade 7 education cannot re-enter school, and thus cannot obtain additional education or training. Some are prevented from pursuing further education for academic reasons, but the obstacles in most cases are economic, such as insufficient family income to afford school, and the need for youth to help their families in subsistence farming activities. The inability of these individuals to return to school fulltime or to attend classes at regular intervals prevents them from continuing their formal education.

3. Cambodia’s urban areas—in particular Phnom Penh and Siem Reap—are rapidly shifting to labor-intensive industries such as garment factories and construction, resulting in significant rural–urban migration. The majority (about 55.4%) of the economically active population is engaged in agriculture, but agriculture sector growth declined from 13.4% in 2005 to 4.4% in 2006. There are an increasing number of new entrants into the labor force—an average of

<sup>7</sup> Ministry of Planning. 2004. *Cambodia Socio-Economic Survey*. Phnom Penh.

<sup>8</sup> Ministry of Education, Youth and Sport. 2008. *Education Indicator 2006–2007*. Phnom Penh.

230,000<sup>9</sup> people (30% of whom lack a specific skill or education) have entered the labor market each year from 2003 to 2007—but only around 150,000 new jobs have been created annually.

4. Support for skills training and development has been limited and has not addressed the needs of the country's rapidly growing economy and underdeveloped rural areas. The MOLVT's provincial training centers (PTCs) had 16,000 short-course students per year as of 2007, and the Ministry of Women's Affairs has 11 women's training centers that offer a range of traditional programs, and graduate about 3,000 trainees a year in sewing, weaving, haircutting, and traditional crafts. Some NGOs promote a single skill (primarily in crafts). There are also an estimated 300 private trade schools, largely in information technology and mechanics, which are currently unregulated. It is estimated that about 20,000 trainees graduate each academic year from private skills providers. The VSTP under the Second Education Sector Development Program<sup>10</sup> (ESDP II) trained approximately 87,000 youth and villagers in basic income-generating skills, but did not introduce PHT skills training because: (i) villagers seemed unaware of this area of work, (ii) PTCs were unaware of PHT beyond some very basic skills, and (iii) there had been little or no promotion of PHT at the provincial or national level.

5. In November 2007, the Government, through MOLVT, requested assistance from ADB to finance an innovative project through JFPR to help the Government address poverty reduction by developing a better skilled and more productive workforce in the poorest communities in Phnom Penh and three provinces. The assistance is designed to create new earning and income opportunities among poor agricultural producers in pilot communes during on and off-farm seasons, and to create business opportunities and access to training and employment opportunities for out-of-school youth through improved TVET certificate-level knowledge and skills that is responsive to the growing demands of industry. A fact-finding mission was carried out from 27 June to 18 July 2008 to discuss and design a project in collaboration with national and provincial-level MOLVT officials and relevant stakeholders.

6. The Government's request was aligned with a study conducted in early 2008 on issues and options relating to agriculture and natural resources in Cambodia<sup>11</sup>, which revealed that a lack of education, skills and access to improved technology are key factors contributing to persistent low incomes among agricultural producers, who otherwise apply what they know best—namely traditional technology. The request was also based on feedback from trainees and trainers in seven pilot VSTP provinces. A study conducted by MOLVT<sup>12</sup> in March–April 2008 found that 22% of trainees (the highest respondent rate) were eager to take advanced courses on issues that include PHT options (harvesting, storage, processing, and packaging) and marketing (offering well packaged, safe and quality products).

7. The proposed Project also responds to demand-side impediments that have been identified by various recent surveys and studies. Surveys on business climate perceptions, for instance, suggested that skills, including those of new university graduates, are inadequate and mismatched to labor force needs, and that this constitutes a major obstacle to private sector growth and development. Value-chain studies have found that the constraints to Cambodia's

<sup>9</sup> Ministry of Labor and Vocational Training. 2007. *The Annual Technical Vocational Education and Training Development Plan 2007 Annual Update*. Phnom Penh.

<sup>10</sup> ADB. 2004. *Report and Recommendation of the President to the Board of Directors on Proposed Loans and Technical Assistance Grant to the Kingdom of Cambodia for the Second Education Sector Development Program*. Manila (Loan 2121/2122-CAM [CF]). A program loan of \$20 million equivalent supports a policy reform agenda; a project loan of \$25 million provides facilities development for secondary education and skills training for out-of-school youth; and an advisory TA for \$500,000 supports education regulatory reform and governance for decentralization.

<sup>11</sup> ADB. 2008. *Draft Final Report on Issues and Options in Agriculture and Natural Resources Sector in Cambodia*. Phnom Penh.

<sup>12</sup> Ministry of Labor and Vocational Training. 2008. *Feedback from Trainees and Trainers in seven pilot VSTP provinces*. Phnom Penh.

medium-term growth potential and economic diversification include poor product quality, inadequate sanitary and phytosanitary standards, the existing policy framework, and underdeveloped linkages between the economy's rural and modern sectors.

8. The Project is also in line with the Government's Rectangular Strategy for Growth, Employment, Equity, and Efficiency (2004), the National Strategic Development Plan (NSDP: 2006–2010), and ADB's country strategy and program midterm review in 2007<sup>13</sup>. The Project seeks to assist the Government realize its goal of building an educated, skilled, talented and capable manpower pool.

#### **4. Innovation**

9. The Project has several innovative features. First, lessons from past JFPR projects in Cambodia have shown the need for a proactive role for the Cambodia Resident Mission in providing technical support and advice to the EA and providing timely and cost-effective assistance in relation to requests and needed follow-up actions. In addition, the resident mission's leading role in the design and administration of the Project will mitigate potential project implementation risks.

10. Second, innovation with respect to PHT will be promoted by (i) using an existing mechanism for training needs assessment, training provision, and financial management, so as to promote and validate PHT concepts with commune councils and assist in the selection of training most likely to enhance family incomes; (ii) facilitating market identification for communes isolated from larger town markets; (iii) providing a range of end-product choices for communes unfamiliar with market demand; (iv) providing training in communes based on the existing VSTP model to maximize participation rates and ensure that those who cannot leave the commune can participate; and (v) basing the training in TTCs, which will enable complementary technical and agricultural skills training. The Project will strengthen the ability of TTCs and commune councils to respond to market demand for agricultural products. Training will include information on markets, packaging produce for immediate market shipment, and processing for delayed market access or introduction of new products.

11. Other innovations in the TVET skills bridging program include: (i) introducing a TVET skills bridging training model to support learners who must remain primarily on family farms or in full-time employment in urban areas; (ii) development of employability skills curriculum and learning materials with input and acceptance by employers, such that graduates have a greater chance at employment and/or enrollment in TVET institutions for further certificate skills training; and (iii) the development of a low-cost, incentive-based contracting arrangement model that will link payment to trainee participation and success, based on independent assessment of trainee achievement. There is no program of this kind available in Cambodia. The Project will therefore test the model and provide opportunities for replication in prospective projects in the TVET subsector, and other rural livelihood improvement projects.

#### **5. Sustainability**

12. The Project will address sustainability in a number of ways:

- (i) The TVET skills bridging and PHT skills development programs will make two additional services available in the target TTCs. As part of the existing national training funds (NTF) and the MOLVT's recurrent expenditure, the programs will be eligible for long-term support as two training options. The TVET recurrent expenditure has increased from around KR2.6 million in 2005 to KR9.2 million for 2009, reflecting the Government's commitment to expanding TVET. The TVET

<sup>13</sup> ADB. 2007. Cambodia 2005-2009: *Country Strategy and Program Midterm Review*. Manila.

infrastructure used in the Project is part of the DGTVET and will remain in place after project completion. The lessons from institutional development efforts and ongoing monitoring will inform the phasing and sequencing of subsequent government support.

- (ii) The current ADB loan for ESDP II provides start-up funding for the VSTP. The intent is to include funding for VSTP in sectorwide TVET funding under the NTF as this project comes to a close. The National Training Board (NTB)<sup>14</sup> policy on poverty reduction focuses on the needs of rural communities, and national policy thus supports this proposal.
- (iii) The average training cost of VSTP has been \$23 per graduate. The use of cost-effective training mechanisms enhances the potential for sustainability. The development of a pilot food-safety testing and processing installation at each of the four TTCs will enable them to generate revenues through a fee-for-service approach. Short-course training offered by TTCs to individuals and sponsored institutions will be supported by participant fees once rural incomes improve and private company and/or NGO training requests increase, as TTCs will be able to use such revenue to finance their operations. The Project will help develop an exit strategy, including sound financial management, for TTCs that allows them to operate more autonomously. Sudden change cannot be expected in the short term, but effort will be maintained throughout the project to enable these changes to take place. Continuous capacity development is critical to enable the Project to enhance the quality of TTCs.
- (iv) ADB is currently processing project preparatory technical assistance (PPTA) to assist the Government in strengthening its TVET system. Opportunities for expanding the project outcomes are significant. The positive outcomes and lessons from the project will be shared.
- (v) The project outcomes will become part of the government's long-term "One Village, One Product" (OVOP)<sup>15</sup> campaign, which will also provide a continuing marketing window for PHT products at the provincial and national levels through trade fairs.
- (vi) Links with the Royal University of Agriculture, which has approximately 20 post-harvest food processing graduates each year, will assure a growing inventory of rural trainers.
- (vii) Employers, especially in the garment and tourist industry, have a growing need for workers who can be trained as supervisors. The TVET skills bridging program can be offered within factories and hotels to provide the basic skills required before supervisory training.
- (viii) PTCs are not given recurrent budgets to manage either program, but must earn revenue through effective implementation and management. This increases the capacity of the institutions to be entrepreneurial and responsive to demands, lessening the long-term pressure on government finances.
- (ix) The developed and tested materials, tools, systems, mechanisms, and capacity built under the Project will be used by DGTVET and its TTCs to ensure continued mobilization of resources for and strengthening of beneficiary TTCs. Policy and strategy recommendations will strengthen these efforts and feed into the new TVET subsector project.

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<sup>14</sup> NTB, the highest policy and decision-making body of the TVET subsector, has senior representatives from both relevant ministries (including MAFF) and the private sector who can advise the Project on a participatory and multisectoral approach.

<sup>15</sup> The OVOP National Committee of the Kingdom of Cambodia was established in January 2006, chaired by the Prime Minister. It aims to promote local products and services, generate employment opportunities, and increase household incomes.

## 6. Participatory Approach

13. The Project will be implemented in a participatory manner that utilizes collaborative decision making. The planning, managing, and implementation of the PHT and TVET programs, including the design of training programs, will be undertaken with full participation by agricultural producers and youth groups, NGOs, CBOs, representatives from private sector, TTCs, and government and aid agencies. The design and planning phase will be highly participatory and address how beneficiaries and contracting institutions will be selected, and how the funds are disbursed and accounted for by contracting institutions. Staff from relevant institutions, including commune councils, will have the opportunity to build their capacity with respect to these tasks at the start of the Project. The preparation of the PHT and TVET programs by relevant institutions will be undertaken in a participatory manner to generate ownership of the programs and ensure mutual accountability.

14. The design of the Project draws on ADB's experience with completed and ongoing projects in education and other sectors, such as second Education Sector Development Program, Improving Primary School Access in Disadvantaged Communes, Targeted Assistance for Education of Poor Girls and Indigenous Children, Mainstreaming Labor-Based Road Maintenance to the National Roads Network, and Basic Skills Project. The Project will continue to draw on experience of NGOs, CBOs, aid agencies, and private sector in agribusiness, value-chain, and demand-driven skills training projects. The lessons from these innovations, including the Project, will help strengthen the TVET subsector. The lessons are in Supplementary Appendix B.

15. The Project will utilize the existing commune council mechanism under the VSTP program for (i) identification of training needs, (ii) identification and selection of training providers and participants, (iii) coordination of training schedules and locations, and (iv) mobilization of community support. Agricultural producers and youth associations in respective provinces will be mobilized and consulted regarding the planning and implementation of PHT and TVET programs, and capacity building provided by the Project will assist these groups carry out activities in association with contracting institutions.

