

## ***Uganda – Belgium Development Cooperation***

Project identification proposal – final version

### ***Support to the implementation of Skilling Uganda***

## **1. Contextual background**

**The socio-economic environment** in Uganda is characterised by a high population growth rate of 3.27% per annum, which is among the highest in the world. Nearly half of all Ugandans aged 14 or younger. Uganda has a predominantly rural labour force, with 85% of the economically active population located in rural areas and 80% engaged in farming. 70% of these are women (Ugandan Bureau of Statistics (UBOS) 2007, LM conditions).

**Business, Technical and Vocational Education and Training (BTJET)** in Uganda suffered from a lack of adequate attention. As in many other countries in the region, Skills Development in Uganda suffered from severe underfunding over the past decades. The subsector allocation for BTJET was at a very low 4% since 2006 (on average) with a slight increase to 6% in 2011/12.

As documented in the subsector analysis and Skilling Uganda (the BTJET strategic plan) that was funded by Belgium and WB in 2010, the Ugandan system for Skills Development faces **major challenges** in improving linkages with the world of work, raising standards and expanding coverage. This was also confirmed by the SABER Workforce Development Assessment (WB 2012) stating “that while the country’s political leaders are committed to work force development, the system’s capacity to deliver the results is lamentably weak.” The Strategic BTJET strategic plan highlights the following:

- Enrolment in Business, Technical, Vocational Education and Training (BTJET) programs is very low, reaching only 53,731 students in 2012/13 (ESSAPR 2012/13). The introduction in 2010 of non-formal courses in formal secondary BTJET institutions may lead to increasing enrolment. A strategy to empower BTJET graduates to venture into self-employment, entrepreneurship education has been introduced as a compulsory subject in BTJET institutions.
- Management of the BTJET system today is fragmented and uncoordinated:
  - **Lack of coordination between Ministries overseeing training colleges/institutions:** Within specific sectors, the administration of certain colleges has been transferred back from the Ministry of Education and Sports (MoES) to the respective sector Ministry<sup>1</sup>. This separation of vocational and technical training limits progression possibilities for students, as well as limiting potential efficiency gains from collaborating and integrating resources from both Ministries.

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<sup>1</sup> For example, the agricultural colleges are managed the Ministry of Agriculture Animal, Industries and Fishery (MAAHF). However, the agriculture institutes and schools still fall under the ambit of the MoES.

- **Parallel Curricula and assessment:** Currently, there are two curricula running in parallel in BTVET institutions<sup>2</sup>. Two different systems of the BTVET assessments are being used. Consequently, the BTVET system is unable to recognize and validate skills acquired from different learning environments.
- The private sector (employers, Industry) involvement is inadequate. There is limited multi-stakeholder engagement in skills development.
- The current BTVET system is non-responsive to the technological requirements and important community needs. Little emphasis is put on the needs of the self-employed and the training is generally not clearly linked with the socio-economic realities, resulting in low quality graduates. Feedback from employers indicates that current training programs are failing to equip trainees with practical skills and job-relevant competencies.
- Instruction in the BTVET institutions is theory-dominated and based on outdated curriculum. Practical training is constrained by the lack of appropriate training equipment and the inadequate professional and pedagogical skills of the instructors in critical skills. As a consequence, perceptions of BTVET in society are negative due to its poor quality of the training offered.
- There are far less females enrolled in institutes/colleges overall (according to the Skilling Uganda strategy only 1 in 4 learners in public BTVET are females).
- There is no permanent labour market information system (LMIS) which can generate information and statistics on employment and labour market characteristics, employment activities, and employment levels disaggregated by sector, age group and gender.

### **Skilling Uganda – new Strategic Plan for BTVET**

In view of the importance of skills development for both economic and social progress, Government of Uganda started to place greater emphasis on improving the quality and efficiency of the BTVET system. On 2 October 2012, the new Strategic Plan for BTVET under the name “Skilling Uganda” was launched; and three weeks later a Reform Tasks Force<sup>3</sup> (RTF) and its Executive Secretariat were established to spearhead the reforms.

Skilling Uganda is an ambitious reform program which aims at overhauling the current system of BTVET in Uganda. It outlines the framework for a modern, state of the art open system for skills development. The paradigm shift for skills development as outlined in the plan is essential. The new BTVET system should emerge from an educational sub-sector into a comprehensive and open

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<sup>2</sup> One curriculum has been developed by Directorate of Industrial training (DIT) to establish the required trades and occupational profiles within specific sectors, which informed the development of respective assessment training packages (ATPs). Another curriculum has been developed by The National Curriculum Development Centre (NCDC) in charge of national curriculum, which is still operational in the training institutions.

<sup>3</sup> Members of the Reform Task Force are drawn from the private sector, Ministry of Education and other key ministries, civil society and trade unions. This composition reflects the new enlarged vision for Skills Development from the outset.

system of skills development for employment, enhanced productivity and growth. The main purpose is to create employable skills and competencies relevant to the labour market instead of providing educational certificates. It will embrace all Ugandans in need of skills.

The new system for skills development should be essentially labour market oriented; founded on a proper understanding of the dynamics and needs of the labour market; and with active private sector involvement and improved coordination and management. There is a need to focus on the practical competencies of graduates rather than academic approaches as was the case in the past.

The Strategic Plan has five objectives:

- (1) Make BTNET relevant to productivity development and economic growth
- (2) Increase the quality of skills provision
- (3) Increase equitable access to skills development
- (4) Improve the effectiveness in BTNET management and organisation
- (5) Increase internal efficiency and resources available to BTNET

(See annex 2 for the executive summary of Skilling Uganda, the 10 year BTNET strategic plan)

Critical skills are identified by Skilling Uganda:

- basic technical skills for the economy like construction, welding, mechanics, electricity, carpentry
- agriculture & agribusiness
- Skills needed for the oil extraction and processing industry
- Modern occupations like transport, services, IT and financial systems

Notwithstanding these positive developments, the challenge of the reforms is still ahead; in channelling adequate resources and making sure the reforms are implemented efficiently and effectively. But certainly, the development opportunity is real and must be optimally used.

