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ANNEX III

to the Commission Implementing Decision on the financing of the annual action plan in favour of the Islamic Republic of Pakistan for 2022

Action Document for “EU support for sustainable economic development through demand-driven Technical and Vocational Education and Training (TVET IV)”

ANNUAL PROGRAMME

This document constitutes the annual work programme within the meaning of Article 110(2) of the Financial Regulation, within the meaning of Article 23 of the NDICI-Global Europe Regulation.

1 SYNOPSIS

1.1 Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	EU support for sustainable economic development through demand-driven Technical and Vocational Education and Training (TVET IV) OPSYS number: ACT 60693 Financed under the Neighbourhood, Development and International Cooperation Instrument (<u>NDICI-Global Europe</u>)
2. Team Europe Initiative	Yes - “Building Back Better through Green Jobs creation”, Pillar 3- Human capital, Country level
3. Zone benefiting from the action	The action shall be carried out in South Asia, Pakistan (national) with a particular focus on the provinces of Khyber Pakhtunkhwa (KP), Gilgit Baltistan (GB) and Balochistan.
4. Programming document	Multi-annual Indicative Programme (MIP) for Pakistan for 2021-27.
5. Link with relevant MIP(s) objectives / expected results	The action is contributing to priority area 2 (Human capital) of the MIP benefitting to Pakistan and the following expected results under it: Objective 5: To improve labour skills to meet the demand in the agribusiness, water and energy sub-sectors Objective 6: Enhancing human capital of returning and potential migrants
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	OECD DAC code 113, 160 and migration internal marker
7. Sustainable Development Goals (SDGs)	Main SDG : SDG 4- Quality Education Other significant SDGs (up to 9) and where appropriate, targets: SDG 1- No Poverty; SDG 5- Gender Equality; SDG 8- Decent Work and Economic Growth; SDG 10- Reduced Inequalities; SDG 12- Responsible Consumption and Production; SDG 13- Climate Action

8 a) DAC code(s)	11330-vocational training-90% 15190- Facilitation of orderly, safe, regular and responsible migration and mobility – 10%			
8 b) Main Delivery Channel	EC-42000			
9. Targets	<input checked="" type="checkbox"/> Migration <input type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education ¹ <input type="checkbox"/> Human Rights, Democracy and Governance ²			
10. Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	digital connectivity digital governance digital entrepreneurship digital skills/literacy	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	

	digital services			
	Connectivity @	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity energy transport health education and research	<input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
	Migration @ (methodology for tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @ (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line(s) (article, item): 14 02 01 31 Total estimated cost: EUR 45 000 000 Total amount of EU budget contribution: EUR 40 000 000 The contribution is for an amount of EUR 40 000 000 from the general budget of the European Union for 2022. This action is co-financed in joint co-financing by: - the Government of Germany for an amount of indicatively EUR 5 000 000 . Another EUR 16 000 000 will also be financed by the Government of Germany for the next phase of the TVET Sector Support Programme (SSP), which could possibly be formalised under one unique contribution agreement. Key member states providing support to the TEI: Germany EUR indicatively 21 000 000 KFW EUR 9 875 000 Italy EUR 21 500 000			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Indirect management with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH as justified under section 4.3.1.			

1.2 Summary of the Action

The EU has been supporting the TVET sector in Pakistan since 2011. Achievements to date have included development and start of rollout of the National Vocational Qualifications Framework (NVQF) and its implementation through Competency Based Training and Assessment (CBT&A) and Recognition of Prior Learning (RPL) systems. The Government's "National Skills for All Strategy" (2018) incorporates key lessons learned from cooperation with the EU, including a focus on cross-cutting themes of gender equality, inclusivity and entrepreneurship.

The Overall Objective of this action is to contribute towards strengthened inclusive socio-economic development of Pakistan, with sufficient skilled and relevant human capital available to meet private sector needs. The Specific(s)

Objective(s) (Outcomes) of this action are to: Increase supply of adequately **skilled labour in demand** including in the agribusiness, water & energy sub-sectors and including women / girls, returnees and members of the refugee communities; Support a more **effective national TVET system** in place through support to the implementation of the national “Skills for All Strategy” and related skills policies; Improve access to **skills and decent employment opportunities for returning and prospective migrants** in the context of improved migration management.; and Increase availability of **skilled female labour force in digital skills and High-Tech professions**.

The Action has a budget of 45M EUR to be disbursed over an estimated four and a half year (54 months) period under a project-based and indirect management approach. The action will provide continued support to the Government of Pakistan in the implementation of national strategy while addressing a number of education/ TVET related outputs under the TEI on “Building Back Better through Green Jobs creation”. It will directly underpin the effectiveness of actions of the MIP priority area 1 by ensuring that relevant curricula are developed and young people trained. In particular the action will be implemented in close coordination with Khyber Pakhtunkhwa – Rural Economic Transformation Project (KP-RET) for the provision of vocational training for green skills in agriculture value chain. Moreover, the action will be linked to and create synergies with the Regional TEI on the Afghan Displacement situation by specifically including Afghan refugee communities in Pakistan among its beneficiaries. Where applicable, the action will also coordinate with other EU funded interventions in the field of migration and forced displacement. The action has been proposed as a flagship for global Gateway as it aims to advance with Pakistan in the green and digital areas, growth and decent jobs and human capital. It equally supports the priority area “Sustainable and inclusive prosperity” of the EU Strategy for Cooperation in the Indo-Pacific.

The Action emphasises further standardisation within the TVET sector, international recognition and certification, technological/digital advancement and higher-level skills training and promotes engagement with the private sector. Along with youth empowerment, gender equality and women’s and girls’ empowerment and inclusion of PWDs are specifically targeted as well as internal markers for digital entrepreneurship, digital skills and digital services (two of the four priority thematic areas of engagement identified in the Country Level Implementation Plan (CLIP) for Pakistan of the Gender Action Plan (GAP) III). Labour migration issues are addressed through a specific objective with a particular focus on refugees and returnees.

The geographical focus is at the federal level and on the provinces of Khyber Pakhtunkhwa (KP) and Balochistan and the administrative region of Gilgit-Baltistan (GB), intended to contribute to political and social stability in the western border regions through increasing economic opportunities, preventing radicalisation and tackling the root causes of migration. Its concentration on the provinces and territories along the border with Afghanistan, allows the Action to incorporate the Afghan refugee population in a targeted and inclusive manner. The action contributes to climate change adaptation through a focus on green skills and decent jobs in the energy, agriculture and water management sub-sectors. The principal stakeholders and implementing partners are the National Vocational Training Commission (NAVTTTC) and the newly established National Accreditation Council (NAC) at the federal level and Technical Education and Vocational Training Authorities (TEVTA’s) at provincial levels. Qualification Awarding Bodies (QABs), Boards of Technical Education (BTE) and Trade Testing Boards (TTB) under the administrative control of TEVTA’s will also be engaged. Government departments with responsibility for migration issues will be supported to develop skills training policies and programmes in alignment with the NVQF. The national Higher Education Commission (HEC)³ will also be involved in development of higher-level vocational courses.

A joint steering/governance structure for TVET will be formed to ensure appropriate coordination among the ongoing projects funded by EU and other MS (Germany and Italy) who are also part of the TEI.

³ HEC is the apex body for the higher education in Pakistan. Development of Level 6 and 7 TVET curricula falls under their mandate.

