

TERMS OF REFERENCE

Consulting services to Upgrade or Update existing Industry/sector Strategy

JAMAICA

JA-T1215: Developing Skills strategies for an enhanced skills ecosystem for strategic Jamaican industries

1. Background and Justification

1.1. The Fourth Industrial Revolution (4IR), characterized by rapid technological change, is significantly transforming the world's economic dynamics. Recent studies show that as digital technologies dramatically reshape industry after industry on a global scale, many companies are pursuing large-scale change efforts to capture the benefits of these trends or simply to keep up with competitors. Recent studies based on Global Survey ([McKinsey, 2018](#)) on digital transformations, points to a set of factors that might improve the chances of a transformation succeeding. Among the key factors, building capabilities for the workforce of the future are of top priority. The survey results confirm that developing talent and skills throughout the organization—**a fundamental action for traditional transformations**—is one of the most important factors for success in a digital change effort.³

1.2. Developing people with the right skills is not only crucial to deploying the right technologies; it is also key to achieve inclusive growth⁴. A large body of evidence suggests that technologies are changing the demands for occupations and skills, and that many workers performing routine tasks run the risk of being displaced by technology. In the region, as much as 19% of men and 21% of female may be displaced by new technologies in the coming years (Bustelo, Suaya and Viollaz, 2019). In addition, the lack of skills may create a backlash against the introduction of new technologies – much as taxi drivers resist the penetration of ride-hail companies such as UBER. As highlighted in the Skills Development Sector Framework Document ([IDB, 2020](#)), aligning skills development to a country's growth strategy and the demands of productive sectors improves the relevance of the skills being developed. To properly align the supply and demand of skills, it is important to involve industries and other social partners in the identification of skills needed, curricula design, and provision of learning (OECD, 2019; Amaral et al., 2017). Ongoing collaboration supports the continuous adaptation of curricula to labor market demands. Many developed countries have ensured employers' participation in skills development through the establishment of sector bodies or organizations that represent industries, as part of their institutional arrangements.

1.3. The Jamaica Education Transformation Commission (JETC) was established with the aim to advise how to create a world-class educational system geared towards enabling

students to fulfill their potential and develop the skills base and human capital required for Jamaica to compete in the 21st century global century. The JETC presented their report "[The Reform of Education in Jamaica, 2021](#)" which triggered a second phase. In 2022, the JETC embarked in understanding the TVET system in Jamaica and requested support to the Bank in two perspectives: 1) To support the JETC with an assessment of the current institutional arrangements of Jamaica's premier training institution, HEART-NSTA to meet **Jamaica's skills supply** and provide recommendations including best practices related to the operating models of levy based skilled; and 2) Support the JETC with an assessment of the current institutional arrangements of Jamaica's premier training institution, HEART-NSTA to meet **Jamaica's skills demand** and provide recommendations including best practices to optimize governance arrangements and strengthen their M&E systems.

- 1.4. In this regard, preliminary findings in terms of issues drawn from workshops with employers about the strengths, issues and opportunities in the TVET system for Jamaica include the following (among other): i) The legal framework needs modernization and might be reviewed to become more flexible and responsive to employer requirements; ii) The system needs significantly more employer engagement; iii) There is a challenge in changing the culture, and how best to do this; iv) One reason for low engagement is that some employers focus on getting labour at the cheapest level, which discourages training investment; v) There is inadequate marketing to employers and the funding/financing for employers needs to be better understood; vi) There is a low level of understanding of the industries and the available job opportunities amongst the general public and young people. As the analysis on the demand side of Jamaica's TVET/skills development system is being concluded (October 2022), preliminary findings indicate *a clear need for i) increased private sector participation in Jamaica's TVET system and ii) increased responsiveness of TVET system.*

2. Objectives

- 2.1. The objective of this consultancy is to develop the **industry upgrade strategy** for two productive sectors of the prioritized sectors from either logistics, *agribusiness, manufacturing and creative industries* to enable the industry pivot towards these sectors. Specifically, draft the industry skill strategy will support digital transformation placing human capital at the centre. The consultant is expected to undertake the industry upgrade strategy. This will support to increase the percentage of higher value-added service offerings for the prioritized sectors in Jamaica, identify current industry structure and define strategy goal to reach industry transformation. Furthermore, the strategy will help to identify new possible sub-segment within the industry where Jamaica could develop competitive advantage in the region.
- 2.2. The scope of the strategy is to formulate the industry upgrade and modernization strategy and its integration into national development plans and strategies. It will carry out competitive positioning (and market opportunity) study for the industry to pursue higher value segments, pivot towards two prioritized sectors, assess their value chains and

identify the specific actions and an implementation plan (roadmap) of identified actions.