Overall public resource requirements to implement the Strategic Plan for the first ten years are estimated at 2,000 billion UGX, or about 600 million €. Over the plan period, recurrent costs account to 55%, and development costs to 45%. With an annual cost ranging between 170 and 181 billion UGX for the next four years, the cost estimates of the plan are almost 4 times the current annual budget for BTNET (52 billion in FY 2011/12). One should not be intimidated only by the financing needs and affordability but rather should we ensure that reforms are implemented properly.

In order to coordinate the new BTNET system, Government of Uganda envisages by 2015/2016 the creation of a Skills Development Authority (SDA) to address the institutional fragmentation of BTNET today, and to ensure a strong and focussed management controlled by all stakeholders. This will involve some bold institutional reforms.

Therefore, a reform task force has been mandated to spearhead reform of the system of BTVET and to oversee and manage the Skilling Uganda reforms until a permanent, integrated Skills Development Authority (SDA) is established. The Reform Task Force will function for 3-4 years and will lay the ground for, expedite and oversee the preliminary implementation of Skilling Uganda on behalf of the Ministry of Education and Sports.

### **Role of private sector in the provision of training:**

One of the principal actors in the new set-up for skills development is the private sector. The strategic plan identifies several roles for the private sector: (i) as a service provider (private training institutions, e.g. UGAPRIVI, but also in-company training), (ii) as a beneficiary (future employer of graduates), (iii) for financing trainings (training levy), and finally, (iv) as a partner in the implementation of the trainings (internships, apprenticeships, and contribute to the design of trainings).

Of particular importance is the strategy to make employers part of the governance structures in the system for skills development. Employers know best what skills the market requires and therefore should become equal partners of government in all policy development and planning processes and in the governance of the system, which includes decision on allocation of funds

The private sector will contribute through 2 ways: To provide Skills development trainings, and to conduct some activities in partnership for some activities as internships programmes etc.

The number of private providers operating in the skills development arena is significant, although the Uganda Association of Private Vocational Institute (UGAPRIVI) estimates that only one fourth of its extensive membership is officially registered.

The private sector will play a critical role in matching skills supply to demand, through partnerships with enterprises and industries (f.i. developing internship programmes with the targeted BTVET institutions). The Belgo-Ugandan partnership should envisage long-term support to consolidate the on-going reforms, and to bring about real change in the classrooms and training institutions

## **2. Project support to the implementation of Skilling Uganda**

This new intervention is in line with the BTVET strategic plan. It aims at enhancing the quality of instruction and learning in Skills Development in targeted BTVET institutions (post primary education) located in the Western region in Uganda, to make them more demand responsive and more efficient, and to support the implementation of some priority reforms of the Skilling Uganda. The project will provide critical technical and financial support to the Skilling Uganda Reform Task Force (RTF) (and in a later stage the new Skills Development Authority – SDA) in order to support implementation of key pilot projects on the ground in selected vocations and geographical areas.

## **2.1 General objective**

*Increased employability of youth through better quality of instruction and learning in Skills Development.*

## **2.2 Specific objective**

*To enhance the quality of skills development in selected priority trades and sectors in the Western region in line with the Skilling Uganda reforms.*

The project will have three components:

- A first component focussing on the support to priority reforms under Skilling Uganda.
- The second component will maximize the impact on quality and effectiveness of skills training in selected champion trades in maximum two economic sectors (value chain approach).
- The third component will support a bursary scheme to increase the access to BTJET training, especially for girls and poor students.

The interaction between the project components will allow for a two-ways communication in the implementation and development of the new system for skills development. It will inform policy makers on what works on the ground (system learning).

## **2.3 Components**

### ***Component 1 – Support to the skills development reform process in selected areas***

The priority reforms identified by the reform task force and Skilling Uganda are situated in the following areas: (i) establishment of Skills Development Authority, (ii) introduction of training fund and training levy, (iii) instructor training, (iv) Public Private Partnership, (v) establishment of a Labour Market Information System (LMIS).

The interventions will support to the Reform Task Force -RTF (and later on the SDA) in the implementation of some of these reforms. This support will provide technical assistance and financial support for the implementation of pilot initiatives. The intervention should also explore options to partner up with Belgian structures and expertise networks on skills development.

### ***Component 2 – Training delivery and capacities of targeted BTJET institutions enhanced to make them demand responsive within the priority trades and sectors***

This component will support high-quality training provision along the lines of Skilling Uganda with a particular focus on employability and relevance. The aim is to adopt a value chain approach by supporting all aspects and phases of enhanced skill provision up to the level of the final beneficiaries based on the needs assessment of the targeted BTJET institutions (IDCP 2012-2016). This component will function as a feedback instrument (inform policy, test policy) to pilot implementation of priority policy reforms on a controlled scale, before rolling out at a national level.

### **Component 3: Access to BTJET increased in the intervention area**

This component will function as a bursary scheme to support gifted but needy students (girls and boys: ratio of 3:1). This will contribute reducing gender disparities in BTJET. Private sector and other development partners will be involved in this component

#### **2.4. Choice of sectors**

Training in itself does not create jobs. Job creation is closely linked to economic policies that stimulate the labour market, grow enterprises and thereby induce a demand for additional or new skills that must then be satisfied by the training market. Preliminary consultations identified the following priority sectors to be supported by this intervention:

- Basic technical skills for the economy like construction, welding, mechanics, electricity, carpentry
- Skills needed for the oil extraction and processing industry

Those choices will be confirmed during the formulation.

### **3. Ministry in charge of preparation and implementation of the project**

The Ministry in charge is the Ministry of Education and Sports (MoES). The Department of Education Planning and Development (EPD) of MoES will coordinate the preparation of the project.

