IMPLEMENTATION COMPLETION AND RESULTS REPORT
(IDA-48980)

ON A

CREDIT

IN THE AMOUNT OF SDR 19.3 MILLION
(US$30 MILLION EQUIVALENT)

TO THE

REPUBLIC OF RWANDA

FOR A

SKILLS DEVELOPMENT PROJECT

November 28, 2016

Education Global Practice
Africa Region
CURRENCY EQUIVALENTS
(Exchange Rate Effective May 31, 2016)

Currency Unit = Rwanda Francs (RWF)
RWF 1 = US$0.001
SDR 1.00 = US$1.40
US$1.00 = SDR 0.71

FISCAL YEAR
July 1-June 30

ABBREVIATIONS AND ACRONYMS

BCP  Belgian Common Program
CAS  Country Assistance Strategy
CBT  Competency-Based Training
CPAF Common Performance Assessment Framework
CPS  Country Partnership Strategy
DP  Development Partner
EDPRS Economic Development and Poverty Reduction Strategy
ESSP Education Sector Strategic Plan
FM  Financial Management
GDP  Gross Domestic Product
GoR Government of Rwanda
IAP  Industrial Attachment Program
IBT  Industry-Based Training
ICB  International Competitive Bidding
ICR  Implementation Completion and Results Report
ICT  Information and Communication Technology
ILO  Industrial Liaison Officer
IPRC  Integrated Polytechnic Regional Center
IRR  Internal Rate of Return
IT  Information Technology
JICA Japan International Cooperation Agency
M&E  Monitoring and Evaluation
MINEDUC Ministry of Education
NCB National Competitive Bidding
NEP National Employment Program
NPV Net Present Value
PBET Post-Basic Education and Training
PDO Project Development Objective
RTQF Rwanda TVET Qualifications Framework
SDF Skills Development Facility
SDP Skills Development Project
SPIU Single Project Implementation Unit
TVET Technical and Vocational Education and Training
VTC Vocational Training Center
Data Sheet
   A. Basic Information
   B. Key Dates
   C. Ratings Summary
   D. Sector and Theme Codes
   E. Bank Staff
   F. Results Framework Analysis
   G. Ratings of Project Performance in ISRs
   H. Restructuring
   I. Disbursement Graph

1. Project Context, Development Objectives and Design ...................................................... 1
2. Key Factors Affecting Implementation and Outcomes ...................................................... 7
3. Assessment of Outcomes .................................................................................................. 14
4. Assessment of Risk to Development Outcome ................................................................. 23
5. Assessment of Bank and Borrower Performance .............................................................. 24
6. Lessons Learned .............................................................................................................. 27
7. Issues Raised by Borrower/Implementing Agencies/Partners ............................................ 28
Annex 1. Project Costs and Financing .................................................................................... 29
Annex 2. Outputs by Component .......................................................................................... 30
Annex 3. Economic and Financial Analysis .......................................................................... 37
Annex 4. Bank Lending and Implementation Support/Supervision Processes ......................... 41
Annex 5. Summary of Borrower's ICR .............................................................................. 43
## A. Basic Information

<table>
<thead>
<tr>
<th>Country</th>
<th>Rwanda</th>
<th>Project Name:</th>
<th>Skills Development Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project ID:</td>
<td>P118101</td>
<td>L/C/TF Number(s):</td>
<td>IDA-48980</td>
</tr>
<tr>
<td>ICR Date:</td>
<td>08/30/2016</td>
<td>ICR Type:</td>
<td>Core ICR</td>
</tr>
<tr>
<td>Lending Instrument:</td>
<td>SIL</td>
<td>Borrower:</td>
<td>GOVERNMENT OF RWANDA</td>
</tr>
<tr>
<td>Original Total Commitment:</td>
<td>XDR 19.30 million</td>
<td>Disbursed Amount:</td>
<td>XDR 19.30million</td>
</tr>
<tr>
<td>Revised Amount:</td>
<td>XDR 19.30million</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Environmental Category:** B

**Implementing Agencies:**
- Work Force Development Authority

**Cofinanciers and Other External Partners:**

## B. Key Dates

<table>
<thead>
<tr>
<th>Process</th>
<th>Date</th>
<th>Process</th>
<th>Original Date</th>
<th>Revised / Actual Date(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appraisal:</td>
<td>02/03/2011</td>
<td>Restructuring(s):</td>
<td></td>
<td>05/20/2013</td>
</tr>
<tr>
<td>Approval:</td>
<td>03/29/2011</td>
<td>Restructuring(s):</td>
<td></td>
<td>04/21/2015</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Closing:</td>
<td>05/31/2016</td>
<td>05/31/2016</td>
</tr>
</tbody>
</table>

## C. Ratings Summary

### C.1 Performance Rating by ICR

- **Outcomes:** Satisfactory
- **Risk to Development Outcome:** Moderate
- **Bank Performance:** Satisfactory
- **Borrower Performance:** Satisfactory

### C.2 Detailed Ratings of Bank and Borrower Performance (by ICR)

<table>
<thead>
<tr>
<th>Bank</th>
<th>Ratings</th>
<th>Borrower</th>
<th>Overall Borrower Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality at Entry:</td>
<td>Moderately Satisfactory</td>
<td>Government:</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Quality of Supervision:</td>
<td>Satisfactory</td>
<td>Implementing Agency/Agencies:</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Overall Bank Performance:</td>
<td>Satisfactory</td>
<td>Overall Borrower Performance:</td>
<td>Satisfactory</td>
</tr>
</tbody>
</table>
C.3 Quality at Entry and Implementation Performance Indicators

<table>
<thead>
<tr>
<th>Implementation Performance</th>
<th>Indicators</th>
<th>QAG Assessments (if any)</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential Problem Project at any time (Yes/No):</td>
<td>No</td>
<td>Quality at Entry (QEA):</td>
<td>None</td>
</tr>
<tr>
<td>Problem Project at any time (Yes/No):</td>
<td>Yes</td>
<td>Quality of Supervision (QSA):</td>
<td>None</td>
</tr>
<tr>
<td>DO rating before Closing/Inactive status:</td>
<td>Satisfactory</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

D. Sector and Theme Codes

<table>
<thead>
<tr>
<th>Sector Code (as % of total Bank financing)</th>
<th>Original</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult literacy/non-formal education</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Public administration- Education</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Vocational training</td>
<td>60</td>
<td>60</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Theme Code (as % of total Bank financing)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Education for the knowledge economy</td>
<td>100</td>
</tr>
</tbody>
</table>

E. Bank Staff

<table>
<thead>
<tr>
<th>Positions</th>
<th>At ICR</th>
<th>At Approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vice President:</td>
<td>Makhtar Diop</td>
<td>Obiageli Katryn Ezekwesili</td>
</tr>
<tr>
<td>Country Director:</td>
<td>Diarietou Gaye</td>
<td>Johannes C.M. Zutt</td>
</tr>
<tr>
<td>Practice Manager/Manager:</td>
<td>Sajitha Bashir</td>
<td>Christopher J. Thomas</td>
</tr>
<tr>
<td>Project Team Leader:</td>
<td>Hiroshi Saeki</td>
<td>Margo A. Hoftijzer</td>
</tr>
<tr>
<td>ICR Team Leader:</td>
<td>Karthika Radhakrishnan</td>
<td></td>
</tr>
<tr>
<td>ICR Primary Author:</td>
<td>Karthika Radhakrishnan</td>
<td></td>
</tr>
</tbody>
</table>

F. Results Framework Analysis

Project Development Objectives (from Project Appraisal Document)
Improve access to quality and demand-responsive vocational training.

Revised Project Development Objectives (as approved by original approving authority)
NA
(a) PDO Indicator(s)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Baseline Value</th>
<th>Original Target Values (from approval documents)</th>
<th>Formally Revised Target Values</th>
<th>Actual Value Achieved at Completion or Target Years</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Indicator 1:</strong></td>
<td>Persons enrolled in VTCs and IBT (share of females)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value (Quantitative or Qualitative)</td>
<td>6,507 (45%)</td>
<td>P2: 3,333 (41%)</td>
<td>5,490 (44%)</td>
<td></td>
</tr>
<tr>
<td>Date achieved</td>
<td>12/31/2010</td>
<td>05/31/2016</td>
<td>05/31/2016</td>
<td>05/31/2016</td>
</tr>
<tr>
<td>Comments (incl. % achievement)</td>
<td>P1: 84% achieved for persons enrolled and 98% achieved for share of females. P2: 165% achieved for persons enrolled and 107% achieved for share of females. P3: 125% achieved for persons enrolled and 107% achieved for share of females.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| **Indicator 2:** | Persons enrolled in training financed through Skills Development Facility (share of females) | | | |
| Value (Quantitative or Qualitative) | 15,900 (35%) | P2: 15,275 (37%) | 14,872 (47%) | |
| Date achieved | 12/31/2010 | 05/31/2016 | 05/31/2016 | 05/31/2016 |
| Comments (incl. % achievement) | P1: 94% achieved for persons enrolled and 134% achieved for share of females. P2: 97% achieved for persons enrolled and 127% achieved for share of females. P3: 124% achieved for persons enrolled and 127% achieved for share of females. | | | |

| **Indicator 3:** | Persons completing Vocational Training in VTCs and IBT (share of females) | | | |
| Value (Quantitative or Qualitative) | 3,825 (40%) | P2: 2,396 (36%) | 2,144 (29%) | |
| Date achieved | 12/31/2010 | 05/31/2016 | 05/31/2016 | 05/31/2016 |
| Comments (incl. % achievement) | P1: 56% achieved for persons completing and 73% achieved for share of females P2: 89% achieved for persons completing and 81% achieved for share of females P3: 65% achieved for persons completing and 81% achieved for share of females. | | | |

<p>| <strong>Indicator 4:</strong> | Persons completing training in training financed through Skills Development Facility (share of females) | | | |
| Value (Quantitative or Qualitative) | 14,013 (35%) | P2: 13,489 (36%) | 12,129 (39%) | |
| Date achieved | 12/31/2010 | 05/31/2016 | 05/31/2016 | 05/31/2016 |
| Comments (incl. % achievement) | P1: 87% achieved for persons completing and 111% achieved for share of females P2: 90% achieved for persons completing and 108% achieved for share of females P3: 121% achieved for persons completing and 105% achieved for share of females. | | | |</p>
<table>
<thead>
<tr>
<th>Indicator 5</th>
<th>VTC and IBT graduates who are employed or self-employed within six months of graduation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value (Quantitative or Qualitative)</td>
<td>0</td>
</tr>
<tr>
<td>Date achieved</td>
<td>12/31/2010</td>
</tr>
<tr>
<td>Comments (incl. % achievement)</td>
<td>P1: 130% achieved; P2: 217% achieved; P3: 217% achieved</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Indicator 6</th>
<th>SDF graduates who are employed or self-employed within six months of graduation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value (Quantitative or Qualitative)</td>
<td>40</td>
</tr>
<tr>
<td>Date achieved</td>
<td>12/31/2014</td>
</tr>
<tr>
<td>Comments (incl. % achievement)</td>
<td>P1: NA; P2: NA; P3: 92% achieved.</td>
</tr>
</tbody>
</table>

This was a new indicator introduced during Restructuring 2 to also capture SDF graduates.

<table>
<thead>
<tr>
<th>Indicator 7</th>
<th>Pre-employed persons trained through SDF sub-grants who improved job performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value (Quantitative or Qualitative)</td>
<td>0</td>
</tr>
<tr>
<td>Date achieved</td>
<td>12/31/2010</td>
</tr>
<tr>
<td>Comments (incl. % achievement)</td>
<td>P1: 117% achieved; P2: 121% achieved; P3: 114% achieved.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Indicator 8</th>
<th>Employer Satisfaction with VTC and IBT Graduates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value (Quantitative or Qualitative)</td>
<td>74%</td>
</tr>
<tr>
<td>Date achieved</td>
<td>12/31/2010</td>
</tr>
<tr>
<td>Comments (incl. % achievement)</td>
<td>P1: 178%, P2: 134%; P3: 134% - Employer Satisfaction for VTC graduates</td>
</tr>
</tbody>
</table>

\(^1\) The achievement cannot be compared to baseline as the survey did not use a scale that was used in the baseline survey. The Tracer Study survey of IBT graduates used the following four point scale: extremely satisfied, very satisfied, satisfied, not at all satisfied which was not similar to the baseline survey: very satisfied, satisfied, not so satisfied, not satisfied. The baseline was established using CPAF 2013 data at the time of Restructuring 1 in May 2013.

