Skills for Employability in Bangladesh G20 Pilot Country Support Programme for the National Action Plan to implement the National Skills Development Policy

Moscow, May 2013

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# BANGLADESH: VISION 2021

•SKILLS VISION 2016 (midterm): NATIONAL POLICY TVET SYSTEM

•ACHIEVE MIDDLE-INCOME COUNTRY STATUS: 2021

### **•CREATE 20M NEW JOBS**





# **VISION 2021**: The 21<sup>st</sup> Century Bangladesh Workforce Profile

- TVET, HIGHLY-SKILLED, KNOWLEDGE-BASED, WORLD-CLASS WORKFORCE
- COMPETENCY-BASED, ENGLISH-PROFICIENT, ENTREPRENEURIAL, IT & TECHNOLOGY-ORIENTED
- EMPLOYABLE TECHNICAL & SOFT MULTI-SKILLS
- COMPETITIVE & GROWTH SECTOR READY
- TECHNOLOGY UPGRADABLE, LEARNING-BASED, ADAPTABLE COMPETENCIES
- INNOVATION-DRIVEN
- GLOBALLY COST-COMPETITIVE







## **Bangladesh: Human resources**



50% youth and young adults are illiterate & low/semi skilled

(This cohort (14-45) consists of the most 'productive' group in the population)

2 million people join the labour force each year

8 million + overseas employees and increasing Need for about 16 million jobs until 2015, around 2 million overseas

#### **Unemployed 2.6 million**

20.3% under-employed



# **Bangladesh: Workforce**

### **INFORMAL VS. FORMAL ECONOMY**

88% Informal Workforce: =50m

92% rural : 8% urban ADB Report'09

I2% Formal Workforce: =7m ADB Report '09

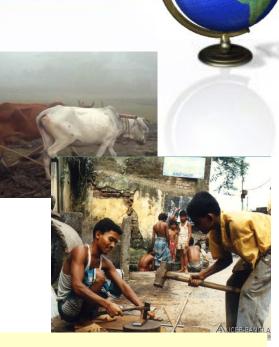
•GDP contribution to economy:

65% Informal ■35% Formal Swisscontact

### SYSTEMIC SKILL GAPS

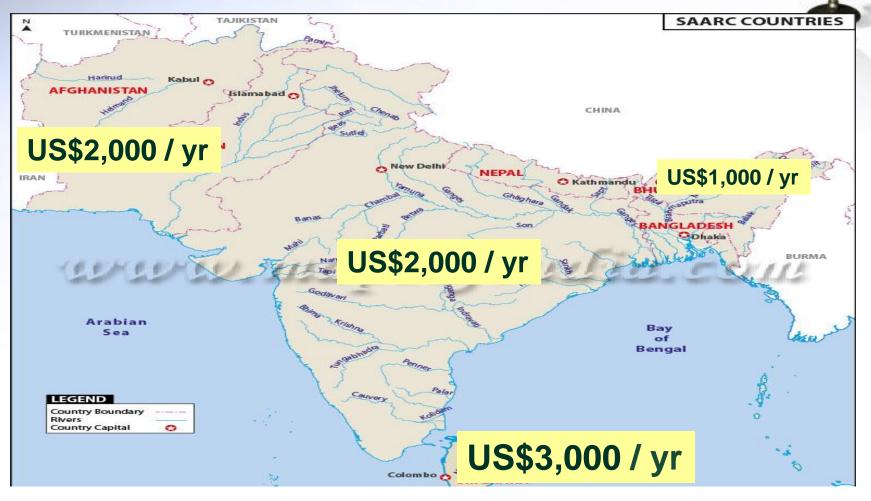
- Quantitative & Qualitative Skill Mismatch
- •Skills Supply ≠ Demand -GOB, Trainers
- 'Unemployable Skills' Trap

**•OECD 2012 BETTER SKILLS, BETTER JOBS, BETTER LIVES** REPORT



# Bangladesh: Migrant Workers (per capita income)

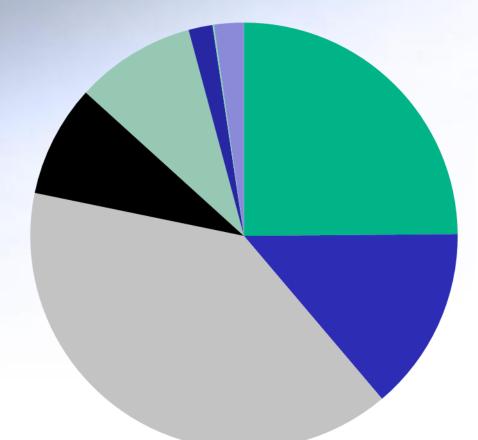
City & Guilds 2009-10 study





RUSSIA

# **Bangladesh: Education levels of workers**



- Illiterate: 41%
- Grade 5: 23%
- Less than Grade 5: 65%
- Secondary school leavers JSC: 14%
- Secondary school leavers SSC:15%
- Secondary school leavers HSC:3%
- Technical Diploma: 0.2%
- University Degree: 3.7%

9.7 million day laborers and 8.9 million self employed workers are illiterate, characterizing the labour force as largely illiterate and informal.