- 2.3. This first iteration of the strategy will provide insights on how to create a pipeline of work-ready talent, via training, reskilling and upskilling initiatives, to support this goal.

3. **Scope of Services**

- 3.1. The consultancy will be structured in two (2) phases. Phase 1 will assess the current and near-term transformation needs for the prioritized sectors in Jamaica: *Industry Upgrade Strategy*. This will include getting feedback from key stakeholders in the sectors, government partners, private sector firms, talent brokers, to identify the skills and knowledge areas required to meet the current and expected needs of targeted objectives to transform and evolve the industry.

- 3.2. The strategy should entail, but it is not limited to: (i) industry definition, identification of industry segments/sub-segments; (ii) information regarding industry growth both globally (to understand market trends/evolution) and locally (to understand industry growth projections in terms of market share, GDP share and employment); (iii) identify potential areas where the industry in Jamaica could have (or generate) a competitive advantage. In this regard, focus will be placed in:

- Identify products, value chains & current production chains.
- Identify investment pipeline 2023 - 2025.
- Identify products, value chains, productive chains stemming out of pipeline 2023 - 2025.
- Identify (benchmark, interviews with investors, interviews with technology vendors) new productive technologies in value chains to be implemented in 2023 - 2025.
- Identify current value chain technologies that will most likely become obsolete.
- Create a registry (with your contacts) of pipeline 2023 - 2025 companies and their technology providers.

- 3.3. Phase two will involve an assessment of the talent pool to support the transformation of the prioritized sector. For each priority skill and knowledge qualification, estimate the relative availability of such from the talent pool in Jamaica. This relative availability – the extent to which talent supply can meet current and expected demand – may be estimated by using several information sources including surveying industry companies, analysing data on knowledge areas for graduates of post-secondary institutions, and labour market studies carried by HEART/NSTA and the Ministry of labour and Social Security and private sector associations. In order to present a clear picture of the state of the talent pool, a survey will be undertaken to:

- Present a skills profile of the talent pool.
- Align skills training/programmes with the pathways and additional skills requirements to move to more senior technical, administrative, or supervisory and management roles,
- Assess the current capacity of Jamaica's training and education system to prepare individuals for work in the prioritized industries and
- Indicate the use of varying assessment tools and methods by firms to select suitable candidates.

4. Expected Outcome and Deliverables

4.1. The Consulting firm will be responsible for the following deliverables:

Deliverable No.	Deliverables	Estimated Delivery	Review period	Payment Schedule
Deliverable #1: Workplan	A detailed workplan to deliver Industry Upgrade Strategy	1 week after contract signing	1 day	20%
Deliverable #2: Draft Report: 2023 Industry Upgrade Strategy	<p>The Report should include, at minimum, the following:</p> <ul style="list-style-type: none"> • The purpose of this work, describe the key trends facing the industry and highlight the implications for people, jobs, and skills. • What are the competitive advantages that Jamaica has in key skills and knowledge areas for a transformation process. • The draft final strategy report will make recommendations to the industry & government about possible new segments for an industry transformation. • The draft final strategy report is to be discussed and agreed with the Sector Skills Council (if established by then) before being presented to other stakeholders and Government. • Validated by the Sector Skills Council; incorporate comments and inputs from the sector skills council for the final report 	8 weeks after deliverable #1	1 week	25%
Deliverable #3: Final Industry Upgrade Strategy Report	<p>Produce an Industry Upgrade Strategy that clearly outlines the actions required to get the prioritized industry to the next level during the next 18 months taking into consideration the National Strategy to grow Strategic Sectors such as the manufacturing sector's contribution to GDP to J\$81bn by December 2025 and to ensure it resonates with the Industry Skills Council and other key stakeholders.</p> <p>It will include items described in section 3.2</p>	10 weeks after Deliverable #1	1 week	55%

	<i>Executive summary in a PowerPoint format.</i>			
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5. Reporting Requirements

- 5.1. Reports will be reviewed by the Operations Senior Specialist of the Labour Market and Social Sector Division. Acceptance of deliverables is contingent on addressing comments and feedback provided by this party within the revised versions of the submissions.

6. Acceptance Criteria

- 6.1. Reports developed under this consultancy must be submitted to the Bank in an electronic file. The report should include a cover letter, main document, and all annexes. Zip files will not be accepted as final reports due to Record Management Section regulations. Deliverables will be reviewed by the Operations Senior Specialist of the Labour Market and Social Sector Division and other IDB Staff.

7. Supervision and Reporting

- 7.1. The consultancy will be supervised by the Operations Senior Specialist of the Labour Market and Social Sector Division and supported by other IDB Staff.

