

IMPROVING THE QUALITY AND RELEVANCE OF TECHNICAL AND VOCATIONAL EDUCATION IN LAC

RG-T2858

CERTIFICATION

I hereby certify that this operation was approved for financing under the **Korean Poverty Reduction Fund (KPR)** through a communication dated September 27, 2016 and signed by Chang Yeon You (ORP/GCM). Also, I certify that resources from said fund are available for up to **US\$600,000** in order to finance the activities described and budgeted in this document. This certification reserves resource for the referenced project for a period of four (4) calendar months counted from the date of eligibility from the funding source. If the project is not approved by the IDB within that period, the reserve of resources will be cancelled, except in the case a new certification is granted. The commitment and disbursement of these resources shall be made only by the Bank in US dollars. The same currency shall be used to stipulate the remuneration and payments to consultants, except in the case of local consultants working in their own borrowing member country who shall have their remuneration defined and paid in the currency of such country. No resources of the Fund shall be made available to cover amounts greater than the amount certified herein above for the implementation of this operation. Amounts greater than the certified amount may arise from commitments on contracts denominated in a currency other than the Fund currency, resulting in currency exchange rate differences, represent a risk that will not be absorbed by the Fund.

TC Document

I. BASIC INFORMATION FOR TC

▪ Country/Region:	Regional
▪ TC Name:	Improving the quality and relevance of technical and vocational education in LAC
▪ TC Number:	RG-T2858
▪ Team Leader/Members:	María Fernanda Prada (SCL/EDU), Team Leader; Marcelo Perez Alfaro (SCL/EDU); Graciana Rucci (SCL/LMK); Christine Joo (SCL/EDU); Livia Mueller (SCL/EDU); Juanita Caycedo (SCL/EDU); and Taos Aliouat (LEG/SGO)
▪ Taxonomy:	Client Support
▪ Date of TC Abstract authorization:	July 26, 2016
▪ Beneficiary (countries or entities which are the recipient of the technical assistance):	Argentina, Chile, Paraguay, and Dominican Republic
▪ Executing Agency and contact name	Inter-American Development Bank, through the Education Division (SCL/EDU)
▪ Donors providing funding:	Korea Poverty Reduction Fund (KPR)
▪ IDB Funding Requested:	US\$600,000
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period	Disbursement period: 24 months (execution period: 20 months)
▪ Required start date:	January 2017
▪ Types of consultants:	Firms and Individual Consultants
▪ Prepared by Unit:	SCL/EDU
▪ Unit of Disbursement Responsibility:	SCL/EDU
▪ TC Included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ • Institutional Strategy (AB-3008):	Social Inclusion and equality

II. OBJECTIVES AND JUSTIFICATION OF THE TC

- 2.1 Education and skills of the workforce are key drivers of productivity, competitive success of employers and, ultimately, economic growth, poverty reduction and prosperity of nations (OECD, 1994; Hanushek and Woessmann, 2008; Heckman et al., 2006; Heckman et al., 2013). Technical and Vocational Education and Training (TVET), which includes secondary and post-secondary technical education as well as job training, plays a central role in preparing individuals to participate in the labor market.¹ In consequence, TVET has an enormous potential to be the source of skills, knowledge and technology needed to drive labor productivity, accelerated and sustained growth, and global competitiveness in the knowledge-based societies of the 21st Century. Through these channels, TVET may contribute to the national objectives of poverty reduction and shared prosperity. At the individual level, TVET may also contribute to the reduction of poverty. By equipping the poor with the *right* skills, TVET could improve the value of their main asset, their labor, and thus, enhance their employment prospects, which are crucial to increase their stream of income and to reduce the risk of falling into poverty.
- 2.2 In addition, TVET has been recognized for its potential for enhancing youth employability and addressing other issues that are especially important for youth at risk. The experience of various countries demonstrates that *high quality* and *relevant*

¹ TVET is defined by UNESCO as those aspects of the educational process involving the study of technologies and related sciences and the acquisition of practical skills, attitudes, understanding and knowledge relating to occupation in various sectors of economic and social life.

TVET can facilitate school-to-work transition;² enhance student engagement;³ reduce the risk of students leaving the education system without any qualifications; and provide alternative career pathways for individuals with different aptitudes and interest (UNESCO, 2015). However, TVET has fallen short of expectations in many other countries where TVET systems are not strategically aligned with the national development agendas and do not comply with minimum characteristics to ensure quality and relevance.

- 2.3 In this context, the experience of Korea presents an emblematic example of how education and human capital accumulation can serve as the prime engine of economic growth and prosperity⁴ (Bai, 2008; OECD, 2014; Park, 2014; Park and Chung, 2014). Specifically, it illustrates a case in which the government-led TVET strategy was closely aligned, and directly supported the country's Economic Development Plans. Korea's TVET system has significantly contributed to the supply of talent necessary for swift economic growth and has continuously evolved to accommodate diverse and changing demands from the productive sector at each stage of economic development (Ministry of Strategy and Finance, Korea, 2012).
- 2.4 Although Korea's TVET system has many challenges to overcome, the country has been continuously working to improve the quality and relevance of its TVET to prepare for future trends and challenges in the global economy. In doing so, the country has studied and adapted models and policies from other countries with successful TVET systems, drawing much from the UK system of competence based learning but developing at the same time an approach which also borrows from the German dual system.⁵
- 2.5 One interesting case of study is the reform of secondary vocational education focused on specialized vocational and Meister Schools.⁶ The objective of the reform

² In general, countries where TVET is more closely aligned with the labor market, exhibit better outcomes in terms of youth employment and school-to-work transition, compared to other countries where education is more academically oriented and/or less connected to the world of work (Ryan, 2001; Hanushek y otros, 2011; Eichhorst y otros, 2012, Eichhorst, 2015). Moreover, countries where TVET is a prominent part of secondary education, and especially those with advanced apprenticeship systems like Germany, Austria, and the Netherlands have shown relatively low levels of youth unemployment and have reduced their skills gaps (CEDEFOP, 2014; Lehrman, 2013; Steedman, 2012; European Commission, 2013; OECD, 2014, Biavaschi, et.al 2015; Quintini y Manfredi 2009; Quintini et, al 2007). (See [link](#) for full references).