\(^2\) The scale used in the Tracer study survey of VTC graduates was similar to the scale used for the baseline survey.
(b) Intermediate Outcome Indicator(s)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Baseline Value</th>
<th>Original Target Values (from approval documents)</th>
<th>Formally Revised Target Values</th>
<th>Actual Value Achieved at Completion or Target Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator 1</td>
<td>Number of occupations for which training is offered in at least one targeted VTC using the new Competency Based Training Approach</td>
<td>0</td>
<td>8</td>
<td>-NA-</td>
</tr>
<tr>
<td>Value (Quantitative or Qualitative)</td>
<td>0</td>
<td>8</td>
<td>-NA-</td>
<td>8</td>
</tr>
<tr>
<td>Date achieved</td>
<td>12/31/2010</td>
<td>05/31/2016</td>
<td>05/31/2016</td>
<td></td>
</tr>
<tr>
<td>Comments (incl. % achievement)</td>
<td>P1: 100% achieved; P2: 100% achieved; P3: 100% achieved</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indicator 2</td>
<td>Curricula and teaching/training material validated for occupations targeted by the project</td>
<td>0</td>
<td>8</td>
<td>-NA-</td>
</tr>
<tr>
<td>Value (Quantitative or Qualitative)</td>
<td>0</td>
<td>8</td>
<td>-NA-</td>
<td>8</td>
</tr>
<tr>
<td>Date achieved</td>
<td>12/31/2010</td>
<td>05/31/2016</td>
<td>05/31/2016</td>
<td></td>
</tr>
<tr>
<td>Comments (incl. % achievement)</td>
<td>P1: 100% achieved; P2: 100% achieved; P3: 100% achieved</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indicator 3</td>
<td>Examination mechanisms validated for occupations targeted by the project</td>
<td>0</td>
<td>8</td>
<td>-NA-</td>
</tr>
<tr>
<td>Value (Quantitative or Qualitative)</td>
<td>0</td>
<td>8</td>
<td>-NA-</td>
<td>8</td>
</tr>
<tr>
<td>Date achieved</td>
<td>12/31/2010</td>
<td>05/31/2016</td>
<td>05/31/2016</td>
<td></td>
</tr>
<tr>
<td>Comments (incl. % achievement)</td>
<td>P1: 100% achieved; P2: 100% achieved; P3: 100% achieved</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indicator 4</td>
<td>VTCs and IBTs rehabilitated and/or equipped for targeted occupations</td>
<td>0</td>
<td>7</td>
<td>P2: 7</td>
</tr>
<tr>
<td>Value (Quantitative or Qualitative)</td>
<td>0</td>
<td>7</td>
<td>P2: 7</td>
<td>P3: 10</td>
</tr>
<tr>
<td>Date achieved</td>
<td>12/31/2010</td>
<td>05/31/2016</td>
<td>05/31/2016</td>
<td></td>
</tr>
<tr>
<td>Comments (incl. % achievement)</td>
<td>P1: 57% achieved; P2: 57% achieved; P3: 80% achieved</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indicator 5</td>
<td>Adequately skilled trainers in place</td>
<td>0</td>
<td>90%</td>
<td>P2: 70%</td>
</tr>
<tr>
<td>Value (Quantitative or Qualitative)</td>
<td>0</td>
<td>90%</td>
<td>P2: 70%</td>
<td>P3: 75%</td>
</tr>
<tr>
<td>Date achieved</td>
<td>12/31/2010</td>
<td>05/31/2016</td>
<td>05/31/2016</td>
<td></td>
</tr>
<tr>
<td>Comments (incl. %)</td>
<td>P1: 83% achieved; P2: 107% achieved; P3: 100% achieved</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ix
<table>
<thead>
<tr>
<th>Indicator 6 :</th>
<th>VTC and IBT graduates who carried out an industrial attachment program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value (Quantitative or Qualitative)</td>
<td>0</td>
</tr>
<tr>
<td>Date achieved</td>
<td>12/31/2010</td>
</tr>
<tr>
<td>Comments (incl. % achievement)</td>
<td>P1: 131% achieved; P2: 131% achieved; P3: 142% achieved</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Indicator 7 :</th>
<th>Number of VTCs and IBT which have annual work plan and budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value (Quantitative or Qualitative)</td>
<td>0</td>
</tr>
<tr>
<td>Date achieved</td>
<td>12/31/2010</td>
</tr>
<tr>
<td>Comments (incl. % achievement)</td>
<td>P1: 100% achieved (target for all VTCs met); P2: 100% achieved (target for all VTCs met); P3: 100% achieved (target for all VTCs and IBTs met)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Indicator 8 :</th>
<th>A system in place to monitor and evaluate TVET performance producing timely and accurate information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value (Quantitative or Qualitative)</td>
<td>(i) Target values for PDO indicators 1 and 2 confirmed or revised; (ii) Evaluation of SDF performance completed; (iii) M&amp;E reports used to guide WDA’s decision making processes.</td>
</tr>
<tr>
<td>Date achieved</td>
<td>12/31/2010</td>
</tr>
<tr>
<td>Comments (incl. % achievement)</td>
<td>P1: 100% achieved; P2: 100% achieved; P3: 100% achieved.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Indicator 9 :</th>
<th>Sub-grant agreements for subprojects signed (component 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value (Quantitative or Qualitative)</td>
<td>0</td>
</tr>
<tr>
<td>Date achieved</td>
<td>12/31/2010</td>
</tr>
<tr>
<td>Comments (incl. % achievement)</td>
<td>P1: 126% achieved; P2: 124% achieved; P3: 120% achieved</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Indicator 10 :</th>
<th>Subprojects satisfactorily completed (Component 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0</td>
</tr>
</tbody>
</table>
G. Ratings of Project Performance in ISRs

<table>
<thead>
<tr>
<th>No.</th>
<th>Date ISR Archived</th>
<th>DO</th>
<th>IP</th>
<th>Actual Disbursements (US$, millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>09/21/2011</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>0.00</td>
</tr>
<tr>
<td>2</td>
<td>03/19/2012</td>
<td>Moderately Satisfactory</td>
<td>Moderately Unsatisfactory</td>
<td>2.00</td>
</tr>
<tr>
<td>3</td>
<td>10/23/2012</td>
<td>Moderately Unsatisfactory</td>
<td>Moderately Unsatisfactory</td>
<td>2.19</td>
</tr>
<tr>
<td>4</td>
<td>06/08/2013</td>
<td>Moderately Satisfactory</td>
<td>Moderately Satisfactory</td>
<td>2.65</td>
</tr>
<tr>
<td>5</td>
<td>12/28/2013</td>
<td>Moderately Satisfactory</td>
<td>Moderately Satisfactory</td>
<td>4.61</td>
</tr>
<tr>
<td>6</td>
<td>04/21/2014</td>
<td>Moderately Unsatisfactory</td>
<td>Moderately Satisfactory</td>
<td>7.11</td>
</tr>
<tr>
<td>7</td>
<td>10/10/2014</td>
<td>Moderately Satisfactory</td>
<td>Moderately Satisfactory</td>
<td>14.88</td>
</tr>
<tr>
<td>8</td>
<td>04/08/2015</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>22.12</td>
</tr>
<tr>
<td>9</td>
<td>10/22/2015</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>24.94</td>
</tr>
<tr>
<td>10</td>
<td>03/09/2016</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>27.59</td>
</tr>
<tr>
<td>11</td>
<td>06/01/2016</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
<td>28.48</td>
</tr>
</tbody>
</table>

H. Restructuring (if any)

<table>
<thead>
<tr>
<th>Restructuring Date(s)</th>
<th>Board Approved PDO Change</th>
<th>ISR Ratings at Restructuring</th>
<th>Amount Disbursed at Restructuring in US$, millions</th>
<th>Reason for Restructuring &amp; Key Changes Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>05/20/2013</td>
<td>MU MU</td>
<td>2.65</td>
<td>Restructuring 1 reflected the experience from the early stages of project implementation. Following changes were made: (i) Baseline and targets established for PDO Indicator on “Employer Satisfaction”. (ii) The targets for the two IO indicators relating to the SDF (component 3) were increased to reflect the positive progress made in the implementation of the SDF.</td>
<td></td>
</tr>
</tbody>
</table>
In order to provide additional time, targets were moved down by a year for four PDO indicator and one Intermediate Indicator target.

The wording of the target for IO indicator “A system in place to monitor and evaluate TVET performance producing timely and accurate information” was revised to reflect the system approach to generating M&E report.

The wording of the IO indicator “VTCs rehabilitated and equipped” was changed to “VTCs rehabilitated and/or equipped” as the Government decided to finance Kabarondo VTC and Busogo VTC Hospitality block fully through their budget. The project only planned to provide equipment/consumables in these sites.

The reason for Restructuring 2 was to institutionalize and explicitly include Industry-based Training (IBT) as a viable activity for providing training. This activity had been implemented successfully with support from the Project since 2013 and was producing results. It was noted in the Restructuring Paper that IBT was already taken into account in the previous Results Framework (as this was used as an alternative approach to deliver training while the VTC construction was ongoing) and since this approach was formalized with government deciding to continue using the Hotel sites in addition to VTCs, the second restructuring only explicitly included this in the description of the indicators for clarity purposes.

| 04/21/2015 | S | S | 22.12 |
Changes made:
(i) PDO and IO indicators relating to VTCs clarified to explicitly include IBT in the description.
(ii) Targets relating to “VTC and IBT” PDO indicators and IO indicators were increased to reflect the positive progress made with the introduction of IBT.
(iii) The maximum duration of training provided under the SDF was increased to 6 months from the initial duration of 3 months to increase its quality. This consequently meant that fewer trainees would enroll and complete the training during project implementation and the targets were adjusted accordingly.

I. Disbursement Profile
1. Project Context, Development Objectives and Design

1.1 Context at Appraisal

1. **Country and Sector Background.** At the time of appraisal of the Skills Development Project (SDP), in February 2011, Rwanda’s economy was growing on average at a rate of 7.5 percent despite the global economic crisis. The manufacturing sector and, particularly, the service sector were becoming increasingly significant in Rwanda’s steadily expanding economy. In 2010, the service sector generated 55 percent of the gross domestic product (GDP)—compared to 37 percent in 2001. Industry contributed 13 percent to the GDP and agriculture contributed 32 percent to the GDP in the same year; the latter down from 45 percent in 2001. The essential drivers for growth were mining and quarrying (manufacturing), financing and services, tourism, and construction. Construction, one of the largest manufacturing subsectors, had generated about 8 percent of GDP in 2008. However, despite good economic growth trends, it was noted during appraisal that 56 percent of Rwandans lived below the income poverty line, with 37 percent in extreme poverty.

2. Rwanda’s Vision 2020 identified its long-term development mission to be a middle-income export-oriented economy, operating as a knowledge-based service hub by 2020. The Economic Development and Poverty Reduction Strategy (EDPRS) 2008–12 also assigned a high priority to accelerating growth to create employment and generate exports.

3. In the education sector, Rwanda had made remarkable progress at the basic-education level (comprising six years of primary education and three years of lower general secondary education), with near universal access to primary education. With the Government’s efforts to implement the fast-tracking of the Nine Year Basic Education Policy, the transition rate from primary to lower secondary saw a rise from 87.9 percent in 2008 to 95 percent in 2009. However, there were key challenges that needed to be addressed, including access to higher education and quality of basic education to ensure that individuals with appropriate skill levels and skill mix entered the labor market.

4. The Government had adopted an integrated approach to the development of the education sector as reflected in the Education Sector Strategic Plan (ESSP) 2010–15. In addition to continuing the focus on basic education, this approach included addressing constraints related to post-basic education and to the linkages between the overall education and training system and labor demand. Improving completion and transition rates in basic education, along with improving education quality and ensuring that the Post-Basic Education and Training (PBET) system was better tailored to meet labor market demands was identified as one of the key objectives in the ESSP. To meet this objective, the ESSP identified the expansion of access to high-quality and demand-responsive technical and vocational education and training (TVET) as one of the strategic priorities, along with continued efforts to increase access to and quality of basic and post-basic levels of education.

---

3 World Development Indicators, 2016
In Rwanda, vocational training was traditionally offered mainly to individuals who dropped out of or completed primary school. At the time the project was introduced, the Government had decided to provide vocational training to those who completed nine years of basic education which would result in entrants in vocational training who had stronger cognitive and catalytic skills and were able to be more productive in the labor market. Also, the number of entrants into vocational training was likely to increase, considering the Government’s efforts to implement the Nine Year Basic Education Policy.

Due to the shortage of vocationally and technically trained workers and the relatively underdeveloped state of the TVET system, government actions in the area of PBET had started to increasingly focus on TVET. Rwanda’s system of TVET had relatively limited coverage, with 50,000 enrolled in various types of publicly provided one- to three-year training courses. The publicly funded trainings were offered in polytechnics, vocational training centers (VTCs), and technical secondary schools. The TVET system was also characterized by extensive private training providers, mostly small cooperatives and associations serving the informal sector. Key issues facing the TVET system in Rwanda included: (a) limited and inequitable access in general, and ‘under-production’ of skilled workers, in key economic areas in particular; (b) low employability of TVET graduates; (c) insufficient participation from private sector and enterprise-based training opportunities; (d) inadequate and inefficient financing; and (e) absence of a monitoring and evaluation (M&E) mechanism to monitor TVET system performance.

Though the Government had recognized the importance of an appropriate skills base for structural and sustainable economic development, its focus on addressing skills development with a comprehensive, cross-sector approach was fairly new. The Government had adopted an extensive and forward-looking framework for TVET consisting of a TVET Policy, an Integrated TVET Concept Paper, and a draft TVET Implementation Plan. The TVET Policy (2008) included four pillars: (a) systems development—including development of the national training authority (the Workforce Development Authority, WDA) and design of a national qualifications framework; (b) expansion of access; (c) improved quality through curriculum development and instructor training; and (d) establishment of sustainable financing. The policy framework focused on strengthening links between enterprises and training supply, to structure training on the basis of updated occupational competencies, and developing an integrated TVET system.

The project was consistent with the World Bank’s aim to provide the relevant skills and competencies to support Rwanda’s transition to a knowledge economy. The project contributed to the importance of promoting economic-transformation and growth, as identified in the 2008–12 Rwanda Country Assistance Strategy (CAS), by increasing the pool of skilled labor for the private and public sectors. The project also contributed to the CAS pillar of reducing social vulnerability by providing trainees with opportunities for income generation.

The project supported Rwanda’s aim to transform its economy from subsistence agriculture to an economy that relies on commercial agriculture, manufacturing, and services and to help spur the development of small and medium enterprises in Rwanda. This in turn was expected to result in increased employment opportunities and higher productivity and earnings for both skilled and unskilled workers.
1.2 Original Project Development Objectives (PDO) and Key Indicators (as approved)

10. The original PDO was to improve access to quality and demand-responsive vocational training. The key indicators for measuring achievement of the PDO were:

   (a) Employer satisfaction with VTC students
   (b) Employed persons trained through Skills Development Facility (SDF) sub-grants who improved job performance
   (c) VTC graduates who are employed or self-employed within six months of graduation
   (d) Persons completing:
       (i) Vocational training
       (ii) Training financed through Skills Development Facility
   (e) Direct beneficiaries:
       (i) Persons enrolled in VTCs
       (ii) Persons enrolled in training financed through Skills Development Facility

1.3 Revised PDO (as approved by original approving authority) and Key Indicators, and Reasons/Justification

11. No changes were made to the PDO.

12. Two restructurings took place during the implementation of the project. The first restructuring in May 2013 reflected the experience from the early stages of project implementation and revised costing of project activities. First, given that the overall costs for VTC rehabilitation/construction were turning out to be higher compared to the costs originally envisaged at appraisal, the Government agreed to finance the rehabilitation/construction costs of Kabarondo VTC and Busogo VTC hospitality block fully through their budget. To reflect this, the intermediate outcome indicator ‘VTCs rehabilitated and/or equipped for targeted occupations’ was changed. In addition, changes were made to the PDO indicators to reflect (a) new information available from the Labor Market Information System; and (b) the establishment of the baseline and target for ‘employer satisfaction’ using data from the Common Performance Assessment Framework (CPAF). Changes made to the PDO indicators are presented in table 1, along with the justifications.