Primary Beneficiaries and Other Affected Groups and Relevant Description	Other Key Stakeholders and Brief Description
<p><b>Primary beneficiaries:</b></p> <ol style="list-style-type: none"> <li>1. PHT training and skills application will be given to 3,000 agricultural producers (including 1,500 women) from 44 of the 100 poorest communes (in Kampot, Battambang, Siem Reap, and Phnom Penh).</li> <li>2. The TVET skills-bridging program will graduate 700 youth and, or school leavers (including 350 women) from the target locations.</li> <li>3. Training in managing and implementing the Project will be provided to 80 relevant staff (30% of whom will be women) from TTCs, NGOs, and commune councils through targeted training programs.</li> <li>4. Eight PHT trainers and 44 PHT commune assistants will receive intensive PHT training, and provide continuing support to trained agricultural producers and youth.</li> </ol>	<ol style="list-style-type: none"> <li>1. MOLVT will be the EA. DGTVET will be the IA.</li> <li>2. TTCs, NGOs, and CBOs contracted by the EA will provide the PHT and TVET programs.</li> <li>3. Commune councils, as elected bodies, will gain experience and confidence in participatory planning, inclusive approaches and managing activities and programs in the communes.</li> <li>4. Provincial training boards (PTBs) will gain experience in developing economic plans for their respective provinces, and with the human resources plan required to meet the objectives. Their oversight of the proposed project activities will further develop their decentralized role.</li> <li>5. Residents of market towns will receive a more balanced supply of higher quality fruit and vegetables in different consumable forms.</li> <li>6. The OVOP Secretariat will have a training mechanism for food-based products added to its market assessment and support mechanisms.</li> <li>7. Employers will have a broader range of applicants</li> </ol>

<p><b>Secondary beneficiaries:</b></p> <p>5. Around 14,000 family members of direct beneficiary members, including parents and youths, will benefit from increased income, new business establishment, and employment generated from the PHT and TVET programs. Other agricultural producers and youth in the project areas will benefit from use of food-testing facilities in TTCs.</p>	<p>for jobs requiring higher-level skills.</p> <p>8. The United Nation Education, Scientific and Culture Organization (UNESCO) has expressed interest in providing capacity building to local education and training authorities and trainers involved in the Project.</p>
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CBO = community-based organization, DGTVET = Directorate General Technical Vocational Education and Training, EA = executing agency, IA = implementing agency, MOLVT = Ministry of Labor and Vocational Training, NGO = nongovernmental organization, OVOP = One Village, One Product, PHT = post-harvest technology, PTB = provincial training board, TTC = technical training center, TVET = technical vocational education and training, UNESCO = United Nations Education, Scientific and Cultural Organization.

## 7. Coordination

16. During project preparation, consultations were held with key external funding agencies, including Japan International Cooperation Agency (JICA), UNESCO, and an NGO—the Cambodia Project. The World Bank is not directly involved in TVET, but does provide some support to basic education and tertiary education. The International Labor Organization (ILO) and Korea International Cooperation Agency have provided technical assistance (TA) to DGTVET in development of a national qualification framework, and JICA provided post-harvest training activities for staff of Ministry of Industry, Mines and Energy (MIME) and MAFF. It also provides short-term volunteers in the areas of craft development and design to the PTC in Kampot and Battambang provinces. The Project will promote donor coordination and harmonization by mobilizing trained staff from these various institutions and sharing experiences and lessons, and provide leverage to introduce the needed policy dialogue and reform with the Government.

17. ADB has been assisting MOLVT since 1998 to develop and expand a demand-driven and community-responsive skills development system. The NTB, formed in 2000 as part of this process, issues an annual national TVET development plan (NTDP) that updates its policies and assigns priorities and budgets to skills development activities. In the 2008 NTDP, MOLVT reiterated that focusing TVET on poverty alleviation was its highest priority.

18. The current ministerial steering committee, chaired by the secretary of state of MOLVT, will provide overall guidance to the Project and ensure coordination with concerned ministries and institutions including representatives from MAFF, MIME, MEF, OVOP, and the Cambodia Agriculture Research and Development Institute. The steering committee will also include members from the private sector, in particular the Cambodian Federation of Employers and Business Associations, Cambodia Rural Development Bank (CRDB), Cambodia Microfinance Association, and TVET private skills providers or NGOs. At the provincial level, the current PTBs will provide overall guidance to the Project and ensure coordination with concerned government institutions, the private sector (the provincial chamber of commerce), relevant associations and NGOs. A representative from the Embassy of Japan and JICA will be invited to attend the regular meetings of the project steering committee and participate in regular project reviews as observers if requested. At the project implementation level, MOLVT and its provincial training center (PTCs) will collaborate with the Royal University of Agriculture or the Department of Agro-Industry of MAFF to mobilized trained officials in the project provinces to deliver specific PHT training to agricultural producers.

## 8. Detailed Cost Table

19. The total cost of the Project is estimated at \$2,320,000 equivalent, including physical and price contingencies. The proposed JFPR grant of \$2,000,000 equivalent will finance 86% of the total project cost. The remaining \$320,000, or 14%, will be provided through in-kind, cash and/or service contributions by the Government, UNESCO, NGOs, CBOs, and communities.<sup>16</sup> The EA will finance the salaries of regular project staff, rental of office spaces, and taxes or duties. A summary cost table is in Appendix 1, and a detailed cost table is in Appendix 2.

### C. Link to ADB Strategy and ADB-Financed Operations

20. The 2007 country strategy and program midterm review and the 2008 Cambodia country programming mission (CPM) have noted the need for stronger links between TVET and rural development. Demand is increasing for skills that meet the needs of the diversifying economy and support continuing economic growth, as reflected by the Government's Rectangular Strategy for Growth, Employment, Equity, and Efficiency (2004) and the National Strategic Development Plan (NSDP: 2006–2010), which recognize that a "critical mass" of educated, skilled, talented and capable manpower forms the backbone of the country.

21. The education strategic plan 2006–2010 (ESP) of the Ministry of Education, Youth and Sport (MOEYS) and the strategic plan 2006–2010 of MOLVT have confirmed the Government's goals through strategies to establish a knowledge and skills-based society by improving equitable access to education, and enhancing the quality and efficiency of education and related services. The Project will assist the Government realize these goals.

#### 1. Linkage to ADB Strategy

Document	Document Number	Date of Last Discussion	Objectives
Country Strategy and Program (CSP), 2005–2009	Sec.M8-05	25 Jan. 2005	The CSP focused on three priority areas: broad-based economic development, inclusive social development, and good governance. The Project will promote economic growth for poverty reduction, notably in rural communities, with a special focus on skills development for employment and livelihood improvement.
Country Strategy and Program (CSP) midterm review	Aide Memoire, dated 6 July 2007	5–29 June 2007	The CSP midterm review's objective was to review (i) the rationale of the strategy adopted in 2005; (ii) progress in achieving the CSP outcomes; and (iii) sector and thematic road maps, in order to determine whether a mid-course adjustment in the CSP was required.  Among other program focus areas, reinforcement of the linkage between education and rural development was recommended for the balance of the CSP period, through an intensified focus on TVET that provides knowledge inputs for the growing rural labor force.
Country Operations Business Plan (COBP), 2007–2009	IN.387-06	20 Dec.2006	The CPM was undertaken from 16 June and 3 July 2006. Its objective was to review country performance, and develop an indicative rolling COBP for 2007–2009.

<sup>16</sup> MoLVT will use its self-employment generation fund (SEGF), created under the Basic Skills Project (Loan 1368-CAM), to support trained beneficiaries. In addition, microfinance institutions will be contracted by TTCs to provide small business and microcredit management training to Project beneficiaries.

Cambodia Country Programming Mission (CPM)	BTOR, dated 30 June 2008	3–13 June 2008	The CPM's objective was to prepare the COBP 2008–2010. The focus of the CPM included the need to extend the CSP period to 2010 to align with the NSDP, and to integrate and sequence the program to address rural poverty reduction consistent with the CSP midterm review, especially in light of increasing inflation in domestic food prices.
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BTOR = back-to-office report, COBP = country operations business plan, CPM = country programming mission, CSP = country strategy and program, NSDP = National Strategic Development Plan.

Source: Asian Development Bank.

## 2. Link to Specific ADB-Financed Operations

<b>Project Name</b>	Second Education Sector Development Project (ESDP II)
<b>Project Number</b>	Loan 2122-CAM
<b>Date of Board Approval</b>	9 December 2004
<b>Loan Amount</b>	\$22.4 million (\$4.7 million for TVET)
<b>Project Name</b>	Strengthening Technical Vocational Education and Training
<b>Project Number</b>	7116-CAM
<b>Date of Board Approval</b>	18 August 2008
<b>PPTA Amount</b>	\$0.8 million

PPTA = project preparatory technical assistance, TVET = technical vocational education and training.

Source: Asian Development Bank.

## 3. Development Objective of the Associated ADB-Financed Operations

22. The Project is linked to the Second Education Sector Development Program (ESDP II), which was approved on 9 December 2004. The overall objective of the ESDP II is to contribute to the long-term goal of education reform in Cambodia by establishing an education and training system that is responsive to the market, results in a better-educated workforce, and contributes to increased average household income, especially for skills-training beneficiaries under the program. To realize this objective a network will be established for the management and organization of TVET and skills-training planning at central, provincial, district and commune levels. It will utilize existing and stimulate new TVET providers through a demand-driven, community-based skills-training component of the ESDP II.

23. In addition, ADB is processing PPTA to help the Government strengthen the TVET system to efficiently deliver better quality TVET. The TA is expected to start in the fourth quarter of 2008. The Project will utilize lessons from the VSTP program under ESDP II, and will collaborate closely with this program. Project interventions that prove successful will be included in emerging TVET projects and in other rural livelihood improvement and private sector development projects beginning in 2009.

## 4. Main Components of the Associated ADB-Financed Operations

No.	Component Name	Brief Description
1	Expanding Lower Secondary Education Opportunities (\$9.4 million)	Assure equitable access in each province by building 400 lower-secondary schools and upgrading existing facilities.
2	Expanding Upper Secondary Education Opportunities (\$6.0 million)	Provide up to 49 new upper-secondary schools.
3	Expanding Community-Based Skills Training in Poor Communities (\$4.7 million)	Implement a commune-based training system responding to locally determined skills needs in the poorest 40% of communes in seven provinces. Improve facilities of target institutions and

		equipment, and decentralize decision making.
4	Implementation Assistance and Capacity Building (\$2.3 million)	Improve MOEYS and MOLVT-TVET capacity for planning and management, improve planning of PTCs, and establish PTBs.
5	The proposed PPTA will conduct a thorough analysis of the TVET subsector and produce a feasibility report that will assist the Government prepare the project (\$0.8 million)	

MOEYS = Ministry of Education, Youth and Sport, MOLVT = Ministry of Labor, Vocational Training, PPTA = Project Preparatory Technical Assistance, PTB = provincial training board, PTC = provincial training center, TVET = technical vocational education and training.

## 5. Rationale for Grant Funding versus ADB Lending

24. The VSTP program is being implemented with approximately 75% of the training either completed or committed. When PTC trainers go to the communes, they take a fairly wide range of training subject ideas as models. As there is no known local capacity or experience in commune-based food processing, preserving and packaging, these are not promoted as possibilities. Thus it is impossible for the VSTP program to introduce these concepts at the current stage of implementation.

25. Furthermore, communes have very little experience in PHT. Activities such as determining appropriate technologies, establishing basic equipment packages, assuring microcredit access and measuring market acceptance of new products entail some risk and are best piloted outside a loan structure. The grant will also make it possible to utilize the ongoing VSTP program infrastructure in three of the seven pilot provinces. By extending this to all provinces PHT training will be made available as a center- and commune-based training option. Coordination of TVET institutional and community-based learning with MAFF and OVOP needs to be further developed, and can be tested using the infrastructure from past and current ADB loans, with validated input data for subsequent grants or loans.