³ See Cullen, et.al, 2013; Stange y Kreisman, 2014 and Dougherty, 2015 for evidence in the United States regarding Career and Technical Education-CTE and its effect on increasing graduation rates of students with low academic performance in secondary and high dropout risk and motivating students to continue with their education beyond secondary. (See [link](#) for full references).

⁴ Within one generation, Korea has transformed itself from a beneficiary to benefactor of development aid and achieved unprecedented rapid industrialization and economic growth, frequently referred to as "the Miracle on the Han River."

⁵ Some examples of these efforts are the development and implementation of a Vocational Qualification System with active involvement of the productive sector and strong emphasis on quality assurance; the development and application of National Competency Standards; and the local-industry tailored skills development system. Although it is hard, and maybe too early, to evaluate how successful each of these initiatives have been, the positive results at the national level, paired with the constant process of revision, prove that Korea is moving to the right direction.

⁶ Meister Schools are special purpose high schools that are specifically designed to create educational experiences tailored to the needs of major industries. Meister Schools were established in 2010 in an effort to revamp the social prestige of vocational schools, diversify educational options for students, and develop a highly-skilled workforce. There are currently 47 Meister schools nationwide with the job placement rate of graduates exceeding 90%, compared to 40% for traditional vocational high school graduates (Ministry of Education, 2016).

was to increase the status of vocational education and to enable these institutions to better adapt to rapidly changing economic environments, as well as to meet the job market's demand for lifelong education (Park, 2011; Chang et al., 2012). Although the effects of these policies have not yet been fully evaluated, the initial outcomes of the reforms are quite impressive.⁷

- 2.6 When we analyze the case of Latin America and the Caribbean (LAC), it is evident that the countries in the region have not been able to take full advantage of the potential of TVET to cultivate talent and propel economic growth and development.
- 2.7 One very important barrier for TVET is the fact that it is generally perceived as a second-class type of education with low quality and prestige in comparison to academically-oriented education⁸ (UNESCO, 2013). In the region, TVET was initially conceived as the alternative to train individuals with no access, or no intention to attend post-secondary education (Bassi et al, 2012). In consequence, the system was not designed to provide high quality education and, with few exceptions, students enrolled tend to come from worse socioeconomic backgrounds and to be weaker in terms of academic performance (Szekely, 2015). Such negative perception is widespread despite the empirical findings showing that, after controlling for individual characteristics affecting self-selection into a given educational path, TVET graduates often have better labor market outcomes than graduates from general education.⁹
- 2.8 However, due to the large heterogeneity in the quality and relevance of the technical education systems and institutions, many graduates in LAC still face high opportunity costs and negative net economic returns to technical education.¹⁰ This is especially true for students of low socioeconomic status, who not only have restricted access to the few high quality institutions but also account for a large fraction of the students enrolled in TVET in their countries.¹¹
- 2.9 In addition, the TVET model in LAC has a very weak and inconsistent connection with the job market. On the one hand, there is no systematic support from the education system to provide job insertion mechanisms such as internships

⁷ Specifically, employment rate of graduates of Meister and Specialized High Schools with a TVET curriculum has continued to increase over the past seven years despite high overall unemployment rate. In 2016, the employment rate of TVET high school graduates (72%) even surpassed that of college graduates (67%) (Ministry of Education, 2016). Furthermore, a large proportion of Meister School graduates (54%) found employment in highly desired companies – large conglomerates and public companies in 2016.

⁸ The perception that TVET is not as prestigious as academic education is present in many countries including Korea. Many of those countries have interesting strategies to improve the status of TVET that could be informative for LAC.

⁹ In fact, Bassi and Ñopo (2016) find that in 12 LAC countries, among workers with no post-secondary education, those with a technical degree earn between 5% and 10% more than those who followed a general education path. Urzua and Bucarey (2013) also show that, compared with general education, technical education at the secondary level in Chile increases formal employment and could be associated with greater earnings depending on the area of study. Almeida et al (2014) present similar results for Brazil. At the tertiary level, returns to education and differences in earnings are less optimistic for graduates of technical education (Gonzalez-Velosa et al, 2015 for Chile and Colombia; Bassi and Ñopo, 2016 for 12 LAC countries; Almeida et al, 2014 for Brazil). (See [link](#) for full references).

¹⁰ See Gonzalez-Velosa et al, 2015; Ortiz et al., 2014; UNESCO, 2013. (See [link](#) for full references).

¹¹ For instance, in Chile more than half of secondary TVET students come from the lowest quintiles of the income distribution (Larrañaga, 2012). According to Szekely (2015) in México, Honduras, Argentina, Uruguay and Colombia the percentage of students enrolled in TVET coming from the poorest 30% of the population is considerably higher compared with the percentage of students in TVET in the richest 10%. (See [link](#) for full references).

opportunities.¹² On the other hand, employers consistently indicate that students do not have the skills they need for their businesses.¹³ Although, some countries (Brazil, Chile, Colombia, Costa Rica, Mexico, Peru and Caribbean countries) utilize their own national apprenticeship-type programs aiming to increase the relevance of TVET and respond to the needs of employers, in the majority of cases coverage is low and they are very heterogeneous across countries.