# **Bangladesh: Skilled workforce shortages**

**RMG: 900,000 workers** 2009, GIZ

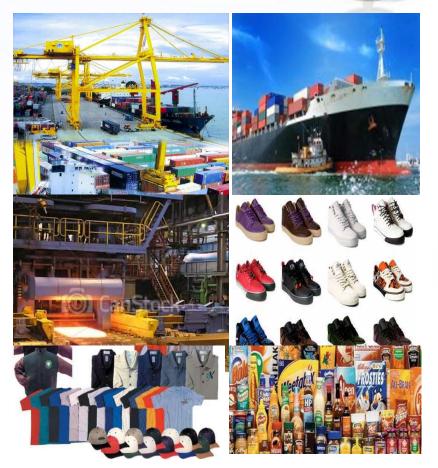
200k workers needed yearly 40% growth/yr US\$20B (McKinsey Study – US\$60B)

Shipbuilding: 100K workers

40k welders IN next 2 YRS

Leather: 60,000 WORKERS

(42K – Youngone; 20K – China)





RUSSIA

# **Bangladesh Skills Development Strategy**

NATIONAL SKILLS DEVELOPMENT POLICY

•NTVQF QUALIFICATIONS

•CBT - INDUSTRY DEMANDS & STANDARDS

SKILLS QA

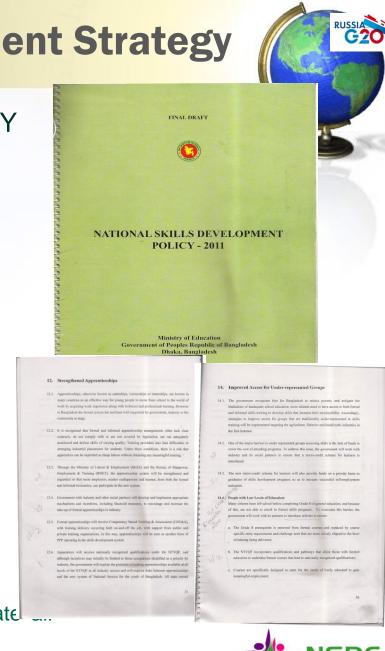
•EMPLOYABILITY & INCOME GENERATION

•PUBLIC-PRIVATE **S.M.A.R.T.** PARTNERSHIPS (Specific-Measurable-Achievable-Realistic-Time-Bound)

➢GOB – SKILLS FACILITATOR

➢INDUSTRY – SKILLS DEMAND-DRIVER

•NSDC – PPP apex body to oversee and coordinate .... Skills Development activities and policies



Bangladesh: G20 Pilot Country Support Programme



**Objective**:

## Inter-agency coordinated support for the implementation of NATIONAL SKILLS DEVELOPMENT POLICY THROUGH A NATIONAL ACTION PLAN



## **Success & Learnings :**

- Innovative & Strategic Policy Adopted And beginning Implementation
- GOB & Industry Have undertaken new spirit Of Partnership In NSDC & ECNSDC
- Pilot Projects Developing Effective Skills Training Models For Employment
- Industry Taking Leadership In Sectors Skills Development, Innovating Models
- Ensure Committed, Sustainable DP Staff To Ensure Gob Relationships, Business Continuity, Institutionalization



# **Success & Learnings :**

- Industry commitment & engagement essential for Skills training success — incl. project concept phase
- NSDC Action Plan is providing an innovative strategic project management process for project implementation
- Policy & NSDC Action Plan is fostering greater interministerial communication and coordination
- High attrition of Project Staff impedes effective project implementation – better selection process and retention essential
- Project Flexibility required to adapt and align with ground realities



# National coordination: What needs to be done

- ECNSDC must coordinate all DP projects
- DP Projects to be selected from and aligned with NSD Policy & NSDC Action Plan
- DPs must coordinate projects holistically to avoid duplication and ensure integration
  - All DPs To Coordinate Projects On Sector-wide Approach (SWAP) To Avoid Duplication (CIDA Funded IIo Project To Establish SWAP Through ECNSDC)
- DP Project Design Documents must include:
  - Other DP projects coordination
  - Private Sector/Employer engagement in DP project planning to ensure employment outcomes
- Industry needs to take ownership of Skills Development to ensure success