### **4. Cross-cutting issues**

#### **4.1. Environment**

The intervention areas are located within the vicinity of national parks & protected areas (Ruwenzori, Queen Elisabeth, Murchison, Semliki, Lake Albert). All activities initiated by the project will not have any negative impact on the national parks. The project will develop activities that are environmental friendly. Depending on the sectors chosen during the formulation, specific activities will be developed to protect the environment. Any rehabilitation / extension of existing buildings, the constructions should integrate relevant environmental concepts such as the collection of rain water, the use of alternative constructions materials and the use of renewable energy to contribute to the greening of buildings and the compound. The trainees in selected trades and sectors, should learn how to introduce a variety of renewable sources of energy capable providing significant level of power and how to develop green jobs and 'Green Skills' for the economy. Synergies can be developed with the Belgian NGO PROTOS who have a strong experience water resource management and in ecological sanitation facilities (ECOSAN) which offers the potential for recycling both urine and excreta for fertilizing purposes or for contribution to methane production through biogas digesters.

#### **4.2. Gender**

***"When gender is taken as Cross cutting, somebody knows everybody will do it , everybody knows somebody will do it, ultimately nobody does it " (Gender audit MoES 2013)***

The Ministry of Education and Sports is a pivotal Ministry in Uganda with the most extensive outreach highly prioritizes gender mainstreaming as key to the success of achieving equality in the education sector. In 2009, Uganda has formulated a gender policy to promote gender equity in society and a comprehensive gender in education policy and has put in place numerous legal and policy initiatives to promote not only increased access for all but also completion of school while ensuring quality education.. Gender parity has almost been achieved in the secondary sub-sector, the ratio of 52,6% for boys and 47,38% for girls in 2011.(ESSAPR 2011).More women are employed in informal sector than men, except transportation, formalization of a business is difficult for women entrepreneurs. Thus, this project will include training for people employed in the informal economy. Due to the public awareness campaigns, female participation in formal BTVET has increased in recent years. However, girls' share of formal BTVET enrolments is still only a quarter of the total. One reason is that the courses focus on occupations traditionally dominated by men.

The project will enhance and boost the public image to attract girls in BTVET institutions through the bursary scheme and will encourage the MoES to give Female BTVET graduates preferential access to BTVET instructors training to increase the share of female instructors in the BTVET system.

The project may contribute to change the community mindset to develop a policy for re-entry of pregnant girls, and child mothers. The project should support the targeted BTVET institutions to have schools equipment and learning environment which take in account the special needs of women. The project will integrate gender in learning environment , curriculum and in the instructional materials through use of gender sensitive examples, images and language which have a great potential in challenging gender stereotypes that usually create gender imbalances in career choice. The formulation mission will conduct gender budget needs assessment in the targeted BTVET institutions.

## **5. Beneficiaries and geographical location**

### **5.1. Beneficiaries**

The beneficiaries are:

- 'clients' of BTVET training institutions (graduates and employers)
- Maximum 3 selected existing BTVET training institutions. These can be public and private-not-for-profit establishments (faith based, community) offering formal and non-formal training.
- Managers and instructors of training institutions (continuous professional development).
- Reform Task Force for Skilling Uganda (RTF), and its Executive Secretariat (ES), and at a later stage the SDA
- Directorates and departments at MoES, in particular BTVET department and DIT
- Private sector (employers, industries, private training institutes ...)

## **5.2. Geographical location**

The project will operate both at the central level in Kampala (RTF, MoES – component 1), and in the Western region (component 2 and 3).

The choice for the Western region is motivated in the IDCP:

*Belgium wants to build on successful past experiences, therefore, the IDCP 2012-16 will further develop its projects in those geographical areas where the Belgian Cooperation has already built up a regional expertise and a strong working relationship with local implementing authorities. The Belgian Cooperation in Uganda had a lot of well-appreciated activities in the Western part of the country. It is useful, effective and efficient to build upon former successes but this is not exclusive. It could certainly allow a more rapid and efficient implementation of identified projects. (IDCP 2012-2016).*

The western region have high economic opportunities and there is possibility to develop synergies with 3 Belgian NGOs (TRIAS, BD, PROTOS) and with the Flemish university cooperation (VLIR) with Mountains of the Moon University in Fort Portal.

There are 15 BTVET public institutions (MoES) and 26 private BTVET institutions in the selected region. There is a need to geographically concentrate<sup>4</sup> the intervention, to keep it manageable in terms of logistics, time, day to day monitoring and partnerships, but also to keep the management cost reasonable.

Any potential overlap with other support programs in those regions will be avoided through strong coordination by MoES and at the level of the Education Development Partners (EDP).

**The western region can be divided into two sub-regions. Based on an opportunity and feasibility analysis (along the goals and strategy of Skilling Uganda and based on available budget, timeframe), the formulation team will propose the final regional coverage.**

### ***Masindi, Bulisa and Hoima districts in the Albertine Region:***

*For some long time now, the Albertine Region has received more inhabitants due to conflicts in neighbouring countries such as Rwanda and the Democratic Republic of the Congo, as well as from Northern Uganda. Of recent, the area has experienced increased population influx in response to the Oil exploration and the petroleum sector development with hopes of benefiting either directly or indirectly from these developments. The increased population influx has led to increased demand for services and provided market opportunities for agricultural products with improved food prices.*

*The three districts are home to approximately 1 million people (527,900 in Masindi, 447,700 in Hoima and 79,000 in Bulisa) and that like most parts of Uganda; over half of the population in the area is under 18 years (UBOS 2011).*

*The oil exploration expected to expand local economic opportunities, oil related and peripheral economic activities require skilled labour; oil & gas is champion sector of Skilling Uganda; good*

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<sup>4</sup> External evaluations of Belgian bilateral TVET interventions clearly call upon close monitoring and a decentralized approach to ensure outcome and impact of the field (grass roots) components.