8. Schedule of Payments

- 8.1. Payment terms will be based on project milestones or deliverables. The Bank does not expect to make advance payments under consulting contracts unless a significant amount of travel is required. The Bank wishes to receive the most competitive cost proposal for the services described herein.
- 8.2. The IDB Official Exchange Rate indicated in the RFP will be applied for necessary conversions of local currency payments.

Payment Schedule	
<i>Deliverable</i>	%
1. Workplan	20
2. Draft Report: 2023 Industry Skills Strategy	25
3. Final Industry Skills Strategy Report	55
TOTAL	100%

TERMS OF REFERENCE

Consulting service to develop Sector/Industry Skills Strategy

JAMAICA

JA-T1215: Developing Skills strategies for an enhanced skills ecosystem for strategic Jamaican industries

1. Background and Justification

1.1. The Fourth Industrial Revolution (4IR), characterized by rapid technological change, is significantly transforming the world's economic dynamics. Recent studies show that as digital technologies dramatically reshape industry after industry on a global scale, many companies are pursuing large-scale change efforts to capture the benefits of these trends or simply to keep up with competitors. Recent studies based on Global Survey ([McKinsey, 2018](#)) on digital transformations, points to a set of factors that might improve the chances of a transformation succeeding. Among the key factors, building capabilities for the workforce of the future are of top priority. The survey results confirm that developing talent and skills throughout the organization—**a fundamental action for traditional transformations**—is one of the most important factors for success in a digital change effort.³

1.2. Developing people with the right skills is not only crucial to deploying the right technologies; it is also key to achieve inclusive growth⁴. A large body of evidence suggests that technologies are changing the demands for occupations and skills, and that many workers performing routine tasks run the risk of being displaced by technology. In the region, as much as 19% of men and 21% of female may be displaced by new technologies in the coming years (Bustelo, Suaya and Viollaz, 2019). In addition, the lack of skills may create a backlash against the introduction of new technologies – much as taxi drivers resist the penetration of ride-hail companies such as UBER. As highlighted in the Skills Development Sector Framework Document ([IDB, 2020](#)), aligning skills development to a country's growth strategy and the demands of productive sectors improves the relevance of the skills being developed. To properly align the supply and demand of skills, it is important to involve industries and other social partners in the identification of skills needed, curricula design, and provision of learning (OECD, 2019; Amaral et al., 2017). Ongoing collaboration supports the continuous adaptation of curricula to labor market demands. Many developed countries have ensured employers' participation in skills development through the establishment of sector bodies or organizations that represent industries, as part of their institutional arrangements.

1.3. The Jamaica Education Transformation Commission (JETC) was established with the

aim to advise how to create a world-class educational system geared towards enabling students to fulfill their potential and develop the skills base and human capital required for Jamaica to compete in the 21st century global century. The JETC presented their report "[The Reform of Education in Jamaica, 2021](#)" which triggered a second phase. In 2022, the JETC embarked in understanding the TVET system in Jamaica and requested support to the Bank in two perspectives: 1) To support the JETC with an assessment of the current institutional arrangements of Jamaica's premier training institution, HEART-NSTA to meet **Jamaica's skills supply** and provide recommendations including best practices related to the operating models of levy based skilled; and 2) Support the JETC with an assessment of the current institutional arrangements of Jamaica's premier training institution, HEART-NSTA to meet **Jamaica's skills demand** and provide recommendations including best practices to optimize governance arrangements and strengthen their M&E systems.

- 1.4. In this regard, preliminary findings in terms of issues drawn from workshops with employers about the strengths, issues and opportunities in the TVET system for Jamaica include the following (among other): i) The legal framework needs modernization and might be reviewed to become more flexible and responsive to employer requirements; ii) The system needs significantly more employer engagement; iii) There is a challenge in changing the culture, and how best to do this; iv) One reason for low engagement is that some employers focus on getting labour at the cheapest level, which discourages training investment; v) There is inadequate marketing to employers and the funding/financing for employers needs to be better understood; vi) There is a low level of understanding of the industries and the available job opportunities amongst the general public and young people. As the analysis on the demand side of Jamaica's TVET/skills development system is being concluded (October 2022), preliminary findings indicate *a clear need for i) increased private sector participation in Jamaica's TVET system and ii) increased responsiveness of TVET system.*

2. Objectives

- 2.1. The objective of this consultancy is to develop the **industry skills strategy** to enable the industry pivot towards the selection of two prioritized industry in Jamaica selected from: *Logistics, Agribusiness, Manufacturing & Creative Industries*. Specifically, draft the industry skill strategy to achieve such transformation placing human capital as the *pillar* of the transformation. The scope of the strategy is to identify industry skills needs to be able to charter occupational pathways as the industry evolves in the next few years (3-5 years). The objective of the strategy is to create a pipeline of workers with the required skills companies need to fuel their digital and/or business transformation in the context of the 4IR, as well as support the upskilling and reskilling of their workforce. Furthermore, this skills strategy for the prioritized industries in Jamaica will provide insights to mitigate workforce displacement as companies pivot towards adopting technologies as well as drive digital inclusion of vulnerable populations by training them in the job-readiness skills they will need to access good jobs as the industry evolves. The information generated by

this skills strategy will seek to identify the skill gaps as a barrier for productivity as digital and business transformation is deployed as Jamaica pivots towards prioritizing its two industries.