2 RATIONALE

2.1 Context

Despite important developments in recent years, Pakistan, with a rapidly growing population of almost 229 million (2022) and with a per capita income of USD 1,285 (2019, WB), faces a range of serious interlinked challenges. Nearly 39% (2018, UNDP) of Pakistanis live in multidimensional poverty, with the highest rates of poverty in the provinces of Khyber Pakhtunkhwa and Balochistan. Pakistan is placed fifth on the list of countries most vulnerable to climate change, according to the Global Climate Risk Index 2020. Pakistan is a major country of origin, transit and destination of refugees and migrants. Afghanistan continues to impact Pakistan's socio-economic development, all the more since the Taliban takeover. Women's situation remains a challenge with the country ranked 151 out of 153 countries on the Global Gender Gap Index (GGGI) 2020. The labour force participation rate for women remains dismally low at 24.3%, one of the lowest compared to the South Asia region's average of 38%⁴. Professional and technical workers are 22% females and 78% male, which corresponds to a 0.28 female to male ratio. Amidst the COVID-19 pandemic, Pakistan experienced a real GDP contraction of 0.5% during 2020. In 2021, growth is estimated to have rebounded to 3.9% and is projected to reach 4% in 2022 (Oct.2021, IMF). In parallel, the increasing youth bulge (64% of population below 30 years of age) provides the country with a potential demographic dividend while at the same time representing a challenge in terms of service provision and employment.

This Action is in line with the European Consensus on Development, and the 2030 Agenda for Sustainable Development, which reaffirms education as a fundamental human right and a public good. It also reflects the enabling role of education in achieving other SDGs. The Council Conclusions on Youth in external Actions (June 2020) also emphasise the need of promoting equitable access to inclusive quality TVET. The EU-Pakistan Strategic Engagement Plan signed on 25 June 2019 specifically mentions TVET/ skills and the MIP Pakistan supports the implementation of Pakistan's long-term development strategy, "Vision 2025 – One Nation – One Vision". The action is also in line with global gateway which captures in a value-based proposition the policy objectives and investments in which EU is advancing with Pakistan in the green and digital areas, science technology and innovation, growth and decent jobs and human capital. The EU is a donor of reference in the TVET sector, at the federal and provincial levels, due to continued engagement and dialogue over the last decade. The programme will support implementation of Government's "Skills for All Strategy" and further enhance EU role and visibility and potential policy dialogue opportunities with the office of the Prime Minister, in relation to the government flagship programmes, as well as with the National Vocational and Technical Training Commission (NAVTTTC). The action will act as one of the building blocks for the TEI, Germany and Italy being also active in the sector and possibilities of collaboration with them being under discussion. The action will also address migration issues by supporting skills training for returnees and refugee communities.

The planned programme builds upon previous EU support to TVET sector implemented between 2011 and 2022. The EU has supported the Government of Pakistan to develop the first ever National TVET policy and the National Vocational Qualifications Framework (NVQF) and its implementation through initiating a Competency Based Training and Assessment (CBT&A) system and Recognition of Prior Learning (RPL) system. The Government's "National Skills for All Strategy" (2018) builds on the TVET Policy.

The proposed action will support the Government in the implementation of this strategy on the one hand, while also ensuring the curriculum needed for MIP priority one and TEI are being developed and people trained. Additionally, digital skills will be incorporated. Stronger emphasis will be put on standardisation, international recognition and certification and technological advancement through developing and implementing higher level courses and a stronger, forward-looking engagement with the private sector, including on climate smart agriculture and green/circular economy approaches in farming and food processing.

The "Skills for All Strategy" has been developed by the Government at the Federal level, with the implementation lying with the provinces. The Action engages with both federal and provincial TVET authorities, aiming to address overlaps and fragmentation. Synergies will be sought with the Government's National Youth Development Programme "Prime Minister's Youth Program" and particularly with the "Prime Minister's Business Loan

⁴ Gender Analysis of TVET Sector in Pakistan- Key Issues and Opportunities

Scheme”, intended to benefit 200,000 people with 100 billion PKR (approx. EUR 5.05M) by providing concessionary loans to promote entrepreneurship, including 25% of the loans to women entrepreneurs. Kamyab Jawan includes a component of skills development which is being implemented by the National Vocational and Technical Training Commission. It has up scaled the initiatives that were started under the EU TVET support.

Additionally, the action will engage with governmental and non-governmental stakeholders from the agriculture, energy and water management sub-sectors, including ministries and provincial departments. A key outcome from the action will be to support integration of skills training in these sub-sectors into the national TVET system to contribute to sustainable economic growth.

The Action will also contribute to implementing the EU Pact on Migration and Asylum and responds to the 2030 Agenda's call to leave no one behind, and to manage migration well, including forced displacement and return. The Action will contribute to the achievement of Goal 10.7 (SDG 10) – “to facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed policies”.

2.2 Problem Analysis

Short problem analysis: The lack of qualified young people is creating a bottleneck in the supply of labour in the professional occupations sought by employers. These exist across all sectors, despite significant progress in rolling out more than 130 competency based courses. However, they prevail in particular in areas in which the national TVET system is yet to develop and implement a critical mass of certified trades, such as energy and agriculture. The national ‘youth bulge’ can only be translated into economic gains if prospective workers are equipped with skills relevant to national, regional and international labour market needs.

To ensure sustainability of Competency Based Training and Assessment (CBT&A) courses, there is a need for TVET service providers to perform more proactive roles in human resource capacity building (which is currently limited). There is a corresponding need for curriculum compliant labs within TVET institutions, establishing linkages with industry, improving governance, establishing accreditation regimes and devising relevant policies. There is also a need to introduce CBT&A courses in other important sectors such as agriculture (livestock, dairy farming), energy (renewable energy) and water resource management. The gender analysis carried out by the ongoing EU funded project on TVET indicates that female participation in TVET is currently quite low (only 34% of the trainees are female). Only 38% of country’s TVET institutes (public and private) cater to females and only 22% of total TVET teachers are females. Gender biased occupational choices, societal attitudes, gender stereotyping, mobility and distance to training facility, lack of career counselling, limited outreach, lack of gender specific targets, limited resources for job attainment, limited engagement with employers vis-à-vis gender concerns, ND waged v/s self employment opportunities were identified as key barriers to women’s participation in skill development and training programs. This can be enhanced through gender mainstreaming of TVET programmes, including in farming sub-sectors, which involve approximately 90% female participation. In addition, digital skills and High-Tech trainings to be introduced for females in digitised and technologically advanced areas.

The sub-sectors of agriculture, energy and water management make sizeable contributions to economic growth but were not included in previous TVET interventions, implying a need for skilled workforce through training and institutional strengthening and formal introduction of CBT&A. Livestock and dairy farming, fruit farming, poultry farming etc., lack the latest techniques and awareness for optimising resources and achieving sustainable economic returns.

Private sector engagement initiatives under the previous reforms such as establishment of Institute Management Committees (IMC’s) and involvement of Business and Industry Associations (BIA’s) in competency-based course identification and development has played a pivotal role and established a national model of good practice. Additional capacity building should build on lessons learned and expand competency-based courses.

To meet industry demand in modern technologies, strengthening and expanding digitalisation in teaching and learning using new media is crucial. More effective use of labour market data and analysis of institutional data is also critical, including strengthened capacities for the National Skills Information System (NSIS), the National Vocational Qualification Registry, Monitoring and Evaluation systems and job portals.