*potential for active private sector involvement; opportunities for joint and complementary programming with other development partners and in particular the World Bank.*

*The area is blessed with Murchison Falls National Park which is one of the most important tourism attraction facility attracting approximately 40,000 people per year (MTTI 2010). Some of the local community members are employed in the tourism sector working mainly in Safari camps, guest houses, lodges and hotels.*

**Kasese, district in the Rwenzori region**

*Belgium has a longstanding partnership with the Kasese district which has big potential for agricultural development, but food security has declined over the last decade. Kasese district has rapid population growth, at the last census in 2002, the district population stood at 523033 and 57,5% of the population are under the age of 18. (UBOS 2005). There is a large numbers of youth entering the job market every year. The land is already being overexploited and land conflicts have increased in the last 5 years. The greater percentage of land area is occupied by water bodies, wildlife conservation areas, nature forest reserves as well as government projects such as irrigation schemes and prison farms (Kasese District Local Government 2005).*

## **6. The link between the project and the country's Vision 2040, NDP, and relevant MDGs.**

The NDP (2010 – 2015) stipulates Uganda's medium term strategic direction, its development priorities and the implementation strategies to achieve "Growth, Employment and Socio-Economic Transformation for prosperity". The thrust of the NDP is to accelerate social-economic transformation of Ugandan society from a peasant to a modern and prosperous country within 30 years. This will be demonstrated by improved employment levels, high per capita income, improved labour force and human development with focus on gender equality. Education is one of the priority program areas of the NDP with emphasis on skill development for employment and poverty reduction.

This intervention is closely related to the NDP, and especially to the following 2 objectives of the NDP:

- Enhance human capital development
- Enhance the availability and quality of gainful employment.

There is an indirect but clear link to several other objectives, such as promoting science, technology and Innovation, increase access to social services (education and training, increase household incomes and strengthening good governance.

The NDP points out the lack of skilled human resource as one of the leading binding constraints to Uganda's economic growth and development which is associated with the stock and quality issues in

the education system, limited capacity in the vocational and technical training institutions, including low school completion rates, and the brain drain from the country.

Furthermore GoU recognizes that investment in human capital is one of the key ingredients of sustainable economic growth and development. Therefore, the creation of a strong and responsive human resource base with positive values and attitudes to generate and support accelerated growth, employment creation and prosperity for socio-economic transformation is promoted by establishment of a soft skills training institution that will provide compulsory training in specialized skills for the public sector.

In 2013, the Government of Uganda (GoU) launched a Comprehensive National Development Planning Framework which provides for the coming 30 year, called Vision 2040. It will be implemented through three 10-year plans and six 5-year National Development Plans (NDPs). Guided by the orientations of Vision 2010, GoU aims to 'transform Ugandan society from a peasant to a modern and prosperous country' by accelerating growth and sustainable development.

In Vision 2040 GoU further acknowledges the emphasis on economic, social, cultural and political conditions in the past without preserving the environment.

## **7. Synergy & coherence with interventions by development partners, in addition to the national objectives of harmonisation and alignment.**

Contacts between Belgian funded interventions in professional, technical and vocational education & training in the Great Lakes Region for exchange of lessons learned should be established. *Belgium could also explore options for a multi-donor approach and joint funding arrangements to support the implementation of the Strategic Plan for Skills Development. In this respect, consultations on joint support to Skills Development have already started with the World Bank, Netherlands & Ireland. ) (IDCP 12-16)*

Some Education Partners expressed great interest in joint programming for BTNET support to the Albertine region (World Bank, Irish Aid, KOICA, Belgium, EU, ILO). From informal discussions with the Ministry of Education (planning dpt), there seems to be support for such a coordinated approach., because there is potential for synergies, complementarities and better impact, but also better coordination of inputs and economies of scale. Any co-financing and/or joint programming will be very beneficial for ensuring effective implementation of the Government's reforms in the sub-sector and will strengthen the dialogue with the Government as well.

World Bank & Ministry of Finance and MoES are concluding the design of a program to support Skills Development in the Albertine region, which will be a part of the larger project to support "Albertine region development project". Three districts will be targeted: Buliisa, Hoima and Masindi. Part of the project will be earmarked to Skills Development (probably about 10 million USD). World Bank would like to collaborate with partners with similar interest. Setting up this joint initiative involves coordination costs and efforts, but these transaction costs can be shared.

From the discussions it appears there is agreement on the following:

- Parallel projects that operate within the same framework may be preferred. While the projects will all have their specific objectives, they can pool technical assistance, harmonize approaches or develop policies jointly, set common targets and objectives. This could also take the form of a BTVET training fund (eg. Skilling Uganda strategy).
- Joint planning of activities under a common strategic umbrella, so that the programs can be complementary.
- Limit the joint initiatives to some initiatives like the bursary scheme.

Below are the current and future by other development partners in BTVET

Development partner	Budget	Nature & status of intervention
Arab Bank for Economic Development in Africa (BADEA)	US \$5 Million	Nakaseke Technical Institute ( <u>status?</u> )
African Development Bank	US \$10.4 Million	Rehabilitation of Jinja Vocational Training Institute, Madera Technical Institute, Rukungiri Technical Institute, Dokolo, Kabasanda. In-service training through its support to Jinja VTI ( <u>ongoing</u> )
Belgium (through BTC)	17,5 million EURO	Teacher Training Education project supports pre-service training of instructors, tutors & technical teachers at Abilonino Instructors and Mulago Health Tutors Colleges ( <u>ongoing</u> ). Synergies will be made with the ongoing support to instructor training. There is a need to harmonize the instructors' curriculum with curricula for learners.
European Union (EU)		Supports a large CSO support program, focusing on Skills Development
ILO		manages a project on child labor with clear links to Skilling Uganda ,
Islamic Development Bank	US \$13.5 Million	Uganda Technical College Elgon, Uganda Technical College Lira, and National Teachers College Unyama ( <u>status?</u> )
JICA		Support to Nakawa VTI & in-service instructor