13. After the first restructuring, the Government of Rwanda (GoR) introduced industry-based training (IBT) in partnership with the private sector as a response to the slow progress in construction/rehabilitation of workshops in VTCs. IBT, an innovative approach launched in partnership with the private sector, was introduced in December 2013 to offer vocational training at hotel sites, until the construction of VTCs was completed. IBT used competency-based, demand responsive curricula and assessment packages developed under the project. However, due to the high success rate of this approach, the Government decided to formalize the approach to use hotel sites along with VTCs for providing vocational training. This approach was not originally planned at appraisal and was introduced during implementation. Given the introduction of IBT and in light of the significant progress made since the first restructuring, the midterm review recommended a second restructuring which was completed in April 2015, to officially include IBT as a viable
means of providing training. The second restructuring introduced changes to indicator targets for the years 2015 and 2016 and clarified the indicator descriptions. The PDO targets were also revised for the SDF to reflect the change in the period of training from three months to six months. Lessons learned from the first two rounds of implementation suggested that some trades require 3–6 months of training to gain the competitive skills necessary to join the labor market.

### Table 1. Changes Made to the PDO Indicator Targets during Restructurings

<table>
<thead>
<tr>
<th>PDO Indicators (linkage to PDO)</th>
<th>Revisions at Restructuring 1 (May 2013)</th>
<th>Revisions at Restructuring 2 (April 2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direct beneficiaries:</strong> (measure of access)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Persons enrolled in VTCs Target - 6,507 (45% female)</td>
<td>Target was reduced to 3,333 (41% female). The change was made to align with the revised scope of project activities.</td>
<td>Indicator was revised to ‘Persons enrolled in VTCs and IBT’ and target was increased to 4,400 (41% female) from 3,333 (41% female). The targets were increased to reflect the positive progress made on ground with the introduction of IBT which was being implemented since 2013.</td>
</tr>
<tr>
<td>2. Persons enrolled in training financed through the Skills Development Facility Target - 15,900 (35% female)</td>
<td>Target was slightly reduced to 15,275 (37% female). The change was made to align with time remaining because the first batch would complete training only in 2013, compared to the originally envisaged date of 2012 at appraisal.</td>
<td>Target was reduced to 12,000 (37%) from 15,275 (37%) as the duration of short-term training increased from 3 months to 6 months.</td>
</tr>
<tr>
<td><strong>Persons completing:</strong> (measure of quality)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Vocational training Target - 3,825 (40% female)</td>
<td>Target was reduced to 2,396 (36% female) as explained above.</td>
<td>Indicator was revised to ‘Persons completing vocational training in VTCs and IBT’ and target was increased to 3,300 (36% female) from 2,396 (36% female). The targets were increased to reflect the positive progress made on ground with the introduction of IBT, which was being implemented since 2013.</td>
</tr>
<tr>
<td>4. Training financed through Skills Development Facility Target: 14,013 (35%)</td>
<td>Target was reduced to 13,489 (36%) as explained above.</td>
<td>Target was reduced to 10,000 (37%) from 13,489 (36%) as the duration of short-term training increased from 3 months to 6 months.</td>
</tr>
<tr>
<td>5. VTC graduates who are employed or self-employed within six months of graduation (measure of enhanced responsiveness) Target: 50%</td>
<td>Target was reduced to 30% based on new information available from Labor Market Information System—similar study/information was not available during project preparation.</td>
<td>The indicator was clarified to explicitly capture IBT and SDF graduates. (a) VTC and IBT graduates who are employed or self-employed within six months of graduation. The combined target was set as 30% (b) SDF graduates who are employed or self-employed within six months of graduation. The target was established as 50%.</td>
</tr>
</tbody>
</table>
6. Employed persons trained through SDF sub-grants who improved job performance (measure of quality) Target: 80%

<table>
<thead>
<tr>
<th></th>
<th>Target was reduced to 77%. Targets were moved down by a year to align with time remaining. The first batch would complete training only in 2013, compared to the originally envisaged date of 2012.</th>
<th>The indicator was revised to ‘Pre-employed persons trained through SDF sub-grants who improved job performance’ for clarity. The target was increased to 82% based on progress made and to incentivize further achievement.</th>
</tr>
</thead>
</table>

7.: Employer Satisfaction with VTC graduates (measure of quality) Target: 80%

<table>
<thead>
<tr>
<th></th>
<th>Baseline was established using data from the CPAF and annual targets were confirmed. Target: CPAF 2013 plus 8 percentage points (82%)</th>
<th>The indicator was revised to also capture IBT graduates - Employer Satisfaction with VTC and IBT graduates. No change was made to the target.</th>
</tr>
</thead>
</table>

1.4 Main Beneficiaries

14. The primary target groups identified in the Project Appraisal Document (PAD) were (a) graduates with nine years of basic education from improved vocational training in selected priority occupations; (b) recipients of training funded through the SDF, which was open to adults at all education levels from the relatively unskilled to graduates from vocational centers/universities; (c) public and private training providers benefitting directly from project interventions; and (d) the private sector, from the improved skills base of the labor force. At the time of closing, six VTCs, four IBTs, 20,362 graduates from VTCs, IBT, and the SDF; 108 training providers; and the private sector had directly benefitted from project interventions. A total of 107 teachers and 16 managers who received training through the project, also benefitted from the project. In addition, the WDA, which received capacity-building support, also directly benefited from project interventions. Indirect beneficiaries include students from technical secondary schools and polytechnics and students receiving training through the National Employment Program (NEP) in VTCs/Integrated Polytechnic Regional Centers (IPRCs) who benefitted from sharing renovated classrooms and advanced equipment provided by the project.

1.5 Original Components

15. **Component 1 - Delivery of Quality and Relevant Vocational Training (Total US$23.6 million; IDA US$19.1 million).** The component aimed to finance comprehensive interventions in a select number of sectors (hospitality and tourism, and construction) and occupations (cook, waiter, housekeeper, and receptionist under the hospitality and tourism sector, and plumber, electrician, mason, and carpenter under the construction sector). The selected occupations were chosen taking into consideration economic and social criteria, information on labor market demands, and potential for establishing industry partnerships to identify or update occupation standards to develop new curricula. The specific objectives of this component were to (a) pilot the delivery of eight new curricula at vocational level in seven public VTCs, including industrial attachments; (b) demonstrate the value of an integrated set of interventions to raise the quality of skills delivery; and (c) raise the capacity of the WDA and training providers to develop and deliver high-quality skills training in priority areas. This component was to finance the (a) design and implementation of competency-based, demand-responsive curricula; (b) design and implementation of competency-based training (CBT) process assessments and summative assessments of trainees; (c) delivery of CBT training-of-trainers; (d) improvement of school-based management capacity for CBT implementation; (e) development and implementation of the
Industrial Attachment Program (IAP); (f) infrastructure rehabilitation and construction and provision of furniture, equipment and materials (including consumables).

16. **Component 2 - TVET System Strengthening (Total US$3.3 million; IDA US$3.3 million).** The specific objective of this component was to (a) monitor and evaluate training delivery, in particular the implementation and performance of the SDP; (b) inform strategic policy decisions and policy reforms by providing sound analyses concerning key aspects of the training system and the labor market; and (c) build capacity for M&E and for conducting relevant research within the WDA and TVET providers. This component was to finance (a) an enhanced M&E system to assess the performance of the SDF and inform adjustments in project activities, including tracer studies, employment satisfaction surveys, and interim project assessment reports; and (b) research and analyses to allow for evidence-based adjustments in the WDA’s policies and activities.

17. **Component 3 - Rapid Skills Delivery (Total US$7.6 million; IDA US$7.6 million).** The specific objective of the component was to reduce skills gaps by rapidly increasing the supply of skills in high demand in the labor market. The SDF instrument was used to achieve this objective. The SDF was to be designed as a pilot intervention to test whether the sub-grant facility mechanism can be an effective instrument to rapidly reduce skills gaps and promote employment. This component was to finance sub-grants to eligible applicants on a competitive basis for the purpose of raising the quality and volume of their training in demonstrated areas of skills shortages.

1.6 Revised Components

18. There was no change to the agreed components during implementation. However, the scope of Component 1 with regard to ‘VTCs rehabilitated and equipped for targeted occupations’ was changed over the course of implementation to reflect (a) the dropping of one VTC; (b) the Government taking over the financing of construction costs for the Kabarondo VTC and the Busogo VTC hospitality block; and (c) the efficient introduction of IBT. At appraisal, the total number of VTCs to be rehabilitated and equipped for targeted occupations was seven. At Restructuring 1, the indicator wording was changed to ‘VTCs rehabilitated and/or equipped for targeted occupations’ to reflect government financing of construction costs for the Kabarondo VTC and the Busogo VTC hospitality block—the project did not fund construction costs in the Kabarondo VTC and the Busogo VTC hospitality block, but funded the equipment and consumables in these two sites (refer to annex 2 for details). At Restructuring 2, the indicator wording was further revised to ‘VTCs and IBTs rehabilitated and/or equipped for targeted occupations’ to reflect the efficient introduction of IBT. The indicator target was revised to include IBTs and reflect the dropping of one VTC (Kibari VTC).

19. In addition, resources were reallocated between components/categories at Restructuring 2 in line with the changes in scope of the activities and to further strengthen the ‘soft aspects’ of the training namely, training of trainers and school management staff. See Table 2.

<table>
<thead>
<tr>
<th>Components</th>
<th>Allocation from PAD</th>
<th>Allocation Post Restructuring 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1/Category 1</td>
<td>SDR 11 million</td>
<td>SDR 13.6 million</td>
</tr>
<tr>
<td>Component 2/Category 2</td>
<td>SDR 1.9 million</td>
<td>SDR 1.2 million</td>
</tr>
<tr>
<td>Component 3/Category 3</td>
<td>SDR 3.6 million</td>
<td>SDR 3.6 million</td>
</tr>
<tr>
<td>------------------------</td>
<td>----------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Component 3/Category 4</td>
<td>SDR 0.9 million</td>
<td>SDR 0.9 million</td>
</tr>
<tr>
<td>Unallocated</td>
<td>SDR 1.9 million</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>SDR 19.3 million</td>
<td>SDR 19.3 million</td>
</tr>
</tbody>
</table>

1.7 Other Significant Changes

20. Not applicable.

2. Key Factors Affecting Implementation and Outcomes

2.1 Project Preparation, Design and Quality at Entry

21. The project preparation was grounded in a comprehensive sector analysis “Post-basic Education and Training in Rwanda: Skills Development for Dynamic Economic Growth (2011)” which highlighted the existing quantitative and qualitative skills gaps in the country which form a key constraint to maintaining Rwanda’s strong growth. The preparation also drew on both the country’s long-term investment strategy and Vision 2020. The investment strategy relied on evidence from the national Skills Audit (February 2009) that identified a substantial shortage of skills in the tourism and hospitality and construction sectors, and determined that growth in these sectors would exceed the growth in relevant skill supply. The GoR specifically recognized the importance of skills development as a key factor to enable Rwanda to develop as a middle-income economy operating as a knowledge-hub. EDPRS 1 also acknowledged the need to develop skills and capacity for productive employment. In addition, within the education sector, the ESSP (Rwanda 2010) identified the need for expansion of access to high-quality TVET.

22. The project’s preparation also drew on lessons from the World Bank’s experience in TVET in other countries, including other countries in the Africa region as well as its experience in past projects in Rwanda. A key lesson that was incorporated in the project design was to limit the implementation complexity by reducing the scope of the project to only focus on vocational training under Component 1, medium-term systems building through Components 1 and 2, and rapid skills delivery through Component 3. Components on (a) science, technology, and innovation and (b) improving the acquisition of catalytic skills through general secondary education were initially considered but later dropped to reduce the implementation complexity. In addition, the choices related to the scope of the project considered the potential trade-off between designing interventions that immediately reduce identified skills gaps and those that support the development of a system that will prevent the occurrence of similarly substantial skills gaps in the future. The selected sectors—hospitality/tourism and construction were considered to be key growth sectors, as reflected in the long-term investment strategy and Vision 2020. The project focused on improving the quality of training through design and implementation of competency-based, demand-responsive curricula and assessment packages under Component 1. The project aimed to address the demand-driven focus through Component 3 by financing activities toward immediate employment, productivity, and income generation opportunities in the formal and informal sectors.

23. The design of activities and outputs supported by the SDP were closely linked to the PDO. The results chain chart in figure 1 shows the linkages between the activities that were designed to promote achievement of the three distinct objectives of the project.
24. The project was aligned with government policies and action plans in the area of TVET. Consultations held with development partners (DPs) during preparation ensured that project activities were aligned to the support being provided by other DPs as well as the support that was expected to be provided (by DPs) in the short to medium term.