The COVID-19 pandemic restrictions and consequent closure of businesses resulted in a large increase of returnees

from other countries, presenting re-integration problem. Additionally, overseas employment, an important source of national revenue, has become more technological and skills oriented and demand is now for a skilled workforce with formal certification and practical competence. The existing Recognition of Prior Learning (RPL) system is insufficient to meet this demand and to support the reintegration of returnees. A concerted effort is required from the Ministry of Human Resources and Overseas Pakistanis (HROP) to review policies, plans, projects and to establish new partnerships with NAVTTC and related agencies to support project implementation.

The Prime Minister's "Kamyab Jawan" programme is a government flagship project where strengthened and better focused TVET provision will play a central role. This intervention will support linkages with relevant ongoing programmes of the Government (such as Kamyab Jawan Programme) through signing MOU's to develop new courses in the three sub-sectors (agriculture, energy, water management).

Relevant development partners in the TVET sector include Germany, Asian Development Bank, JICA, the British Council and IFAD.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action:

The National Vocational Training Commission (NAVTTC) at the federal level and Technical Education and Vocational Training Authorities (TEVTA's) at the provincial levels are the main agencies managing and implementing the TVET system. Responsibilities for assessment and certification rests with Qualification Awarding Bodies (QABs) (Boards of Technical Education (BTE) and Trade Testing Boards (TTB) under the administrative control of TEVTAs.

The project will work in selected TVET institutions and 'Centres of Excellence' (CoE) in cooperation with the private sector, as well as with relevant government departments at federal level. The federal level (NAVTTC) needs support for implementing the Skills for All Strategy through continuing development of CBT&A courses, especially at higher qualification levels, and capacity building for professional staff.

Provincial TEVTAs have been working in relative isolation and establishment of linkages and inter-provincial knowledge transfer arrangements between them are needed, as well as strengthened coordination with federal agencies. TEVTA's research and development capacities, private sector engagement units and job placement centres within TEVTA's and QABs also require further support. The established CoE's need support in development of annual plans consistent with the TEVTAs' ambition to expand competency-based courses to additional institutions. There is also a requirement to establish new sector-based Centres of Excellence in agriculture, renewable energy and water resource management and affiliate them with QAB's.

Universities and higher education bodies will be associated for surveying and research purposes. The Higher Education Commission (HEC) will be involved in development of higher level (i.e. Levels 6-7) courses and programmes. The action will further partner with sectoral local government departments (agriculture, energy, water management) at provincial level by engaging them in project formulation, implementation, monitoring and evaluation. Due to fragmentation of TVET provision, responsibilities between Ministries and line departments, a responsive consultative mechanism will be introduced. Civil society organisations including youth, women organisations and organisations representing persons with disabilities will be surveyed and consulted for synergies and complementarity with local training initiatives by TEVTAs. The Civil society organisation will be also part of the action as they are the representatives of the rights holders' voices and of those living in the most vulnerable situations.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to develop human capital to meet the private sector needs.

- 1 Specific Objectives are: Increased supply of adequately **skilled labour in demand** including in green skills in the agribusiness, water & energy sub-sectors and including women / girls, persons with disabilities, returnees and members of the refugee communities;
- 2 A more **effective national TVET governance system exists**;
- 3 Improved access to **skills and employment opportunities for returning and prospective migrants** in the

context of improved migration management.; and

4 Increased availability of **skilled female labour force in digital skills and High-Tech professions**.

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

Outputs contributing to outcome 1(or Specific Objective 1 Skilled labour in demand):

- 1.1: Level 2 – 5 CBT&A courses, including in the green skills, in agribusiness, water and energy sub-sectors developed for the target groups, including women/girls, persons with disabilities, returnees and refugees, and implemented with the support of the project .
- 1.2 Capacity building programmes and upgradation works for COEs implemented

Outputs contributing to outcome 2 (or Specific Objective 2- Effective national TVET system):

- 2.1: Strengthened capacity of the private sector for engagement in TVET
- 2.2: Capacities of the National, Federal (NAVTTTC, National Accreditation Council) and provincial TVET Bodies (TEVTA, CoE, BTE, and TTB) are improved in TVET management.⁵.
- 2.3: Higher-level courses in the framework of NVQF are developed and implemented with the direct support of the project.

Outputs contributing to outcome 3 (or Specific Objective 3- skills and employment opportunities for returning and prospective migrants):

- 3.1: Policy and strategy for access to national, regional, international TVET systems and employment opportunities for returning and prospective migrants are developed.
- 3.2: Institutional capacities of the Ministry of Human Resources and Overseas Pakistanis and related agencies are improved (including gender and human rights-based approaches) .
- 3.3: Strengthened cooperation framework between the Ministry of Human Resources and Overseas Pakistanis, NAVTTTC, TEVTA's and TVET institutions for accessibility of skills training and employment opportunities for returning and prospective migrants

Outputs contributing to outcome 4 (or Specific Objective 4 - skilled female labour force in digital skills and High-Tech professions):

- 4.1: Digital and High-Tech CBT&A programmes and courses for women, including from refugee communities and returnees and women with disabilities, are developed.
- 4.2: Centres of Excellence for digital skills and High-Tech for women established and offer career-focused training programs in Robotics, AI, IoTs⁶, Data Science/Analytics, etc.

The TEI on “Building Back Better through Green Jobs creation” includes the following outputs to which the proposed action links:

- Improved education (higher education, technical and vocational education and training) opportunities in Agriculture, Water, Energy, cultural and natural resources management.
- Improved Institutional capacities and curricula development in agriculture, water, energy sectors, natural and cultural heritage and decent work promoted.
- Knowledge sharing and exchanges and synergies between public, private sector, research centres and university strengthened.
- Basic education and lifelong learning opportunities improved, with special focus on remote areas and girl education.

The proposed action also links to and builds synergies with the regional TEI on the Afghan Displacement situation, specifically the output IV on decent jobs creation, skills development and access to the labour market. Activities under this output of the regional TEI will aim at linking skills development and job opportunities of Afghan men and women in host countries and to the extent possible in Afghanistan, to labour and to market opportunities, to support safe, voluntary and dignified returns (including of IDPs) when conditions allow, while at the same time creating livelihoods opportunities in host countries.

⁵ NAVTTTC- National Vocational and Technical Training Commission, TEVTA- Technical Education and Vocational Training Authority, BTE- Board of Technical Education, TTB- Trade Testing Board.

⁶ IT- Artificial Intelligence, IoT- Internet of Things

The outputs of the proposed action which relate to the outputs of the TEI are: Output 1.1; 1.2; 2.1; 4.1; and 4.2.

What are other MS doing in this area?

Germany (BMZ)

Implemented by GIZ, BMZ is starting the next phase of a TVET Sector Support Programme (SSP) with funding of EUR 16 Million for a period of 3 years targeting the provinces of KP and Punjab in 2022. The action will focus on green skills, digitalization and women's' empowerment. The possibility of signing one single contribution agreement covering the present action and this next phase of the TVET SSP is currently under consideration.

The proposed action also links to the regional TEI on the Afghan Displacement situation, specifically the output on decent jobs creation, skills development and access to the labour market.

Germany via GIZ is supporting better access to skills and employment opportunities for returning and prospective migrants in cooperation with Ministry of Overseas Pakistanis and Human Resources via the Pakistani-German Facilitation and Reintegration Centre (PGFRC).

Future intervention planned by KfW of establishing Renewable Energy Hubs (RE Hubs) as an extension of already existing TVET institutes in the regions of Punjab and KP. Funds of 9,875 Mio. EUR have been committed to this project. Implementation is foreseen in 2023.