26. Experience is not available in TVET skills bridging programs and self-learning materials have not been developed for non-PHT skills training programs. Commune-based or center-based tutors have been utilized to support learners who must remain on family farms or in full-time employment in urban areas, but there are insufficient institutional mechanisms and minimal experience in accepting and integrating people who have completed skills bridging programs into certificate TVET programs. Experience and materials are present in the region, however, and the Project is therefore developmental rather than experimental, and will feed directly into an expanded TVET program. If validated, application of the model in Mekong countries will be significant, but its inclusion in a loan project prior to testing would be difficult. The proposed delivery mechanism—involving government contracting of NGOs, CBOs, and private sector trainers to deliver cost-effective nontraditional training to government-set standards—also needs careful development.

### D. Implementation of the Proposed Grant

<b>1. Implementing Agency</b>	The DGTVET, its TTCs, NGOs and CBOs are the implementing agencies. It was transferred from MOEYS to MOLVT in 2005. It has 138 staff (56 of whom are assigned to TVET operations). It prepares policy recommendations for the NTB, and supervises the operations of 38 institutions (including 20 PTCs and NPIC).
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CBO = community-based organization, DGTVET = Directorate General Technical Vocational Education and Training, MOEYS = Ministry of Education, Youth and Sport, MOLVT = Ministry of Labor and Vocational Training, NGO = nongovernment organization, NPIC = National Polytechnic Institute of Cambodia, NTB = National Training Board, PTC = provincial training board, TTC = technical training center

27. Progress is generally satisfactory under the ongoing ESDP II VSTP program, with DGTJET responsible for coordinating and implementing the project under the direct supervision of a MOLVT secretary of state. MOLVT is the EA for ESDP II, and for the proposed PPTA on strengthening TVET. The Project will use the existing steering committee, which will also provide general policy guidance, oversee project activities, facilitate coordination with the local government and other targeted assistance programs, and approve the grant implementation manual, together with the annual work plans and budgets. The grant implementation manual will be drawn up and discussed during the project inception. TTCs will be responsible for day-to-day program implementation, including supervision of contracting NGOs, CBOs, and other skills providers, as well as advocate for program sustainability. Implementation arrangements and project structure are in Appendix 5.

28. ADB will make transfer payments through the Ministry of Economy and Finance (MEF) to the JFPR imprest account held by the DGTJET at a bank endorsed by MEF, and acceptable to ADB. GTJET will transfer part of the imprest account funds to second generation imprest accounts held by TTCs, with a commercial bank to finance activities under components A and B.<sup>17</sup> Fund flow arrangements are in Appendix 4.

29. In accordance with ADB's *Guidelines on the Use of Consultants* (2007, as amended from time to time), DGTJET will contract subcomponents of the PHT skills development program to TTCs, and the TVET skills bridging program to CBOs, NGOs, and other skills providers. Training needs assessment for both programs will be done by TTCs within the first 2 months of project implementation. A baseline survey<sup>18</sup> will be completed before the start of project implementation, and an impact evaluation will be managed by DGTJET through an independent NGO and, or institution 3 months before the project's completion date. The survey and, or assessment will help measure project impact by segregating income enhancement that occurred under the VSTP program versus that which occurred under PHT training. DGTJET will be responsible for capacity-building performance monitoring, and quarterly progress and completion reports, with participation and contributions by TTCs. The Project will be implemented for 36 months. Contingent upon approval by the Government of Japan, the Project is expected to be implemented from early 2009 to early 2012.

30. The Project will be supported by approximately 94 person-months of consulting services (21 person-months of international and 73 person-months of national services). The consulting services are designed to provide technical support for project management and implementation, and develop long-term institutional capacity for planning, management, and delivery of the two pilot programs, which are new areas for the TVET subsector. The consulting services will be recruited by ADB on an individual basis in accordance with ADB's *Guidelines on the Use of Consultants*, and other arrangements satisfactory to ADB. The terms of reference for project implementation consultants and their duration are detailed in Appendix 7. Civil works, equipment<sup>19</sup>, consumable goods, office supplies, and vehicles (motorcycles)<sup>20</sup> will be procured in accordance with ADB's *Procurement Guidelines* (2007, as amended from time to time). The detailed procurement plan is in Supplementary Appendix A.

<sup>17</sup> Current financial and accounting officers at DGTJET and TTCs are familiar with ADB's financial and procurement procedures. Performance under the Strengthening TVET project has been satisfactory.

<sup>18</sup> MOLVT is considering mobilizing available resources under the ESDP II VSTP to conduct a baseline survey in targeted provinces, so that it can accelerate project implementation.

<sup>19</sup> Machines and equipment for the TVET skills bridging program will be determined through training needs assessments. Typical PHT basic equipment include sinks (installed), sterilizers and, or pasteurizers, bagger (vacuum), utensils, stainless tables, wooden stools, cooking vessels, drying ovens (gas), food testing kits, refrigerators, overhead fans (installed), water filter, hand tools, food drying racks, vessels and, or utensils rack (installed), microscopes, and generators. The listed equipment are available for sale in Cambodia.

<sup>20</sup> Six motorcycles will be procured. They are essential to enable TTCs' community development specialists to monitor and providing follow-up support to trained farmers and youth in the 44 targeted communes. The motorcycles will be transferred to TTCs and DGTJET after project completion.

31. The Project will not entail land acquisition or voluntary land donation. All civil works will be carried out within the existing boundaries of the TTCs on land owned by the EA. The Government assures ADB that no resettlement, as defined by ADB's *Involuntary Resettlement Policy* (2005), will be required as a result of project activities.

## 2. Risks Affecting Grant Implementation

Type of Risk	Brief description	Measures to Mitigate the Risk
<ul style="list-style-type: none"> <li>▪ Governance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Limited experience of TTCs in financial management and accounting</li> </ul>	<ul style="list-style-type: none"> <li>▪ JFPR capacity-building component</li> <li>▪ JFPR training programs in financial management and monitoring</li> </ul>
<ul style="list-style-type: none"> <li>▪ Human resource shortages</li> </ul>	<ul style="list-style-type: none"> <li>▪ Difficulties in identifying PHT skills trainers and contracting institutions for TVET skills bridging programs</li> <li>▪ Lack of capacity of counterpart staff can be a significant obstacle to project success.</li> <li>▪ Difficulties in identifying PHT and TVET skills bridging specialists.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Possible trainers are being identified from the University of Agriculture, NGOs, and CBOs, and selection criterion are being developed (advanced action will be carried out by the EA before project effectiveness).</li> <li>▪ DGTVET staff will be trained in project implementation and administration. The Cambodia Resident Mission will liaise closely with the EA to ensure ADB procedures and requirements on disbursement, procurement, audit, and monitoring are understood</li> <li>▪ Advance procurement action will be started after project approval (by EA).</li> </ul>
<ul style="list-style-type: none"> <li>▪ Delay in construction of food safety testing facilities and procurement of PHT equipment</li> </ul>	<ul style="list-style-type: none"> <li>▪ Construction work completed late</li> <li>▪ Difficulties in procuring low-cost PHT equipment</li> </ul>	<ul style="list-style-type: none"> <li>▪ Potential constructors and designers will be identified before project effectiveness (advanced action).</li> <li>▪ Potential suppliers are being identified during project processing (advanced action).</li> </ul>
<ul style="list-style-type: none"> <li>▪ Mismatch of PHT and commune needs</li> </ul>	<ul style="list-style-type: none"> <li>▪ The commune does not accept PHT as a worthwhile opportunity to expand family income.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Commune members (4,665) involved in the present VSTP were interviewed during the baseline survey, and it was ascertained that PHT is a priority for them.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Mismatch of market demand and new food products</li> </ul>	<ul style="list-style-type: none"> <li>▪ Preserved and processed food is not accepted by local markets.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Market assessment completed before the beginning of PHT skills development plan (advanced action).</li> </ul>
<ul style="list-style-type: none"> <li>▪ Bad harvest</li> </ul>	<ul style="list-style-type: none"> <li>▪ There is insufficient food surplus to support PHT during the training period.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The risk for farmers will be minimized by using very simple technology, and focusing on packaging existing products to increase market value</li> </ul>
<ul style="list-style-type: none"> <li>▪ Skills mismatch and employment</li> </ul>	<ul style="list-style-type: none"> <li>▪ There is no link between training supply and demand.</li> </ul>	<ul style="list-style-type: none"> <li>▪ DGTVET, as secretariat of NTB, interacts with the Cambodian Federation of Employers and Business Associations and employer or industry associations to identify skills potentially in</li> </ul>

Type of Risk	Brief description	Measures to Mitigate the Risk
		demand (advanced action by the EA) <ul style="list-style-type: none"> <li>▪ Promote involvement by employers or industries in policy development, development of curriculum and provision of trainers</li> <li>▪ Expand access of job seekers and employers to the current NTB labor market information website and jobs fair promotional activities</li> </ul>
<ul style="list-style-type: none"> <li>▪ Poor quality TVET providers</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training providers often have limited experience in the instruction process.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Potential TVET instructors will be identified before project effectiveness by DGTVET and its TTCs (advanced action).</li> </ul>
<ul style="list-style-type: none"> <li>▪ Low interest on the part of those out of school in entering TVET certificate programs</li> </ul>	<ul style="list-style-type: none"> <li>▪ Lack of information on careers</li> <li>▪ Lack of information on TVET skills bridging program</li> </ul>	<ul style="list-style-type: none"> <li>▪ Design a local promotion campaign for both PHT and TVET skills bridging programs</li> </ul>
<ul style="list-style-type: none"> <li>▪ Entry-level academic skills for TVET certificate level not determined</li> </ul>	<ul style="list-style-type: none"> <li>▪ Delay in determining entry-level academic skills for TVET certificate level</li> </ul>	<ul style="list-style-type: none"> <li>▪ DGTVET will determine the entry level for TVET program before project effectiveness (advanced action).</li> </ul>

ADB = Asian Development Bank, CBO = community-based organization, DGTVET = Directorate General Technical Vocational Education and Training, EA = executing agency, JFPR = Japan Fund for Poverty Reduction, NGO = nongovernmental organization, NTB = National Training Board, PHT = post-harvest technology, TTC = technical training center, TVET = technical vocational education and training, VSTP = Voucher Skills Training Program.

### 3. Incremental ADB Costs

Component	Incremental ADB Cost
Amount requested	\$0
Justification	Given that the Project was processed and will be administered by the Cambodia Resident Mission, this section is not applicable.
Type of work to be rendered by ADB	Not applicable

ADB = Asian Development Bank,

### 4. Monitoring and Evaluation

32. The performance monitoring and evaluation (M&E) for the Project will comprise the following: (i) baseline data and output targets set up at the overall project level by DGTVET and by an independent institution recruited for the project impact assessment; (ii) quarterly implementation-related performance data collected and recorded by TTCs and DGTVET; (iii) the project completion report prepared by the EA based on monitoring data, project outputs and outcomes; and (iv) regular socioeconomic surveys by the Government. Furthermore, the monitoring framework<sup>21</sup> developed under the Strengthening Technical Vocational Education and Training project will be reviewed, adapted, and used by the Project.

<sup>21</sup> MOLVT officials are familiar with the process and will be able to provide immediate activities in this area.