25. **Key risks and mitigation measures.** The project was implemented by the WDA, a semi-autonomous institution under the Ministry of Education (MINEDUC). Key risks not only took into account those relating to overall capacity constraints that existed in Rwanda’s public sector but also specifically within the WDA as it was newly established and had not fully developed its operational systems and processes. Mitigation measures focused on reducing the implementation complexity and hiring staff in the WDA dedicated to work on project implementation, but there is, however, a concern as to whether the World Bank’s preparation team correctly analyzed the implementation timetable. The construction/rehabilitation work at VTCs was planned to be completed within the first few months of implementation. This was really ambitious considering the available capacity at that time in the WDA. Also, because this was the first project being implemented by the WDA, it took them longer to understand the World Bank procurement requirements.
### Figure 1. Results Chain: Rwanda Skills Development Project

#### Components

**Component 1**

**Delivery of Quality and Relevant Vocational Training**

- **Activities**
  - Implement CBT
    - Develop competency-based, demand responsive curricula
    - Deliver CBT ‘training of trainers’
    - Design and administer assessments of process and trainees
    - Improve School based Management capacity for CBT implementation
  - Develop and implement the IAP

- **Outputs**
  - VTCs and IBT rehabilitated and/or equipped for targeted occupations (#)
  - Curricula and teacher/training material validated (#)
  - Occupations for which training is offered (#)
  - Adequately skilled trainers in place (%)
  - Examination mechanisms validated for occupations (#)
  - VTCs and IBT which have annual work plan and budget (#)
  - VTC and IBT graduates who carried out industrial attachment (%)

- **Outcomes**
  - Improved access
    - Student Enrollment:
      - Persons enrolled in VTCs & IBT
      - Persons enrolled in SDF
  - Improved quality of training
    - Persons completing vocational training in VTCs and IBT (#)
    - Persons completing the training financed through Skills Development Facility (#)
    - Employer satisfaction with VTC and IBT graduates (%)
    - Pre-employed persons trained through SDF sub-grants who improved job performance
  - Enhanced demand-responsiveness of training (employment rate):
    - VTC and IBT graduates who are employed or self-employed within 6 months of graduation (%)
    - SDF graduates employed or self-employed within 6 months of graduation (%)

**Component 2**

**TVET System Strengthening**

- **Activities**
  - Improve institutional capacity
    - Monitor and evaluate training
    - Inform policy decisions
    - Build capacity for M&E and research
  - Develop and implement the IAP

- **Outputs**
  - Sub-grant agreements for subproject signed (#)
  - Subprojects satisfactorily completed (#)

- **Outcomes**
  - Enhanced M&E System in place to monitor and evaluate TVET performance, producing timely and accurate information

**Component 3**

**Rapid Skills Delivery**

- **Activities**
  - Establish Skills Development Facility (SDF)
    - Advertise to bidders and evaluate proposals of eligible applicants
    - Sign winning bidders
    - Assess results of sub-grant beneficiaries
  - Improve institutional capacity
    - Monitoring and evaluation training
    - Inform policy decisions
    - Build capacity for M&E and research

- **Outputs**
  - Sub-grant agreements for subproject signed (#)

- **Outcomes**
  - Enhanced M&E System in place to monitor and evaluate TVET performance, producing timely and accurate information

**Outputs**

- **Outputs**
  - VTCs and IBT rehabilitated and/or equipped for targeted occupations (#)
  - Curricula and teacher/training material validated (#)
  - Occupations for which training is offered (#)
  - Adequately skilled trainers in place (%)
  - Examination mechanisms validated for occupations (#)
  - VTCs and IBT which have annual work plan and budget (#)
  - VTC and IBT graduates who carried out industrial attachment (%)

**Outcomes**

- **Outcomes**
  - Improved access
    - Student Enrollment:
      - Persons enrolled in VTCs & IBT
      - Persons enrolled in SDF
  - Improved quality of training
    - Persons completing vocational training in VTCs and IBT (#)
    - Persons completing the training financed through Skills Development Facility (#)
    - Employer satisfaction with VTC and IBT graduates (%)
    - Pre-employed persons trained through SDF sub-grants who improved job performance
  - Enhanced demand-responsiveness of training (employment rate):
    - VTC and IBT graduates who are employed or self-employed within 6 months of graduation (%)
    - SDF graduates employed or self-employed within 6 months of graduation (%)

**Outputs**

- **Outputs**
  - VTCs and IBT rehabilitated and/or equipped for targeted occupations (#)
  - Curricula and teacher/training material validated (#)
  - Occupations for which training is offered (#)
  - Adequately skilled trainers in place (%)
  - Examination mechanisms validated for occupations (#)
  - VTCs and IBT which have annual work plan and budget (#)
  - VTC and IBT graduates who carried out industrial attachment (%)

**Outcomes**

- **Outcomes**
  - Improved access
    - Student Enrollment:
      - Persons enrolled in VTCs & IBT
      - Persons enrolled in SDF
  - Improved quality of training
    - Persons completing vocational training in VTCs and IBT (#)
    - Persons completing the training financed through Skills Development Facility (#)
    - Employer satisfaction with VTC and IBT graduates (%)
    - Pre-employed persons trained through SDF sub-grants who improved job performance
  - Enhanced demand-responsiveness of training (employment rate):
    - VTC and IBT graduates who are employed or self-employed within 6 months of graduation (%)
    - SDF graduates employed or self-employed within 6 months of graduation (%)

**Outputs**

- **Outputs**
  - VTCs and IBT rehabilitated and/or equipped for targeted occupations (#)
  - Curricula and teacher/training material validated (#)
  - Occupations for which training is offered (#)
  - Adequately skilled trainers in place (%)
  - Examination mechanisms validated for occupations (#)
  - VTCs and IBT which have annual work plan and budget (#)
  - VTC and IBT graduates who carried out industrial attachment (%)

**Outcomes**

- **Outcomes**
  - Improved access
    - Student Enrollment:
      - Persons enrolled in VTCs & IBT
      - Persons enrolled in SDF
  - Improved quality of training
    - Persons completing vocational training in VTCs and IBT (#)
    - Persons completing the training financed through Skills Development Facility (#)
    - Employer satisfaction with VTC and IBT graduates (%)
    - Pre-employed persons trained through SDF sub-grants who improved job performance
  - Enhanced demand-responsiveness of training (employment rate):
    - VTC and IBT graduates who are employed or self-employed within 6 months of graduation (%)
    - SDF graduates employed or self-employed within 6 months of graduation (%)

**Outputs**

- **Outputs**
  - VTCs and IBT rehabilitated and/or equipped for targeted occupations (#)
  - Curricula and teacher/training material validated (#)
  - Occupations for which training is offered (#)
  - Adequately skilled trainers in place (%)
  - Examination mechanisms validated for occupations (#)
  - VTCs and IBT which have annual work plan and budget (#)
  - VTC and IBT graduates who carried out industrial attachment (%)

**Outcomes**

- **Outcomes**
  - Improved access
    - Student Enrollment:
      - Persons enrolled in VTCs & IBT
      - Persons enrolled in SDF
  - Improved quality of training
    - Persons completing vocational training in VTCs and IBT (#)
    - Persons completing the training financed through Skills Development Facility (#)
    - Employer satisfaction with VTC and IBT graduates (%)
    - Pre-employed persons trained through SDF sub-grants who improved job performance
  - Enhanced demand-responsiveness of training (employment rate):
    - VTC and IBT graduates who are employed or self-employed within 6 months of graduation (%)
    - SDF graduates employed or self-employed within 6 months of graduation (%)

**Outputs**

- **Outputs**
  - VTCs and IBT rehabilitated and/or equipped for targeted occupations (#)
  - Curricula and teacher/training material validated (#)
  - Occupations for which training is offered (#)
  - Adequately skilled trainers in place (%)
  - Examination mechanisms validated for occupations (#)
  - VTCs and IBT which have annual work plan and budget (#)
  - VTC and IBT graduates who carried out industrial attachment (%)

**Outcomes**

- **Outcomes**
  - Improved access
    - Student Enrollment:
      - Persons enrolled in VTCs & IBT
      - Persons enrolled in SDF
  - Improved quality of training
    - Persons completing vocational training in VTCs and IBT (#)
    - Persons completing the training financed through Skills Development Facility (#)
    - Employer satisfaction with VTC and IBT graduates (%)
    - Pre-employed persons trained through SDF sub-grants who improved job performance
  - Enhanced demand-responsiveness of training (employment rate):
    - VTC and IBT graduates who are employed or self-employed within 6 months of graduation (%)
    - SDF graduates employed or self-employed within 6 months of graduation (%)

**Outputs**

- **Outputs**
  - VTCs and IBT rehabilitated and/or equipped for targeted occupations (#)
  - Curricula and teacher/training material validated (#)
  - Occupations for which training is offered (#)
  - Adequately skilled trainers in place (%)
  - Examination mechanisms validated for occupations (#)
  - VTCs and IBT which have annual work plan and budget (#)
  - VTC and IBT graduates who carried out industrial attachment (%)

**Outcomes**

- **Outcomes**
  - Improved access
    - Student Enrollment:
      - Persons enrolled in VTCs & IBT
      - Persons enrolled in SDF
  - Improved quality of training
    - Persons completing vocational training in VTCs and IBT (#)
    - Persons completing the training financed through Skills Development Facility (#)
    - Employer satisfaction with VTC and IBT graduates (%)
    - Pre-employed persons trained through SDF sub-grants who improved job performance
  - Enhanced demand-responsiveness of training (employment rate):
    - VTC and IBT graduates who are employed or self-employed within 6 months of graduation (%)
    - SDF graduates employed or self-employed within 6 months of graduation (%)
2.2 Implementation

26. The project was approved on March 29, 2011 and signed on April 29, 2011. The project took off to a slow start mainly on account of the implementing agency, WDA, being a newly established body. Effectiveness was delayed by six months due to late submission of the legal opinion and delay in approval of the Operations Manual. Staffing in the WDA continued to cope with turnover and absence of key staff during the initial phase of implementation. The position of Deputy DG corporate services remained vacant for over a year. In addition, the main project staff financed by the SDP were on board only in March 2012, following some delay in the hiring of the SDF program manager, the SDF financial management (FM) specialist, a finance officer, and the SDF program assistant. There were a total of eleven staff hired under the SDP compared to nine staff originally planned at appraisal. Two new positions were created during implementation—a project architect was hired in 2013 and an office assistant in 2014. In addition, the project also hired experienced consultants who provided specialized support in the area of procurement (design of workshops, preparation of bidding documents) tracer survey and so on.

27. Implementation of Component 1 for design of competency-based, demand-responsive curricula and assessment packages for trainees performed very well. This was a result of close and fruitful collaboration with other DPs both during preparation and in the initial stages of implementation to ensure that project activities were aligned to the support provided by other DPs—the curricula and assessment packages were developed in collaboration with the Belgian Common Program (BCP) and were implemented in the SDP-supported VTCs as well as VTCs supported by the BCP in the southern province of Rwanda.

28. With regard to disbursements, the planning in the PAD predicted a disbursement of 45 percent of the credit (corresponding to US$13.6 million) by the end of FY2012. However, disbursements at the end of FY2012 did not exceed 3.3 percent (US$1 million). Lagging disbursements during the initial phase of implementation related to slow progress in the planning of construction and rehabilitation in VTCs and in the procurement of TVET equipment under Component 1. The completion of technical drawings and bidding documents for the construction and rehabilitation of VTCs and the specifications of the TVET equipment that was to be procured through the project was affected due to (a) limited knowledge of the WDA on World Bank procedures; and (b) limited capacity and experience in preparation of technical drawings and bidding documents. In addition, it was noted in the Aide Memoire (December 2012) that the costs for construction and rehabilitation were higher compared to what was originally envisaged.

29. The Government and World Bank teams worked together closely to turn around project performance as soon as issues were identified. Some critical actions that helped turn around performance include:

- **Enhanced supervision and technical assistance.** Enhanced support and guidance was provided by the World Bank team in preparation of technical drawings and bidding documents. The World Bank carried out multiple supervision missions, audio and video conferences in the initial phase of implementation, including having the task team leader based in Rwanda for an extended period of over six months.

- **Change in procurement method.** To save time, it was decided to use National Competitive Bidding (NCB) rather than International Competitive Bidding (ICB) as
previously planned for the construction and rehabilitation work of the VTCs. The change in approach was justified because it took into account the fact that the VTC sites were located in different regions of the country; that the nature of the works was different across sites; and that there was sufficient local capacity to undertake these works under the circumstances noted.

- **Flexible approach.** To overcome the construction delay, the WDA with support from the World Bank focused on finding out-of-the-box solutions to ensure project objectives were achieved. An outstanding example of this was the outreach and eventually the partnership with the private sector to conduct training which led to IBT whereby training was imparted at hotel sites instead of the VTCs that were still under construction. Although this was initially envisaged as a stopgap measure until the VTCs were constructed, given the high success rate (high employment rate) of the IBT approach, the WDA later decided to continue using this approach along with VTCs. The project was thus able to convert an adversity into an opportunity for stretching sector outcomes and enhancing results.

- **Shifting the financing of construction and rehabilitation to Government for Kabarondo VTC and Busogo VTC hospitality block.** As the costs for construction and rehabilitation turned out to be higher than originally envisaged, the Government agreed to fund the construction of these sites from its own resources. The project continued to support equipment/consumables in these two sites.

30. As a result of these important steps taken during implementation, project results improved substantially with all the indicators projected to exceed their end-of-project targets within the project period. This would not have been possible unless the two critical decisions of introduction of IBT and using NCB had been taken.

31. Another noteworthy accomplishment during implementation was the establishment and utilization of a strong M&E system. The interim assessments and tracer studies conducted under this system enabled decision makers to make adjustments in project activities during the course of implementation. IBT, which was initially introduced to address the construction delay of VTC workshops was scaled up later, as a result of the strong M&E system developed under the project which showed the significant success of this approach. (See section 2.3 for details on implementation and utilization of M&E).

32. The project was completed on time and was fully disbursed. No extension of the closing date was required. There was some loss in U.S. dollars due to exchange rate fluctuation. The project lost approximately US$1.5 million during the course of implementation but still managed to overachieve the targets for several PDO indicators, including enrollment. In the VTCs supported by the project, training is being delivered in newly constructed or rehabilitated workshops/classrooms using new equipment, new competency-based curricula, and assessment packages.

33. **Sustainability is high.** IBT, an innovative mechanism that was not originally planned as an activity under the project but introduced in partnership with the private sector to address the construction delay in VTCs, was highly successful. It has now been institutionalized by the GoR under the NEP with the third round of training supported through additional funding from the NEP.
Kibungo VTC (IPRC East) and Kibuye VTC (IPRC West) have started offering triple shifts in both construction and hospitality trades. The current third round of IBT is also offering a double shift in the hospitality trade.

### 2.3 Monitoring and Evaluation (M&E) Design, Implementation, and Utilization

34. **Design.** The linkages between the inputs, outputs, and outcomes and the PDO was adequate and sound. The project included a separate component on ‘TVET System Strengthening’ to (a) monitor and evaluate training delivery, in particular the implementation and performance of the SDP; (b) inform strategic policy decisions and policy reforms by providing sound analyses; and (c) build capacity within the the WDA to conduct relevant research. Specifically on M&E, the design included the development and rollout of an M&E system to (a) assess the performance of the SDP; and (b) inform adjustments in project activities to improve project performance. Both these objectives were achieved to a large extent under the project. An evaluation of the SDF performance was included in the project to assess its internal and external efficiency as a mechanism for rapid skills delivery, including recommendations related to the SDF’s priorities.