Italian Agency for Development Cooperation

Main projects in the area are the following:

1. **Technical and Vocational Education and Training-TVET** (in agriculture). The project is a planned 20M Euro soft loan, with a duration of 3-5 years. It aims at upgrading, certifying and enhancing curricula and related quality training activities in olive oil/fruit (under the Olive Culture Scheme) and horticulture value chains in all provinces. NAVTTC and TEVTAs will benefit from the action. There are about 20 components, as the capacity building is provided through development activities where training is instrumental to achieve the results..
2. **OliveCulture- Holistic and Multi-professional Mechanism for a Pakistani Olive Value Chain.** The project is a grant of 1,5M Euro (ongoing) aiming at catalysing a multi-professional value chain by building in Pakistan a holistic common scheme (guidelines) for each single actor to understand its role and to give sense to the interconnections between every single chain's segments and in particular between public and private, research and training, culture and territory, health and nutrition purposes, women and youth's roles, to all past and existing projects on Olive in Pakistan, to all producers, processors, consumers. The project, by building the Pakistani Olive (OIL) Value Chain, will develop partnerships and Training of Trainers schemes to reach out to farmers (included through the abovementioned TVET programme).

3.2 Indicative Activities

Specific Objective 1- Skilled labour in demand

Activities related to Output 1.1

- 1.1.1 Development and implementation of new courses and curricula in agribusiness, water and energy sub-sectors in pre-selected institutes in KP, GB and Balochistan with the involvement of the private sector, including for women/ girls, persons with disabilities, migrants, returnees, and refugee communities as part of the target group, to be endorsed by federal authorities (i.e. NAVTTC).
- 1.1.2 Training of human resource (Master Trainers, assessors, teachers) in CBT&A pedagogical, occupational, entrepreneurship and life skills.

Activities related to Output 1.2

- 1.2.1 Identification and selection of potential CoE's in agribusiness, water and energy sub sectors in KP, GB and Balochistan with institutional capacity assessments conducted and a capacity building programme implemented (including upgradation of training facilities, human resource and renovation works).
- 1.2.2 Implementation of newly developed CBT&A curricula in all the CoEs, to include a focus on gender equity, (e.g., through establishment of anti-harassment policies, provision of day care centres and needs-based facilitation of transport) disability inclusion, migrants, returnees, and refugee communities in alignment with federal standards.

Specific Objective 2- Effective national TVET system

Activities related to Output 2.1:

- 2.1.1 Analysis of the role and mandate of Sector Skills Councils at federal level with policy-level recommendations made.
- 2.1.2 Capacity building of Institute Management Centres committee's and Business and Industry Associations's at provincial levels (including the newly established CoE's), to include development of gender mainstreaming, accessibility and disability inclusion measures and entrepreneurship modules.
- 2.1.3 Training of assessors from industry and establishment of workplace-based assessment centres in GB, KP and Balochistan provinces.

Activities related to Output 2.2

- 2.2.1 Design and delivery of a capacity building and professional development programme for staff of national and provincial level TVET bodies including a focus on gender and inclusion.
- 2.2.2 Support in national and international accreditation of selected TVET institutes.
- 2.2.3 CoE established under SSP are supported to ensure operational sustainability during first two years.
- 2.2.4 Establishment of inter-provincial linkages and knowledge transfer programmes between various TVET bodies and coordination mechanism between provincial and federal level bodies.

Activities related to Output 2.3:

- 2.3.1 Review of existing facilities and selection of universities and other training institutions where high-level courses (Levels 5, 6 and 7) can be introduced and identification of trades for which high-level courses are in demand.
- 2.3.2 Development and implementation of high-level CBT&A courses in the selected universities and training institutions in coordination with Higher Education Commission (HEC) and other relevant authorities at the Federal level.

Specific Objective 3- skills and employment opportunities for returning and prospective migrants

Activities related to Output 3.1:

- 3.1.1 Development of an integrated policy framework and a strategic plan to support the relevant government departments and related agencies in improving access to skills and decent employment opportunities for returning and prospective migrants.
- 3.1.2 Organisation of study visits to national counterpart institutions in high labour migration and absorption regions (e.g.; Philippines, Singapore, countries of the Middle East or others) for NAVTTC, relevant Government Departments and Ministries with an objective to better understand the skills training requirements for potential migrants.

Activities related to Output 3.2:

- 3.2.1 Planning, organisation and delivery of a series of workshops and short training programmes to support implementation of revised policy and strategy objectives in the context of improved access to skills and decent employment opportunities for returning and prospective migrant.
- 3.2.2 Technical assistance to further incorporate skills training and employment data into the existing MIS of the Ministry of Human Resources and Overseas Pakistanis, together with provision of minor equipment.

Activities related to Output 3.3

- 3.3.1 Development and enactment of a cooperation agreement between the Ministry of Human Resources and Overseas Pakistanis and NAVTTC.
- 3.3.2 Promotion of access for returnees and prospective migrants to CBT&A courses, including life skills courses and RPL certification opportunities, together with a business incubation programme, to include financial services advice.

Specific Objective 4 - skilled female labour force in digital skills and High-Tech professions

Activities related to Output 4.1

- 4.1.1 Partnerships established with selected TVET institution Incubation Centres.
- 4.1.2 Development of new digital skills and High-Tech CBT&A packages in i.e. Robotics, AI, IoTs, and Data Science/Analytics including green skills and life skills as cross-cutting modules, to be endorsed by federal authorities (i.e. NAVTTC).

Activities related to Output 4.2

- 4.2.1 CoE (digital skills and High-Tech for women) established to offer career-focused training programmes in

Robotics, AI, IoTs, Data Science/Analytics, etc. to women including provision for refugee communities, returnees and prospective migrants and persons with disabilities. This will include establishment of anti-harassment policies, provision of day care centres and needs-based facilitation of transport).

Activities of EU Member States under the TEI “Building Back Better through Green Jobs creation”, which have an impact on outputs of this action:

Germany

- Capacity building of NAVTTC and TEVTA and certification bodies and work with NAVTTC on National Skills Information System (NSIS)
- Gender mainstreaming (promoting females training, training on gender sensitive topics, revision of curricula, raising public awareness).
- Reintegration of returnees through career counselling and recognition of prior learning.
- Develop CBT&A training programs, e.g. in the field of micro hydro-power plants, biogas according to the potential in the two provinces and integrate green skills into curricula of supported sectors.
- Development of blended learning concepts and respective modules for remote/hybrid trainings in supported sectors.
- Developing qualifications, e.g. in the graphic arts sectors, for IT services, user support.
- Integrating digital skills into curricula and certifying digital skills through RPL.
- Redevelop/enhance curricula and support delivery of courses (e.g. with equipment, capacity development).
- Employment promotion through RPL, self-employment, entrepreneurship and engagement of the private sector in TVET.
- Establishment of Renewable Energy Hubs (RE Hubs) as an extension of already existing TVET institutes in the regions of Punjab and KP. Improve participation of the private sector in the RE Hubs/ MHP hub and to adapt the training modules with focus on CBT&A to the local labor market demand.
- Promotion of Start-ups (country-wide) via better access to finance including incubation and business acceleration program with a special focus on women
- Support of MoOPHRD/OPF structures via capacity building. In collaboration with MoOPHRD providing advice on career perspectives, employment opportunities and business development returning and potential migrants. Provision of and referring to existing skill development courses for returning and potential migrants.

Italy

- Development of curricula and assessment packages in agriculture sector.
- Technical training to farmers at village level
- Rehabilitation of central and local centres and formation of a Centre of Excellence
- Developing different types of training and research facilities such as laboratories, green houses, tunnels etc.
- Establishment of a learning region for fruits at Quetta (Baluchistan), certified nursery management system and orchard development to international standards.