		training ( <u>ongoing</u> )
Korean International Corporation Agency (KOICA)	US \$4 Million	Construction and equipment of new Technical Institute at Nakawa-Ntinda ( <u>ongoing</u> )
Kuwait Fund	US \$12 Million	Tororo, Kalongo, Kibatsi, and Ahmed Seguya Memorial Technical Institutes ( <u>status?</u> )
Netherlands (through ICCO & partners)		Support to skills training in agriculture & agribusiness Northern Uganda (ongoing since May 2013 to October 2016)
OPEC	US \$ 24 Million	Construction of nine new Technical Institutes in the districts of Namutumba, Nakasongola, Yumbe, Hoima, Lwengo, Mukono, Amuria, Kamuli, and Pader ( <u>status?</u> )
SAUDI Fund	US \$12 Million	Construction of five new Technical Institutes in the districts of Adjumani, Bukedea, Kiboga, Lyantonde, and Kyenjojo ( <u>status?</u> )
South-Korean Government (implemented by African Development Bank)	US \$25 Million	Kiryandongo, Iganga, Nyakatale, Mubende, and Arua Technical Institutes ( <u>under preparation</u> )
Sri Lanka	US \$ 1.5 Million	To be determined ( <u>under preparation</u> )
World Bank	US \$ 75 Million	Support to the implementation of Skilling Uganda strategic plan. (appraisal process ongoing, expected to start by 2 <sup>nd</sup> semester of <u>2014</u> )
World Bank	US \$ 10 Million	Support to UPIC and few selected institutions in Albertine region. ( <u>under preparation, starts in 2014</u> )

#### Synergies with Belgian funded interventions:

##### 1. Governmental interventions:

- Improving the training of BTVET technical teachers /instructors and health tutors, and secondary teachers in Uganda

This project supports 4 Teacher training colleges including Abilonino Community polytechnics instructors training college and Mulago Health tutors' training college.

- Scholarship program, Study and Consultancy Fund: Those programs will be used to make some needed studies and trainings to support the implementation of skilling Uganda.
- Education Sector Budget Support: will give inputs to policy dialogue at central level of the MoES and at higher level on the implementation of Skilling Uganda reforms

## **2. Non-governmental interventions:**

- Belgian NGOs: TRIAS, Broederlijk Delen, PROTOS:

The 3 NGOs are very active in the Albertine and Rwenzori regions and can develop synergy programs with the project as they are involved in agriculture, environment and entrepreneurship. If the Ugandan government wants to transform Ugandan society from a peasant to a modern and prosperous country, NGOs have to be associated in the BTVET program and reforms to develop informal education for the farmers. TRIAS is also funded by TULLOW (Irish NGO) to skill small scale traders & entrepreneurs and wants to involve SYNTRA-West (a Belgian based Vocational Training Institute) to provide capacity support to BTVET training centres (like, curriculum in enterprise development, training of trainers, and identification of entrepreneurs who can train other entrepreneurs). That partnership will be useful for the targeted BTVET institutions supported by the Project.

## **3. Belgian Inter - University development cooperation:**

The University of Gent developed a partnership with the Mountain of the Moon University located in Fort Portal. The two universities work together to develop researches in agriculture, environment, and fishery, the results will be useful to improve BTVET curriculum and practical experiences. An internship program can be developed between those universities and the BTVET institutions.

## **Synergy with Other Civil Society Organisations:**

A number of national and international NGOs support Skills Development activities in Uganda (SNV, Save the Children, Traidlinks). Some of them are supporting BTVET youth training centres in the Albertine and Rwenzori regions.

# **8. Budget & timeframe**

Budget: The Belgian contribution to this intervention is eight (8) million Euros. The Ugandan contribution is estimated at 10%.

Duration: The operational duration of the intervention is estimated at 4 years (implementation period).

## **9. Sustainability measures & exit strategy**

The project will operate within the Skilling Uganda framework and the RTF work plan for the implementation of Skilling Uganda in the selected sectors and selected regions. Given the close involvement of the Reform Task Force (RTF) and at a later stage in the Skills Development Authority (SDA), institutional sustainability is guaranteed. The support to elements such as the testing of systems like the training fund and the bursary scheme for BTVET, Public Private Partnership and other financing systems will contribute to guarantee financial sustainability.

With the Skilling Uganda reforms, Uganda and Belgium are involved in a change process that requires time and long-term support to bring about real change at the level of service delivery. Therefore, both countries envisage in the IDCP long term support to Skills Development to consolidate the complex on-going reforms processes in order to achieve real impact.

To ensure the durability of the infrastructure and equipment procured, the project will provide the teachers/tutors and school management with training in sustainable management of the institutions and sustainability of the infrastructure.

High-level coordination of support to Skills Development in Uganda from the side of the Ministry will be needed (revamping of the BTVET SWAp Working Group).

The targeted BTVET institutions will be strengthened and will be able to generate some income from the student's products.

## **Annex 1: Analysis of the BTVET system in Uganda (summary)**

Source: Skilling Uganda – BTVET Strategic Plan 2011 – 2020

The present BTVET system was analysed according to the five criteria: (i) relevance to productivity development and economic growth; (ii) quality of skills provision; (iii) access and equity in BTVET; (iv) organizational effectiveness; and (v) financing and internal efficiency.

### **A. Relevance to Productivity Development and Economic Growth**

Relevance refers to the relationship between the supply of skills and economic and labour market demands. The Ugandan BTVET system can be considered relevant if it equips Ugandans with the right set of skills required by companies to compete in domestic, regional and international markets, or by individuals to successfully make a living through self-employment.

Addressing the challenge of relevance Uganda has progressed well during recent years through introducing the Uganda Vocational Qualifications Framework (UVQF). The UVQF is a major tool to ensure that training contents are aligned with the skill demands in the labour market, and that training is re-focused to practical competencies. However, the UVQF requires more vigour in its implementation.

At the moment, the BTVET system still does not produce the appropriately skilled workforce that Uganda needs to increase incomes and employment, and to compete in the East African and international markets. Less than 40% of large and medium firms regard courses offered by BTVET institutions as relevant.

Too little influence and engagement of employers in the BTVET system, a rather rigid supply structure in the formal BTVET provider system and the lack of a systematic labour market information system are among the major challenges to increasing the demand-responsiveness of the BTVET system.