35. **Implementation.** An M&E specialist was hired to work alongside the WDA’s M&E officer to support the activities under Component 2. An effective M&E system was developed to monitor project-related activities, including monitoring of project indicators. The slow progress of project activities in the initial phase of implementation under Component 1 also led to delays in producing M&E reports with data populated on all indicators. The system was able to generate reports on all related indicators when the pace of implementation improved after Restructuring 1. Under the project, the GoR also successfully completed three consecutive tracer studies during implementation and conducted an interim assessment of the SDP before the midterm review that took place in November/December 2014. The initial plan was to only do an interim assessment of the SDF but the assessment was expanded to cover all project activities as agreed between the WDA and World Bank. A study to review ‘TVET literature in Rwanda’ was also financed under the project. In addition, several technical papers/studies were financed under the project. These included: (a) assessment of skills gap in agribusiness and mining; (b) study on TVET literature; (c) capacity needs survey for six VTCs; and (d) study on quality assessment.

36. **Utilization.** Active monitoring and supervision of project-related activities were critical in ensuring their timely completion, including construction/rehabilitation work under Component 1. A company was hired specifically to supervise construction-/rehabilitation-related activities under Component 1. The interim assessment of the project and tracer studies informed adjustments in project activities during the course of implementation. For example, the high success rate of the IBT program was informed by the tracer study and a decision was made to continue the IBT program along with the VTCs. The project also benefited from recommendations made in the interim assessment report which informed midcourse corrections in the project. For example, it was decided to not limit the training period under the SDF to three months as some trades required more time for mastery of basic skills. In addition, the selection criteria under the SDF was expanded to also include training institutions which had been operating for less than a year but had the capacity to deliver relevant and high-quality training. Several other recommendations made through the tracer studies and interim assessment report proved to be useful during project implementation.
2.4 Safeguard and Fiduciary Compliance

37. **Safeguards.** The project was classified as Environmental Category “B” due to construction and rehabilitation activities envisaged under the VTCs. Environmental Assessment (OP 4.01) and Physical and Cultural Resources (OP 4.11) were triggered under the project. An Environmental and Social Management Framework was prepared covering the overall project while individual VTCs had Environmental Mitigation Plan checklists prepared. The Safeguards Assessment Report prepared during the midterm review noted that the EMP checklist was largely adhered to, with project implementers (WDA, supervisory company, and contractors) following the requirements in the checklist. Landscaping in the completed VTCs also improved the aesthetics of the environment. Supervision missions rated ‘Safeguards’ as Satisfactory throughout the life of the project. The Kibari VTC was dropped from the project during Restructuring 2 to reduce the potential risk relating to land dispute issues.

38. **Procurement.** For the duration of the project implementation period, the project funded a procurement specialist who was dedicated to the implementation of project activities. The procurement rating was maintained as Moderately Satisfactory for nearly the whole period of implementation. It was only downgraded once to Unsatisfactory in September 2012 when it became evident that the delay in tendering was affecting satisfactory project implementation. As explained earlier in section 2.2, the tendering delays were mainly due to limited capacity and experience in the WDA in preparation of technical drawings and bidding documents. In addition, it was noted in the midterm review issues paper that procurement activities picked up pace after the high-level mission held in December 2012 which recommended the change in procurement method from ICB to NCB as well as the split of one construction tender package into several packages.

39. Procurement plans were prepared and updated on time during project implementation. The reason for rating the project Moderately Satisfactory on procurement at closing was due to non-completion of procurement-related activities funded by the GoR, mainly the construction and rehabilitation work at Kaborondo VTC and Busogo hospitality block which also had an implication on the installation of equipment purchased through the project. The equipment could not be installed in these sites before project closure as the building construction works financed by the GoR was incomplete. In addition, there was delay in the award of contract relating to the ‘carpentry’ workshop equipment. The tender incurred delays due to a complaint made by one bidder which specifically related to presentation of withholding tax in the bidding documents. The World Bank team sought guidance from the regional procurement manager, and at the same time this issue was raised to the minister level from the client side. It took nearly a year for the issue to be resolved, and the contract was finally issued in January 2015. The carpentry equipment was delivered and installed in the VTCs before project closing.

40. **FM.** The WDA Finance Unit was responsible for all FM issues. The project funded a finance officer dedicated to the implementation of project activities for the duration of project implementation period. FM performance was mostly rated Moderately Satisfactory during project implementation. The quarterly financial reports were submitted timely and the quality was considered acceptable. There was a delay in the submission of internal audit reports which was resolved before project closing by which time all such reports had been received by the World Bank. In addition, there was an issue raised with regard to salaries paid to project staff, beyond the
salary scale determined by the Cabinet for the Single Project Implementation Unit (SPIU). This was resolved after receiving the confirmation from the Ministry of Public Service and Labor (letter dated February 16, 2016) that the SDP staff should not be integrated in the WDA SPIU. As a result of these resolutions/improvements, the project’s FM was rated Satisfactory at the project’s final closing date.

2.5 Post-completion Operation/Next Phase

41. The GoR remains committed to TVET. The newly constructed/rehabilitated workshops and facilities in project-supported VTCs remain operational with quite a few VTCs now offering double/triple shifts in project-supported trades. The GoR has institutionalized IBT under the NEP. The sub-grant provision through the SDF (short-term training under Component 3), which was designed as a pilot is expected to be continued through the proposed new lending to the sector and also through financing from other donors. Equipment purchased by training providers through the SDF grant will continue to benefit future trainees. About six months before the project closed, the GoR formally requested the World Bank for Program-for-Results financing for TVET and higher education. The new project will build on the experience and lessons from the SDP and also support higher education along with the TVET sector.

3. Assessment of Outcomes

42. Given that the project was restructured twice, the assessment of project outcomes uses a split evaluation methodology with three distinct phases. Phase 1 covers the period from project approval in March 2011 to May 2013; Phase 2 from Restructuring 1 (June 2013) until Restructuring 2 (April 2015); and Phase 3 from Restructuring 2 until the project closing in May 2016.

3.1 Relevance of Objectives, Design, and Implementation

Relevance of Objectives: Substantial across all three phases

43. The PDOs were directly relevant and consistent with EDPRS I (2008–12) and remain relevant to the current EDPRS II (2013–18). The country’s commitment to TVET remains strong as evidenced in EDPRS II which aims to accelerate private sector-led growth and further reduce poverty, including extreme poverty. The PDOs remain directly relevant to pillar one and three of EDPRS II: (a) economic transformation, to achieve high and sustained growth and restructure the economy toward services and industry; and (b) productivity and youth employment, to ensure that growth and transformation are supported by appropriate skills. The PDO is also closely aligned to the World Bank’s current Country Partnership Strategy (CPS) 2014–18. The CPS identifies three themes, which form the core of the World Bank’s support to Rwanda. The project directly supports theme 1 of the current CPS: accelerating economic growth that is private sector driven and job creating. The rating for all three phases of the project for relevance of objective is Substantial.

44. Design and Implementation. The relevance of design and implementation is rated Modest in Phase 1 and Substantial in Phases 2 and 3. The project design remains highly relevant to Rwanda’s development agenda which envisages Rwanda as a middle-income economy operating as a knowledge-based hub by the year 2020. The design of the project was informed by the sector analysis ‘Post-basic Education and Training in Rwanda: Skills Development for
Dynamic Economic Growth (2011)’. The report highlighted the existing quantitative and qualitative skills gaps in the country which form a key constraint to maintaining Rwanda’s strong growth figures. The project’s design was responsive to both supply and demand of skill priorities. It reflected an appropriate balance by addressing labor market demand in areas identified as contributors to economic development (under Component 1) as well as provided for demand-responsive short-term training (under Component 3). The selected sectors and occupations targeted by Component 1 remained consistent with Rwanda’s priority labor needs. The services and industry sectors have been identified as contributors to economic development in EDPRS II. The TVET Policy, 2015 recognizes hospitality and tourism and construction and building services as the top two priority sectors. The project design took into account the task of balancing the immediate priority skill needs through Component 3 which financed the delivery of demand-responsive, short-term training. Component 2 supported the overall TVET system strengthening through establishing an M&E system and building capacity within the WDA for research and development.

45. The initial design of the project envisaged the construction of workshops to be completed within the first few months of implementation, and training under Component 1 commencing in early 2012. The targets set at appraisal, specifically for the construction-related activities were overly ambitious with construction and rehabilitation of the VTCs planned to be completed within the first few months of implementation. This was somewhat unrealistic, considering the quantitative and qualitative constraints relating to implementation capacity, in general in Rwanda’s public sector and particularly within the WDA because it was relatively new and had thus not fully developed its operational procedures. In addition, the procurement method (ICB) planned under the project required more time, which was underestimated during preparation. However, this was corrected at the time of the first restructuring, setting the project on a path that was both aligned with the implementation capacity of the implementation agency and realistic, given the amount of financing available for the project.

46. Implementation was responsive to the country’s needs. Enhanced technical assistance and support was provided by the World Bank during the initial stages of implementation to overcome the delays that arose due to capacity constraints in the WDA. The WDA also hired experienced consultants to strengthen their capacity. In addition, the project used a flexible approach during implementation, thus creating space for innovation which allowed the WDA to work with the private sector to introduce IBT in hotel sites as an alternate to VTCs. This approach allowed the project to make immediate progress toward achievement of its development objective by providing a high-quality, ready-to-use, and highly relevant and cost-efficient means of providing training in Rwanda. IBT turned out be highly successful and has now been institutionalized by the GoR under the NEP.

<table>
<thead>
<tr>
<th>Table 3. Relevance Ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Phase 1 (March 2011–May 2013)</strong></td>
</tr>
<tr>
<td><strong>Objective</strong></td>
</tr>
<tr>
<td><strong>Design and Implementation</strong></td>
</tr>
<tr>
<td><strong>Overall</strong></td>
</tr>
</tbody>
</table>
3.2 Achievement of Project Development Objectives

47. Efficacy is rated **Substantial** under Phase 1. In spite of early challenges faced by the project with regard to slow implementation of construction/rehabilitation work in VTCs, the project was able to overcome these challenges during implementation with the introduction of an innovative approach, IBT, in hotel sites, which is being implemented in partnership with the private sector. Efficacy is rated as **Substantial** following Restructuring 1 (Phase 2). Efficacy is also rated as **Substantial** after Restructuring 2 which took into account the successful introduction of IBT by increasing the targets as well as a few other changes—these are explained in table 1 under section 1.3.

48. Overall, the project was successful in attaining its stated PDOs and made a major impact by providing quality and relevant training through VTCs, IBT centers (hotel sites), and training institutions financed through the SDF. Training is being provided in newly constructed or rehabilitated workshops/classrooms using new equipment in project-supported VTCs/trades. Students and trainers are using new competency-based curricula and assessment packages for training. In addition, training of trainers under the project and master trainers deployed by the project contributed to enhancing the quality of training provided at the VTCs/IBT.

49. The PDO focused on the following three objectives which are assessed below for each project phase: (a) improved access; (b) improved quality of training; and (c) enhanced demand-responsiveness of vocational training (relevance of training).

**PDO 1: Improved Access**
(Phase 1: Substantial; Phase 2: Substantial; Phase 3: Substantial)

50. Improved access was to be measured by two outcome indicators: (a) persons enrolled in VTCs and IBTs; and (b) persons enrolled in training financed through the SDF.

**VTCs and IBTs**

(a) **Persons enrolled in VTCs and IBTs.** This outcome indicator focused on providing access to competency-based, demand-responsive training. Training for eight occupations (cook, waiter, housekeeper, and receptionist under the hospitality and tourism sector; and plumber, electrician, mason, and carpenter under the construction sector) was offered in the SDP supported VTCs and IBTs using competency-based, demand-responsive curricula and assessment packages developed under the project in collaboration with the BCP (more details under paragraph 51 (b)). Eight VTCs and IBTs were fully constructed/rehabilitated and/or equipped for targeted occupations. Construction of workshops in two sites, namely (Kabarondo VTC and Busogo hospitality block) that were funded through the GoR had not been completed at the time of project closing. By project closing, a total number of 5,490 trainees were enrolled in VTCs/IBT under the eight occupations supported by the project. The target was substantially achieved under Phase 1 and overachieved under both Phase 2 and Phase 3. At appraisal, the project had planned five rounds of training but only four rounds were possible by project closing (two rounds under IBTs and two rounds under the VTCs) due to delay in construction/rehabilitation work of VTCs, which meant that
the first batch of training could not start in 2012 as originally planned. However, as the enrollments were high in the four rounds, the target was substantially achieved under phase 1 and over-achieved under phase 2 and 3. The pace of enrollments are likely to further increase in the coming years with more VTCs/IBTs offering double/triple shifts. Though the PDO statement did not focus on the gender parity, the share of female trainees enrolled in VTCs and IBTs was included as a sub-indicator under ‘persons enrolled’ with the objective of monitoring female participation through project implementation. The target was overachieved under Phases 2 and 3 and substantially achieved even under Phase 1.

**SDF**

(b) **Persons enrolled in training financed through the SDF.** This outcome indicator focused on providing access to rapid and demand-driven training (short-term training for 3–6 months). A total of 108 sub-grant agreements were signed with private/public training providers. By project closing, a total of 14,872 trainees were enrolled in training financed through the SDF against an end-of-project target of 12,000. The target was substantially achieved under Phase 1 and Phase 2 and overachieved under Phase 3. The project provided four rounds of financing under the SDF. Restructuring 1 in May 2013 lowered the targets set at appraisal to reflect progress made on the ground—the first batch of enrollment took place only in early 2013 compared to the originally planned start date of 2012. The delay was mainly due to establishing a fully functional SDF Secretariat as originally planned. The targets were lowered further during Restructuring 2 as a result of the adjustment made to the period of training. The period was adjusted to 1 to 6 months as opposed to 1 to 3 months. Lessons learned from the first two rounds of implementation suggested that some trades require 3–6 months of training to gain the competitive skills necessary to join the labor market. This adjustment led to a more meaningful achievement of results with a direct impact on the employment outcomes of the trainees and was a sound move. The share of female trainees enrolled in training financed through the SDF exceeded its target under all the three phases.

**PDO 2: Improved Quality of Training**  
(Phase 1: Substantial; Phase 2: Substantial; Phase 3: Substantial)

51. Improved quality was to be measured by four PDO indicators: (a) persons completing training through VTC and IBT; (b) persons completing training through the SDF; (c) employer satisfaction with VTC and IBT graduates; and (d) pre-employed persons employed through the SDF who improved job performance.