3.3 Mainstreaming

Environmental Protection & Climate Change

Outcomes of the SEA screening (relevant for budget support and strategic-level interventions).

The Strategic Environmental Assessment (SEA) screening concluded that no further action was required.

Outcomes of the EIA (Environmental Impact Assessment) screening (relevant for projects and/or specific interventions within a project).

The EIA (Environment Impact Assessment) screening classified the action as Category B (not requiring an EIA, but for which environment aspects will be addressed during design).

Outcome of the CRA (Climate Risk Assessment) screening (relevant for projects and/or specific interventions within a project).

The Climate Risk Assessment (CRA) screening concluded that this action is no or low risk (no need for further assessment).

Pakistan is increasingly vulnerable to climate change, both from flooding due glacier run-offs and irregular

seasonal rainfall and from drought, contributing to harvest and livestock depletion in arid regions in the south and west of the country. The action prioritises value added, green economic growth through skills training in the renewable energy, sustainable agriculture and water management sub-sectors, supporting adaption to a green economy in the most impacted provinces of KP, Baluchistan and the administrative region of Gilgit Baltistan. Foreseen occupational areas include installation and maintenance of solar, wind and hydro energy resources, including digital skills and High-Tech solutions involving i.e. post-harvest preservation technologies, micro-hydro installations and wind-turbine repair and maintenance. The action includes awareness raising activities and engaging stakeholders in biodiversity conservation.

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that Gender equity (SDG5) is incorporated as a cross-cutting indicator across each specific objective with a target for female participation of not less than 40%, including enrolment on training courses and entrepreneurship programmes and targeting of non-traditional occupations. Empowerment of women is foregrounded as a specific objective through development of non-traditional CBT&A training programmes and establishment of 'Centres of Excellence for Women' in digital skills and High-Tech occupational areas (SO4). This addresses two of the four priority thematic areas of engagement identified in the Country Level Implementation Plan (CLIP) of the GAP III.

Human Rights

The action will indirectly address issues of human rights and social protection through the promotion of decent work and creation of employment opportunities for people living in vulnerable and marginalised situations, including refugee communities (SO1 and prospective and returning migrants (SO3). The action will respect the 5 working principles of the human rights-based approach: respecting all human rights, non-discrimination, accountability and transparency principles, as well as ensuring participation of all stakeholders.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that national objectives set out in the 'Skills for All' strategy will be respected and supported through both policy reform outcomes (SO2) and institutional capacity building to ensure improved access for persons with disabilities and other marginalised groups to skills training. Strategic and action planning at provincial levels will include specific provision for Persons With Disabilities (PWDs) through specific measures (such as making all COEs accessible for PWDs; setting up minimum quota for PWDs in CoEs etc.).

Democracy

The action takes place within the context of decentralised decision making and increasing autonomy for provincial authorities in planning and implementation of skills training programmes. The impact of improved and sustainable economic development will re-enforce democratic principles and governmental accountability. It also supports the participatory models of sector governance that involve private sector representation and will work towards involving civil society representatives in management bodies, including youth organisations.

Conflict sensitivity, peace and resilience

The western border areas of KP, Balochistan and Gilgit Baltistan are hosting significant refugee population from the conflict in Afghanistan. Refugee communities are targeted for inclusion under SO1 of the action to support their peaceful integration into the local economy and provide access to skills training and qualifications that can be employed on their return to Afghanistan. Political stability in the border provinces will be further supported through development of skills and occupation that are relevant to climate change resilience. Specific attention will be paid in distributing equitably the benefits and opportunities of these programmes between refugees and host communities where relevant.

Disaster Risk Reduction

N.A

Other considerations if relevant

The action will further ensure mainstreaming of the following national SDG's:

- Economic growth, decent work and poverty reduction (SDG1, SDG8) are foreseen under the overall objective to ensure a sufficiently skilled labour force to meet private sector demand, generating jobs, incomes and sustainable livelihoods.
- The quality of education (SDG4) will be raised across each specific objective and specifically through the introduction and strengthening of quality standards in TVET schools, including measures to ensure

international recognition of TVET qualifications. In line with target 4.5 of this SDG, the action will work towards elimination of disparities and access to education, including based on disability.

- Gender equity (SDG5) is addressed through enrolment of girls and women on training courses and entrepreneurship programmes, including targeting of non-traditional, digital and High-Tech occupations.
- Reduced inequalities (SDG10) are expected to result from the overall objective and through support for implementation of the national ‘Skills for All’ strategy under SO2.
- Climate action (SDG13) will be addressed through skills training in green skills and livelihoods, private sector partnerships and support for entrepreneurs in the agriculture, energy and water management sub-sectors.

Additional cross-cutting themes include incorporation of Life Skills (21st Century skills) modules as integral to CBT&A curricula, to include entrepreneurial and digitalization skills.

3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
1	1. International political insecurity and conflict	M	H	EU and EU Member States high level political engagement including through EU-Pakistan Strategic dialogue. In case of force-majeure, project suspension measures to be planned for and implemented
1	2. National political instability and conflict	H/M	H/M	Security protocols to be observed with personnel safety training provided in a gender sensitive/ specific way. Avoid high-risk areas. A conflict sensitive approach will be ensured in relation to programmes and TVET courses available for refugees, returnees and host communities in order to avoid tensions and perceived privileges for one or the other side. In case of force-majeure, project suspension measures to be planned for and implemented
1/2/4	3. Exchange rate depreciation, renewed debt and inflationary pressures, raising inequality and weakened political support may undermine the authorities’ adherence to DRM, fiscal consolidation path and PFM reform measures.	M	M	Ensure policy dialogue focused on improving the effectiveness and efficiency of public spending as well as the oversight and accountability in the key areas and provinces proposed
2/3/4	4. High turnover of senior staff within	H/M	H/M	Dialogue with national stakeholders to develop MoU’s and staff retention protocols.

	national institutions creating discontinuities and knowledge wastage			Concentrate capacity building on both tier 1 and tier 2 and 3 managers and ensure sustainability at systems levels.
3/5	5. Low private sector engagement and awareness in green skills sectors	M/L	H	Ensure responsiveness to private sector requirements and develop systemic approaches to partnerships and communications. Ensure concentration on sector-specific cooperation forums and broaden participation.
2/3/5	6. Lack of national/provincial ownership of results and tendencies to adopt donor-driven agendas	M	H	Establish clear roles and responsibilities through dialogue and partnership agreements, including MoU's and pre-conditions. Avoid over-reliance on project technical staff and build capacities at systems levels
1/2/4	7. International accreditation of TVET institutions is constrained by political, regulatory and financing requirements	M	M	Due diligence in research and planning. Adopt lessons learned from regional good practices.
2/3/5	8. Gender equality targets (i.e. 40% female participation) are perceived as unrealistic or not respected	M	H	Develop and implement gender mainstreaming strategies at TEVTA and TVET institution levels and implement awareness campaigns. Specific barriers for girls and women will be considered and addressed, including specific security risks, lack of transport and finances, family opposition, caring responsibilities, etc.
1/3	9. Women with disabilities may face additional barriers to consider, stigma and stereotypes on their abilities and inaccessible environments.	M	L	Measures such as sensitisation and awareness campaigns will be used to work towards reducing barriers for the inclusion of PWDs
2/4	10. Data related to returnees is inaccessible and data management constrained	M	M	Address legal and regulatory constraints through dialogue, capacity building and partnerships.
2/3//5	11. Urban-centric implementation of the action and neglect of remote, rural and poor communities	M	M	Support TEVTA's and CoE's to implement outreach and communications strategies and ensure relevance at district levels.