- 2.10 In order to unleash the potential of TVET, countries in LAC cannot simply scale up provision in its current form. Rather, the region must rethink the nature and roles of their TVET systems, positioning skills development at the center of national development agendas, committing to improve the quality and relevance of TVET, and changing the negative perception associated with TVET. Although this is a common mandate for all the countries in the Region, due to the large heterogeneity found between and within countries, the specific lines of action, areas of improvement, policies, and programs needed to increase the quality and relevance of the TVET system vary widely across countries in the region.¹⁴
- 2.11 In this context, the **general objective** of this Technical Cooperation (TC) is to assist governments in Latin America and the Caribbean (LAC) to improve the quality and relevance of TVET through developing and strengthening strategic partnerships and facilitating knowledge transfer. The specific objectives are: i) to underscore the potential of TVET in supporting national development agendas by presenting the case of Korea and other countries (Australia, UK, New Zealand, among others) that have been able to unleash TVET's potential, and ii) to gain a better understanding of the current state of TVET in the region in terms of provision, quality and relevance. This will enable identification of needs and priorities for LAC countries and thereby promote knowledge sharing of best practices tailored to the needs of each country.
- 2.12 The IDB, through the Education Division has been working actively in TVET in several countries in the region, especially in countries in the southern cone (CH-L1095, UR-L1050, UR-L1116), Brazil (BR-L1327, BR-1302), Colombia (CO-L1093), the Caribbean (BA-L1016, JA-L1005), and Peru (forthcoming). Our projects cover a wide range of topics including: developing institutional frameworks to articulate actors in TVET and improve quality and relevance; design of advanced information systems to identify private sector skill needs and monitor quality in education; and inclusion and development of socio-emotional skills and programs targeting youth. This TC complements the work of the Bank in TVET, especially by providing a common base to compare different systems in the region and identifying areas of improvement in each country. In addition, the workshop aims to fill an important gap in knowledge sharing around secondary technical education.
- 2.13 **Institutional Strategy Alignment.** This TC is consistent with the Update to the Institutional Strategy (UIS) 2016-2019 (AB-3008), as it is aligned with the development challenge (i) social inclusion and equality by contributing to improve TVET which can potential enhance employability and address other issues that are especially important for youth at risk; as well as with the Sector Framework Document of Education and Early Childhood Development (SFD) (GN-2708-3).

¹² See OECD, 2010; Szekely, 2012. (See [link](#) for full references).

¹³ See Bassi et al., 2012; González-Velosa et al., 2014; Fazio and Pinder, 2014; De Mendoza et al, 2014; Baptista et al, 2014a 2014b. (See [link](#) for full references).

¹⁴ To illustrate this point, it is useful to highlight that enrollment in TVET varies from about 2% of total enrollment in secondary in Nicaragua to almost 36% in Mexico, presenting an average of 16% in the region (CIMA, 2016).

Particularly with the SFD, the TC focuses on strengthening TVET to provide students with the skills needed to be productive and participate in the society. It is also part of the IDB's Strategy for a Social Policy Favorable to Equality and Productivity (GN-2588-4) in terms of improving the quality and pertinence of TVET. The TC is also aligned with the Korean Fund (GN-2373-3) objectives as: (i) a large proportion of students with low socioeconomic background in the Region are enrolled in TVET; and (ii) because it promotes the strengthening of TVET which ultimately contributes to the alleviation of poverty as previously explained in the motivation.

- 2.14 The TC is aligned with the Bank's Argentina Country Strategy 2016-2019 (GN-2680-1) in the pillar of reducing poverty and inequality and also with the country's Plan of Government which identifies as one of four main axis "Zero Poverty" with an emphasis on education and employment. It is also aligned with the Bank's Country Strategy with Chile 2014-2018 (GN-2785) in the pillar of human capital development with emphasis on education. Specifically, given that the main elements of the comprehensive education reform in the country are both, the improvement in the quality of education and also, the promotion of vocational education and an increase in its prestige. The TC is also aligned with the Bank's country strategy with the Dominican Republic for the period 2013-2016, more specifically with the first pillar of strengthening the human capital base through interventions in the education sectors. In addition, National Multiyear Public Sector Plan for 2013-2016 (PNPSP) the Dominican government emphasizes the construction of a development model that places priority on expanding the whole population's capacity, in particular, that of the most vulnerable and excluded, by fostering more inclusive and higher quality education, health care, and social protection; and promoting productive sectors with more possibilities for creating decent jobs. Finally, the TC is aligned with the Country Strategy of Paraguay with the Bank for the period 2014-2018 (GN-2769) in the pillar of productive development since one of the main actions proposed to generate employment and increase income levels is the reform to the technical and professional education, especially for students between 15 and 18 years old.

III. DESCRIPTION OF ACTIVITIES/COMPONENTS AND BUDGET

- 3.1 The TC has the following three components:
- 3.2 **Component 1. Knowledge building/research: Current state of TVET in LAC, assessment of needs and identification of priority areas (US\$380,000).** The objective of this component is to produce a descriptive study of the current state of the provision of TVET in at least nine countries in LAC (Argentina, Chile, Paraguay, and Dominican Republic as the main countries of interest and Colombia, Mexico, Peru, El Salvador and Honduras for comparison purposes¹⁵) with emphasis on

¹⁵ The TC focuses mainly in Argentina, Chile, Paraguay, and Dominican Republic because these countries have formally expressed the interest of participating. The Division has a PBL in Chile aimed at improving quality and relevance of TVET. We find that Chile could be used as an example for other countries in LAC in terms of the implementation of best practices from countries outside the region that, although successful, are very different from our countries. Argentina is formally committed to invest in human capital development strategies aimed towards reducing poverty. In fact, one of the main axes of the Government plan in the country is "Zero Poverty" with an emphasis on education and employment. Paraguay is particularly interested in reforming technical and professional education and also has introduced a longer school day where some form of TVET could be thought to students. Dominican Republic also emphasizes in the country strategy, the objective of strengthening the human capital base

secondary education. The document will: (a) synthesize the main features of the organization and availability of TVET in the countries; (b) describe the areas identified as key to ensure quality and to improve the relevance of TVET; and (c) identify areas of improvement and specific needs in each country in order to prepare for the knowledge-sharing activities. The study will include an extensive review of literature and national policies; provide a detailed analysis of available data and indicators, comparing national statistics and international sources; and conduct interviews with TVET experts in the region.