**VTCs and IBTs**

(a) **Persons completing training through VTC and IBT.** This outcome indicator focused on the quality of training through completion of competency-based, demand-responsive training. A total of 2,144 trainees completed the training. The achievement under Phases 1 and 3 was modest but the achievement under Phase 2 (when the majority of the funds were disbursed) was substantial (89 percent achieved). Trainings
under the IBT program started in December 2013 and training under VTCs commenced in December 2014. It is expected that the project will meet the end-of-project target under Phases 2 and 3 when the second round of training in VTCs is completed in October/November 2016 for which the data will be available in December 2016. Though the PDO statement did not focus on the gender equity issue, the share of female trainees completing training in VTCs and IBTs was included as a sub-indicator. The target was not fully achieved under any of the phases for this sub-indicator (81 percent achieved under Phases 2 and 3; 73 percent achieved under Phase 1). It should be noted that the project overachieved its Phase 2 and Phase 3 targets for ‘share of females enrolled’ but it was not known during project preparation that female retention in training centers was an issue and this became evident only at the time of project closing.

- The project led to the hiring of new and more qualified trainers and workshop assistants to deliver training for the eight trades supported by the SDP. The newly hired trainers included not only the technical trainers and assistants but also trainers in English, information and communication technology (ICT) and entrepreneurship, in line with the new curricula developed for the eight trades. After the trainers were hired, the WDA developed the training-of-trainers strategy and plan, and a total of 107 trainers from the SDP supported schools/IBT centers received training in line with the training-of-trainers strategy and plan. They were trained in the competency-based approach and pedagogy as well as in the area of upgrading technical knowledge.

- To ensure high quality of training, the project supported the hiring of four ‘master trainers’ in the four trades of the construction and building services sector (carpentry, masonry, plumbing, and electrical). These trainers continue to mentor, coach, and support the existing trainers and students in the SDP-supported schools. A total of 54 regular trainers and workshop assistants have so far benefited from the master trainers’ services. In addition, 16 master trainers for the four hospitality trades supported by the SDP who were previously hired at the now defunct Remera Hospitality Academy, were also on several occasions deployed to support the SDP schools, namely Kibungo VTC, Kibuye VTC, and Busogo VTC.

- All VTCs and IBTs prepared annual work plans and budgets. A series of capacity-building workshops for a total of 16 management staff of the SDP schools were conducted focusing on different aspects of school management best practices. The new members of staff were trained on the competency-based training and assessment approach, IAP, TVET management, strategic planning, budgeting, private sector engagement, career guidance and orientation, entrepreneurship, business incubation, production units, and other income generation strategies.

(b) **Employer satisfaction with VTC and IBT graduates.** This outcome indicator focused on the quality of training by measuring the employer satisfaction rate. The second round of tracer study of IBT graduates showed that nearly 100 percent of employers were satisfied with IBT graduates and the third round of tracer study of
VTC graduates showed that 84.7 percent of employers were satisfied with VTC graduates. The combined ‘employer satisfaction with VTC and IBT graduates’ using data from the second and third round of tracer studies could not be calculated as the surveys used different scales. The second tracer study of IBT graduates used the following four point scale: extremely satisfied, very satisfied, satisfied, not at all satisfied whereas the tracer study of VTC graduates used the following scale: very satisfied, satisfied, not so satisfied, not satisfied. The scale used in the third round of tracer study of VTC graduates was similar to the scale used for the baseline survey (the baseline was established using CPAF 2013 data at the time of Restructuring 1 in May). Hence, only the data from the third tracer study for VTCs is comparable to the baseline which shows that the target was overachieved for this indicator under all the phases. It should be noted that the number of graduates who participated in the third round of the tracer study survey for VTC graduates was nearly three times the number of graduates who participated in the IBT tracer survey.

- One of the key contributions of the project was the development of new competency-based curricula (CBT) and teacher/training material in collaboration with the BCP (PAFP, Programme d’Appui à la Formation Professionnelle). The curricula were validated and subsequently upgraded to be aligned with the Rwanda TVET Qualifications Framework (RTQF) for eight occupations targeted by the project, namely carpentry, plumbing, masonry, electrical installations, culinary art, food and beverage service, housekeeping operations, and front office operations. The said curricula is being used since 2013 in the SDP-supported VTCs and IBT centers for the project-supported trades. Furthermore, the project also supported the teaching and learning of the curricula by providing additional reference books and teaching and learning materials to the VTCs. This helped in reducing the ratio of learning materials to students from 1:10 to 1:7. Similarly, the ratio of teaching materials to teachers reduced from 1:3 to 1:2.

- In addition, assessment packages for eight occupations were developed hand-in-hand with the curricula in collaboration with the BCP and aligned to the RTQF. The assessment packages are being used since 2013 in the SDP-supported VTCs and IBT centers for the project-supported trades.

**SDF**

(c) **Persons completing training through the SDF.** This outcome indicator focused on measuring the quality of training through completion of training financed through the SDF. Under four rounds, 108 subprojects were successfully completed. A total of 12,129 trainees completed the training under the SDF. The Phase 3 target of 10,000 was overachieved and Phase 1 and Phase 2 targets of 14,013 (87% achieved) and 13,489 (90% achieved), respectively, were substantially achieved. The robust evaluation system developed under the project to ensure quality of proposals helped to a large extent in achieving this outcome. The share of female trainees completing training financed through the SDF was overachieved under all the three phases.

(d) **Pre-employed persons employed through the SDF who improved job performance.** This outcome indicator focused on the quality of training by measuring
improvement in the job performance of pre-employed trainees. The target was overachieved for this indicator under all the phases. At the time of appraisal, the project expected an increase of 10 percentage points for this indicator. Targets were moved down by a year and lowered by 3 percentage points at Phase 2 to reflect progress made on ground but were later increased by 5 percentage points in Phase 3 due to the success of the SDF. The second tracer study on the SDF reported that 93.5 percent of pre-employed persons employed through the SDF improved their job performance.

PDO 3: Enhanced Demand-Responsiveness of Training
(Phase 1: Substantial; Phase 2: Substantial; Phase 3: Substantial)

52. Enhanced demand-responsiveness of training was to be measured by two PDO indicators: (a) VTC and IBT graduates who are employed or self-employed within 6 months of graduation (%); and (b) SDF graduates employed or self-employed within 6 months of graduation.

VTCs and IBTs

(a) VTC and IBT graduates who are employed or self-employed within 6 months of graduation (%). This outcome indicator focused on measuring demand-responsiveness of training offered in VTCs and IBTs using competency-based, demand-responsive curricula and assessment packages for eight occupations. The data from the second round of tracer study for IBT graduates showed that 56 percent of graduates were employed within six months of completion of training. The third round of tracer study for VTC graduates from five SDP-supported VTCs showed that 69 percent of students were employed within six months of completion of training. The combined share of VTC and IBT graduates who were employed within six months of completion of training was 65 percent. Hence, the target of 50 percent under Phase 1 and the target of 30 percent under Phases 2 and 3 was overachieved.

The project aimed to increase the employment rate by providing quality and relevant training, including introduction of a mandatory IAP. About 92 percent of VTCs and IBT graduates completed the IAP as part of their training. An IAP Framework was developed in close collaboration with the Japan International Cooperation Agency (JICA), including IAP guidelines and modules for the implementation of the IAP and to strengthen the linkage between schools and the industry (labor market). Each VTC and IBT supported by the SDP appointed an industrial liaison officer (ILO) to establish an official link between the VTC/IBT and the industry. This officer is charged with forging relationships and partnerships with the industry, seeking internship slots, following up on ongoing internships, and so on. A series of workshops on IAP tools and instruments was conducted for ILOs, trainers, and management staff of the project-supported VTCs/IBTs. The WDA is continuing to ensure that new school managers, trainers, and company representatives continue to receive training on IAP to ensure continued implementation of the program. A total of 37 trainers and school management staff of the project-supported VTCs/IBTs were trained on IAP tools and instruments. The IAP has been extremely successful and has
helped in enhancing the employment rate of the VTC and IBT graduates. The tracer studies also showed the following results:

- **VTC tracer study.** About 79 percent of graduates were employed within one year of completion of training. Among the ones who were employed (a) 84 percent of graduates reported that the trainings helped them to increase their performance in the current job; (b) 70 percent of the employers’ rated the graduates as highly competent/competent and that they were willing to recruit graduates in their organizations; and (c) nearly all employers who were surveyed felt that the graduates are reliable, in other words VTC graduates are able to complete allocated tasks with minimum supervision.

- **IBT tracer study.** About 64 percent of graduates were employed within one year of completion of training. Among the ones who were employed (a) 83 percent of graduates reported that the trainings helped them to acquire the necessary technical skills for the job; and (b) 100 percent of the employers were willing to recruit IBT graduates in their organizations.

SDF

(b) **SDF graduates who are employed or self-employed within six months of graduation.** This outcome indicator measured the demand-responsiveness of SDF training. The data from the second round of the tracer study for SDF graduates showed that 46 percent of graduates were employed within six months of completion of training. This indicator was introduced in phase 3 of the project and was substantially achieved (96 percent achieved). The end of project target of 50 percent was fully achieved when the duration of finding employment was extended to nine months from six months. One of findings from the tracer study indicate the need for providing start-up funds to SDF graduates to start their own business. SDF graduates come from low-income families and hence they are unable to provide for the initial capital needed to start a new business. The NEP has recently started providing support to SDF graduates by providing help with start-up capital. This is a soft loan, including a grant element (50 percent) to help youth with skills to create their own business.

<table>
<thead>
<tr>
<th>Table 4. Efficacy Ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective 1 - Access</strong></td>
</tr>
<tr>
<td><strong>Objective 2 - Quality</strong></td>
</tr>
<tr>
<td><strong>Objective 3 - Enhanced demand-responsiveness</strong></td>
</tr>
<tr>
<td><strong>Overall</strong></td>
</tr>
</tbody>
</table>

3.3 Efficiency

53. The overall project’s net present value (NPV) is estimated at US$10.5 million with a discount rate of 12 percent, and an internal rate of return (IRR) of 18.1 percent (see annex 3 for details). The NPV and IRR were not measured at project appraisal due to unavailability of data.
The analysis of economic benefits most likely presents the lower bound of estimates as we are not able to quantify positive externalities of the project.

54. Furthermore, improvements in internal and external efficiency of the 10 institutions (VTCs and IBT centers) that benefitted from the project were considered. The internal efficiency is measured by quality improvement in inputs, system management improvement, and outcomes, that is, enrollment and completion rates. The external efficiency is measured by employment, earnings, and employer satisfaction. Despite a slow start, the internal efficiency increased as manifested by (a) higher enrollment; and (b) increases in adequately skilled trainers. The external efficiency increased due to improved quality and relevance of training through implementation of CBT in selected occupation and industrial attachments. Furthermore, the monitoring of project efficiency was bolstered by the strengthened M&E system.

55. Given that the IRR of the project is 18.1 percent, the NPV is US$10.5 million, and there is evidence of good performance along internal and external efficiency indicators, the project’s overall efficiency is considered to be Substantial. The economic analysis presented in annex 3 also compares the SDP to other recent projects on skills, technical vocational education, or post-secondary education, and the project scores well both in terms of NPV and IRR.

56. It is noteworthy to mention that the project was completed on time and disbursed fully despite the initial delays. No extension of closing date was required. In addition, there was some loss in U.S. dollars due to exchange rate fluctuation but the project still managed to overachieve the targets for several PDO indicators.

3.4 Justification of Overall Outcome Rating

57. The overall outcome rating for the project is Satisfactory. During the first phase, the overall relevance was rated Modest due to slow implementation of construction/rehabilitation work at VTCs and procurement of equipment for competency-based, demand-responsive training. The original design envisaged the construction/rehabilitation of workshops in VTCs to be completed within few months of implementation and training commencing in VTCs in early 2012. The WDA had limited capacity and experience in preparation of technical drawings and bidding documents. Because this was the first project being implemented by the WDA, it took them longer to understand the World Bank procurement procedures/requirements. The targets set out in the Results Framework were unrealistic considering the capacity that existed in the WDA at that time. Efficacy was rated Substantial in all three phases. Efficiency is also rated Substantial for the project. Table 5 uses the IEG-OPCS harmonized guidelines for projects with formally revised objectives and presents the weighted evaluation of overall outcome based on disbursements.

58. The project achieved its development objective as evidenced by the performance of the original and revised indicator targets as discussed in the sections above. Project investments have laid a solid foundation for further investments in the TVET sector in Rwanda. The capacity of the WDA has been strengthened, including their capacity to conduct research and analysis to inform future TVET policy reforms. Sustainability is high in project-supported VTCs with VTCs now offering triple shifts for project-supported trades. IBT, an innovative approach launched through the project has been institutionalized under the NEP. Short-term training provided through the SDF (Component 3) was highly successful as evidenced through the tracer study—the Government and
World Bank will discuss future support to the SDF through a new project which is under preparation.

### Table 5. Overall Outcome Rating

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Relevance</td>
<td>Modest</td>
<td>Substantial</td>
<td>Substantial</td>
</tr>
<tr>
<td>Efficacy</td>
<td>Substantial</td>
<td>Substantial</td>
<td>Substantial</td>
</tr>
<tr>
<td>Efficiency</td>
<td>Substantial</td>
<td>Substantial</td>
<td>Substantial</td>
</tr>
<tr>
<td>Rating by Phase</td>
<td>Moderately Satisfactory</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>% Disbursed</td>
<td>9</td>
<td>68</td>
<td>22</td>
</tr>
<tr>
<td>Rating Value</td>
<td>4</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Weigh Value</td>
<td>0.36</td>
<td>3.4</td>
<td>1.1</td>
</tr>
<tr>
<td>Final Outcome Rating</td>
<td>Satisfactory</td>
<td></td>
<td>SATISFACTORY (4.86 – rounded to 5)</td>
</tr>
</tbody>
</table>

3.5 Overarching Themes, Other Outcomes, and Impacts

(a) Poverty Impacts, Gender Aspects, and Social Development

59. Though the project objectives did not focus on gender equity, the project did remarkably well on the share of females enrolled in VTCs/IBT and training financed through the SDF. The share of females enrolled in VTCs/IBT was 44 percent and the share of females enrolled in the SDF was 47 percent. Similarly, the targets for the shares of females among persons completing training financed through the SDF was also overachieved. The share of females among persons completing training financed through the SDF was 39 percent. Training provided through the SDF was also successful in providing support to vulnerable groups of people and the project has had a lasting impact on street children and sex workers. Trades like tailoring and hair dressing helped in getting many sex workers and street children off the roads.