Major gaps include:

- BTVET programmes for agri-business development and informal sector employment are strikingly insufficient in terms of both enrolment and appropriateness of contents and training methodologies. Yet, agriculture and the informal sector are the most important sub-sectors of the Ugandan labour market and remain so for the foreseeable future. Agricultural employment continues to cater for some 70% of the Ugandan workforce. The non-farm informal sector, which comprises mainly micro enterprises, own account workers and unpaid family workers, has declined in recent years, but still accounts for 18% of total employment, and 58% of the non-agricultural employment.
- The range of occupations for which BTVET programmes are offered is rather narrow, and does not address skills needs in modern and emerging productive sectors. Available studies and labour market indicators point to unmet skills demand in the hospitality industry, ICT sector, business management and financial sector, mining and engineering, oil and gas, and for environmental technologies, among others.

- A major challenge across the BTVET system is the lack of practical competencies of graduates. According to employer surveys, this is especially pronounced at higher qualification levels indicating the need for considerably more practically-oriented BTVET at technician level.
- *Soft skills* necessary to perform well in modern work environments are underdeveloped among the Ugandan workforce and not appropriately taken into account in training programmes. These include communication, computer literacy, customer care, problem solving, work attitudes and ethics.

## **B. Quality of Skills Provision**

Quality is the effectiveness of training in relation to intended outputs. It refers to the state of training delivery and measures to what extent training institutions implement their programmes in a way that ensures trainees achieve expected competencies.

With the support of government funding and international cooperation, a number of public and private BTVET institutions have been upgraded in recent years. Some are well-managed and resourced, able to deliver training of good quality. The majority of the more than 1,000 private and public BTVET institutions, however, fail to deliver training at a quality commensurate with required standards. One indicator is the low pass rate in BTVET examinations. About half of all registrants for UNEB BTVET examinations fail to pass their examinations. Results in DIT trade testing are slightly better, but also indicate severe problems particularly in modern occupational areas.

Among the main quality challenges are the shortage of appropriately qualified and competent BTVET instructors, and the often appalling state of the training infrastructure. The physical infrastructure of many institutions is dilapidated and inadequate in size to cater for the number of enrolled students. Most workshops lack essential training equipment and tools. The BTVET system does not provide for adequate quality control and support mechanisms. Furthermore, BTVET institutions lack incentives to improve their performance. They are not held accountable for the results of their work.

## **C. Access and Equity in BTVET**

Access and equity refer to the opportunities of people in need of skills development to complete relevant training programmes. Access is determined by the availability of appropriate training places. Equity addresses the chances of the entire population, including females, persons with disabilities and other disadvantaged groups, to make use of available opportunities.

Enrolment in public BTVET has increased by one quarter between 2007 and 2009, and with the launch of the Non-Formal Training Programme (NFTP) by the MoES in 2010 an increasing number of Ugandans have recently been given the opportunity to acquire employment-relevant non-formal skills training. New BTVET institutions currently under construction in 14 districts will create new training opportunities in presently under-served areas.

Notwithstanding, still relatively few school leavers -- and fewer adults and dropouts -- access organized training, in particular through formal BTVET. Currently, public providers accommodate only about 1% of primary seven completers, 3% of O'level and 7% of A'level graduates. Even if private provision is taken into account, these levels still fall far short of NDP targets, which envisage



the BTVET sub-sector to enrol 10% of all P.7 graduates and 30% of O'level completers. Many BTVET institutions run below capacity.

Important groups of citizens do not benefit fairly from BTVET provision. In particular,-

- Low income groups tend not to participate because of high fees and high opportunity costs caused by long training durations;
- Young people who dropped out of school before completing primary school, constituting almost half of the youth, were not addressed at all until 2010 when the NFTP was initiated.
- Females account for only about one fourth of public BTVET enrolments, and are concentrated in traditional female occupations.
- Persons with disabilities, which constitute around 16% of the population according to the most recent National Household Survey, are virtually excluded from training opportunities in the public system.
- Adults have few avenues to upgrade or learn new skills.
- Persons living in Karamoja and the Northern regions have considerably fewer opportunities to acquire skills through training programmes.

#### **D. Organisational Effectiveness**

Implementation of the ambitious BTVET development objectives requires strong organization and management of BTVET. Important steps were accomplished in recent years towards consolidating the organisational set-up, including the restructuring of the MoES, the strengthening of the DIT as a semi-autonomous body and not least deepening the culture of public-private partnership in the management and delivery of BTVET. The Uganda Association of Private Vocational Institutions (UGAPRIVI) has emerged as a strong private sector organisation facilitating the development and interest articulation of the largest segment of BTVET provision.

However, the management of BTVET is still very fragmented. Within the MoES sixteen directorates, departments, divisions and institutions are fully or partly charged with different BTVET functions at the moment, including the DIT, the BTVET Department, DES, UNEB, NCDC, the Department of Higher Education, Department of Teachers Education and others. Other ministries and institutions are involved in managing their own BTVET institutions, and in policy development (e.g. the National Planning Authority – NPA). Many of the involved organisations and units are poorly resourced. Responsibilities between different players are often unclear and overlapping. Main decisions on BTVET are made within the Ministry's SWAp (sector-wide approach) mechanisms, which are dominated by general education stakeholders and have only limited representation of BTVET interests. The expertise of core BTVET stakeholders, such as employers and business sector representatives, employee representatives, civil society as well as other sector ministries is not systematically used for BTVET planning, policy development and monitoring.

Another concern is the lack of power of public BTVET institutions to take action on their own. Governing bodies do have considerable responsibilities, however key decisions, e.g. about training

fees and budgets, require MoES approval. Decisions about training courses are in reality taken in the Ministry. Lack of authority to take action stifles incentives and results in a “dependency syndrome”, where institutions expect the central Ministry to solve their problems. It discourages initiative and innovation at the local level, and constrains flexible responses to local market opportunities and problems. This is reinforced by the lack of accountability in public institutions. Neither the BTVET Department nor governing bodies have performance agreements with institutional managers. Managers, instructors and governing bodies are not held accountable for training results. Good or poor examination pass rates do not lead to recognition, rewards or sanctions. Teacher absenteeism occurs widely without consequences for headmasters or teachers.