3.3 The study will cover the following topics:

- a. General structure of education systems and provision of formal TVET: enrollment, share of total enrollment in secondary, types of providers, pathways between secondary and tertiary level, socioeconomic profile of students, etc.
- b. Overview of quality assurance mechanisms:
 - i. Overall system: policy strategies and institutional arrangements
 - ii. Teaching institutions and teachers: presence of policies to address TVET-specific needs
 - iii. Workplace training: existence of quality assurance mechanisms for these types of training provided through the education system (dual systems/apprenticeships)
 - iv. Students: quality of assessment, accreditation and certification and existence of assessments designed specifically for TVET students to measure learning and certify mastery of specific competencies
- c. Mechanisms to increase relevance of TVET: mechanisms or procedures to identify private sector needs and anticipate future labor market demands to: (a) develop relevant programs and curriculums; and (b) revise and adjust current programs and curriculums.
- d. Existence (or degree of development/implementation) of national competency standards and qualifications frameworks;
- e. Existence of evidence of the effect of TVET on poverty reduction: effect on employment, salaries and/or comparison of returns to TVET versus other alternatives.

3.4 With the resources allocated to this component, this TC will contract consultancy services for: (i) a research assistant to provide research support for the preparation of the study; and (ii) a consultancy firm to prepare and conduct background research. This component will also finance a workshop/brainstorming meeting with experts in

through interventions in education. In the study we would like to include as many countries as possible for comparison purposes and also to have a complete diagnostic of the region. But given time and money restrictions we are committing to include at least Colombia, Mexico, Peru, Dominican Republic, El Salvador and Honduras. The first three countries along with Chile have decided to work on TVET in the framework of the "Pacific Alliance" to drive further growth, development and competitiveness of the economies of its members, while achieving greater well-being, overcoming socioeconomic inequality and promoting the social inclusion of its inhabitants. Honduras and El Salvador are interesting because they have similar levels of TVET participation in secondary with Chile and Argentina, respectively (with 32% and 19% of the secondary students enrolled in TVET), but with higher incidence of poverty.

TVET to validate the structure and content of the study, travel arrangements to the countries to monitor the study and external reviewers for the study.

- 3.5 **Component 2. Knowledge sharing of successful experiences in TVET from Korea and other countries outside the Region to address identified needs of countries in LAC (US\$165,000).** The objective of this component is threefold: first, to introduce in LAC countries¹⁶ the potential of TVET in supporting national development agendas; second, to transfer knowledge of best practices and successful experiences of countries outside the region to address identified needs of countries in LAC. We are especially interested in the case of Korea for the reasons explained in the motivation section. In consequence we anticipate working in cooperation with the Ministry of Education, Korea Research Institute for Vocational Education and Training (KRIVET), Korean Employment Information Service (KEIS), the Korean Educational Development Institute (KEDI), and the Network of Meister Schools; and third, to develop strategic partnerships in the field of TVET to support countries in the region to apply and institutionalize the lessons learned in subsequent phases. The workshop will be held in Washington DC, in the third trimester of 2017. The workshop is intended for Government officials in charge of the TVET policy, planning and/or implementation, but the participation of other stakeholders interested in TVET is encouraged¹⁷.
- 3.6 The pre-identified topics for the workshop include: (i) development of a lifelong learning system with clear and flexible pathways between secondary and post-secondary education and the labor market; (ii) development and actualization of national competency standards and/ or qualifications frameworks with active involvement of the productive sector; (iii) design of methods and procedures to translate private sector needs into the supply of relevant programs and curriculums, with a special focus on secondary education; (iv) creation and maintenance of information systems and databases to enable prospective learners and jobseekers to plan their careers and decide upon appropriate training courses; (v) assessments designed specifically for TVET students to measure learning and certify mastery of specific competencies; (vi) quality assurance mechanisms and structure of responsible institutions, (vii) experience of Meister schools and specialized technical secondary schools in Korea; (viii) initiatives to improve public perception of TVET; (ix) initiatives to familiarize students early with the world of work and develop new career pathways; and (x) review of how TVET has helped the poverty-reduction strategy and goals in the countries.
- 3.7 The resources allocated to this component will finance: (i) consultancy services for workshop coordination; (ii) panelist and key participants' travel arrangements; and (iii) materials, edition and translation services (see [link](#) for list of potential Korean panelists).
- 3.8 **Component 3. Communication and dissemination (US\$ 55,000).** This component will finance activities that aim to promote the communication and dissemination of findings from the technical assistance and lessons learned from best practices in

¹⁶ All countries in the Region are invited to participate in the Workshop. We will put special emphasis in the nine countries included in the study (component 1 of this TC), but all are invited and encouraged to participate.

¹⁷ In the case of government officials, Workshop participants will be selected jointly with the Ministry of Education in each country to maximize the impact. As for the panelists, we will be selected based upon their knowledge on the topics. A preliminary list of the potential partners from Korea can be found in appendix IV.

TVET to a broader audience. The resources allocated to this component will finance: a consultant to help with design and implementation of the communication and dissemination strategy; and the production of high impact videos.