(b) Institutional Change/Strengthening

60. Institutional strengthening has been significant. As a result of project interventions under Component 2, capacity has been strengthened within the WDA to conduct research and analysis beyond the life of the project. M&E has been strengthened which helps the WDA in analyzing trends to inform policy decisions related to the sector. The WDA has developed the capacity to conduct robust evaluation of proposals for short-term training. One remarkable institutional change that the project has delivered is the IBT, an innovative approach launched through the project that has been institutionalized under the NEP.

(c) Other Unintended Outcomes and Impacts (positive or negative)

61. Not applicable

4. Assessment of Risk to Development Outcome

Rating: Moderate

62. The risk to development outcome is rated as Moderate. The project was implemented by the WDA. At the time of project approval, the WDA was a relatively new institution and had not
fully developed its operational processes and procedures. They had limited experience with World Bank procedures, including preparation of technical drawings and bidding documents for procurement-related activities. The World Bank team provided enhanced technical assistance to build the capacity within the WDA. The project supported the costs of hiring staff dedicated to the implementation of project activities who stayed on throughout the lifetime of project implementation. Project implementation accelerated in the third year of implementation. Project-supported VTCs and IBT centers (Component 1) continue to offer CBT even after project closure. IBT, an innovative instrument developed through the project has been institutionalized under the NEP. The expansion of this training to non-project VTCs for the eight occupations will depend on availability of funding to upgrade non-project VTCs to support competency-based curriculum and assessment packages.

63. Though the SDF training (short-term training under Component 3), which was designed as a pilot has ended after the project closing, discussions are currently ongoing with donors (Kreditanstalt für Wiederaufbau and Swisscontact) on financing short-term training. In addition, about six months before the project closed, the GoR formally requested the World Bank for Program-for-Results financing for TVET and higher education. The new project will build on the experience and lessons from the SDP and also support higher education along with the TVET sector. The World Bank team and the WDA are currently in discussions on continuing the support to short-term training (SDF) under the new project. The WDA has developed the capacity to carry out similar interventions in the future when the funds are available. The success of the SDF has led the Government to develop tailor-made programs to equip adults with relevant skills for the labor market. For example, the Government through the NEP is developing a tailor-made TVET program to equip university graduates with relevant skills for the labor market.

64. As a result of project interventions, capacity has been strengthened within the WDA to conduct research and analysis beyond the life of the project. The World Bank’s continued engagement, particularly through the new upcoming project, will ensure that outcomes achieved under the SDP are maintained and lessons learned are incorporated to the extent possible for improved performance.

5. Assessment of Bank and Borrower Performance

5.1 Bank Performance

(a) Bank Performance in Ensuring Quality at Entry
Rating: Moderately Satisfactory

65. The project’s objective was closely aligned to the GoR’s Vision 2020 that recognizes the importance of skills development as a key factor that will enable Rwanda to develop as a middle-income economy operating as a knowledge-based hub. EDPRS 1 also acknowledged the need to develop skills and capacity for productive employment. The selection of sectors under the project was based on the evidence from the National Skills Audit 2009 that identified a substantial shortage of skills in the tourism and hospitality and construction sectors. The design was also informed by the sector analysis “Post-basic Education and Training in Rwanda: Skills Development for Dynamic Economic Growth” (2011). The report highlighted the existing quantitative and qualitative skills gaps in the country which form a key constraint to maintaining
Rwanda’s strong growth figures. The design also drew on lessons from the World Bank’s experience in TVET and took into consideration the recommendation from peer reviewers, including limiting the implementation complexity by reducing the scope of the project. The design of the activities and outputs supported by the project were closely linked to the PDO. However, there were weaknesses in the design of the Results Framework, specifically with regard to the targets set to track progress toward the achievement of the PDO. The targets set for PDO indicators were ambitious (construction/rehabilitation work was planned to be completed in the first few months of implementation) particularly considering the capacity constraints that exist in the Rwanda public sector which was recognized as a risk during preparation. In addition, the usage of appropriate procurement methods for construction/rehabilitation work at VTCs would have benefitted from better planning during preparation. On the whole, the rating of the World Bank in ensuring quality at entry is Moderately Satisfactory.

(b) Quality of Supervision
Rating: Satisfactory

66. The World Bank team was highly proactive in recognizing the capacity constraints on time and providing enhanced supervision and technical assistance through the course of implementation. During the initial phases of implementation, the World Bank carried out multiple supervision missions, audio/video conferences, including having a task team leader based in Rwanda for an extended period of over six months. The team composition was updated during missions to provide high-quality implementation support. The World Bank was flexible in changing the procurement method for construction/rehabilitation which helped in accelerating the implementation of procurement-related activities. In addition, proactive action was taken at Restructuring 1 to reduce the PDO targets to reflect what could be realistically achieved within the project lifetime. Once the project picked up pace after Restructuring 1, the World Bank team recognized this positive progress by restructuring the project again to incentivize further achievement of its objectives.

67. The Implementation Status and Results Reports and Aide Memoires were detailed and provided management with a transparent and robust assessment of the project’s challenges and achievements. These reports also laid down specific recommendations to address challenges regarding procurement and FM that arose during the course of project implementation. The supervision missions consistently reported on the progress of the procurement activities in the Aide Memoires and worked with the WDA to build their capacity to overcome the hurdles during implementation. By project closing, several of the planned outputs and outcomes had been overachieved. In light of the above, the World Bank performance during supervision is rated Satisfactory.

(c) Justification of Rating for Overall Bank Performance
Rating: Satisfactory

68. Although the World Bank’s performance at entry is rated Moderately Satisfactory, the World Bank’s team was extremely proactive during implementation, supporting the client in achieving the objectives of the project, and making the necessary midcourse adjustments to respond to implementation changes. The project fully disbursed, closed on time, and overachieved the targets on several outcomes because of enhanced supervision efforts. Hence the overall performance of the World Bank is rated as Satisfactory.
5.2 Borrower Performance

(a) Government Performance
Rating: Satisfactory

69. The GoR demonstrated a high-level of commitment to the achievement of the PDO which was aligned to its own strategic objective. MINEDUC worked closely with the World Bank to design the project and to determine the areas for which the World Bank’s support would be more effective and appropriate, including selection of sectors, regions, and so on. There were however, initial challenges with the original design which was in relation to the ambitious timeline set for the completion of construction/rehabilitation work at the VTCs and the capacity constraints that existed in the WDA. The Government proactively worked with the World Bank to restructure the project and also added additional financial resources from its own budget to ensure the achievement of the PDO (construction/rehabilitation costs in Kabaronda VTC and Busogo VTC hospitality block were fully financed by the GoR). The Government supported and approved the new salary structure for the new VTCs. Further, the Government clarified on the salaries paid to project staff which helped in resolving the issue regarding higher salaries paid to project staff beyond the salary scale determined by the Cabinet for the SPIU.

(b) Implementing Agency or Agencies Performance
Rating: Satisfactory

70. The WDA was responsible for managing all aspects of implementation. When the project faced the initial implementation challenges due to capacity constraints, the WDA worked effectively with the World Bank to address them by finding efficient solutions. This included the introduction of IBT in hotel sites which was later institutionalized under the NEP because of its success. The WDA hired an experienced and competent project manager who stayed on with the project throughout its lifetime. Though there was some initial delay in hiring a few project staff, including the SDF program manager, once they were hired, they remained with the project during the whole course of implementation. The project implementation accelerated after Restructuring 1 and the WDA ensured that the tracer studies were conducted on time, data analyzed, and reports prepared and shared with World Bank team. The WDA also prepared the (a) interim project assessment reports, and (b) project progress reports and updated the project’s Results Framework data once the data was available.

71. The FM review of the project conducted before project closing reported that the FM arrangements under the project were found to be adequate and that the funds are used for the intended purposes. The quarterly financial reports were submitted on time and the quality was considered acceptable. The post-procurement reviews revealed that procurement guidelines were adhered to and procurement files were in order. The project faced some procurement challenges during the initial phase of implementation due to capacity constraints in the WDA which were resolved during implementation.

72. There is a minor shortcoming with regard to completion of construction/rehabilitation work at the Kabaronda VTC and Busogo VTC hospitality block which were outside the scope of this project but affected the installation of equipment procured through the project in these sites. However, the project achieved its objectives overall due to the strong government ownership and
commitment, and in particular, the WDA. By closing, a majority of the envisaged outputs and outcome targets have either been achieved or exceeded.

(c) Justification of Rating for Overall Borrower Performance
Rating: Satisfactory

73. Based on the above, the rating for overall borrower performance is Satisfactory.

6. Lessons Learned

74. The project achieved its objective because of strong government ownership and commitment. The Government agreed to finance the costs of construction of two VTC sites fully from their budget when it became evident that the total costs for construction/rehabilitation were higher compared to what was originally envisaged at appraisal. The Government supported and approved the new salary structure for the new VTCs. Further, the Government clarified on the salaries paid to project staff which helped resolve the issue of higher salaries paid to project staff beyond the salary scale determined by the Cabinet for the SPIU. In the initial period when project implementation was slow, the WDA worked with the World Bank to launch IBT, an innovative approach which has now been institutionalized under the NEP because of its success.

75. Enhanced implementation support and supervision by the World Bank and continued dialogue with the Government helps build capacity for improved project implementation. Intensive support and continued dialogue during supervision helped overcome the initial challenges—the project achieved its objective, fully disbursed, and closed on time.

76. Timely project restructuring can play a pivotal role in improving project implementation. Adjustments to indicator targets were proposed to the country director for approval in May 2013 when only 9 percent of project funds had been disbursed. In addition, the World Bank’s team was extremely proactive during implementation, making the necessary midcourse adjustments to respond to implementation changes.

77. A strong M&E system has a positive impact on achievement of project objectives. The strong M&E system developed under the project helped inform decisions for making midcourse adjustments to project activities.

78. There is a risk to completion of project activities when they are dependent on activities outside the scope of the project. The construction/rehabilitation work at the Kabarando VTC and Busogo VTC hospitality block which were fully financed by the GoR were not completed and this affected the installation of equipment in these two sites.

79. Female student retention. Though the project surpassed the female enrollment target, the project witnessed a higher dropout rate for female students in VTCs/IBT centers. This was not known as an issue at the time of project preparation. Most female students who enroll in the long-term training come from low-income backgrounds with inadequate childcare support at their homes. Specific interventions or activities geared toward increasing female-student retention in future projects will be helpful. Multicomponent programs that combine training with a set of complementary services—information, counselling, and financial assistance—can lead to bigger impact on women’s employment as well as earning outcomes.
80. **Close collaboration with donors has a positive impact on achievement of project objectives.** Close collaboration with donors during project preparation and early stages of implementation ensured that project activities were aligned to support being provided by other donors. The competency-based, demand-responsive curricula and assessment packages were developed in collaboration with the BCP and were successfully completed in the early stages of implementation. The positive progress made on the soft activities under Component 1 enabled the immediate launch of IBT where the training was provided using the competency-based, demand-responsive curricula and assessment packages.

81. **Construction/works should be carefully planned during project preparation and should take into account the capacity constraints that exist in the country,** especially when the achievement of project objectives is dependent on the successful implementation of heavy procurement-related activities. Presence of an architect under a project that includes construction is critical to ensure successful implementation. The project did not plan to hire an architect at appraisal—the position was later created during implementation in 2013 when it became evident that the WDA did not have the required capacity in this area—which resulted in delay in project implementation for the construction work under Component 1.

7. Issues Raised by Borrower/Implementing Agencies/Partners

(a) **Borrower/implementing agencies**

82. The borrower’s Implementation Completion and Results Report (ICR) does not raise any major issues. It presents that the objectives were achieved quite satisfactorily—the project was relevant, achieved high targets, and closed on time. It notes that the World Bank was highly instrumental in the successful implementation of the project and that the World Bank missions turned out to be an effective supporting mechanism to ensure the achievement of the project goals and indicators.

(b) **Cofinanciers**

(c) **Other partners and stakeholders**
Annex 1. Project Costs and Financing

(a) Project Cost by Component (in US$, millions equivalent)

<table>
<thead>
<tr>
<th>Components</th>
<th>Appraisal Estimate (US$, millions)</th>
<th>Actual/Latest Estimate (US$, millions)*</th>
<th>Percentage of Appraisal*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delivery of Quality and Relevant Vocational Training</td>
<td>21.5</td>
<td>23.8</td>
<td>111</td>
</tr>
<tr>
<td>TVET System Strengthening</td>
<td>3.0</td>
<td>1.6</td>
<td>57</td>
</tr>
<tr>
<td>Rapid Skills Delivery</td>
<td>7.0</td>
<td>6.2</td>
<td>90</td>
</tr>
<tr>
<td><strong>Total Baseline Cost</strong></td>
<td>31.5</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Unallocated (Contingencies)</td>
<td>3.0</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total Project Costs</strong></td>
<td>34.5</td>
<td>31.6*</td>
<td>92</td>
</tr>
</tbody>
</table>

* Project disbursed 100 percent of IDA allocation. The reduced IDA allocation was a result of loss in U.S. dollars due to exchange rate fluctuation.

(b) Financing

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>Appraisal Estimate (US$, millions)</th>
<th>Actual/Latest Estimate (US$, millions)</th>
<th>Percentage of Appraisal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrower</td>
<td>4.50</td>
<td>4.6</td>
<td>102</td>
</tr>
<tr>
<td>International Development Association (IDA)</td>
<td>30.00</td>
<td>27.0*</td>
<td>90</td>
</tr>
</tbody>
</table>

* Project disbursed 100 percent of IDA allocation. The reduced IDA allocation was a result of loss in U.S. dollars due to exchange rate fluctuation.
Annex 2. Outputs by Component

1. According to the Financing Agreement, the PDO was to ‘improve access to quality and demand-responsive training’. The PDO as described in the PAD was identical to the Financing Agreement. There were a total of seven PDO indicators and ten intermediate outcome indicators at appraisal. Two restructurings took place during the implementation of the project. Restructuring 1 was based on the experience from early stages of implementation and fund availability. The targets of the PDO indicators were revised and few other changes were introduced—these are described in section H of the datasheet of this ICR. Implementation in the early stages was affected due to weak capacity in the WDA and lack of knowledge in World Bank procurement procedures. The tendering for (a) major construction works/rehabilitation and (b) procurement of equipment in the training centers affected the launch of student training in VTCs.