#### **E. Financing and Internal Efficiency**

Shortage of funding is clearly among the binding constraints of BTVET development in Uganda. Resource constraints affect all levels of the BTVET system, including the regulatory structure and the BTVET institutions themselves. At the level of the BTVET institutions funding shortages results in low teachers salaries, outdated equipment and facilities and unavailability of training material, all negatively affecting the quality and the image of BTVET. At the regulatory level, financial constraints lead to understaffing and lack of operational funds resulting in slow movements with respect to key reform undertakings, such as the development of Assessment and Training Packages (ATPs).

Funding sources for BTVET are not appropriately diversified. The current two major sources of BTVET funding, the public budget and private households (through training fees) face tight constraints. The share of BTVET in the MoES budget is relatively low at 4%. Also public unit spending is low even by African standards. Extensive private financing of BTVET through fees in public and private institutions is a strength of the current system. However, poverty and low household incomes limit the scope for increasing private contributions.

## **Annex 2 – Executive summary of Skilling Uganda, the 10 year BTVET strategic plan**

### **Background and Context**

This Business, Technical and Vocational Education and Training (BTVET) Strategic Plan 2011 – 2020 builds on considerable progress in the reform of the BTVET system achieved during the last decade, notably the BTVET Act of 2008 and the establishment of the Uganda Vocational Qualifications Framework (UVQF). In 2010, the Government of Uganda (GoU), with support from the World Bank and Government of Belgium, commissioned a consultant team of national and international experts to conduct a sub-sector study and subsequently support the drafting of the Strategic Plan.

The analytical and conceptual work included substantial stakeholder consultation and was benchmarked against international experience in the reform of technical and vocational education and training systems. The consultant team prepared an analytical report, which forms the basis of this Strategic Plan. It is attached to this Strategic Plan and may be consulted for further elaboration and clarification of objectives and strategies. The Strategic Plan is designed to address the major challenges identified regarding relevance, quality, access and equity, management and financial sustainability of BTVET.

Point of departure of the Strategic Plan is Uganda’s development framework, formulated in Uganda’s Vision 2025, and more specifically in the National Development Plan (NDP) 2010/11 – 2014/15. The Strategic Plan is embedded in the overall education policy framework and hinged on the BTVET Act of 2008. It incorporates ongoing BTVET implementation and development activities by the BTVET Department and the Directorate of Industrial Training (DIT) under the Ministry of Education and Sports (MoES).

### **The Strategic Plan – A Paradigm Shift in BTVET**

The Strategic Plan is titled “Skilling Uganda”, which denotes a paradigm shift for skills development in Uganda. The BTVET system is expected to emerge from an educational sub-sector into a comprehensive system of skills development for employment, enhanced productivity and growth. The main purpose will be to create employable skills and competencies relevant in the labour market instead of educational certificates. It will embrace all Ugandans in need of skills, including but not only primary and secondary school leavers.

### **Critical Intervention Areas and Priority Investment Programmes**

Four main interventions are considered critical to prepare the ground for a successful BTVET reform:

- Development of comprehensive public-private partnership in BTVET
- Building a unified body for managing skills development in Uganda
- Expanding the scope of the UVQF
- Reforming the system of BTVET funding, including the introduction of a BTVET levy

In line with these critical interventions the Strategic Plan identifies priority investment programmes as follows:

1. Institution-building
2. Expanding BTVET in NDP priority sectors
3. Expansion and improvement of agriculture training
4. Skills for productivity in the informal sector
5. Strengthening of existing BTVET institutions
6. BTVET instructors training

### **Objectives and Strategies**

The 10-year Strategic Plan is designed to contribute during the years 2011 to 2020 to the achievement of the following higher-level development objective for the BTVET system: Business, Technical, Vocational Education and Training (BTVET) ensures that Ugandans and enter-prises acquire the skills they need to raise productivity and income.

The Plan has five objectives to reach the sub-sector's higher level objective:

1. Make BTVET relevant to productivity development and economic growth
2. Increase the quality of skills provision
3. Increase equitable access to skills development
4. Improve the effectiveness in BTVET management and organisation
5. Increase internal efficiency and resources available to BTVET

The BTVET Strategic Plan is a full-sub-sector plan, integrating existing and already planned activities with new strategies to further improve and expand skills development in Uganda. The strategies are the following:

#### *Objective 1: Make BTVET relevant to productivity development and economic growth*

The objective has the following strategies and sub-strategies:

1. Strengthen the role of the business community and employers in BTVET
  - 1.1. Strengthen the role in BTVET planning and decision-making
  - 1.2. Strengthen employer-based training
2. Expand the coverage of the UVQF and accelerate its development
  - 2.1. Clarify the conceptual framework for the UVQF and strengthen related management capacities

- 2.2. Implement UVQF-based BTVET throughout the BTVET system
3. Make the training supply more flexible and demand-driven
4. Boost BTVET supply in critical occupations
5. Expand and improve agriculture training
  - 5.1. Establish, improve and expand facilities for agriculture BTVET
  - 5.2. Strengthen linkages of BTVET institutions with research institutions, industry and farmers
  - 5.3. Strengthen competency-based training (CBET) in agriculture
6. Promote skills for productivity in the informal sector and for micro and small enterprises (MSEs)
  - 6.1. Establish non-formal training as an integral part of the BTVET system
  - 6.2. Build human and institutional capacities among skills development providers in training for the informal sector
  - 6.3. Create information, cooperation and coordination networks
  - 6.4. Promote innovation in skills development for MSEs and the informal sector
7. Establish Labour Market Information System (LMIS)

*Objective 2: Increase the quality of skills provisions*

The objective has the following strategies and sub-strategies:

1. Strengthen institutional capacities for BTVET provision
  2. Achieve better production and deployment of instructors/tutors and managers by reforming qualifications and recruitment practices
    - 2.1. Strengthening institutional capacities of instructors/tutors training institutions and build an appropriate qualification system for BTVET instructors/tutors
    - 2.2. Boost the availability of competent and qualified BTVET instructors and tutors
    - 2.3. Deregulate recruitment and employment and improve the working conditions of BTVET instructors
  3. Introduce better quality assurance systems for public and private BTVET providers
    - 3.1. Introduce an accreditation system for BTVET providers
    - 3.2. Introduce an internal quality management system in BTVET institutions