Key Performance Indicator	Reporting Mechanism	Plan and Timetable for M&E
<ul style="list-style-type: none"> <li>▪ Poverty incidence in the targeted communes reduced by 5%, by 2012</li> <li>▪ Family income of agricultural producers increased by 20%, by 2012</li> </ul>	<ul style="list-style-type: none"> <li>▪ Government socioeconomic survey</li> <li>▪ Project impact assessment report</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project completion</li> <li>▪ Regular socioeconomic surveys by the Government</li> </ul>
<ul style="list-style-type: none"> <li>▪ 3,000 agricultural producers in 44 targeted communes (50% of whom are women) receive PHT training, and about 80% of them apply PHT skills techniques</li> <li>▪ PHT curriculum, learning materials, and handbooks developed, used, and adjusted for further training beyond the project period</li> <li>▪ Food safety testing facilities constructed and, or upgraded in targeted TTCs, and used by TTCs and public beyond the project period</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project impact assessment report</li> <li>▪ TTC monthly reports on graduates' income improvement and new business establishment</li> <li>▪ Monitoring reports</li> <li>▪ Progress reports</li> <li>▪ Mission reviews</li> </ul>	<ul style="list-style-type: none"> <li>▪ Impact assessment</li> <li>▪ Quarterly</li> <li>▪ Semiannual</li> <li>▪ Project completion</li> </ul>
<ul style="list-style-type: none"> <li>▪ 700 youth/school leavers (50% of whom are women) in targeted locations graduate from the TVET skills bridging program</li> <li>▪ 50% of graduates enter further training at the certificate level in TTCs, and the remaining 50% are employed</li> <li>▪ Standards assessment instrument adopted and used by MOLVT and other skills providers beyond the project period</li> <li>▪ Curriculum and learning materials for TVET certificate level developed and/or adjusted for further training beyond the project period</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project impact assessment report</li> <li>▪ TTCs monthly reports on graduates' income improvement and new business establishment</li> <li>▪ Monitoring reports</li> <li>▪ Progress reports</li> <li>▪ Mission reviews</li> </ul>	<ul style="list-style-type: none"> <li>▪ Impact assessment</li> <li>▪ Quarterly</li> <li>▪ Semiannual</li> <li>▪ Project completion</li> </ul>
<ul style="list-style-type: none"> <li>▪ Program management and financial and monitoring systems developed and executed. Target: \$906,000 of PHT and TVET skills bridging funds over a 3-year period</li> <li>▪ Capacity of DGTJET and TTCs staff, CBOs and, or NGOs, and commune councils enhanced. Target: 80 people (30% of whom are women)</li> <li>▪ Exit strategies (including sound financial management) developed for DGTJET and TTCs to enable TTCs to operate more autonomously</li> <li>▪ Policy and strategy recommendations adopted by DGTJET by 2012</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project impact assessment report</li> <li>▪ TTC monthly reports on income improvement and new business establishment by graduates</li> <li>▪ Monitoring reports</li> <li>▪ Interview with government officials and stakeholders involved in project implementation</li> <li>▪ Progress reports</li> <li>▪ Mission reviews</li> </ul>	<ul style="list-style-type: none"> <li>▪ Impact assessment</li> <li>▪ Quarterly</li> <li>▪ Semiannual</li> <li>▪ Project completion</li> </ul>

CBO = community-based organization, DGTJET = Directorate General Technical Vocational Education and Training, EA = executing agency, M&E = monitoring and evaluation, MOLVT = Ministry of Labor and Vocational Training, NGO = nongovernmental organization, PHT = post-harvest technology, TTC = technical training center, TVET = technical vocational education and training.

## 5. Estimated Disbursement Schedule

<b>Fiscal Year (FY)</b>	<b>Amount (\$)</b>
FY2009	600,000
FY2010	900,000
FY2011	500,000
<b>Total Disbursements</b>	<b>2,000,000</b>

### APPENDIXES

1. Summary Cost Table
2. Detailed Cost Table
3. Design and Monitoring Framework
4. Funds Flow Arrangement
5. Implementation Arrangements
6. Summary Poverty Reduction and Social Strategy
7. Terms of Reference: Project Implementation Consultants

### SUPPLEMENTARY APPENDIXES (available on request)

- A. Procurement Plan
- B. Lessons

## SUMMARY COST TABLE

Grant Components	Component A	Component B	Component C	Total (input)	%
Input/Expenditure Category	Pilot Testing of Post-Harvest Technology Skills Development Program	Pilot Testing of Technical Vocational Education and Training Skills Bridging Program	Capacity Building and Project Management and Monitoring		
<b>A. JFPR Finance</b>					
1. Civil Works	165	0	0	165	8
2. Equipments, Goods, and Consumable Supplies	98	44	40	182	9
3. Training, Workshop, and Seminars	15	15	35	65	3
4. Consulting services	139	117	241	497	25
5. Project Management, Monitoring and Evaluation	8	8	105	121	6
6. Other Project Inputs to Contracting Institutions: TTCs, NGOs, CBOs,	730	176	0	906	46
7. Contingencies	17	17	30	64	3
<b>Subtotal (JFPR-Financed)</b>	<b>1,172</b>	<b>377</b>	<b>451</b>	<b>2,000</b>	<b>100</b>
<b>B. Government Contribution</b>	70	50	80	200	
<b>C. Other Sources</b> (aid agency, NGOs, community-based organizations, community contribution)	50	40	30	120	
<b>TOTAL PROJECT COSTS</b>	<b>1,292</b>	<b>467</b>	<b>561</b>	<b>2,320</b>	

CBO = community-based organization, JFPR = Japan Fund for Poverty Reduction, NGO = nongovernment organization, PHT = post-harvest technology, TTC = technical training center, TVET = technical vocational education and training.

Source: Asian Development Bank estimates.

## DETAILED COST TABLE

Code	Supplies and Services Rendered	Unit	Costs			Contributions			
			Quantity Units	Cost Per Unit	Total Amount	JFPR Amount	Method of Procurement	Govt. (in-kind/cash) Amount	NGOs/CBOs/Community (in-kind) Amount
<b>Component A: Pilot Testing of Post-Harvest Technology Skills Development Program</b>			<b>Subtotal</b>		<b>1,275.00</b>	<b>1,155.00</b>		<b>70.00</b>	<b>50.00</b>
<b>1.1</b>	<b>Civil Works</b>				<b>165.00</b>	<b>165.00</b>		<b>0.00</b>	<b>0.00</b>
1.1.1	Building food safety testing facilities (maximum 200 square meters)	Lab	3	55.00	165.00	165.00	NCB	0.00	0.00
<b>1.2</b>	<b>Equipment, Goods, and Consumable Supplies</b>				<b>98.00</b>	<b>98.00</b>		<b>0.00</b>	<b>0.00</b>
1.2.1	Equipment for labs	Lump sum (LS)	4		80.00	80.00	Shopping	0.00	0.00
1.2.2	Motorcycle vehicles (for community development specialists and community monitoring)	unit	6	1.60	9.60	9.60	Shopping	0.00	0.00
1.2.3	Office supplies and materials	LS			8.40	8.40	Shopping	0.00	0.00
<b>1.3</b>	<b>Training, Workshop, and Seminars</b>				<b>15.00</b>	<b>15.00</b>		<b>0.00</b>	<b>0.00</b>
1.3.1	Training/workshop for TTCs, NGOs, CBOs, Commune Councils, and seminars	LS			15.00	15.00		0.00	0.00
<b>1.4</b>	<b>Consulting Services</b>				<b>139.00</b>	<b>139.00</b>	ICS	<b>0.00</b>	<b>0.00</b>
1.4.1	Civil works specialist	Person-months	5	1.8	9.00	9.00		0.00	0.00
1.4.2	Post-harvest technology specialist	Person-months	6	15	90.00	90.00		0.00	0.00
1.4.3	Post-harvest technology specialist	Person-months	12	1.4	16.80	16.80		0.00	0.00
1.4.4	Post-harvest technology marketing specialist	Person-months	8	1.5	12.00	12.00		0.00	0.00
1.4.5	Travel and per diem for consulting services (include international roundtrip flight)	LS			11.20	11.20		0.00	0.00
<b>1.5</b>	<b>Project Management and Coordination</b>				<b>78.00</b>	<b>8.00</b>		<b>70.00</b>	<b>0.00</b>
1.5.1	Community project management and monitoring support	LS			8.00	8.00		0.00	0.00
1.5.2	TTC director (EA counterpart staff)	36 months	4	6.12	24.48	0.00		24.48	0.00
1.5.3	TTC' coordinator (EA counterpart staff)	36 months	4	5.40	21.60	0.00		21.60	0.00
1.5.4	M&E, MIS officer (EA counterpart staff)	36 months	4	5.40	21.60	0.00		21.60	0.00
1.5.5	Electricity and water bills	36 months	4	0.58	2.32	0.00		2.32	0.00
<b>1.6</b>	<b>Other Project Inputs to Contracting Institutions</b>				<b>780.00</b>	<b>730.00</b>		<b>0.00</b>	<b>50.00</b>
1.6.1	TTCs to implement PHT skills development grants	Per TTC	4	192.5	770.00	720.00		0.00	50.00
1.6.2	Curriculum printing and translation	LS			10.00	10.00	Shopping	0.00	0.00

## DETAILED COST TABLE

Code	Supplies and Services Rendered	Unit	Costs			Contributions			
			Quantity Units	Cost Per Unit	Total Amount	JFPR Amount	Method of Procurement	Govt. (in-kind/cash) Amount	NGOs/ CBOs/ Community (in-kind) Amount
<b>Component B: Pilot Testing of Technical Vocational Education and Training Skills Bridging Program</b>			<b>Subtotal</b>		<b>450.00</b>	<b>360.00</b>		<b>50.00</b>	<b>40.00</b>
<b>2.1</b>	<b>Civil Works</b>				<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>2.2</b>	<b>Equipment, Goods, and Consumable Supplies</b>				<b>44.00</b>	<b>44.00</b>		<b>0.00</b>	<b>0.00</b>
2.2.1	Equipment for TVET skills testing	unit	4	9.00	36.00	36.00	shopping	0.00	0.00
2.2.2	Office supplies and materials	LS			8.00	8.00	shopping	0.00	0.00
<b>2.3</b>	<b>Training, Workshop, and Seminars</b>				<b>15.00</b>	<b>15.00</b>		<b>0.00</b>	<b>0.00</b>
2.3.1	Training and, or workshop for TTCs, NGOs, CBOs, commune councils, and seminars	LS			15.00	15.00		0.00	0.00
<b>2.4</b>	<b>Consulting Services</b>	LS			<b>117.00</b>	<b>117.00</b>	ICS	<b>0.00</b>	<b>0.00</b>
2.4.1	TVET skills bridging specialist	person-months	6	15	90.00	90.00		0.00	0.00
2.4.2	TVET skills bridging specialist	person-month	12	1.4	16.80	16.80		0.00	0.00
2.4.3	Travel and per diem for consulting services (include international roundtrip flight)	LS			10.20	10.20		0.00	0.00
<b>2.5</b>	<b>Project Management and Coordination</b>				<b>58.00</b>	<b>8.00</b>		<b>50.00</b>	<b>0.00</b>
2.5.1	Community project management and monitoring support	LS			8.00	8.00		0.00	0.00
2.5.2	TTC contract officer (EA counterpart staff)	36 months	4	5.40	21.60	0.00		21.60	0.00
2.5.3	TTC cashier (EA counterpart staff)	36 months	4	3.24	12.96	0.00		12.96	0.00
2.5.4	M&E, MIS assistant (EA counterpart staff)	36 months	4	3.24	12.96	0.00		12.96	0.00
2.5.5	Electricity and water bills	36 months	4	0.62	2.48	0.00		2.48	0.00
<b>2.6</b>	<b>Other Project Inputs to Contracting Institutions</b>				<b>216.00</b>	<b>176.00</b>		<b>0.00</b>	<b>40.00</b>
2.6.1	NGOs and CBOs to implement TVET skills bridging grants	project location	4	52	208.00	168.00		0.00	40.00
2.6.2	Curriculum printing and translation				8.00	8.00		0.00	0.00

