

# TECHNICAL ASSISTANCE COMPLETION REPORT

Division: PLCO

<b>TA 4056-VAN: Policy Framework and Capacity Building for Technical and Vocational Education and Training</b>			<b>Amount Approved: \$250,000</b>	
			<b>Revised Amount: \$250,000</b>	
<b>Executing Agency:</b> Ministry of Education, Youth & Sports		<b>Source of Funding:</b> TASF	<b>TA Amount Undisbursed</b> \$72,721	<b>TA Amount Utilized</b> \$177,279
<b>Date</b>			<b>TA Completion Date</b>	
<b>Approval</b> 19/12/2002	<b>Signing</b> 12/02/2003	<b>Fielding of Consultants</b> 25 February 2003	<b>Original</b> 31/01/2005	<b>Actual</b> 31/01/2006
			<b>Account Closing Date</b>	
			<b>Original</b> 31/01/2005	<b>Actual</b> 31/12/2006
<p><b>Description.</b> The standard of education in Vanuatu is considered one of the poorest in the Pacific region. Adult literacy is only 64%, and infant mortality is high at 41% per 1,000 live births. The estimated national population growth rate is 3% and about 80% of the population lives in rural areas, in geographically isolated small communities. Reviews of community priorities and surveys undertaken for both formal and informal labor market demand noted skills training are needed to meet local development priorities and income generating aspirations of the youth and rural people. This demographic and socioeconomic backdrop makes skills development imperative and calls for providing skills in a variety of community led initiatives. A review of technical and vocational education training (TVET) undertaken in 2000 provided details of Vanuatu's system. The review included an assessment of demand and supply of non formal vocational skills training and development of alternative strategies to enhance delivery through an appropriate TVET system. In support of these initiatives, it became apparent that there was a need to develop new policies and strategies. Formal education already had a master plan and the TVET sector also needed a master plan to guide national development and to assist each province in setting its own training program and priorities based on local needs. Proposals for provincial campuses needed further elaboration of and potential benefits to match disadvantaged youth and rural communities with opportunities presented by the formal labor market. These new initiatives needed to be supported by sustainable funding resources and, as part of the TA, it was important to demonstrate how sustainability of funding could be built into future developments of the TVET system in Vanuatu</p> <p><b>Expected Impact, Outcome and Outputs.</b> The TA objective was to establish and operationalize a national and provincial TVET framework that would facilitate continuous life-long learning. The framework was to prepare a foundation for a systematic and sustainable approach to providing young people and adults with equitable access to appropriate learning and life skills as stipulated in Vanuatu's national action plan for education for all. The TA outputs comprised: (i) a national TVET master plan; (ii) provincial TVET implementation plans, including proposals for six provincial campuses; (iii) an organizational structure and implementation arrangements for a sustainable TVET training fund; and (iv) the delivery of nonformal, income-oriented skills training using the pilot TVET training fund mechanism.</p> <p><b>Delivery of Inputs and Conduct of Activities.</b> The TA was piggy-backed to a loan proposed under PPTA No. 3477-VAN: Skills Development Project for \$250,000 approved on 11 May 2000. The TA was adequately formulated and designed in terms of budget, provision of consultant services, and implementation arrangements to maximize its impact on the capacity building process. It was substantially implemented over 8 months but was extended by a further 12 months to 31 January 2006 for the training of the Executive Officer (EO) of the Vanuatu National Training Council (VNTC) in Papua New Guinea (PNG). The TA provided 4 person-months (pm) of consulting services, all of which were generally satisfactory. All consultants fulfilled their terms of reference and submitted draft final reports. The government provided counterpart staff and adequate office space as agreed. Counterpart staff comprising senior officials and key stakeholder groups were fully involved in the TA activities particularly the selected group undertaking a study tour to PNG, Philippines and Thailand that enabled them to examine selected relevant TVET models and assess their applicability and adaptability to Vanuatu's situation. Following the study tour, two national workshops were organized to develop a draft TVET master plan and an implementation strategy. ADB fielded two review missions to monitor the implementation progress and to participate in the workshops. The government and ADB were generally satisfied with the inputs provided by the consultants. The performance of the executing agency was also satisfactory but the administration of the TA by ADB was only partly satisfactory as it was assigned from one officer to another with no one making satisfactory financing arrangements to assist the government in the implementation of the outputs. Hence the TA was left in abeyance for almost two years.</p> <p><b>Evaluation of Outputs and Achievement of Outcome.</b> The consultants prepared the draft final reports (DFR) with thorough interaction with key officials and key stakeholder groups and submitted to ADB. The DFRs were accepted by the government and ADB. All the outputs were designed to suit their applicability and adaptability to Vanuatu's situation, thus ensuring quality. However, the delivery of the outputs into outcomes required significant additional funds but the proposed loan was deferred indefinitely due to the limitations of the country's debt servicing capacity. The implementation of TA recommendations was significantly delayed. However, these reforms are now being supported by AusAID under its Strengthening Project for A\$13.0 million from May 2005-2011. The evaluation of the four main outputs are summarized as follows:</p> <p><b>A TVET Master Plan.</b> The draft master plan was developed after the study tour. The master plan was presented, debated and finalized at two national stakeholder workshops, and was endorsed by the Council of Ministers in December 2003. The corporate plans developed for the Ministries of Youth, Development and Training (MYDT) and Education, reflected and fully supported the vision, objectives and strategy for TVET outlined in the master plan. However, the implementation of the master plan was significantly delayed due to funding constraints but under AusAID's program, a start has been made, leading to the completion of: (i) registration of training providers to run TVET</p>				

programs, (ii) accreditation of the courses ensuring of standards and quality, (iii) establishment of 6 provincial training Boards, and (iv) establishment of industry advisory committee to assess and ensure curriculum meets the industry standards. The outcomes have been the availability of more skilled graduates meeting the industry needs.