Table III.I. Indicative Results Matrix

Unit of Measurement	Expected Product	Baseline 2016	2017	2018	EOP	Means of verification
Component 1./ Knowledge building/research						
Workshop	Workshop to validate the structure and content of the study realized	0	1	0	1	Electronic copy of the Workshop's agenda and list of participants in IDBDOCS
Report	Study describing provision of Technical and Vocational Education in Latin America and identifying priority areas to increase its quality and relevance, approved by the IDB team	0	0	1	1	Electronic copy of the report in IDBDOCS
Component 2. Knowledge sharing of successful experiences in TVET						
Workshop	Workshop on best practices to improve quality and relevance of Technical Education realized	0	1	0	1	Electronic copy of the Workshop's report, including the agenda and list of participants in IDBDOCS
Component 3. Communication and dissemination						
Videos	High-impact innovative videos advocating Technical and Vocational Education and disseminating successful experiences, approved by the IDB team	0	0	2	2	Electronic copy of the videos in IDBDOCS
Newsletters	Newsletters on TVET's potential and successful practices to increase quality and pertinence published in IDB website	0	1	1	2	Newsletters published on EDU's web page http://blogs.iadb.org/educacion/
Results Statement : Knowledge of Latin American governments strengthened on best practices to increase quality and relevance of Technical and Vocational Education and Training						

- 3.9 The TC will be disbursed in 24 months and executed in 20 months. The total costs of US\$600,000 will be financed through the Korean Poverty Reduction Fund, allocated according to the following table:

Table III.II. Indicative Budget (in US\$)

Description	Cost	IDB	Counterpart
Component 1. Knowledge building/research	380,000	380,000	0
1.1 Workshop/brainstorming meeting	10,000	10,000	-
1.2 Research assistant	150,000	150,000	-
1.3 Consulting firm for background research and conduct study	170,000	170,000	-
1.6. Travel arrangements	30,000	30,000	-
1.8. External reviewers	10,000	10,000	-
1.9. Translation and edition services	10,000	10,000	-
Component 2. Knowledge sharing of successful experiences in TVET	165,000	165,000	-
2.1. Workshop coordination	60,000	60,000	-
2.2. Panelist and key participants' travel arrangements	100,000	100,000	-
2.3. Materials, edition and translation services	5,000	5,000	-
Component 3. Communication and dissemination	55,000	55,000	-
3.1 Production of videos	25,000	25,000	
3.2 Support dissemination strategy	30,000	30,000	
TOTAL	600,000	600,000	0

IV. EXECUTING AGENCY AND EXECUTION STRUCTURE

- 4.1 Due to the regional character of the TC it will be executed by the Bank, through its Education Division (SCL/EDU). The Bank is in a unique position to lead these activities given its comparative advantage and expertise due its role in education operations, research, and technical assistance throughout the region. In consequence, the Bank will have the technical responsibility for administering the TC and supervising the quality of the products. All disbursements will be executed through the Bank's systems and will require approval from SCL/EDU.
- 4.2 This TC originates by and responds to client needs to improve the quality and relevance of their technical education systems, these needs have been communicated in the ongoing dialogue between borrowing member countries and the Bank. The countries have expressed the need for a description of the state of provision of TVET in other countries, identifying areas of improvement and examples/best practices that are relevant for each country.
- 4.3 The Bank will obtain letters from the Bank's liaison entity in each country (Argentina, Chile, Paraguay, and Dominican Republic) requesting the Bank to finance and execute this TC¹⁸. The Bank will not engage in any activity before obtaining the official letter of request from the country.
- 4.4 The Bank will contract individual consultants, consulting firms and non-consulting services in accordance with current Bank procurement policies and procedures.

V. MAJOR ISSUES

- 5.1 The main risk for this project is the coordination of the agendas of the participants in the knowledge sharing activities. The team will work closely with Korean and LAC officials to organize events with enough time to ensure all the key stakeholders are able to participate in the events.

¹⁸ We are in the process of getting the letters of support from the official liaison in the countries. We will wait until getting the official letter before engaging in any activities with the countries.

- 5.2 Another potential risk is the sustainability of the project. To mitigate this risk we have thought this project as part of a three phase project oriented towards an intervention in at least one of the countries. In this context, the outcomes of this TC could be considered as the first step needed in order to develop an intervention with high and long lasting impact¹⁹. The Donor approves and encourages the strategy

VI. EXCEPTIONS TO BANK POLICY

- 6.1 None.

VII. ENVIRONMENTAL AND SOCIAL STRATEGY

- 7.1 The TC is not anticipated to have direct environmental or social impacts and has been classified as “C” according to the Safeguard Classification Tool. No environmental impact is foreseen as the initiative is limited to consultancies, a workshop and some dissemination products. No Bank resources will be used to finance investments in infrastructure or large scale equipment. This TC will mitigate any risks of exclusion by promoting gender equality in data collection and reporting.

Required Annexes:

- Annex I: [Letters of Request](#)
- Annex II: [Terms of Reference](#)
- Annex III: [Procurement Plan](#)

¹⁹ The second phase would focus on the selection of the country/countries to implement the intervention and defining the specific area in each country. Using the product of this TC as inputs we will choose the country (ies) that would benefit the most with the activities planned. Finally, we propose in the third phase to monitor the implementation and institutionalization of the lessons learned in the priority areas to ensure the improvements in quality and relevance of TVET are not temporal.

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ANNEX A

Education Division (SCL/EDU)

Improving the quality and relevance of technical and vocational education in Latin America and the Caribbean (RG-T2858)

TERMS OF REFERENCE

Background

Established in 1959, the Inter-American Development Bank (“IDB” or “Bank”) is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.

The Inter-American Development Bank, is offering the opportunity to work with the Education Senior Associate of the Education Division to support the Technical Cooperation project on improving the quality and relevance of technical and vocational education and training (TVET) in the LAC region.