## DETAILED COST TABLE

Code	Supplies and Services Rendered	Unit	Costs			Contributions			
			Quantity Units	Cost Per Unit	Total Amount	JFPR Amount	Method of Procurement	Govt. (in-kind/cash) Amount	NGOs/CBOs/Community (in-kind) Amount
<b>Component C: Capacity Building and Project Management and Monitoring</b>			<b>Subtotal</b>		<b>531.00</b>	<b>421.00</b>		<b>80.00</b>	<b>30.00</b>
<b>3.1</b>	<b>Civil Works</b>				<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>3.2</b>	<b>Equipment, Goods, and Consumable Supplies</b>				<b>40.00</b>	<b>40.00</b>		<b>0.00</b>	<b>0.00</b>
3.2.1	Office supplies and materials for DGTVET	LS			40.00	40.00	shopping	0.00	0.00
<b>3.3</b>	<b>Training, Workshop, and Seminars</b>				<b>65.00</b>	<b>35.00</b>		<b>0.00</b>	<b>30.00</b>
3.3.1	Training, workshop, seminar, meeting	LS			25.00	10.00		0.00	15.00
3.3.2	Annual workshop on good lessons	LS			25.00	10.00		0.00	15.00
3.3.3	Annual information dissemination on good practices and policy dialogue	LS			15.00	15.00		0.00	0.00
<b>3.4</b>	<b>Consulting Services</b>				<b>241.00</b>	<b>241.00</b>	ICS	<b>0.00</b>	<b>0.00</b>
3.4.1	TVET institutional and policy development, and community capacity building specialist (TL)	person-months	9	18	162.00	162.00		0.00	0.00
3.4.2	TVET institutional development, and community capacity building specialist (DTL)	person-months	36	1.5	54.00	54.00		0.00	0.00
3.4.3	Travel and per diem for consulting services (include international roundtrip flights)	Ls			25.00	25.00		0.00	0.00
<b>3.5</b>	<b>Project Management and Coordination</b>				<b>185.00</b>	<b>105.00</b>		<b>80.00</b>	<b>0.00</b>
3.5.1	DGTVET project management, monitoring and coordination	Ls			76.80	40.00		36.80	0.00
3.5.2	Project director (EA counterpart staff)	per month	36	0.25	9.00	0.00		9.00	0.00
3.5.3	Project manager (EA counterpart staff)	per month	36	0.23	8.28	0.00		8.28	0.00
3.5.4	Accounting/procurement officer (EA staff)	per month	36	0.18	6.48	0.00		6.48	0.00
3.5.5	M&E, MIS officer (EA counterpart staff)	per month	36	0.18	6.48	0.00		6.48	0.00
3.5.6	Secretary (EA counterpart staff)	per month	36	0.10	3.60	0.00		3.60	0.00
3.5.7	Cleaner (EA counterpart staff)	per month	36	0.06	2.16	0.00		2.16	0.00
3.5.8	Electricity and water bills	per month	36	0.20	7.20	0.00		7.20	0.00
3.5.9	Baseline survey, PHT/TVET needs assessments and project impact evaluation	per study	2	10.00	20.00	20.00	CQS	0.00	0.00
3.5.10	External financial audit	per fiscal year	3	15.00	45.00	45.00	LCS	0.00	0.00
<b>3.6</b>	<b>Other Project Inputs to Contracting Institutions</b>				<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>

## DETAILED COST TABLE

Code	Supplies and Services Rendered	Unit	Costs			Contributions			
			Quantity Units	Cost Per Unit	Total Amount	JFPR Amount	Method of Procurement	Govt. (in-kind/cash) Amount	NGOs/CBOs/Community (in-kind) Amount
<b>Subtotal (Components A to C)</b>					<b>2,256.00</b>	<b>1,936.00</b>		<b>200.00</b>	<b>120.00</b>
<b>Contingency (maximum 10% of total JFPR contribution)</b>					<b>64.00</b>	<b>64.00</b>		<b>0.00</b>	<b>0.00</b>
<b>TOTAL PROJECT COST</b>					<b>2,320.00</b>	<b>2,000.00</b>		<b>200.00</b>	<b>120.00</b>

CBO = community-based organization, CQS = consultant qualification selection, EA = executing agency, ICS = individual consultant system, JFPR = Japan Fund for Poverty Reduction, LS = lump sum, M&E = monitoring and evaluation, MIS = management information system, NGO = nongovernment organization, PHT = post-harvest technology, PTC = provincial training center, TL = team leader, DTL = deputy team leader, TTC = technical training center, TVET = technical vocational education and training.  
 Source: Asian Development Bank estimates.

### DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets and/or Indicators	Data Sources and/or Reporting Mechanisms	Assumptions and Risks
<p><b>Impact</b> Reduce the degree of poverty in the target communes in Cambodia</p>	<p>Poverty incidence in the targeted communes reduced by 5%, by 2012</p> <p>Improved income-generating opportunities for trained villagers and youth</p> <p>Improved sense of wellbeing of project beneficiaries</p>	<p>Government socioeconomic survey</p> <p>Project impact assessment report</p> <p>Family satisfaction survey</p>	<p><b>Assumptions</b> Strong commitment by the Government to poverty reduction</p> <p>Government provides required level of inputs and resources</p> <p><b>Risk</b> Lack of coherent TVET strategy and policy in addressing poverty and unemployment issues</p>
<p><b>Outcome</b> Increased net income and greater employment opportunities among rural poor with improved knowledge and skills</p>	<p>3,000 agricultural producers in 44 targeted communes received PHT training (storage, processing, and packaging) and around 80% of them apply PHT skills by 2012</p> <p>Family income increased by 20% through improvements in the variety and quality of processed and packaged food products, by 2012</p> <p>700 unemployed youth and or school leavers in targeted locations graduate from the TVET skills bridging program by 2012</p> <p>50% of graduates entered further training at the certificate level in TTCs, and the remaining 50% employed by 2012</p>	<p>Baseline survey</p> <p>Midterm and final review and project</p> <p>Project impact assessment report</p> <p>Project completion report</p>	<p><b>Assumptions</b> Strong commitment of farmers and youth to PHT training and TVET skills bridging programs</p> <p>Local and national markets buy improved and diversified local products</p> <p>Skills standards are in place and accepted by employers</p> <p>TVET certificate valued by trainees and accepted by employers.</p> <p><b>Risks</b> Increase in prices of goods used to improve products may offset gains</p> <p>Skills bridging programs not accepted by trainees and employers due to limited outcomes and impact</p>

Design Summary	Performance Targets and/or Indicators	Data Sources and/or Reporting Mechanisms	Assumptions and Risks
<b>Output 1: PHT skills development program successfully pilot tested in the four project locations</b>			
<p>1. Identification of demand-based PHT technologies for targeted communes</p> <p>2. Curriculum, learning materials and handbooks development for identified PHT skills</p> <p>3. Construction and upgrading of food safety-testing buildings in targeted TTCs</p> <p>4. Enhancing skills and competencies of agricultural producers to apply PHT skills</p>	<p>PHT needs assessment completed by the first month of project implementation (April 2009)</p> <p>PHT curriculums, learning materials, and handbooks developed and printed by the third month of project implementation (June 2009)</p> <p>Food safety testing facilities (maximum 200 square meters on floor, slab-on-grade) constructed and, or upgraded in targeted TTCs by July 2009</p> <p>PHT required equipment provided by August 2009</p> <p>First PHT skills-development plan endorsed by June 2009</p> <p>PHT skills training program started by July 2009</p> <p>3,000 agricultural producers trained (50% of whom are women), and 80% of them apply PHT skills and techniques by 2012</p>	<p>PHT needs assessment report</p> <p>TA report TTCs' reports DGTJET quarterly progress report</p> <p>TA report TTCs' reports DGTJET quarterly progress report</p> <p>PHT skills-development plan implemented</p> <p>TA reports TTCs' regular reports</p> <p>DGTJET quarterly progress report Mission reviews</p>	<p><b>Assumptions</b> Training will be organized on schedule.</p> <p>Qualified trainers will be available and willing.</p> <p>Materials and labs will be ready.</p> <p>Participants are available.</p> <p>Effective PHT skills development program implementation and financial management system</p> <p><b>Risks</b> Participants too busy to apply new skills to their own produce</p> <p>Delay in PHT needs assessment and in curriculum development</p> <p>Trained farmers will not receive cash and, or in-kind incentives.</p> <p>Too many products in the market may lower price of goods.</p> <p>Trainers have limited capability</p> <p>Insufficient incentive for retention of trained and committed staff</p>
<b>Output 2: TVET skills bridging program successfully pilot tested in the four project locations</b>			
<p>1. Entry-level academic skills for TVET certificate-level development</p>	<p>Entry-level academic skills for TVET skills bridging program agreed within the first month of project implementation (April 2009)</p>	<p>TA report</p> <p>DGTJET report</p>	<p><b>Assumptions</b> Training will be organized on schedule.</p>

Design Summary	Performance Targets and/or Indicators	Data Sources and/or Reporting Mechanisms	Assumptions and Risks
2. Development and upgrading of curriculum and learning materials for TVET certificate level	TVET skills curriculum and learning materials developed, and, or upgraded by June. 2009	TA report TTCs' reports DGTJET quarterly progress report	Qualified trainers will be available and willing.  Curriculum and materials will be ready.
3. Development and adoption of standards assessment instrument	Standards assessment instrument adopted by July 2009 First TVET skills bridging plan endorsed by July 2009 TVET skills bridging program started by August 2009	TA report TTCs' reports DGTJET quarterly progress report	Participants are available.  Skills bridging program implementation and financial management are effective.
4. Improvement of employability skills and competency of out-of-school youth	700 youth (50% of whom are females) graduated. About 50% of graduates have entered further training at the certificate level in TTCs, and the remaining 50% employed by 2012	TVET skills bridging plan implemented TA reports TTCs' regular reports DGTJET quarterly progress report Mission reviews	<b>Risks</b> Trainers have limited capability  Insufficient incentive for retention of trained and committed staff  Produce abundant, given supportive climate conditions
<b>Output 3: DGTJET effectively managing project implementation</b>			
1. Development of program management and financial and monitoring systems	Grant implementation manual (GIM) developed by the first month of project implementation (April 2009)  Effective grant reporting and accounting processes established	GIM endorsed by ADB TA report DGTJET quarterly progress report	<b>Assumptions</b> Grant implementation manual endorsed by the project steering committee and ADB  Continued MOLVT and stakeholder commitment to the Project
2. Enhancement of DGTJET and TTCs staff, CBOs and, or NGOs, and commune councils	Capacity-building training provided to around 80 people (30% of whom are women), including staff of DGTJET, TTCs, and contracting CBOs and NGOs by June 2009, and throughout the project implementation	TA report DGTJET quarterly progress report  Training reports Mission reviews Lessons for NTB regular meeting	Recommended TVET policy and strategy supported by the Government and Development Partners  All stakeholders willing to replicate the strategy and lessons
3. Dissemination of lessons and development of recommended policy	Annual participatory policy dialogue and lesson sharing among the Government and stakeholders in various workshops, seminars, including	Lessons for MOLVT annual congress DGTJET annual report TA reports	Sustained revenue generation by TTCs to run the programs.

Design Summary	Performance Targets and/or Indicators	Data Sources and/or Reporting Mechanisms	Assumptions and Risks
4. Development of exit strategies for DGTJET and TTCs	<p>ADB's brownbag event Business plan that enables TTCs to operate in a commercially sustainable manner after project completion endorsed by TTCs and MOLVT within 6 months prior to project completion</p> <p>Recommended policies and strategies are incorporated into the regular TVET program</p>	<p>Approved business plan Approved exit strategy (recommended policies and strategies)</p>	<p><b>Risk</b> Inadequate capacity hinders effective implementation</p>
<b>Activities with Milestones</b>			<b>Total Inputs: 2,320,000</b>
<b>Output 1</b>			<b>JFPR: 2,000,000</b>
<p>1.1 Conduct PHT needs assessment in targeted provinces—within the first month of project implementation (April 2009).</p> <p>1.2 Develop/review and print curriculum, training materials and handbooks based on PHT needs assessment—within the first 3 months of project implementation (June 2009).</p> <p>1.3 Construct three food safety testing buildings in three provincial TTCs, and upgrade one food safety testing building in NPIC (July 2009).<sup>a</sup></p> <p>1.4 Procure the required equipment and supplies for basic post-harvest technologies—within the first 6 months of project implementation.</p> <p>1.5 Commence operations—within 9 months of project implementation.</p> <p>1.6 Develop and endorse PHT skills development plan—by June 2009.</p> <p>1.7 Commence first PHT skills training program—by July 2009.</p>			<p>Civil works</p> <p>Equipment and supplies</p> <p>Training workshop</p> <p>Consulting services</p> <p>Grant management and coordination</p> <p>Contingency</p>
<b>Output 2</b>			<b>Government: 200,000</b>
<p>2.1 Prepare entry-level academic skills for TVET bridging program, submit for approval, and issue parkas (ministerial order) for implementation by April 2009. The academic skills for TVET bridging program will be consistent with the development of the NTQF.</p> <p>2.2 Develop and, or review and print TVET skills curriculum and learning materials—by June 2009.</p> <p>2.3 Develop and test standards assessment instrument, and submit for approval, and issue parkas (ministerial order) for implementation—by July 2009.</p> <p>2.4 Develop and endorse of TVET skills bridging plan—by July 2009.</p> <p>2.5 Start first TVET skills bridging training program—by August 2009.</p>			<p>In-kind (including functioning office spaces for the project, consultants, and staff, car for project monitoring by ADB staff and DGTJET)</p> <p>Revolving-funds for trained farmers and, or youth</p> <p>Land for labs in three provinces, and building for lab in NPIC</p>
<b>Output 3</b>			<b>NGOs and, or CBOs:120,000</b>
<p>3.1 Recruit consultants in the first 2 months of project implementation (April 2009).</p> <p>3.2 Produce grant implementation manual, submit for approval and endorse in the first quarter of project implementation (April 2009).</p> <p>3.3 Provide capacity building to staff of DGTJET and TTCs, and contracting CBOs and NGOs by June 2009, and throughout project implementation.</p> <p>3.4 Prepare procurement plan and documentations for ADB's approval in the second quarter (Q2) of 2009 (May 2009)</p>			<p>In kind (including matching funds from contracting NGOs and, or CBOs in the form of services).</p> <p>In-kind (including participation in training, organizing initiation consultation meetings or workshops, forming</p>