### Objective 3: Increase equitable access to skills development

The objective has the following strategies and sub-strategies:

1. Ensure access to formal and non-formal TVET
2. Expand private training provision
3. Build and resource public TVET supply
4. Create awareness about TVET
5. Enhance access of disadvantaged target groups to skills development
  - 5.1. Promote access of disadvantaged groups through bursaries
  - 5.2. Promote female participation in TVET
  - 5.3. Enhance access for persons with disabilities

### Objective 4: Improve effectiveness in TVET management and organization

The objective has the following strategies and sub-strategies:

1. Consolidate TVET functions in an integrated body for skills development
2. Gradually devolve authority to public TVET institutions and make them accountable for performance outcomes
  - 2.1. Decentralization of authority to TVET institutions
  - 2.2. Introduction of instruments to increase accountability of TVET institutions
3. Establish an effective management information system and sub-sector monitoring system

### Objective 5: Increase internal efficiency and resources available for TVET

The objective has the following strategies and sub-strategies:

1. Increase the efficiency of TVET provision through results-oriented transfer mechanisms
2. Increase the resources available for TVET through income generating activities of public TVET institutions and the introduction of a training levy
  - 2.1. Increase income of public TVET institutions through income generating activities
  - 2.2. Introduce a training levy
3. Establish a Skills Development Fund

## **Management**

TVET is under the purview of the MoES. The MoES has the main responsibility for the implementation and monitoring of the Strategic Plan within its current procedures for planning,

budgeting and annual reviews. Other ministries and stakeholder are involved and assume responsibility for selected strategies.

The Strategic Plan, however, goes beyond the previous mandate of the MoES. The broadened mandate of the BTVET sector, and the implied need for broader partnerships, is reflected in the strategy to establish a new unified body for skills development in Uganda. After its establishment, the new body would become the owner and main implementer of this Strategic Plan. To reflect the new enlarged vision of the BTVET system from the onset, a BTVET Reform Task Force will be formed to oversee the implementation of the Strategic Plan until the new body and its governing structure is established. The Office of the President/Office of the Prime Minister will appoint to the Task Force eminent personalities and experts in the fields of skills development, education, economic and business sector development and social equity. The Task Force will comprise members from the private and public sector, with at least 50% of its members representing the private sector. The Task Force will be facilitated by a BTVET Reform Secretariat comprising a small number of high-level BTVET experts recruited on a contract basis. The life-span of the Task Force and its Secretariat is until the unified skills development body is formally established.

### **Costs and Financing**

Overall public resource requirements to implement the BTVET Strategic Plan over the nine fiscal years 2011/12 to 2019/20 are estimated at 2,001 billion UGX, or about 600 million €. Over the plan period, recurrent cost account to 55%, and development cost to 45%. The estimates represent full sub-sector cost to government.

433 billion UGX (127 million €), or 39%, of the entire recurrent budget are earmarked for capitation grants/bursaries to support school leavers attending formal BTVET programmes. The projections envisage a moderate increase in enrolment in formal BTVET from 42 000 to 103 000 in 2019/20 representing an annual enrolment growth rate of 10%, and a gradually increasing per capita funding to ensure that training is provided at good standards. 40% of the entire formal BTVET student population will be provided with a public scholarship.

The Strategic Plan assumes further that non-formal BTVET will be permanently integrated into the public BTVET portfolio. The cost estimates in the plan foresee a total allocation of 160 billion for non-formal BTVET, which represents an increase of publicly sponsored non-formal training enrolment to 40,000 annually in 2015 and 60,000 by 2016, compared to 20,000 in 2010/11.

The major shares of the development expenditure are earmarked for rehabilitating and strengthening the existing network of BTVET institutions, both public and private, and for the further development of agriculture training (much of which will be borne by the MAAIF). During the first phase of the plan period, 21% of total development costs are allocated for the establishment of new BTVET institutions under existing loan agreements. From 2014/15 onwards, no further investment in new public institutions are expected. Instead, incentives for the expansion of the private provider network will be established, i.e. matching grants.

The funding gap for the Strategic Plan in relation to currently projected public expenditure under the revised ESSP (2010 Revision) is substantial. For the first four years of the plan period, covering the current MTEF, the total funding gap amounts to 424 billion UGX (24 million €), which represents 60%

of the total estimated volume. Closing the funding gap would require increasing the share of the BTVET sub-sector of the overall education sector budget from currently 4% to 5% to 12.6% in 2012/13, and 9.2% in 2014/15, based on current education expenditure projections. Other funding options include an increased engagement of development partners, co-funding by other government sectors, and shifting efforts to the development of more cost-effective training delivery modes. Furthermore, the Strategic Plan envisages the introduction of a training levy, which may become a significant additional revenue source for the BTVET system from 2015/16 onwards. The current cost and expenditure estimates do not include the potential levy proceeds.

The Reform Task Force has been budgeted separately. It is estimated that the task force will require a total UGX 3,900 million (1.1 million €) to accomplish its task over the first four years of the plan period.

### **Monitoring**

The overall responsibility for monitoring and evaluation of the Strategic Plan and the BTVET development rests with the BTVET Reform Task Force, until the unified body for skills development is formed. In Annex 1 indicators for all objectives, strategies and outputs are suggested, to be fine-tuned when a comprehensive monitoring system is built. At objective level, the following indicators are suggested:

#### *Objectives & suggested Indicators*

- Make BTVET relevant:
  - a. 70% of employers satisfied with competencies of BTVET graduates by 2020
  - b. 80% of BTVET graduates entering the labour market have found employment/self-employment generating sufficient income by 2020
- Increase quality of skills development: UVQF assessment pass rates increased to 90% by 2020
- Increase equitable access: Number of BTVET graduates increased to 450,000 annually, with 50% female participation
- Improve effectiveness in management and organization                      BTVET reform implementation progressed in line with Strategic Plan
- Increase internal efficiency and resources available for BTVET
  - c. Unit spending of BTVET institutions increased compared to baseline
  - d. BTVET functions adequately resourced