Consultancy Objective

The objective of this consultancy is to produce a descriptive study of the current state of the provision of TVET in at least nine countries in LAC with emphasis on secondary education. The document will: a) synthesize the main features of the organization and availability of TVET in the countries, b) describe the status on areas that have been identified as key to ensure quality and to improve the relevance of TVET and c) identify areas of improvement and specific needs in each country in order to prepare for the knowledge-sharing activities as well as to provide tailored support for selected countries in the future.

The study should cover the following topics:

- a. General structure of education systems and provision of formal TVET: enrollment, share of total enrollment in secondary, types of providers, pathways between secondary and tertiary level, apprenticeships, socioeconomic profile of students, etc.
- b. Overview of quality assurance mechanisms:
 - i. Overall system: policy strategy and institutional arrangements
 - ii. Teaching institutions and teachers: general and whether there are some specific policies to attend TVET specific needs
 - iii. workplace training: existence of quality assurance mechanisms for these type of training when it is part of education (dual systems/apprenticeships)
 - iv. students (quality of assessment, accreditation and certification and existence of assessments designed specifically for TVET students to measure learning and certify mastery of specific competencies)
- c. Mechanisms or actions to increase relevance: mechanisms or procedures to identify private sector needs and anticipate future labor market demands to: a) develop relevant programs and curriculums and b) revise and adjust current programs and curriculums.

- d. Existence (or degree of development/implementation) of national competency standards and qualifications frameworks;

Main Activities

The consulting firm will:

- Present a proposal for the structure of the study on the state of the provision of TVET in LAC.
- Participate in a workshop/brainstorm meeting with IDB team and other experts to define the final structure of the document.
- Perform an extensive review of literature and national policies on TVET.
- Provide a detailed analysis of available data and indicators on TVET in the region, comparing national statistics and international sources (UNESCO-UNEVOC).
- Design a questionnaire and conduct interviews with TVET experts in the countries to validate findings.
- Write a descriptive study of the current state of the provision of TVET in LAC jointly with IDB team.

Reports/ Deliverables

Deliverables include:

- **Product 1:** Document with a proposal for the structure of the study on the state of the provision of TVET in LAC.
- **Product 2:** Questionnaires used in the interviews.
- **Product 3:** Descriptive study of the current state of the provision of TVET in LAC jointly with IDB team.

Payment Schedule

- 10% at contract signature
- 40% after delivery and approval of products 1 and 2
- 50% after delivery and approval of product 3

Characteristics of the Consultancy

- Consultancy category and modality: Products and External Services Contractual, Lump Sum, Consulting Firm
- Contract duration: *10 months*
- Place(s) of work: external consultancy
- Responsible person: Education Senior Associate, SCL/EDU

ANNEX A

Headquarters

Education Division (SCL/EDU)

Improving the quality and relevance of technical and vocational education in Latin America and the Caribbean (RG-T2858)

TERMS OF REFERENCE

Background

Established in 1959, the Inter-American Development Bank (“IDB” or “Bank”) is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.

In order to support countries in improving their TVET systems, the team is planning on organizing event(s) to share knowledge of best practices and successful experiences of countries outside the LAC region with a particular interest in the case of Korea. Through effective and efficient communication and dissemination of findings from the technical assistance, the project will inform educators, researchers, policymakers as well as the general public of the critical importance of TVET as well as policies and programs to improve the quality and relevance of TVET.

Consultancy Objective

The objective of this consultancy is to design and implement a communication and dissemination strategy to share findings from the technical assistance and lessons learned from best practices in TVET to a broader audience. Through production of high-impact materials and promotion through various social media outlets, the contractual/firm will contribute to expanding the knowledge base of TVET.

Activities

The contractual will perform the following activities:

- Develop a high-impact video that underscores the critical importance of TVET and policies and programs to improve the quality and relevance of TVET including but not limited to regional and international best practices. The video will be available in English, Spanish, Portuguese and Korean.
- Plan, design, and execute a communication campaign to effectively and efficiently disseminate and communicate findings from the technical assistances. The impact of the communication design and video will be measured by daily access traffic and number of downloads of the video. Expected reach is XXX downloads as measured by web statistics.
- Any other professional task requested by the team.

Deliverables

The contractual will submit the following products:

1. A communication campaign designed and implemented in order to disseminate project objectives and attract partners from private, public and non-profit sectors.
2. Two videos fully developed in English, Spanish, Portuguese, and Korean.

All the products, materials, and events that result from this consultancy shall include but not be limited to the image of the Inter-American Development Bank as well as the flag of the Government of Korea in order to ensure the donor's visibility throughout the project execution.

Additionally, no product that results from any activity financed by this consultancy shall be sold, nor will it be able to generate a revenue stream for the consulting firm or any of its partners and will be subject to intellectual property right provisions in the agreement.

Payment Schedule

In order to facilitate and ensure delivery of expected outputs, the Bank will group payments in 3 and review the quality of each product submitted before approving the following payment:

- 10% on the submission of a Work Plan which will contemplate the deliverable dates and conceptualization of each final output. This work plan will also include the verification method of accomplishing each objective of the TC as well as each of the products outlined above. Additionally, this Work Plan will clearly specify how the consulting firm can provide visibility to the donor through the different products and activities of the TC, including high level events;
- 30% after the delivery and approval of videos in all languages.
- 30% on the submission of progress reports of the communication campaign.
Disbursements will be made every 6 months based on the achievement of the objectives established by the work plan. In this regard, the contractual will prepare Narrative Reports that will describe in detail all activities and attach as annexes the products. These progress reports will include documents, links to the online products, pictures and any other support material. The format of these reports will be agreed to by the consulting firm and the Inter-American Development Bank after signing the contract.

