



India: Madhya Pradesh Skills Development Project

Project Name	Madhya Pradesh Skills Development Project		
Project Number	48493-001		
Country / Economy	India		
Project Status	Closed		
Project Type / Modality of Assistance	Technical Assistance		
Source of Funding / Amount	TA 9253-IND: Madhya Pradesh Skills Development Project		
	Technical Assistance Special Fund		US\$ 225,000.00
	TA 9253-IND: Madhya Pradesh Skills Development Project (Supplementary)		
	Technical Assistance Special Fund		US\$ 750,000.00
Strategic Agendas	Inclusive economic growth		
Drivers of Change	Gender Equity and Mainstreaming Governance and capacity development		
Sector / Subsector	Education / Technical and vocational education and training		
Gender	Effective gender mainstreaming		
Description	The proposed Asian Development Bank loan will reinforce GOMP s efforts to modernize and reform the state s technical and vocational education and training (TVET) system so that its workforce can be equipped with the skills required by the growing secondary and tertiary sectors.		
Project Rationale and Linkage to Country/Regional Strategy	<p>Madhya Pradesh, located in central India, is its sixth largest state in terms of population (72.6 million). Owing to the concerted efforts of the Government of Madhya Pradesh (GOMP) over the past decade, the state s physical infrastructure roads, power, water, and sanitation has improved considerably. Between 2006 and 2012, Madhya Pradesh grew by 9.1% as compared to the Indian economy which grew at 7.8%. Overall poverty declined from 48.6% to 31.6% between 2004- 2005 and 2011- 2012. The state has been attracting private sector investment in sectors such as power, information technology, automotive, textiles, consumer goods, machinery, banking and finance, hospitality, and tourism. The proposed Asian Development Bank (ADB) loan will reinforce GOMP s efforts to modernize and reform the state s technical and vocational education and training (TVET) system so that its workforce can be equipped with the skills required by the growing secondary and tertiary sectors. In 2011, around 59% of Madhya Pradesh s population (42 million) was in the working age group of 15 to 59 years. It is estimated that between 2012 and 2022, nearly nine million youth of Madhya Pradesh will enter the workforce. However, the unemployment rate for the 15 to 29 years entry-level working age group in the state is 9%, which is much higher than the average unemployment rate of 3% for entire working age group. As of 2013, 63% of Madhya Pradesh s workforce was employed in the primary sector, 21% in the secondary sector, and only 17% in the tertiary sector, even though they account for 26%, 28%, and 46% respectively of the gross state domestic product. This structural mismatch between the economic and employment profiles of Madhya Pradesh is in part, a reflection of the fact that nearly 90% of the state s workforce does not have access to formal TVET. The majority of the 213 government industrial training institutes (ITIs), which are the backbone of Madhya Pradesh s TVET system, are more than 40 years old. Most of the ITIs have been performing below potential owing to outdated curricula and equipment, absence of regular refresher training for the faculty, inadequate industry engagement, and weak counselling and placement services. GOMP is therefore, emphasizing TVET reform so that it can equip its youth with the skills required to make the transition from primary to secondary and tertiary jobs. The ADB loan will support DTESD in strengthening the state s ITI network in line with the changing needs of the economy. A Global Skills Park will be established in Bhopal, the capital city, so that skilled workers can get internationally recognized certificates and compete for overseas jobs. Selected ITIs will be upgraded comprehensively so that they can impart high-end training in growth sectors. The project will extend the reach of the ITI network to underserved areas of the state, and focus on women, people with disabilities, and other vulnerable groups. It will build the capacity of MPCVET to deliver the mandate of the state Skill Development Mission by ensuring convergence across the training programs being run by other departments, and aligning all training with India s National Skills Qualification Framework. The proposed project reflects the priorities of the India country partnership strategy, 2013 -2017 which aims to reinforce India s efforts towards inclusive growth. As part of India s National Policy on Skill Development and Entrepreneurship, 2015, the Government of India has prioritized modernization and expansion of ITIs and polytechnics, and scaling up of private-sector led vocational training so that 300 million can be skilled by 2022. The project is aligned with the midterm review of Strategy 2020 which emphasizes the need for ADB to focus on post-basic education and TVET to promote human capital development, and facilitate public private partnerships (PPPs) to leverage and improve results.</p>		
Impact			
Project Outcome			
Description of Outcome			
Progress Toward Outcome			
Implementation Progress			
Description of Project Outputs			
Status of Implementation Progress (Outputs, Activities, and Issues)			
Geographical Location	Madhya Pradesh		
Summary of Environmental and Social Aspects			
Environmental Aspects			
Involuntary Resettlement			
Indigenous Peoples			
Stakeholder Communication, Participation, and Consultation			

During Project Design

The primary stakeholders and beneficiaries of the project are unemployed and/or out-of-school youth belonging to low-income households, and students studying in government ITIs. Secondary stakeholders include the parents of these youth, students, teachers, and vocational training providers, potential employers, nongovernment organizations (NGOs), and GOMP. Focus group discussions will be conducted in a sample of districts, covering representatives of different stakeholder groups. Youth aspiration surveys and demand assessments will also be undertaken in the areas close to the ITIs that are selected for upgrading under the project.

Local NGOs will be consulted during program design. Their assistance will be taken to organize focus group discussions focusing on the needs, concerns, and aspirations of women and poor students. NGOs will also be involved, as required, in designing and implementing counselling and training programs for livelihood and entrepreneurship development initiatives focusing on the rural and urban poor. Local industry groups will also be consulted to assess the skills needs and employment opportunities, as well as the relevance of ongoing TVET programs.

During Project Implementation

Business Opportunities

Consulting Services ADB will engage six individual consultants (four international and three national). The selection and engagement of consulting inputs will be carried out in accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time).

Procurement Not applicable.

Responsible ADB Officer	Lee, Sunhwa
Responsible ADB Department	South Asia Department
Responsible ADB Division	Human and Social Development Division, SARD
Executing Agencies	Department of Technical Education, Skill Development and Employment, Government of Madhya Pradesh

Timetable

Concept Clearance	-
Fact Finding	-
MRM	-
Approval	01 Dec 2016
Last Review Mission	-
Last PDS Update	21 Sep 2018

TA 9253-IND

Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
01 Dec 2016	-	01 Dec 2016	30 Sep 2017	31 Mar 2019	20 May 2019

Financing Plan/TA Utilization

ADB	Cofinancing	Counterpart				Total	Cumulative Disbursements	
		Gov	Beneficiaries	Project Sponsor	Others		Date	Amount
975,000.00	0.00	0.00	0.00	0.00	0.00	975,000.00	17 Jun 2022	919,091.23

Project Page	https://www.adb.org/projects/48493-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=48493-001
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