3. **Scope of Services**

3.1. The consultancy will develop an industry skills strategy for 2023-2025 outlining recommendations on how the industry could focus on improving the quantity, quality and relevance of skills training and education for the selected industries to transform and at minimum include:

- a) The skills required for the next 18 months for entry level roles for key segments of the sector
- b) Highlight the priority skills needed to help the industry transition towards higher value-added at all levels of the talent pool.
- c) Recommendations of programmes/initiatives to address the skill gaps identified.

3.2. To do so, it will develop Strategy for Industry Workforce Planning and Development of its Human Capital entailing:

- a) The skills required for the next 18 months for entry level roles for key segments of the sector
- b) Highlight the priority skills needed to help the industry transition towards higher value-added at all levels of the talent pool.
- c) Recommendations of programmes/initiatives to address the skill gaps identified.

3.3. It will be necessary for the consultancy firm to be able to demonstrate his/her research design, grasp of industry trends, management and industry analysis as well as their ability to extract policy level conclusions and strategic recommendations in the form a of clear and compelling narrative that engages employers and government partners.

4. **Expected Outcome and Deliverables:**

4.1. The consulting firm will be responsible for the following deliverables:

Deliverable No.	Deliverables	Estimated Delivery	Review period	Payment Schedule
Deliverable #1: Workplan	A detailed workplan to deliver industry skills strategy	1 week after contract signing	1 day	20%
Deliverable #2: Draft Report: 2023 Industry Skills Strategy	The Report should include, at minimum, the following: <ul style="list-style-type: none"> The purpose of this work, describe the key trends facing the industry and highlight the implications for people, jobs, and skills. 	8 weeks after deliverable #1	1 week	25%

	<ul style="list-style-type: none"> • What are the competitive advantages that Jamaica has in key skills and knowledge areas. • The draft final strategy report will make recommendations to the industry, Government and training providers regarding the focus and priorities for skills development during the next 2-3 years and how any training initiatives could be deployed to create maximum value for this government investment. • The draft final strategy report is to be discussed and agreed with the Industry Skills Council (if established by then) before being presented to other stakeholders and Government. <p>Validated by the industries; incorporate comments and inputs from the sector skills council for the final report</p>			
Deliverable #3: Final Industry Skills Strategy Report	<p>Produce an Industry Skills Strategy that clearly outlines the actions required to get the industry to the next level during the next 18 months and resonates with the Industry Skills Council and other key stakeholders.</p> <p>It will include items described in section 3.2</p> <p><i>Executive summary in a PowerPoint format.</i></p>	10 weeks after Deliverable #1	1 week	55%

5. Reporting Requirements

5.1. Reports will be reviewed by the Operations Senior Specialist of the Labour Market and Social Sector Division. Acceptance of deliverables is contingent on addressing comments and feedback provided by this party within the revised versions of the submissions.

6. Acceptance Criteria

6.1. The supervisor for the consultancy is the Chair of the Policy and Strategy Sub-Committee of the Sector Skills Council (if established by then). All submissions must be done in an edit capable format. All reports will be reviewed by the supervisor of the consultancy and feedback given within the review timelines stated above. Each

report should include: **i)** executive summary outlining main findings & recommendations, and **ii)** PowerPoint presentations of such.

7. Supervision and Reporting

7.1. The consultancy will be supervised by the Operations Senior Specialist of the Labour Market and Social Sector Division and supported by other IDB Staff.

8. Schedule of Payments

8.1. Payment terms will be based on project milestones or deliverables. The Bank does not expect to make advance payments under consulting contracts unless a significant amount of travel is required. The Bank wishes to receive the most competitive cost proposal for the services described herein.

8.2. The IDB Official Exchange Rate indicated in the RFP will be applied for necessary conversions of local currency payments.

Payment Schedule	
<i>Deliverable</i>	%
1. Workplan	20%
2. Draft Report: 2023 Industry Skills Strategy	25%
3. Final Industry SKills Strategy Report	55%
TOTAL	100%