Qualifications

- *Academic Degree / Level & Years of Professional Work Experience: Bachelor's degree or equivalent and two years of relevant professional experience or the equivalent combination of education and experience in Communication or related with more than 5 years of experience*
- *Languages: Spanish and English*
- *Areas of Expertise: Experience designing communication and dissemination strategies and high impact videos for massive audiences*
- *Skills: video production*

Characteristics of the Consultancy

- Consultancy category and modality: Products and External Services Contractual, Lump Sum
- Contract duration: Six months
- Place(s) of work: External consultancy
- Division Leader or Coordinator: Education Senior Associate, SCL/EDU

Payment and Conditions: Compensation will be determined in accordance with Bank's policies and procedures. In addition, candidates must be citizens of an IDB member country.

Consanguinity: Pursuant to applicable Bank policy, candidates with relatives (including the fourth degree of consanguinity and the second degree of affinity, including spouse) working for the Bank as staff members or Complementary Workforce contractuales, will not be eligible to provide services for the Bank.

Diversity: The Bank is committed to diversity and inclusion and to providing equal opportunities to all candidates. We embrace diversity on the basis of gender, age, education, national origin, ethnic origin, race, disability, sexual orientation, religion, and HIV/AIDs status. We encourage women, Afro-descendants and persons of indigenous origins to apply.

ANNEX A

Headquarters

Education Division (SCL/EDU)

Improving the quality and relevance of technical and vocational education in Latin America and the Caribbean (RG-T2858)

TERMS OF REFERENCE

Background

Established in 1959, the Inter-American Development Bank (“IDB” or “Bank”) is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.

Consultancy Objective

The objective of this consultancy is to assist the Education Division with various tasks including research and the consolidation of evidence on TVET policies and practices; analysis of quantitative and qualitative information on the provision of TVET; preparation of proposals, reports and presentations; implementation of its communications and marketing strategies; and the development of tools to allow greater access by various audiences to the materials generated by the IDB, including knowledge products and lessons learned from its programs in Education.

Main Activities

The contractual will perform the following activities:

- Background research on quality assurance mechanisms and relevance of TVET in LAC and Korea and synthesis in reports and presentations.
- Analysis of databases/educational indicators from LAC, Korea and other regions obtained from international and national sources.
- Assist in the empirical analysis of large datasets, including the application of advanced econometric models using STATA
- Help to identify and collect or retrieve data required for the analyses (including performing structured interviews to experts in the region).
- Updating and editing of the Division's files.
- Drafting proposals, reports and presentations.
- Collaborating on issues related to the strategic communication and dissemination of information with Korean authorities.
- Additional responsibilities, as necessary for the completion of above mentioned tasks, are not precluded, which may become necessary and be approved by the supervisor

Qualifications

- **Academic degree/level and years of experience:** Master's degree or equivalent and minimum of five years of relevant professional experience in Education, Social Science, Economics, or in an area related to educational policy.
- **Language:** Fluency in at least one of the Bank official languages.
- **Areas of expertise:** Knowledge and experience in analytical research related to education policy related to technical and vocational education and training. Knowledge of Bank's operational activities is highly desirable.
- **Skills:**
 - Strong background especially in areas of microeconomics, applied econometrics, quantitative analysis, impact evaluation methodologies, survey methodology, and statistics.
 - Strong research background and strong analytical abilities, as demonstrated by academic and other professional achievements are required. The candidate should have the ability to understand and use theoretical and econometric tools of economic analysis. The candidate should have extensive experience manipulating datasets using STATA, and prior experience in evaluation techniques and methodologies.
 - Superior organizational, coordination and logistical skills, with ability to look ahead, address and prioritize a wide range of issues and activities for timely completion; a proven ability to take initiative and work independently, and to work in a dynamic fast-paced work environment.

Characteristics of the Consultancy

- Consultancy category and modality: Defined Term Contractual, Monthly
- Contract duration: 19 months (January 1, 2016 – July 31, 2017)
- Place(s) of work: IDB Headquarters, Washington, DC
- Responsible person: Education Senior Associate, SCL/EDU

Payment and Conditions: Compensation will be determined in accordance with Bank's policies and procedures. The Bank, pursuant to applicable policies, may contribute toward travel and moving expenses. In addition, candidates must be citizens of an IDB member country.

Visa and Work Permit: The Bank, pursuant to applicable policies, may submit a visa request to the applicable immigration authorities; however, the granting of the visa is at the discretion of the immigration authorities. Notwithstanding, it is the responsibility of the candidate to obtain the necessary visa or work permits required by the authorities of the country(ies) in which the services will be rendered to the Bank. If a candidate cannot obtain a visa or work permit to render services to the Bank the contractual offer will be rescinded

Consanguinity: Pursuant to applicable Bank policy, candidates with relatives (including the fourth degree of consanguinity and the second degree of affinity, including spouse) working for the Bank as staff members or Complementary Workforce contractuels, will not be eligible to provide services for the Bank.

Diversity: The Bank is committed to diversity and inclusion and to providing equal opportunities to all candidates. We embrace diversity on the basis of gender, age, education,

national origin, ethnic origin, race, disability, sexual orientation, religion, and HIV/AIDs status. We encourage women, Afro-descendants and persons of indigenous origins to apply.

ANNEX A

Headquarters

Education Division (SCL/EDU)

Improving the quality and relevance of technical and vocational education in Latin America and the Caribbean (RG-T2858)

TERMS OF REFERENCE

Background

Established in 1959, the Inter-American Development Bank (“IDB” or “Bank”) is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.

In order to support countries in improving their TVET systems, the team is planning on organizing event(s) to share knowledge of best practices and successful experiences of countries outside the LAC region with a particular interest in the case of Korea. The knowledge sharing event will also provide an opportunity to strengthen strategic partnerships in the field of TVET and support countries in the region to apply and institutionalize the lessons learned in subsequent phases

Consultancy Objective

The objective of this consultancy is to provide support in the preparation, processing, monitoring and execution of knowledge sharing events. Working in close collaboration with the Education Senior Associate and applying expertise in event organization, the contractual will provide a variety of services to ensure successful delivery of knowledge sharing events.