**Provincial TVET Implementation Plans and Proposals for Six Provincial Campuses.** The consultants developed the concept of provincial outreach to provide a communication link between the formal and nonformal sectors, by which rural-based training providers, and others with interest in TVET, could express their concerns, and in particular state their needs, and have them conveyed to the formal training institutions within Vanuatu. Likewise, the urban-based institutions could make plans to deliver practical assistance and provide relevant support to 37 rural training centers and other non government organizations or concerned rural groups. The 6 provincial campuses could not be renovated and equipped with facilities from the proposed loan and therefore fell short of meeting its objectives. Despite the above shortcomings, the government has established 2 provincial campuses, with one already operational. Moreover, Vanuatu Institute of Technology (VIT) provided 23 rural trainings in 5 provinces covering 401 participants in areas of tourism and hospitality, small business management, basic electrical skills, solar installation, and repairs and small engine maintenance, vehicle servicing, welding, art and craft, concrete brick making, basic mechanical repairs, business studies and bookkeeping. In rural remote areas, multipurpose mobile workshops have been operationalized ensuring several of the above expertise available in rural areas enabling services being provided.

**An Organizational Structure and Implementation Arrangements for a Sustainable TVET Training Fund.** As part of implementation arrangements, the government created a separate MYDT as the body responsible for developing and implementing the national policies within which both formal and nonformal training providers delivered TVET system. An organizational structure and pathways linking the academic and TVET sectors on the national and provincial levels was also prepared. The consultants prepared a sustainable financing mechanism called Vanuatu Skills Training Fund (VSTF) to increase the availability of demand-oriented short-term and non-formal skills training. A VSTF Trust Deed was drafted for the government and the National Board of Trustees for management. The VSTF was to be established under the umbrella of VNTC Act. A draft manual on VSTF general operating policies and control, financial, administrative, investment policy and management was also prepared under the TA. Despite the above efforts, a sustainable training fund was not established.

**The Delivery of Non formal, Income-Oriented Skills Training Using the Pilot TVET Training Fund Mechanism.** The inputs provided towards the design and operation of a sustainable TVET training fund were supported by on the job training of the EO attached to the Skills Development Trust Fund (SDTF) in PNG. The EO gained operational experience in the appraisal, processing and monitoring of training courses. This hands on experience was intended to facilitate the implementation of the sustainable TVET training fund to be piloted using the uncommitted TA funds. These funds were not released pending delays in the liquidation of an earlier advance (finally liquidated on 07 November 2006). Moreover, the effort to establish and implement the sustainable TVET training fund would have been more pronounced had there been an agreement between ADB and other donor agencies to provide capital contributions. It was also the intention of the sustainable TVET training fund to be piloted to attract other financiers. The TA provided sufficient inputs for this to be attempted but there was perceived fear of raising expectations among the training providers that there would be long term sustainable finance. Despite the above, the government, with the assistance of provincial training boards, took the initiative and conducted a few training programs with participants paying fees to cover costs. This demonstrated the commitment to training where there is a notion of return on investment – a return on money spent on training. However, the operationalization of the pilot TVET training fund remains outstanding and the government is keen to pursue this program.

**Overall Assessment and Rating.** The TA was partly successful as only the TVET master plan was completed and approved by the government but not implemented. An organizational structure and the implementation arrangements for a sustainable TVET training fund was designed but not established and operationalized. Some capacity building was completed with attachment of the EO to SDTF in PNG but the delivery of non formal, income-oriented skills training under a pilot TVET training fund was not implemented. In addition, only 2 out of the 6 provincial campuses were renovated through government funding. All of the outputs could not be turned into outcomes partly due to funding constraints. There was neither a follow up on the loan nor an attempt made with potential donors to secure other funding arrangements. While TA funds were available for a pilot TVET training, the prolonged delay by government to liquidate an earlier advance precluded ADB from releasing any further TA funds. The TA outcomes were further delayed as the TA administration was assigned from officer to officer within ADB after its delegation from HQ to SPRM. The lack of expertise and interest among the staff led to insufficient follow through. However, a late intervention from AusAID, and government led initiatives enabled the implementation of some of the key recommendations from the TA.

**Major Lessons.** It was premature on the part of ADB to proceed with the TA approval and implementation despite the uncertainty of the loan proceeds needed to eventually implement the TA outputs. The TA could have been deferred along with the loan or ADB could have gotten other donor support and involvement earlier on. The second lesson is regarding ADB's administration of this TA. It is important to establish clear ownership of projects or TAs that are delegated from Headquarters to Resident Missions, otherwise they may get neglected.

**Recommendations and Follow-Up Actions.** The major TA outputs remain to be implemented. For these outputs to be sustained, the government should self-finance or request external funds from donor partners. Some of this is already underway.