2/3	12. Higher NVQ levels (5, 6 and 7) achieve limited uptake as CBT&A courses	L	M/L	Ensure TEVTA and CoE's prioritise training of Master Trainers and assessors and build capacities of QDC's.
2/3	13. CBT&A courses in digital skills and High-Tech is a new dimension for TVET. It might take more time in preparing curricula	M	M	Hiring of quality experts to facilitate the development of CBT&A courses in digital skills and high tech

In the absence of more elaborated documentation on the draft programmes of Italy and Germany, the EUD does not, at this stage, possess concrete information on the planned mitigation measures. Once more information about these programmes will be available, these measures will be included.

Lessons Learnt:

Difficulties encountered under the previous phase of programme and related lessons learned include:

- Establishment of Sector Skills councils at federal level lacked national ownership and experienced regulatory, financial and political constraints. An alternative focus on provincial level sector-based forums and BIA's is proposed.
- Delays in contract completion of civil works at CoE's were due to a combination of COVID-19 supply chain problems and inexperience on the part of implementing agencies. Large infrastructure works are to be avoided with procurement tenders limited to minor refurbishment and equipment.
- Greater coordination and improved communications are to be achieved between federal and provincial level authorities through strengthening management of the NSIS and supporting knowledge sharing programmes and exchange visits.
- Developmental discrepancies exist between geographical areas with i.e. Balochistan and Sindh cited as reporting slow progress in operationalising a regulatory authority (TEVTA), whereas KP is demonstrating good results. The action proposes increased cooperation between TEVTA's to ensure compliance with national standards, as well as pre-conditions for implementation (see below).

3.5 The Intervention Logic

The intervention logic for this action is premised on the continuing development priorities of the Government of Pakistan for strengthening human capital through demand-driven TVET and increasing demand for skilled labour in the agribusiness, water and energy sectors.

Building on the successful work and lessons learnt in other sectors in the past, the programme will develop and implement competency based courses and create relevant Centres of Excellence in the agribusiness, water and energy sub-sectors with a focus on gender equity, including also returning and prospective migrants. Based on the assumption that these activities will be demand-driven for labour market relevance, as ensured through the various fora in which the public and private sector collaborate in TVET in Pakistan, this will lead to an increased supply of adequately skilled labour in the three sectors.

Development and implementation of capacity development plans for NAVTTC, NAC, provincial TVET organisations and existing CoEs will focus on technical support, organising inter provincial experience sharing workshops and provision of equipment and capacity building for digitalisation. This will result in strengthened capacities of these organisations which is crucial for a more effective national TVET system. Development and implementation of higher level courses (level 5, 6 and 7) as per market demand, teachers and assessors training, national and international accreditation of TVET institutes will result in supporting the Government in implementing its “Skills for All Strategy” and related skills policies. Private sector engagement, equally important for an effective national TVET system, will be further strengthened through training and capacity building of TVET public-private sector fora.

Based on the assumption that the Government will continue to show a strong interest in this topic, the project will also support the Government of Pakistan in its efforts to improve access of returning and prospective migrants to national, regional/international TVET systems. This includes policy and strategy planning as well as institutional capacity strengthening. In addition, cooperation will be strengthened between the Ministry of Human Resources and Overseas Pakistanis, NAVTTC, TEVTA’s and TVET institutions. These outputs will help to facilitate better employment opportunities for returning and prospective migrants in the context of improved migration management.

Based on assessment of market demand for digital skills and High-Tech courses, especially for women, 20 digital and High-Tech CBT&A courses for women (for example in Robotics, artificial intelligence, data science etc.) will be developed and implemented in partnership with selected institutes and Universities. The capacities of these institutes will be strengthened through teachers and assessors training and provision of equipment, contributing to increased availability and better employment opportunities for women in digital skills and High-Tech professions.

This project assumes that the commitment of the Government of Pakistan and the relevant provincial governments continue to prioritise, as they have done in the past, the successful implementation of the Skills for All policy. Given that the present intervention is designed for impact, in close complementarity with EU projects furthering green inclusive growth in the same thematic sectors and geographic focus areas, there will be a tangible contribution towards inclusive socio-economic development and improvement of the well-being of women and men, through provision of sufficient skilled and relevant human capital.

3.6 Logical Framework Matrix

Title: Support for sustainable economic development through demand-driven Technical and Vocational Education and Training (TVET)

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

Results	Main expected results	Indicators	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To develop human capital to meet the private sector needs.	1. GDP growth rate 2. Percentage of individuals who found a job or are self-employed within 6 months after having received support from the EU-funded intervention, disaggregated by sex, age, disability, migrant status (OPSYS core indicator) 3. Percentage of employed/ self-employed graduates (disaggregated by	1. GDP growth rate 5.5 % (2021) 2. Est. 64% graduate employment (including 44% self-employment) from ongoing support (TVET III) 3. TBD at inception phase	1. GDP growth rate 7% (2023) 2. At least 75% 3. TBD at inception phase ⁷	1. Pakistan Economic Survey 2. NSIS 3. NVQF Registry 4. Tracer study reports	

⁷ Current min. wage 20,000 PKR (TBC)

		<p>adopted (OPSYS core indicator)</p> <p>2.2 No's of IMCs and SSCs with 50% private sector and BIAs representation</p> <p>2.3 Number of people who have benefited from institution or workplace-based VET/skills development interventions supported by the EU: (a) all VET/skills development, (b) only VET/skills development for digitalisation [EU GEF 2.14]** disaggregated by sex, disability, status – returnee, migrant, refugee</p>	<p>2.2 200 IMCs established with the support of the project</p> <p>2.3 114 trained in level 5</p>	<p>2.2 300 IMCs</p> <p>2.3 10,114 (40% women)</p>	<p>2.2 NAVTTC reports/ TEVTA reports</p> <p>2.3 Tracer study reports</p>	<p>dissemination among the private sector representatives</p>
Outcome 3 (SO3)	Improved access to skills and employment opportunities for returning and prospective migrants in the context of improved migration management	<p>3.1 Number of returning migrants receiving support for their social and professional reintegration with EU support.* (** GEF 2.20)</p> <p>3.2 No of strategic plans produced and under implementation with the direct support by the project</p> <p>3.3 Status of HROP/NAVTTC agreement</p>	<p>3.1 Est. 1700 returnees/ self-employed (600 employed and 1100 self-employed non-CBT&A)</p> <p>3.2 0</p> <p>3.3 None</p>	<p>3.1 3700 returnees and potential migrants</p> <p>3.2 strategic plans implemented, monitored and evaluated</p> <p>3.3. 1 agreement prepared between OPF and PME</p>	<p>3.1 NAVTTC reports / NSIS TEVTA reports</p> <p>3.2 HROP reports / MIS</p> <p>3.3 OPF and PME reports</p>	<ul style="list-style-type: none"> Information is accessible on skills training for returnees Government adopts and implements a specific communication campaign for returnees, migrants and refugees There is a policy continuity in support to the target groups
Outcome 4	Increased availability of skilled	4.1 Number of people	4.1 0	4.1 2000 women	4.1 NAVTTC	<ul style="list-style-type: none"> Province level