Design Summary	Performance Targets and/or Indicators	Data Sources and/or Reporting Mechanisms	Assumptions and Risks
3.5 Produce baseline survey reports—by April 2009. 3.6 Submit semiannual progress reports between 2009 and 2012. 3.7 Submit external financial audit reports for FY2009, FY2010, and FY2011. 3.8 Conduct annual participatory policy dialogue and lesson learned sharing among the Government and stakeholders in Q1 2010 and Q1 2011. 3.9 Submit the approved exit strategies for TTCs and DGTVET to MOLVT and ADB—within 3 months of project completion. 3.10 Produce independent poverty impact assessment—within 3 months of project completion.			producer networks or alliances <b>Assumptions</b> Project activities implemented on schedule.  Funds and other resources available. <b>Risk</b> Strong interest and support continue throughout project implementation

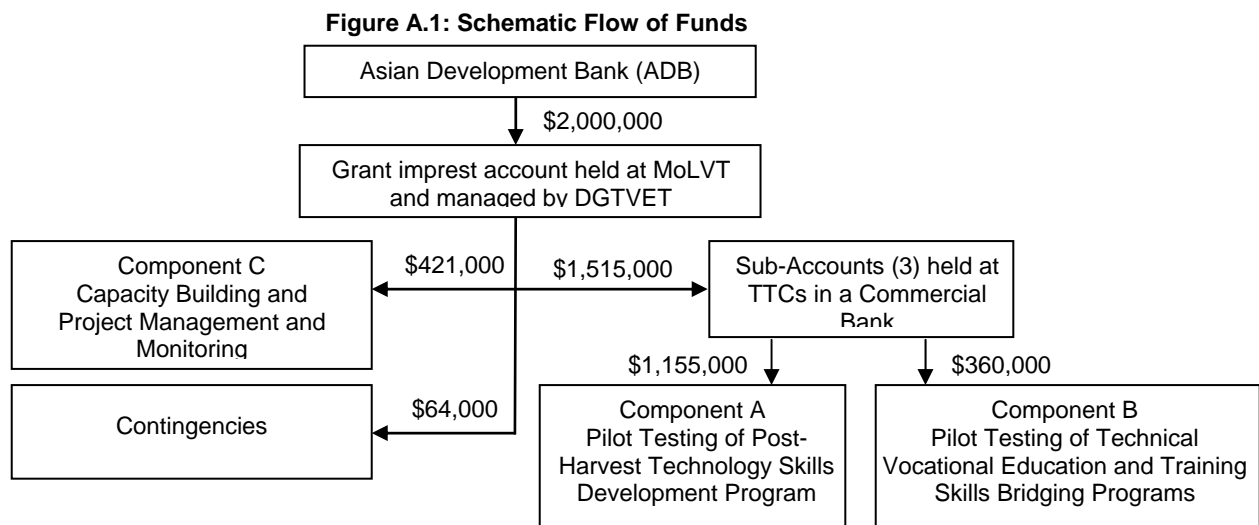
ADB = Asian Development Bank, CBO = community-based organization, DGTVET = Directorate General Technical Vocational Education and Training, JFPR = Japan Fund for Poverty Reduction, MOLVT = Ministry of Labor and Vocational Training, NGO = nongovernmental organization, NPIC = National Polytechnic Institute of Cambodia, NTQF = national qualification framework, PHT = post-harvest technology, PTB = provincial training board, Q = quarter, TA = technical assistance, TTC = technical training center, TVET = technical vocational education and training.

<sup>a</sup> The buildings will have water supply, electrical power, industrial floor drainage and ventilation so that they can be used as training and, or demonstration centers for PHT, and provide a dust-free processing environment.

### FUNDS FLOW ARRANGEMENT

1. The Asian Development Bank (ADB) will channel the Japan Fund for Poverty Reduction (JFPR) funds directly to a JFPR imprest account, which will be opened and maintained by the MOLVT, the EA, at a bank endorsed by MEF and acceptable to ADB. The JFPR imprest account will be managed, replenished, and liquidated in accordance with ADB's *Loan and Disbursement Handbook* (2007, as amended from time to time) and detailed arrangements agreed to by the Government and ADB. The initial advance to the imprest account will be based on 6 months estimated expenditure to be funded from the imprest account, or 10% of the total grant amount, whichever is lower. The imprest account will be replenished based on the replenishment requests from DGTJET through the EA and in accordance with ADB's statement of expenditures (SOE) procedure. The SOE procedure will apply to all payments and transactions under \$10,000, and for payments and transactions in excess of \$10,000 equivalent, supporting documents should be submitted i.e. contract or purchasing order, invoice, bill, proof of payment. DGTJET will transfer part of the imprest account funds to three subaccounts, which will be held by the technical training centers (TTCs) with a commercial bank in the three project target provinces to finance activities under components A and B. The initial advance to the subaccount will be based on the first 3-month activity plan and budget. Replenishment of subaccounts will be based on monthly submission of full supporting documents to DGTJET. To ensure speedy project implementation, payment to nongovernment NGOs and CBOs will be made from subaccounts held by TTCs in accordance with the approved work plan and contracts. Detailed implementation arrangements, including administrative procedures, will be detailed in the Grant Implementation Manual (GIM).

2. Interest earned on the imprest account can be used for the Project, subject to ADB approval, within the approved total amount of the JFPR project. Any unutilized interest should be returned to the JFPR account maintained at ADB. If the remittance fee and other bank charges are higher than the amount of interest earned, such interest does not need to be returned upon completion of the Project and before closing the JFPR account. The schematic flow of funds is shown in Figure A1.



MOLVT = Ministry of Labor and Vocational Training, DGTJET = Directorate General Technical Vocational Education and Training, TVET = technical vocational education and training.  
 Source: Asian Development Bank.

## IMPLEMENTATION ARRANGEMENTS

### A. Roles and Responsibilities of Executing Agency

1. The executing agency (EA) for the Piloting Post-Harvest Technology and Skills Bridging Program for Rural Poor Project will be the Ministry of Labor and Vocational Training (MOLVT), which is responsible for formulating national technical vocational education and training (TVET) policies and strategies. MOLVT is also the EA for the Second Education Sector Development Program<sup>22</sup> (ESDP II), and the proposed project preparatory technical assistance on strengthening TVET. The Project will use the existing steering committee that will also provide general policy guidance, oversee project activities, facilitate coordination with the local government and other targeted assistance programs, and approve the project implementation manual, together with the annual work plans and budgets.

### B. Implementation Arrangements

2. The Directorate General Technical Vocational Education and Training (DGTJET) and its technical training centers (TTCs), nongovernment organizations (NGOs), and community-based organizations will be the implementing agencies (IAs). DGTJET will be responsible for overall project coordination, administration, and technical support, as well as disseminating lessons. It will contract subcomponents of the post-harvest technology (PHT) skills development program to TTCs, and the TVET skills bridging program to community-based organizations, NGOs, and other skills providers. Program planning and overall management will be the responsibility of the DGTJET. It will coordinate its activities with ESDP II, the project preparatory technical assistance on strengthening TVET, and other aid agencies. The assignment of full-time core staff to the DGTJET is a condition of project commencement. The terms of reference of each staff member are to be prepared and submitted to the Asian Development Bank (ADB) as an appendix to the JFPR grant implementation manual.

3. DGTJET will ensure participation and cooperation from technical departments and the targeted TTCs in undertaking overall project management and (i) preparing the annual work plan and budget; (ii) making logistical arrangements for training and workshops; (iii) monitoring and evaluate progress of project implementation; (iv) preparing project disbursement and procurement; (v) conducting the baseline survey, and preparing project progress reports and an independent impact evaluation; and (vi) maintaining project accounts and complete financial records for auditing the Project.

4. DGTJET can contract implementation of subcomponents on PHT skills development and TVET skills bridging programs, needs and skills assessments, and facilities development to local and international NGOs, research institutes, or consultants in accordance with Asian Development Bank (ADB) procedures. DGTJET will also contract with independent impact evaluation and audit specialists. The Project is planned to be implemented over 36 months beginning in early 2009 and ending by early 2012. A 36-month project implementation provides flexibility for unanticipated extension.

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<sup>22</sup> ADB. 2004. *Report and Recommendation of the President to the Board of Directors on Proposed Loans and Technical Assistance Grant to the Kingdom of Cambodia for the Second Education Sector Development Program*. Manila (Loan 2121/2122-CAM [CF]). A program loan of \$20 million equivalent supports a policy reform agenda; a project loan of \$25 million provides facilities development for secondary education and skills training for out-of-school youth; and an advisory TA for \$500,000 supports education regulatory reform and governance for decentralization.

### **C. Procurement**

5. Civil works, equipment, consumable goods, office supplies, and vehicles (motorcycles) financed by ADB will be procured in accordance with ADB's *Procurement Guidelines (2007, as amended from time to time)*. Equipment to be procured under the Project will consist primarily of office and training equipment, motorcycles, and basic PHT equipment. No contract package is expected to exceed \$500,000 and international competitive bidding is not envisaged under the Project. Each contract costing between \$100,000 and \$500,000 will be awarded through national competitive bidding (NCB). Minor equipment and materials costing less than \$100,000 will be procured through shopping.

6. No works contract packages are expected to exceed \$500,000. Works under component A will be awarded by the EA on the basis of NCB. NCB for goods and works will follow procedures set forth in the Government's procurement manual that are acceptable to ADB. DGTNET, assisted by the civil works specialist and team leader, will ensure that the appropriate government-funded maintenance contracts are signed prior to the commissioning of civil works in order to ensure that the constructed civil works are well maintained during their economic life.

### **D. Consulting Services**

7. The Project will be supported by approximately 94 person-months of consulting services (21 person-months of international and 73 person-months of national services). The consulting services are designed to provide technical support to project management and implementation, and will build long-term institutional capacity for planning, management, and delivery of the two pilot programs, which comprise new areas for the TVET subsector. The consultants will be recruited by ADB on the basis of individual consultant qualifications and in accordance with ADB's *Guidelines on the Use of Consultant (2007, as amended from time to time)*, and other arrangements satisfactory to ADB. ADB will advertise the required positions on its website. The EA will be requested to provide clearance of the short list, and staff of the EA and/or IA are not allowed to be recruited as project consultants.

### **E. Reports, Accounts, and Audits**

8. The Government will ensure that records and accounts are maintained that are adequate to identify goods and services financed from the proceeds of the Japan Fund for Poverty Reduction (JFPR) grant by keeping separate accounts for the JFPR project. Auditors acceptable to ADB will audit accounts and financial statements annually in accordance with sound accounting principles. The audit report should include certified copies of the audited accounts and financial statements, and the report of the auditors relating to the mentioned statements, including the auditor's opinion on the use of the JFPR funds. Separate opinions will be issued on the use of imprest account and statement of expenditures procedures. The audit report should be submitted to ADB not more than 6 months following the end of the fiscal year or project closing date, whichever is first.