Main Activities

The contractual will perform the following activities:

1. Provide support for the preparation of the agenda
2. Technical support in the logistic preparation and delivery of face-to-face knowledge sharing events, including:
 - a. Events planning
 - b. Preparation of event budget estimation and execution monitoring
 - c. Coordination of service: accommodation, conference room reservation, catering services, audiovisual support, translation, interpretation, printing, room setup and assembly, among others
 - d. Communications with internal and external providers
 - e. Events onsite support
 - f. Participants attendance monitoring and registration
3. Any other professional task requested by the Education Senior Associate.

Qualifications

- **Academic degree/level and years of experience:** Bachelor’s degree in areas related to Hospitality Management, Project Management, Business Administration or

related areas with a minimum of two years of professional experience in event planning and management or project management.

- **Languages:** Fluency in English and Spanish. Knowledge of Portuguese is a plus.
- **Areas of expertise:** Project management, client management, and event planning and organization.
- **Skills:** Strong communication and interpersonal skills. Excellent time management and organizational skills. Advanced proficiency in the use of Microsoft Office suite (Outlook, Word, Excel, Powerpoint, etc.). Ability to meet deadlines and handle diverse tasks simultaneously.

Characteristics of the Consultancy

- Consultancy category and modality: Temporary Term Contractual, Monthly
- Contract duration: Six months
- Place(s) of work: IDB Headquarters, Washington, DC
- Responsible person: Education Senior Associate, SCL/EDU

Payment and Conditions: Compensation will be determined in accordance with Bank's policies and procedures. The Bank, pursuant to applicable policies, may contribute toward travel and moving expenses. In addition, candidates must be citizens of an IDB member country.

Visa and Work Permit: The Bank, pursuant to applicable policies, may submit a visa request to the applicable immigration authorities; however, the granting of the visa is at the discretion of the immigration authorities. Notwithstanding, it is the responsibility of the candidate to obtain the necessary visa or work permits required by the authorities of the country(ies) in which the services will be rendered to the Bank. If a candidate cannot obtain a visa or work permit to render services to the Bank the contractual offer will be rescinded

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Inter-American Development Bank
VPC/FMP

PROCUREMENT PLAN FOR NON-REIMBURSABLE TECHNICAL COOPERATIONS										
Country: Regional					Executing agency: IADB- Education Division			Public or private sector: public		
Project number: RG-T2858					Title of Project: Improving the quality and relevance of technical and vocational education in LAC					
Period covered by the plan: 12/2016-12/2018										
Threshold for ex-post review of procurements:					Goods and services (in US\$):		165,000		Consulting services(in US\$):	
							435,000			
Item Nº	Ref. AWP	Description (1)	Estimated contract cost (US\$)	Procurement Method (2)	Review of procurement (3)	Source of financing and percentage		Estimated date of the procurement notice or start of the contract	Technical review by the PTL (4)	Comments
						IDB/MIF %	Local/other %			
1		Component 1: Knowledge building/research								
		Non consulting services								
1.1		Workshop/brainstorming meeting to validate the structure and content of the study	10,000	PC	ex-post	100	0	Feb-17		
1.2		Travel arrangements	30,000	PC	ex-post	100	0	Mar-17		
1.3		Publication expenses (Includes external reviewers for the study, translation and editing)	20,000	PC	ex-post	100	0	Feb-18		
		Consulting services								
1.4		Consulting firm for background research and conduct study	170,000	CQS	ex-post	100	0	Mar-17		
		Individual consultants								
1.5		Research Assistant	150,000	IICQ	ex-post	100	0	Jan-17		
2		Component 2: Knowledge sharing of successful experiences in TVET								
2.1		Panelist and key participants' travel arrangements	100,000	PC/NA	ex-post	100	0	Jun-17		
2.2		Materials, edition and translation services (Includes external reviewers for the study)	5,000	DC	ex-post	100	0	Feb-18		
		Individual consultants								
2.3		Assistance workshop coordination	60,000	IICQ	ex-post	100	0	Jan-17		
3		Component 3. Communication and dissemination								
		Individual consultants								
3.1		consultant for support dissemination strategy and video production (includes strategy development)	55,000	IICQ	ex-post	100	0	Feb-18		
Total			600,000	Prepared by: Maria Fernanda Prada			Date: 11/27/2016			
(1) Grouping together of similar procurement is recommended, such as computer hardware, publications, travel, etc. If there are a number of similar individual contracts to be executed at different times, they can be grouped together under a single heading, with an explanation in the comments column indicating the average individual amount and the period during which the contract would be executed. For example: an export promotion project that includes travel to participate in fairs would have an item called "airfare for fairs", an estimated total value of US\$5,000, and an explanation in the Comments column: "This is for approximately four different airfares to participate in fairs in the region in years X and X1".										
(2) Goods and works: CB: Competitive bidding; PC: Price comparison; DC: Direct contracting.										
(2) Consulting firms: CQS: Selection Based on the Consultants' Qualifications; QCBS: Quality and cost-based selection; LCS: Least Cost Selection; FBS: Selection under a Fixed Budget; SSS: Single Source Selection; QBS: Quality Based selection.										
(2) Individual consultants: IICQ: International Individual Consultant Selection Based on Qualifications; SSS: Single Source Selection.										
(2) Country system: include selection Method										
(3) Ex-ante/ex-post review: In general, depending on the institutional capacity and level of risk associated with the procurement, ex-post review is the standard modality. Ex-ante review can be specified for critical or complex process.										
(4) Technical review: The PTL will use this column to define those procurement he/she considers "critical" or "complex" that require ex ante review of the terms of reference, technical specifications, reports, outputs, or other items.										