(SO4)	female labour force in digital skills and High-Tech professions	who have benefited from institution or workplace-based VET/skills development interventions supported by the EU: (a) all VET/skills development, (b) only VET/skills development for digitalisation [EU GERF 2.14]** disaggregated by status (local, diaspora Pakistani, refugee), disability			reports / NSIS TEVTA reports	policy-level support for publicity, women involvement and continuity of training <ul style="list-style-type: none"> • Demand by women for digital skills and High-Tech training
Output 1 related to Outcome 1	1.1 Level 2 – 5 CBT&A courses including in green skills in the agribusiness, water and energy sub-sectors developed and implemented including women/ girls/ returnees, and refugee community as part of the target group	1.1.1 No's of courses developed and implemented from level 2 -5 with EU support	1.1.1 142 (in different trades including some in agriculture & energy sub-sectors)	1.1.1 172 CBT&A courses By Year 4	1.1.1 NSIS, NVQ Registry, Tracer study reports	<ul style="list-style-type: none"> • Potential training institutions in the three sub sectors prepared and able to participate
	1.2 Capacity building programmes and upgradation works for COEs implemented	1.2.1 No's of CoE's in sub-sectors upgraded and operational, provided with CoEs profiles for gender and refugee structure of graduates	1.2.1 0	1.2.1 6 CoE's	1.2.1 NAVTCC accreditation, NSIS data	
Output 2 related to Outcome 2	2.1 Strengthened capacity of the private sector for engagement in TVET	2.1.1 Number of enterprises including (% of enterprises lead by women) which have benefitted	2.21.1 0	2.1.1 At least 1000 enterprises benefitting By Year 4	2.1.1 Policy recommendations, NAVTTC/ TEVTA reports,	<ul style="list-style-type: none"> • The government plans and invests funds in the development and maintaining of

		from transfer of technology and green and climate smart know-how with EU support *			Technical reports	the capacities of the TVET authorities supported by the project.
	2.2 Capacities of the National, Federal (NAVTTTC, National Accreditation Council) and provincial TVET Bodies (TEVTA, CoE, BTE, and TTB) are improved in TVET management. ⁹ .	2.2.1 No's of staff trained, disaggregated by sex and institution 2.2.2 No's of National TVET bodies affiliated with international accreditation bodies with EU support	2.2.1 2500 trained 2.2.2 6 affiliations	2.2.1 4000 ¹⁰ 2.2.2 16 ¹¹ international affiliations By Year 4	2.2.1 NAVTTTC/ NSIS reports, TEVTA reports 2.2.2 NAC progress reports	<ul style="list-style-type: none"> There are no major legal and institutional impediments for the sufficient involvement of the private sector into the IMCs The teachers are motivated and retained at their job.
	2.3 Higher-level courses in the framework of NVQF are developed and implemented with the direct support of the project	2.3.1 No's of teachers trained, disaggregated by sex 2.3.2 No's of higher level CBT&A courses developed 2.3.3 No's of institutes supported for implementation of high level courses (level 5,6,7)	2.3.1 3,550 teachers trained 2.3.2 27 NVQF Level 5 courses developed (None so far for level 6 & 7) 2.3.3 2 Institutes supported to implement level 5 courses	2.3.1 4050 ¹² additional teachers trained 2.3.2 47 higher level CBT&A Courses 2.3.3 47 institutes ¹³	2.3.1 NAVTTTC/ TEVTA reports, Training reports 2.3.2 Procurement documentation 2.3.3 TEVTA reports	
Output 3	3.1 Policy and strategy for	3.1.1. Status of policy	3.1.1 None	3.1.1 Policy	3.1.1 HROP/	<ul style="list-style-type: none"> HROP and

⁹ NAVTTTC- National Vocational and Technical Training Commission, TEVTA- Technical Education and Vocational Training Authority, BTE- Board of Technical Education, TTB- Trade Testing Board.

¹⁰ Including Management training (TIMT), CMTS, MTs, Assessors

¹¹ Planned by NAC

¹² Teachers trained in CBT&A methodology @ of about 5 teachers from each of 100 institutions

¹³ 15 training institutions per province and 5 in the ICT

related to Outcome 3	access to national, regional, international TVET systems and employment opportunities for returning and prospective migrants are developed.	3.1.2 drafted with support of the project. No's of participants (disaggregated by sex) of study visits organised with recommendations made for institutional partnerships	3.1.2 TBD at inception	document exists 3.1.2 TBD at inception By Year 2	NAVTTC plans and reports 3.1.2 Study visit reports	NAVTTC cooperation provided for in policy and legislation <ul style="list-style-type: none"> Data is accessible on skills training for returnees ? <p>The policy recommendations are used for improving cooperation and concluding an agreement between HROP and NAVTTC</p> <p>The strategic plans are endorsed by the authorities and supported for implementation</p> <p>The trained officials stay at their job</p>
	3.2 Institutional capacities of the Ministry of Human Resources and Overseas Pakistanis and related agencies are improved	3.2.1 No's of participants involved in the training on <specify the subject>, disaggregated by sex and institution	3.2.1 0	3.2.1 100 participants By Year 3	3.2.1 HROP reports	
	3.3 Cooperation framework Agreement between the Ministry of Human Resources and Overseas Pakistanis, NAVTTC, TEVTA's and TVET institutions are developed for accessibility of skills training and employment opportunities for returning and prospective migrants	3.3.1 Status of the Communications and outreach programme	3.3.1 None	3.3.1 Programme is elaborated and agreed with authorities? By Year 4	3.3.1 HROP reports, HROP/ NAVTCC document	
Output 4 related to Outcome 4	4.1 Digital and High-Tech CBT&A programmes and courses are developed and implemented for training of women, including from refugee communities and returnees,	4.1.1 No's of High-Tech CBT&A programmes and courses developed and implemented with the support of the project.	4.1.1 0	4.1.1 20 Digital skills and High-Tech courses By Year 4	4.1.1 Training provider reports, NAVTTC Reports	<ul style="list-style-type: none"> Women are motivated to participate in the training The central and local governments support the

	4.2 Centres of Excellence for digital skills and High-Tech for women established and offer career-focused training programs in Robotics, AI, IoTs ¹⁴ , Data Science/Analytics, etc.	4.2.1 No's of women-centred High-tech and digital skills CoE(s) established, refurbished and equipped	4.2.1 0	4.2.1 2 CoE(s)	4.2.1 NAVTTC Reports, NSIS data,	further sustainability or request continuous assistance for maintaining the training facilities
		4.2.2 No's of High-tech CoE(s) accredited internationally with the project's support	0	4.2.2 2 CoE's accredited internationally By Year 4	4.2.2. NAC reports	

¹⁴ IT- Artificial Intelligence, IoT- Internet of Things

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the partner country, the Islamic Republic of Pakistan.

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 54 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Implementation Modalities

4.3.1 Indirect Management with a pillar assessed entity

This action may be implemented in indirect management with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

This entails implementing the action in its entirety (SOs 1-4)

The envisaged pillar assessed entity has been selected using the following criteria:

1. Operational capacity for implementation of TVET interventions at federal and provincial levels in Pakistan
2. Technical competencies in implementation of projects and programmes related to the specific objectives of the action, at both international and national level.

GIZ has a long term engagement in the sector of TVET in Pakistan. It has been working in partnership with EU in the TVET sector since 2011. During this one decade, it has demonstrated substantial technical expertise and experience of implementing TVET programmes in Pakistan. GIZ possess understanding on mechanisms for ensuring private sector participation and deeper knowledge in country's TVET governance system and socio-cultural context. It has already built significant professional relationship with government and private sector stakeholders/NGOs and has an established presence across the country and necessary infrastructure in place. Since GIZ is starting the implementation of its next phase of TVET support to Pakistan from May 2022 in Punjab and KP, this will create a complementarity with EU action in Punjab and synergy in KP.