9. MOLVT will prepare quarterly reports on the implementation of the Project and submit them to ADB within 30 days of the end of each quarter. The reports will be in a format acceptable to ADB and will indicate, among other things: (i) progress against established targets, both technical and financial; (ii) status of performance indicators; (iii) problems encountered during the quarter, and steps taken and proposed to be taken to resolve problems identified; and (iv) project activities proposed for the succeeding quarter, including management actions to implement audit opinions on the use of JFPR funds. A JFPR project completion report

will be submitted to ADB together with an implementation completion memorandum<sup>23</sup> not later than 3 months following physical completion of the Project.

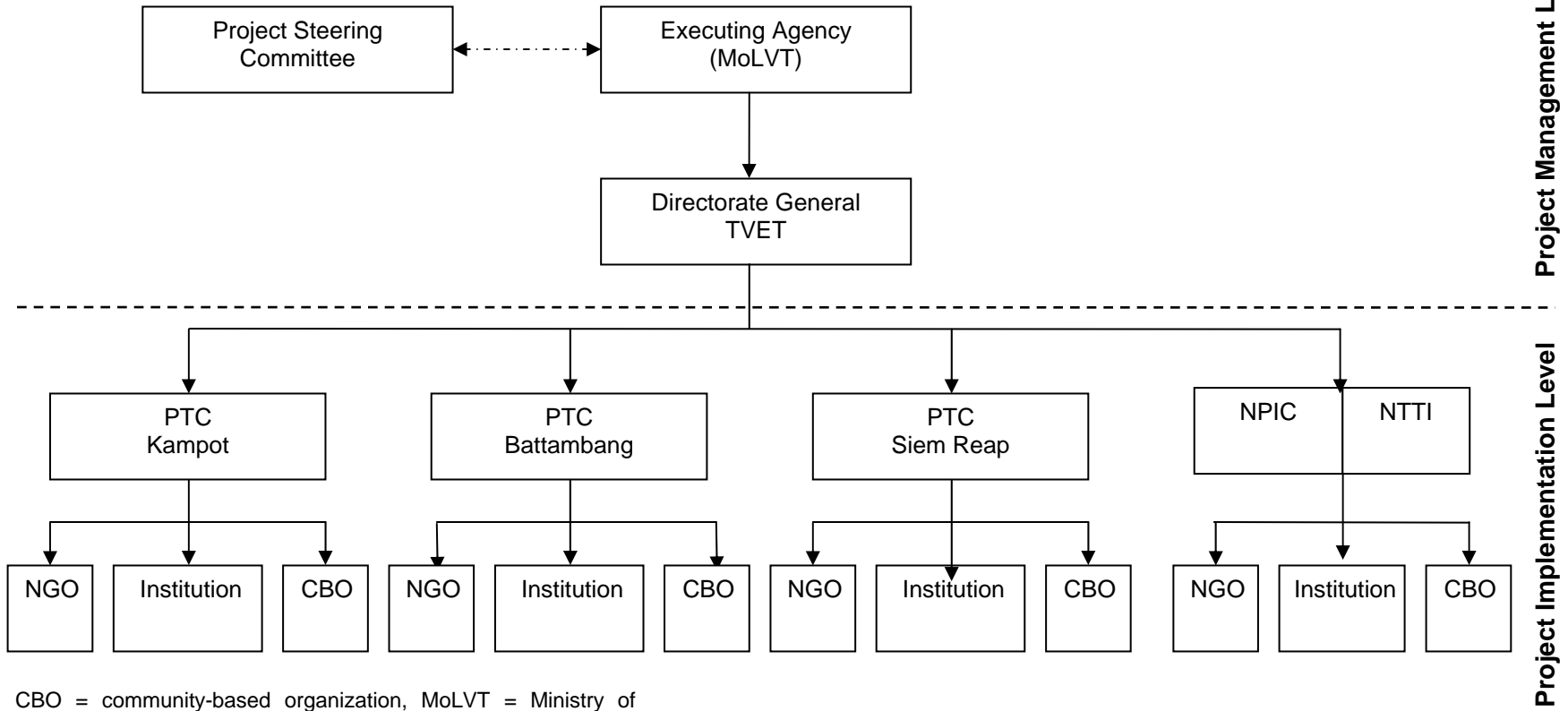
#### **F. Regular and Midterm Reviews**

10. The Government, ADB, other aid agencies, and NGOs will review implementation annually and assess the impact of the Project. In addition to annual and other reviews, the Government and ADB will jointly undertake a midterm review of the Project. The midterm review will identify changes since the time of appraisal, reassess impact with regards to future project implementation and sustainability, assess implementation performance against project performance indicators, review compliance with agreed arrangements, and identify problems and constraints.

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<sup>23</sup> The implementation completion memorandum will be prepared by ADB's project officer with contributions from the recipient, EA and, or IA, and the grant project manager and/or coordinator.

**Figure A2: Project Management and Implementation Structure**



CBO = community-based organization, MoLVT = Ministry of Labor and Vocational Training, NTTI = National Technical Training Institute, NPIC = National Polytechnic Institute of Cambodia, PTC = provincial training center, TVET = technical vocational education and training.  
 Source: ADB and DGT VET

Project Management Level  
 Project Implementation Level

## SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

**Country/Project Title:** Cambodia/Piloting the Post-Harvest Technology and Skills Bridging Program for Rural Poor

Lending/Financing  
Modality:

JFPR Grant

Department/  
Division:

Southeast Asia Department/  
Cambodia Resident Mission

### I. POVERTY ANALYSIS AND STRATEGY

#### A. Link to the National Poverty Reduction Strategy and Country Partnership Strategy

Cambodia has experienced impressive economic growth over the past few years. According to the Government of Cambodia, real gross domestic product growth averaged 11.4% per year during 2004–2006. Despite this strong economic performance, the incidence of poverty is high in rural (34.7%) and remote areas (39%). The most formidable development challenge faced by the Government is sustaining the country's recent growth in the face of macroeconomic and inflationary challenges, while also improving the standard of living and quality of life of the Cambodian poor.

The country strategy and program (CSP) midterm review in 2007<sup>1</sup>, and the 2008 Cambodia country programming mission have noted the need for stronger links between technical vocational education and training and rural development. Demand is increasing for skills that meet the needs of a diversifying economy and support continuing economic growth, as reflected by the Government's Rectangular Strategy for Growth, Employment, Equity, and Efficiency (2004) and the National Strategic Development Plan (NSDP: 2006-2010), which recognize that a "critical mass" of educated, skilled, talented and capable manpower forms the backbone of the country.

The education strategic plan 2006–2010 of the Ministry of Education, Youth and Sport and the strategic plan 2006–2010 of the Ministry of Labor and Vocational Training (MOLVT) have confirmed the Government's goals through strategies to establish a knowledge and skills-based society by improving equitable access to education, and enhancing the quality and efficiency of education and related services. The Project seeks to assist the Government realize these goals.

#### B. Poverty Analysis Targeting Classification: Targeted Intervention -Geographic

Over the past 10 years, Cambodia has made significant progress in implementing pro-poor development policies and achieving development goals. Between 1997 and 2007, the net primary education enrolment ratio increased by 15.5%, and the secondary education enrolment ratio by 10.5%.<sup>a</sup> However, despite rapidly increasing net enrollment, approximately 76% of children are not enrolled at the secondary level, while an estimated 2 million school youths with less than grade 7 education cannot re-enter school, and thus cannot obtain additional education or training.<sup>b</sup> Some are prevented from pursuing further education for academic reasons, but the obstacles in most cases are economic, such as insufficient family income to afford school, and the need for youth to help their families with subsistence farming activities. The inability of these individuals to return to school full time or to attend classes at regular intervals prevents them from continuing their formal learning.

Cambodia's urban areas—in particular Phnom Penh and Siem Reap—are rapidly shifting to labor-intensive industries such as garment factories and construction, resulting in significant rural-urban migration. The majority (about 55.4%) of the economically active population is engaged in agriculture, but agriculture sector growth declined from 13.4% in 2005 to 4.4% in 2006. There are an increasing number of new entrants into the labor force—an average of 300,000 people (30% of whom lack a specific skill or education) have entered the labor market each year from 2003 to 2007—but only around 150,000 new jobs have been created annually (footnote c).

Support for skills training and development has been limited and has not addressed the needs of the country's rapidly growing economy and underdeveloped rural areas. MOLVT's provincial training centers had 6,000 short-course students per year as of 2007, and the Ministry of Women's Affairs has 11

<sup>1</sup> ADB. 2007. Cambodia 2005-2009: *Country Strategy and Program Midterm Review*. Manila.

Women's Training Centers that offer a range of traditional programs, and graduate around 3,000 trainees a year in sewing, weaving, haircutting, and traditional crafts. Some nongovernment organizations promote a single skill (primarily in crafts). There are also an estimated 300 private trade schools, largely in information technology and mechanics, which are currently unregulated. It is estimated that about 20,000 trainees graduate each academic year from private skills providers. The voucher skills training program (VSTP) under ESDP II trained approximately 87,000 youth and villagers in basic income-generating skills, but did not introduce post-harvest technology (PHT) skills training because: (i) villagers seemed unaware of this area of work, (ii) PTCs were unaware of PHT beyond some very basic skills, and (iii) there had been little or no promotion of PHT at the provincial or national level.

Recent surveys and studies have identified the impediments Cambodia faces in realizing its medium-term growth potential and diversification goals. Surveys on business climate perceptions, for instance, suggested that, skills, including those of new university graduates, are inadequate and mismatched to the needs of the labor force, and that this constitutes a major obstacle to private sector growth and development. Value-chain studies have found that the constraints to Cambodia's medium-term growth potential and economic diversification include poor product quality, inadequate sanitary and phytosanitary-standards, the existing policy framework, and underdeveloped linkages between the economy's rural and modern sectors

The Project will target 44 of the 100 poorest communes<sup>c</sup> covered under the ESDP II VSTP, namely Kampot, Battambang, Siem Reap, and Phnom Penh. The Project is designed to reduce poverty among the rural poor in Cambodia by improving the PHT skills of agricultural producers and enhancing the knowledge and technical skills of youth to meet the demands of industry. The immediate objectives are to (i) increase the value added to agricultural produce through post-harvest skills development and training, and (ii) meet the needs of diversified enterprises through a technical vocational education and training skills bridging program for youth.

## II. SOCIAL ANALYSIS AND STRATEGY

### A. Findings of Social Analysis

The social analysis undertaken for the Second Education Sector Development Program <sup>2</sup>(ESDP II) applies to this Project, as the expected beneficiaries come from the same location. The overall objective of the ESDP II is to contribute to the long-term goal of education reform in Cambodia by establishing an education and training system that is responsive to the market, results in a better educated workforce, and contributes to increased average household income, especially for skills training beneficiaries under the program. The findings of social analysis for the ESDP II, therefore, were used for this project preparation. To supplement existing socioeconomic data, a baseline survey will be undertaken before project effectiveness or at the start of the Project to help measure the impact of the grant. Data will be disaggregated by sex, ethnicity and household income where appropriate.

### B. Consultation and Participation

1. Provide a summary of the consultation and participation process during the project preparation.

Stakeholders were consulted during project preparation through (i) a review of key documents and relevant strategic papers, (ii) key informant interviews at both national and provincial levels, (iii) visits to relevant institutions, and (iv) brainstorming sessions with staff at the provincial training center and villagers in Siem Reap province. Key stakeholders include MOLVT; the Directorate General Technical Vocational Education and Training (DGTVET); Ministry of Agriculture, Forestry and Fishery (MAFF) and the Ministry of Women's Affairs; the Provincial Training Board in Siem Reap province; individual consultants; and development partners such as the United Nations Education, Scientific and Culture Organization (UNESCO), Embassy of Japan, and other relevant development partners.