# National coordination: What needs to be done

- Strong Marketing Across Gob Ministries, Private Sector & Stakeholders On Policy, Action Plan & NSDC
- Each Ministry requires An NSDC Cell To Coordinate All SD Activities With ECNSDC, starting with MOE, MOLE
- ECNSDC needs to institutionalize successful DP projects for sustainable knowledge-sharing/ replication with other/future DP projects
- NSDC Action Plan must be PPP, employment-driven to implement policy
- NSDC Secretariat must be PPP, to ensure effective employeroriented skills training for employment



# Success : Improved coordination among technical cooperation projects

Inter project coordination (Directorate level):

- Coordination meeting chaired by DG DTE held in a regular interval (TVET Reform Project (ILO), Skills Development Project (ADB), Skills Training Enhance Project (WB).
- Membership in project management committee: Project managers of all projects have membership in the management committee of other projects, to improve project linkages and learnings



# Success : Promote growth of employment that utilizes higher skills:

### Industry Skills Councils (ISC):

- 9 industry sector skills council developed through TVET Reform project and SDP.
- ISCs contributing in
  - New CBT curriculum development
  - Assessment of skills achievement
  - Contributing in skills data system development



# Success: Improved coordination among technical cooperation projects

Inter project coordination (Ministry level):

- MoE coordination meeting : Coordination meeting held under the chairmanship of Addl. Secretary (Dev)
- Membership in Project Implementation Committee (PIC)
- EC NSDC meeting Guidance given from ECNSDC meeting on better coordination
- NSDC Secretariat Undertake coordination role on RPL implementation



# Success factors: Improved information on skills:

### **Skills Data System:**

- Skills Data System is developed in NSDC Secretariat involving all the nine ISCs for demand and key players of supply
- □ Skills survey conducted:
  - A skills survey conducted in 2012 involving all the ISCs for demand, key TVET providers on supply and BMET on migrant workers data.



# **NSDC Action plan drafted**



- Draft NSDC Action plan has been drafted involving 15 Govt. ministries and departments
- That include implementation of National Skills Development Policy
- Gender strategy has been drafted jointly with NSDC Secretariat and TVET Reform Project involving all the key stake holders
- Strategy for PWD inclusion in TVET is on going



# ACTIONS FOR IMPLEMENTING National POLICY

11 PILOT PROJECTS at TTCs / TSCs & INDUSTRY : DEVELOP MODEL SKILLS TRAINING INSTITUTES SPECIAL FOCUS ON PWD – 15-20M (15-20% pop) LEATHER, APPRENTICESHIPS, RMG, IT, AGRO-FOOD, TRANSPOR

INSTITUTIONAL MANAGEMENT – Industry representation

INDUSTRY-DEMAND SKILLS CURRICULUM & TEACHERS

COMPETENCY BASED TRAINING (CBT)

QUALITY ASSURANCE

INDUSTRY CERTIFIED INSTRUCTORS

TRIALS, UPGRADATION, FEEDBACK, IMPROVEMENT









## Actions For Implementing National Policy: Utilize Existing Infrastructure Only

•GOB TO LEASE TTCs/TSCs with GOB/Donor funding

Trade Associations - COEL
Chambers of Commerce & Industry
Best-practice TVET Institutions – UCEP / MAWTS / WMTI / PTIS

•PILOT TO REPLICATE MODELS at TTCs/TSCs

•DONORS TO FUND EXISTING TTC/TSC INFRASTRUCTURE BY RENOVATION/UPGRADATION

•DEVELOP PERFORMANCE –BASED TARGETS & INCENTIVES FOR GOB & PRIVATE TRAINERS

NO NEW HARD INFRASTRUCTURE- only Soft Infrastructure





# ACTIONS FOR IMPLEMENTING National POLICY

•NATIONAL HRD FUND – Donor matching Funds

BANGLADESH INSTITUTE OF MANAGEMENT
 (BIM) – Convert into PPP COEs via B-School LINKAGES
 for Public & Private Sector Management capacity development

#### CLUSTER CONCEPT OF SKILLS DEVELOPMENT/ TVET RELATED MINISTRIES

•Senior Officers w/ experience in SD/TVET to stay within or in related Ministries to develop leadership competencies in SD/TVET



## Actions For Implementing National Policy: Getting Industry Demand-driven

#### •GOB TO INCENTIVIZE INDUSTRY / ISCs EMPLOYERS WITH DONOR SUPPORT

Informal/Formal Apprenticeships (cost-sharing, tax incentives)

- People with Disabilities (tax incentives, networking)
- TVET Equipment (cost-sharing, tax incentives)
- ISC Industry participation & expansion (ISC uniformity)

#### **•WORK WITH MATURE ISCs**

Leather/Transport/RMG/Tourism/Agro-Food/IT
Develop appropriate modalities to engage with other ISCs
Establish new ISCs









# Thank you