If negotiations with the above-mentioned entity fail, the action may be implemented in indirect management with British Council. The implementation by this alternative entity would be justified because of the following criteria:

British Council has experience of implementing TVET interventions at Federal and Provincial levels in Pakistan. They also have experience of working on high tech and digital trades with higher education institutes (universities) as well as effective private sector engagement and entrepreneurship at international level.

In case the envisaged entity and the replacement entity mentioned above would need to be replaced, the Commission's services may select a replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified.

4.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the

relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5 Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)	Third-party contribution, in currency identified [(If not relevant please delete this column)]
Implementation modalities – cf. section 4.3.1		
Objective/Outputs 1-4 composed of Indirect management with GIZ- cf. section 4.3	EUR 39 000 000	EUR 5 000 000
Evaluation – cf. section 5.2 Audit – cf. section 5.3	EUR 1 000 000	N.A.
Contingencies	NA	N.A.
Totals	EUR 40 000 000	EUR 5 000 000

4.6 Organisational Set-up and Responsibilities

The action will be implemented with a focus on the federal level and the provinces of KP and Balochistan and the administrative region of Gilgit Baltistan. Particularly component 1 will be implemented at the provincial/regional level, whereas outcome 2 will be implemented at federal level with activities in Islamabad, and the provinces of KP and Balochistan and the administrative region of Gilgit Baltistan as pilot with the possibility of replication at national level. Component 3 will be implemented at the federal level with activities in Islamabad and KP. Component 4 will be implemented at federal level, with activities in Islamabad, and the provinces of KP and Balochistan and the administrative region of Gilgit Baltistan as pilot with the possibility of replication at national level.

The main government agencies at the federal level are NAVTTC and the Ministry of Human Resource and Overseas Pakistani (HROP). NAVTTC and TEVTA's will play a major role at the federal and provincial levels respectively to manage, implement and steer the project. The inclusion of agriculture, energy and water resources sub-sectors will involve the wider participation of responsible governmental and non-governmental stakeholders in the implementation and management of the project. TEVTAs, Qualification Awarding Bodies, CoEs and the Departments of Agriculture, Power & Energy and Irrigation and Water Management are the main stakeholders in the provinces.

The EU Delegation will carry out policy dialogue with the concerned authorities to facilitate smooth functioning of the project, foster sustainability and ownership of the Government and advocate continued TVET reform at all levels.

At the federal level, a fully integrated sector-wide joint steering/ governance structure will be established, chaired by NAVTTC and co-chaired by the private sector i.e. representatives of Chambers of Commerce and Industry, Sector Councils. Members of this structure will include the Secretary HROP, Secretaries Planning and Development (P&D) Departments of Balochistan, GB and KP, Management Directors of provincial/regional TEVTA, qualification awarding bodies and private sector representatives. The EU Delegation, and the embassies of Germany and Italy and GIZ possibly British Council (in their role as implementing partner) will also be members of this joint steering structure (in view of the ongoing and upcoming interventions by them under the TEI). This governance structure will also provide supervision of the upcoming TVET Sector Support project of BMZ (due to start in the

second half of 2022 and to be implemented by GIZ).

Relevant development partners and CSOs (including representing youth) will be invited as observers. The main role of the Project Steering Committee will be to provide strategic guidance, endorse overall workplans and review project progress, including recommendations in adjustments in implementation.

At provincial/regional level, Project Implementation Committees will be established, chaired by their respective Secretary P&D Department. Members will include the EU Delegation, Chairman/Management Director of the provincial TEVTA, Secretaries of Provincial Departments of Agriculture, Energy & Water, Chairmen of qualification awarding bodies, and private sector representatives. Relevant development partners and CSOs (including representing youth) will be invited as observers. The main role of the provincial/regional Project Implementation Committee will be to provide coordination and guidance on the implementation of the provincial/regional activities.

The implementing entity/ies will be expected to establish a central office in Islamabad (within NAVTTC) with a provincial presence in each of the TEVTAs of at least KP, Balochistan and the administrative region of Gilgit Baltistan. For each of the federal and provincial locations, one or more counterparts will be assigned from the Government side.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

4.7 Pre-conditions

To allow full implementation of the action, the following pre-conditions will apply:

- Balochistan TEVTA is fully operational with appointment of staff and management positions and civil works at CoE Hub completed and made functional before any further input is made through this intervention.
- The Trade Testing Board at Gilgit to be established with necessary staff appointed before any further intervention regarding capacity building is made.
- Development of quality assurance guidelines for establishment of Centres of Excellence are recommended prior to identification of potential CoE's in agriculture, water and energy sub-sectors in KP, GB and Balochistan, together with institutional capacity assessments conducted.
- Gender mainstreaming policies and strategies are produced and approved for KP and Balochistan prior to implementation of awareness raising and training programmes.

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support). Indicators shall be disaggregated at least by sex. All monitoring and reporting shall assess how the action is taking into account the human rights based approach and gender equality.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

EU MS part of TEI contributing to this actions will carry out own monitoring, which will contribute to a joint TEI reporting.

5.2 Evaluation

Having regard to the nature of the action, mid-term, final, ex-post evaluation(s) will be carried out for this action or its components via independent consultants contracted by the Commission.

A mid-term evaluation will be carried out for problem solving and learning purposes, in particular with respect to future planning and any further phase of the action.

A final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the range of additional stakeholders being introduced under the new phase of programming (i.e. Ministry of Human Resources and Overseas Pakistanis and related agencies, refugees and returnees). The emphasis on green skills and decent jobs will also involve ministries and departments of agriculture, energy and water management, where formal TVET qualifications are not so far introduced, and will require a particular focus for evaluation. In the case of a TEI, evaluations jointly with contributing Member States and EDFIs will be the preferred option to provide an overview of the action within the larger impact of the TEI.

All evaluations shall assess to what extent the action is taking into account the human rights-based approach as well as how it contributes to gender equality and women's empowerment. Expertise on human rights and gender equality will be ensured in the evaluation teams.

The Commission shall inform the implementing partner at least three months in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination¹⁵. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

Evaluation services may be contracted under a framework contract.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

¹⁵ See best [practice of evaluation dissemination](#)

List of Abbreviations and Acronyms

AD	Action Document
BIA	Business and Industry Association
BTE	Board of Technical Education
CBT&A	Competency-based Training and Assessment
CCI	Chambers of Commerce and Industry
CoE	Centre of Excellence
CSO	Civil Society Organisation
DAC	Development Assistance Committee
EU	European Union
EUD	European Union Delegation
FPCCI	Federation of Pakistan Chambers of Commerce and Industry
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HEC	Higher Education Commission
HROP	(Ministry of) Human Resources and Overseas Pakistanis
IMC	Institute Management Committee
KPK	Khyber Pakhtunkhwa
MIP	Multiannual Indicative Programme
MOU	Memorandum of Understanding
NAC	National Accreditation Council
NAVTC	National Vocational and Technical Training Commission
NSIS	National Skills Information System
NVQF	National Vocational Qualifications Framework
OECD	Organisation for Economic Co-operation and Development
RPL	Recognition of Prior Learning
PRSP	Poverty Reduction Strategy Paper
SDG	Sustainable Development Goals
SO	Specific Objective
SSC	Sector Skills Council
PSC	Project Steering Committee
TEI	Team Europe Initiative
TTB	Trade Testing Board
TVET	Technical and Vocational Education and Training
TVETA	Technical and Vocational Education and Training Authority