1. What level of consultation and participation (C&P) is envisaged during the project implementation and monitoring?
2.  Information sharing     Consultation     Collaborative decision making     Empowerment
3. Was a C&P plan prepared?  Yes     No

<sup>2</sup> ADB. 2007. Cambodia 2005-2009: *Country Strategy and Program Midterm Review*. Manila.

The Project will use the participatory arrangements established under the ESDP II VSTP, including the existing project steering committee, provincial training boards, and commune councils. The Project will support local agricultural producers associations and youth groups through capacity development and information sharing among beneficiaries.

### C. Gender and Development

#### 1. Key Issues

Women outnumber men 1.2 to 1 in Cambodia's adult population. Cambodia's rapidly growing labor force presents the country with critical challenges in terms of maintaining employment and increasing gender equity in the workforce (women comprise almost half the labor force). Although gender disparities have decreased across education levels and economic activities, low enrollment of girls in secondary education (22.2% for females versus 48% for males) remains a major issue in Cambodia (footnote b). The proportion of Cambodians who are economically active is very high (74.6%), with males (78.9%) only slightly more active than females (70.7%). About 23.7% of the economically active population has limited or no education. Most female workers are self-employed or unpaid family workers (83% of women versus 77% of men).<sup>d</sup> Women are overrepresented in agriculture and labor-intensive manufacturing sectors.

#### 2. Key Actions

Gender plan     Other actions/measures     No action/measure

The Project will improve the knowledge and skills of the rural poor. Gender-sensitive indicators are included in the design and monitoring framework to ensure women participate in and derive benefits from the project. Detailed arrangements that are responsive to gender concerns will be developed by the executing agency with technical input from the consultant team during grant implementation manual development.

### III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS

Issue	Significant/Limited/ No Impact	Strategy to Address Issue	Plan or Other Measures Included in Design
<b>Involuntary Resettlement</b>	No impact	The Project will include the construction and rehabilitation of food safety testing labs. All civil works will be carried out within the existing boundaries of the provincial training centers and the National Polytechnics Institute of Cambodia on government-owned land; this will be confirmed prior to awarding of civil works.	<input type="checkbox"/> Full Plan <input type="checkbox"/> Short Plan <input type="checkbox"/> Resettlement Framework <input checked="" type="checkbox"/> No Action
<b>Indigenous Peoples</b>	No impact	Project activities target Phnom Penh, Siem Reap, Battambang, and Kampot. The social analysis found that indigenous peoples and ethnic minorities do not inhabit these areas. The proposed Project therefore does not contain any specific actions for indigenous persons or ethnic minorities.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input type="checkbox"/> Indigenous Peoples Framework <input checked="" type="checkbox"/> No Action

Issue	Significant/Limited/ No Impact	Strategy to Address Issue	Plan or Other Measures Included in Design
<b>Labor</b> <input type="checkbox"/> Employment opportunities <input type="checkbox"/> Labor retrenchment <input type="checkbox"/> Core labor standards	No negative impact	The Project is not expected to adversely affect labor regulations. Unemployment is estimated at 7%. Only 4% of labor force participants had an upper or post-secondary education. The Project aims to: (i) increase the value added to agricultural produce through post-harvest skills development and training of rural producers; and (ii) improve the knowledge of school youth and recent school leavers accepted in MOLVT skills training by requiring specific entry competencies, and thereby respond to the growing demands of industry for skilled workers.	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action
<b>Affordability</b>	No negative impact	The Project is a poverty-targeted intervention. The Project will select 44 of the 100 poorest communes covered under the ESDP II, thereby directly benefiting the poor. There is no risk of the poor not being able to access skills training, resources and benefits.	<input type="checkbox"/> Action <input checked="" type="checkbox"/> No Action
<b>Other Risks and/or Vulnerabilities</b> <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
<b>IV. MONITORING AND EVALUATION</b>			
Are social indicators included in the design and monitoring framework to facilitate monitoring of social development activities and/or social impacts during project implementation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

ADB = Asian Development Bank, CSP = country strategy and program, ESDP II = Second Education Sector Development Program, GDP = gross domestic product, MOLVT = Ministry of Labor and Vocational Training, PTC = provincial training center, VSTP = Voucher Skills Training Program.

<sup>a</sup> Ministry of Education, Youth and Sport. 2008. Education Indicator 2006–2007. Phnom Penh.

<sup>b</sup> Ministry of Labor and Vocational Training. 2007. The Annual Technical Vocational Education and Training Development Plan 2007 Annual Update. Phnom Penh.

<sup>c</sup> The ESDP II selected the 40% poorest communes by using the World Food Program, 2005. Cambodia, Poverty Index, Phnom Penh.

<sup>d</sup> ADB. 2008. Update Country Gender Assessment. Manila.

## **TERMS OF REFERENCE: PROJECT IMPLEMENTATION CONSULTANTS**

### **A. Team Leader, Technical Vocational Education and Training Institutional and Policy Development, and Community Capacity Building Specialist (international consultant, 9 person-months over 3 years)**

1. The team leader will have extensive experience in technical vocational education and training (TVET) and project implementation in Cambodia. He or she will have overall responsibility for guiding project activities, and expertise in (i) project management and administration; and (ii) partnership development with (a) concerned government institutions, in particular Ministry of Commerce; Ministry of Agriculture, Forestry and Fishery; Ministry of Industry, Mines and Energy; Ministry of Education, Youth and Sport; Ministry of Women's Affairs; and the Council of Ministers' One Village, One Product (OVOP) secretariat; and (b) aid agencies, in particular the Asian Development Bank (ADB); German Technical Cooperation (GTZ); Japan International Cooperation Agency; International Labor Organization (ILO); United Nations Economic, Scientific and Cultural Organization (UNESCO); World Bank; and nongovernment organizations (NGOs).

2. The team leader will (i) prepare a grant implementation manual that includes implementation arrangements such as the selection criteria for contracting NGOs; fund flow, replenishment, and administrative procedures; and overall work plan; (ii) provide capacity building on project and financial management; (iii) collaborate and network with senior officials of the Ministry of Labor and Vocational Training, and counterpart staff including technical training centers (TTCs), other relevant government agencies, the project steering committee, and NGOs; (iv) assist the Directorate General Technical Vocational Education and Training (DGTJET) to conduct a baseline survey on post-harvest technology (PHT) and skills bridging needs assessments, ensuring that the Project's targeted communes are linked to Voucher Skills Training Program communes with potential agricultural product surplus; (v) assess, set indicators, and monitor key results areas covered under the Project, including changes in income levels and the number of new businesses established and jobs created, and develop the Project's monitoring and evaluation mechanisms; (vi) manage the participating TTCs and the community planning process at the beginning of the Project, including development of PHT and TVET skills development plan guidelines for contracting institutions; (vii) develop the capacity of the TTCs in community development and demand-responsive TVET; (viii) coordinate and ensure the outputs of other team members, and ensure that each component is effectively implemented; (ix) assist DGTJET with medium and long-term financing policy priorities consistent with the financing framework (recurrent budget) of the TVET subsector; (x) work with the executing agency (EA) to develop the project completion report based on the project impact assessment, and assist DGTJET in procuring and monitoring an independent impact assessment; (xi) assist the EA and Implementing Agency (IA) in conducting conferences, seminars, roundtables, and participatory design workshops as appropriate; and (xii) assist the EA and ADB in any other assignments as may be reasonably expected within the scope of work.

### **B. Community Development and TVET Institutional Development Specialist (Deputy Team Leader) (national consultant, 36 person-months)**

3. The expert will have extensive experience in institutional and community planning and TVET development. Along with the team leader and other specialists, he or she will serve as deputy team leader and assist the management team of the TTCs and DGTJET to (i) lead the design and support the delivery of all training workshops for PHT and TVET bridging skills

trainers, community development specialists (CDSs), and commune councils; (ii) support the project in developing commune links and processes; (iii) design and manage the project baseline survey and, or training needs assessments and monitoring and impact evaluation process; (iv) assist in the organization of TTC and OVOP fairs; (v) ensure the Project's gender-related targets are met and deliverables are produced; and (vi) assist the team leader and the EA and IA in any other assignments as may be reasonably expected within the scope of work.

**C. Post-Harvest Technology Specialist-Processing, Preserving, Packaging**  
(international consultant, 6 person-months; national consultant, 12 person-months)

4. The international expert will have considerable experience in PHT planning, development, and training. Along with the national expert, he or she will work with and assist DGTNET and TTCs management team to (i) identify the appropriate PHT (storage, processing, and packaging) technologies to be used; (ii) procure the required lab equipment; (iii) conduct PHT training needs assessments and identify the PHT technologies to be used in each participating commune; (iv) prepare curriculum and learning materials for the PHT skills development program; (v) provide training for the TTCs' trainers and CDSs; (vi) assist TTCs to develop a PHT skills development plan; (vii) assist TTCs to implement the PHT skills development grant; and (viii) assist the EA document lessons and develop policy development recommendations. They will report to the EA and IA, and team leader.

**D. Post-Harvest Technology Marketing Specialist** (national consultant, 8 person-months over a 1-year period)

5. The expert will have extensive experience in business marketing strategies in similar projects and, or businesses. The expert, guided by team leader, will work with TTCs and relevant stakeholders such as Ministry of Agriculture, Forestry and Fishery; Ministry of Commerce; Ministry of Industry, Mines and Energy; OVOP; the private sector; and projects associated with small and medium-sized enterprises to (i) develop a market assessment model for use by communes in assessing what products to produce and where to sell them; (ii) identify appropriate and affordable packaging for products for display and protection; (iii) identify a basic marketing model for new agricultural products; (iv) design PHT training manuals and train TTC CDSs and PHT trainers in market assessment and marketing models; (v) assist DGTNET in the organization of TTCs and OVOP trade fairs; (vi) collaborate and network with potential marketers and develop promotional activities, i.e., TV spots and websites; and (vii) provide recommendations to TTCs on developing a marketing strategy as part of their exit strategy.

**E. TVET Skills Bridging Specialist** (international consultant, 6 person-months; national consultant, 12 person-months)

6. The international specialist will have a strong background and experience in TVET skills bridging training and curriculum design, and work with DGTNET and TTCs, together with counterpart staff in the Ministry of Labor and Vocational Training and key stakeholders—particularly in the Ministry of Education, Youth and Sport's Pedagogic Research Department and the United Nations Education, Scientific and Cultural Organization (UNESCO)—to (i) determine entry standards for the skills bridging program; (ii) assist DGTNET and TTCs to conduct employment and training needs assessments through interaction with the Cambodian Federation of Employers and Business Associations and employer or industry associations to identify skills that are potentially in demand; (iii) conduct a review of curriculum and learning materials development needs, and develop a skills-bridging program implementation schedule; (iv) develop TVET bridging curriculum and learning materials based on the review; (v) develop

selection criteria for potential contracting of NGOs, CBOs, and other skills providers in the project location; (vi) assist DGTVET and TTCs to develop a TVET skills development plan for contracting institutions; (vii) provide training to tutors and managers from potential contracting NGOs, CBOs, and other skills providers in implementing the TVET skills bridging grant; (viii) provide ongoing support to TTCs' sites managers and monitors, and review the system and learning materials; (ix) develop appropriate quality assurance systems, and monitor and evaluate implementation of the pilot TVET bridging program; (x) develop a monitoring tool for TTCs to supervise implementation of the TVET skills bridging plan; and (xi) assist the EA and IA to document lessons, and develop appropriate recommendations for policy development. She or he will report to the EA/IA and team leader.

**F. Civil Works Specialist** (national consultant, 5 person-months over a 6-month period)

7. The specialist will have extensive experience in managing civil works in similar projects and have prior experience with and knowledge of ADB procurement, disbursement, and monitoring procedures. He or she will work closely with DGTVET, provincial training centers, and the team leader in (i) preparing and costing a design for the civil works package; (ii) monitoring procurement connected with civil works and goods; (iii) supervising the construction and/or rehabilitation of labs at the TTCs; (iv) corresponding with DGTVET with regard to bidding, bid evaluation, and contracting; and (v) training DGTVET and TTC staff in project procurement and financial requirements to ensure sustainability after the end of the consulting service contract.