2. Following the efficient introduction of IBT post Restructuring 1, the project implementation accelerated and the project made significant progress toward the achievement of development objectives. Restructuring 2 in April 2015 clarified the indicator descriptions and introduced changes to indicator targets for 2015 and 2016 to incentivize further achievements under the project. In addition, during Restructuring 2, one VTC was formally dropped (Kibari VTC) and some reallocation between categories of expenditures was made. An amount of SDR 1.9 million from ‘unallocated category’ and SDR 0.7 million from Category 2 (Component 2) was reallocated to Category 1.

3. No change was made to the project objective during the project lifetime. There was also no change to the agreed components, but the scope of Component 1 changed over the project lifetime to reflect (a) the dropping of one VTC; (b) the Government taking over the financing of construction costs for the Kabarondo VTC and Busogo VTC hospitality block; and (c) the efficient introduction of IBT.

Component 1: Delivery of Quality and Relevant Vocational Training (Appraisal amount - Total US$23.6 million, IDA US$19.1 million)

4. The component aimed to finance comprehensive interventions in a select number of sectors (hospitality and tourism and construction) and occupations (cook, waiter, housekeeper, and receptionist in the hospitality and tourism sector, and plumber, electrician, mason, and carpenter in the construction sector). The selected occupations were chosen taking into consideration economic and social criteria, information on labor market demands, and potential for establishing industry partnerships to identify or update occupation standards to develop new curricula. The specific objectives of this component were to (a) pilot the delivery of eight new curricula at vocational level in seven public VTCs, including industrial attachments; (b) demonstrate the value of an integrated set of interventions to raise the quality of skills delivery; and (c) raise the capacity of the WDA and training providers to develop and deliver high-quality skills training in priority areas. This component financed the (a) design and implementation of a competency-based, demand-responsive curricula; (b) design and implementation of CBT process assessments and summative assessments of trainees; (d) delivery of CBT training-of-trainers; (d) improvement of school-based management capacity for CBT implementation; (e) development and implementation of the IAP; (f) infrastructure rehabilitation and construction and provision of furniture, equipment, and materials (including consumables).
5. At appraisal, infrastructure rehabilitation and construction were planned in seven VTCs—Kinihara, Kibuye, Kibungo, Kabarondo, Busogo, Kibari, and Kirehe. At Restructuring 2, the Kibari VTC was dropped from the project to avoid potential risk from land dispute issues. In addition, due to higher costs of construction than what was originally envisaged at appraisal, the GoR agreed to provide additional budget to completely fund the construction/rehabilitation costs in the Kabarondo VTC and Busogo VTC hospitality Block. The construction/rehabilitation costs in the Busogo VTC for other works apart from hospitality block as well as construction/rehabilitation costs in the other four VTCs continued to be funded jointly by IDA and the GoR as originally planned. In 2013, IBT was introduced in the project as a new activity due to the delay in the construction/rehabilitation work at VTCs. Students received training in four IBT centers using new competency-based, demand-responsive curriculum and assessment packages. The hotel sites and hotel equipment were used for training, hence no construction and/or rehabilitation work was required and/or supported through the project.

<table>
<thead>
<tr>
<th>Component</th>
<th>Activities Funded through the Project</th>
<th>Outputs</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delivery of Quality and Relevant Vocational Training</td>
<td>1) Design and implementation of competency-based, demand-responsive curricula and teaching/ training material developed, validated, and aligned to RTQF for eight occupations</td>
<td>1) In collaboration with the BCP, a competency-based, demand-responsive curricula and teaching/ training material developed, validated, and aligned to RTQF for eight occupations targeted by the project</td>
<td>A total of 5,490 persons enrolled in VTCs and IBT centers. The share of females was 44%.</td>
</tr>
<tr>
<td></td>
<td>2) Design and implementation of CBT process assessments and summative assessments of trainees for eight occupations</td>
<td>2) In collaboration with the BCP, examination mechanisms developed, validated, and aligned to RTQF for eight occupations targeted by the project</td>
<td>A total of 2,144 persons completed the training in VTCs and IBT. The share of females was 29%.</td>
</tr>
<tr>
<td></td>
<td>3) Training of trainers</td>
<td>3) 107 teachers (trainers) trained on CBT approach and pedagogy</td>
<td>65% of VTCs and IBT graduates were employed or self-employed within six months of graduation.</td>
</tr>
<tr>
<td></td>
<td>4) Management training</td>
<td>4) 4 master trainers for construction trade and 16 master trainers for hospitality trade supported by the project</td>
<td>99% of employers were satisfied with IBT graduates.</td>
</tr>
<tr>
<td></td>
<td>5) Development of IAP Framework, guidelines, and modules developed in collaboration with Korea International Cooperation Agency.</td>
<td>5) 16 managers attended workshops on TVET best practices and leadership</td>
<td>84.7% of employers were satisfied with VTC graduates.</td>
</tr>
<tr>
<td></td>
<td>6) IAP Framework, guidelines, and modules developed in collaboration</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
6) Financing of infrastructure rehabilitation and construction work in six VTCs with JICA. A total of 37 trainers and school management staff of the project supported VTCs/IBTs were trained on IAP tools and instruments.

7) Financing of new equipment for occupations targeted by the project in six VTCs. 7) Four VTCs fully rehabilitated and equipped for targeted occupations and two VTCs partially rehabilitated and equipped for targeted occupations (please see table 2.2 and 2.3 below for details)

8) Supply of furniture, consumables, and IT (Information Technology) equipment in VTCs

9) Supply of consumables in IBT centers

### Table 2.2. Status of Construction and Rehabilitation Works

<table>
<thead>
<tr>
<th>VTCs</th>
<th>Completion Rate</th>
<th>Comments</th>
</tr>
</thead>
</table>
| Busogo VTC       | 100% (funded through the SDP)                                                   | The following works financed through the SDP were fully completed:  
**Brand new facilities and external works.** New workshops for masonry, electrical installations, plumbing, and carpentry trades. Also new kitchen, new latrines, new washrooms, new water tanks, new road, new pathways and parking, new storm water drainage and waste system, new water sewerage system, new fence and landscape, new pit latrines.  
**Rehabilitated or renovated facilities.** Entire administration block, classroom blocks, staff quarters, dining hall, drawing studio, and boys dormitories.  
This site was financed by the GoR and suffered significant delays in the completion of works mainly due to (a) delay in hiring the supervising entity by WDA and (b) weak contract management capacity of contractor who ran out of funds (the Government is working on resolving this issue). This has had an effect on the enrollment of students and quality of training because most of the equipment is still kept in stores. However, the school is improvising by using some of the supplied equipment/tools even though the workshops for the hospitality block are not yet ready. |
| Hospitality block in Busogo | 65% (fully funded through the GoR)—outside the scope of the SDP                  |                                                                                                                                                                                                       |
| Kinihira VTC     | 100%                                                                             | The following works financed through the SDP were fully completed:  
**Brand new facilities and external works.** New workshops for masonry and carpentry trades. Also new student canteen, new latrines, new washrooms, new water tanks, new road, new |

32
pathways and parking, new storm water drainage and waste system, new water sewerage system, new fence, and landscape. **Rehabilitated or renovated facilities.** Entire administration block, classroom blocks, plumbing workshop, electrical workshop, staff quarters.

### Kibuye VTC

| 100% (funded through the SDP) | The following works financed through the SDP were fully completed **Brand new building facilities and external works.** New hospitality center complex, new classroom block, new carpentry workshop, new electrical workshop, new plumbing workshop, new washrooms, and new gas tank enclosure. Also, new road, new washrooms, new water tanks, new pathways and parking, new storm water drainage and waste system, new water sewerage system, new fence and landscape. **Rehabilitated or renovated facilities.** Entire administration block, classroom blocks, plumbing, electrical, carpentry, electrical, automobile and welding workshops, multipurpose hall, dining and kitchen hall, students hostel, staff quarters, and canteen. |

### Kabarondo VTC

| 65% (fully funded through the GoR)— outside the scope of the SDP | This site was financed by the GoR and suffered significant delays in the completion of works mainly due to (a) delay in hiring the supervising entity by WDA and (b) weak contract management capacity of contractor who ran out of funds (the Government is working on resolving this issue). This has had an effect on the enrollment of students and quality of training in the 2015 training year because most of the equipment is still kept in stores. However, the school is improvising by using some of the supplied equipment/tools even though the workshops for the hospitality block are not yet ready. |

### Kibungo VTC

| 100% (funded through the SDP) | The following works financed through the SDP were fully completed: **Brand new building facilities and external works.** New hospitality center complex, new classroom block, new masonry workshop, new washrooms, and gas tank enclosure. Also, new road, new latrines, new washrooms, new water tanks, new pathways and parking, new storm water drainage and waste system, new water sewerage system, new fence, and landscape. **Rehabilitated or renovated facilities.** Entire administration block, classroom blocks, electrical, carpentry, plumbing, automobile and welding workshops, multipurpose hall, dining and kitchen hall, students hostel, staff quarters, and canteen. |

### Kirehe VTC

| 100% (funded through the SDP) | The following works financed through the SDP were fully completed: **Brand new facilities and external works.** New workshops for masonry, electrical installations, plumbing, and carpentry trades. Also new student canteen, new latrines, new washrooms, new water tanks, new road, new pathways and parking, new storm water drainage and waste, new water sewerage system, new fence, and landscape. **Rehabilitated or renovated facilities.** Entire administration block and classroom blocks. |

### Table 2.3. Status of Delivery of Equipment

<table>
<thead>
<tr>
<th>Trade/Occupation</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Masonry</td>
<td>Equipment was delivered and installed in all sites except Kabarondo VTC where delivery was done but is awaiting installation.</td>
</tr>
</tbody>
</table>
Electrical installations | Equipment was delivered and installed in all sites except Kabarondo VTC where delivery was done but is awaiting installation.
---|---
Plumbing | Equipment was delivered and installed in all sites except Kabarondo VTC where delivery was done but is awaiting installation.
Carpentry | The equipment was delivered and installed in all the schools. As there was a delay in the procurement of carpentry equipment, the delivery and installation was only completed by project closing.
Front office operations | Equipment was delivered and installed in all sites except the Busogo VTC where delivery was done but is awaiting installation.
Food and beverage service | Equipment was delivered and installed in all sites except the Busogo VTC where delivery was done but is awaiting installation.
Culinary art | Equipment was delivered and installed in all sites except the Busogo VTC where delivery was done but is awaiting installation.
Housekeeping operations | Equipment was delivered and installed in all sites except the Busogo VTC where delivery was done but is awaiting installation.
Drawing equipment | These were delivered.
Safety and protective gear | These were delivered.

Table 2.4. Status of Supply of Furniture, Consumables, and IT Equipment

<table>
<thead>
<tr>
<th>Activity</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supply of office and classroom furniture</td>
<td>The furniture was delivered to all the schools and is being used.</td>
</tr>
<tr>
<td>Consumables</td>
<td>The consumables were delivered in all the schools and are being used for training.</td>
</tr>
<tr>
<td>IT equipment</td>
<td>The IT equipment was supplied to all SDP-supported VTCs</td>
</tr>
</tbody>
</table>

Component 2: TVET System Strengthening (Appraisal amount - Total US$3.3 million; IDA US$3.3 million)

6. The specific objective of this component was to (a) monitor and evaluate training delivery, in particular the implementation and performance of the SDP; (b) inform strategic policy decisions and policy reforms by providing sound analyses concerning key aspects of the training system and the labor market; and (c) build capacity for M&E and for conducting relevant research within the WDA and TVET providers. This component financed (a) an enhanced M&E system to assess the performance of the SDF and inform adjustments in project activities, including tracer studies, employment satisfaction surveys, and interim project assessment reports and (b) research and analyses to allow for evidence-based adjustments in the WDA’s policies and activities, including studies/technical papers as mentioned in table 2.5.

Table 2.5. Achievements of Outputs under Component 2

<table>
<thead>
<tr>
<th>Component</th>
<th>Activities Funded through the Project</th>
<th>Outputs</th>
</tr>
</thead>
<tbody>
<tr>
<td>TVET System Strengthening</td>
<td>1) Recruitment of project staff</td>
<td>1) Eleven project staff funded through the project—project manager, procurement specialist, M&amp;E specialist, SDF program manager, SDF implementation officer, SDF program officer, SDF FM specialist, finance officer, project architect, SDF program assistant, and office assistant.</td>
</tr>
<tr>
<td></td>
<td>2) Development of M&amp;E system to monitor and evaluate TVET</td>
<td>2) M&amp;E system developed that produced M&amp;E reports to guide the WDA decision-making process</td>
</tr>
</tbody>
</table>
Component 3: Rapid Skills Delivery (Appraisal amount - Total US$7.6 million, IDA US$7.6 million)

7. The specific objective of the component was to reduce skills gaps by rapidly increasing the supply of skills that are in high demand in the labor market. The SDF instrument was used to achieve this objective. The SDF was designed as a pilot intervention to test whether the sub-grant facility mechanism can be an effective instrument to rapidly reduce skills gaps and promote employment. This component financed sub-grants to eligible applicants on a competitive basis for the purpose of raising the quality and volume of their training in demonstrated areas of skills shortages.

8. The SDF was successful in attracting all categories of trainees. It attracted high school and university graduates who took advantage of the training offered in TVET to acquire marketable skills, which eventually enabled them to become entrepreneurs in different sectors. Examples of this include, trainees in hairdressing, hospitality, and agriculture in the Belaasi Saloon School, Demi Sheraton, and EAV Kabutare, respectively, who have either established their own enterprises or are now trainers in their respective fields. As a result of the success of the SDF, the Government through the NEP is developing tailor-made TVET programs to equip university graduates with relevant skills for the labor market. The SDF was also successful in providing support to vulnerable groups of people and the project has had a lasting impact on street children and sex workers. Trades
like tailoring and hairdressing helped in getting many sex workers and street children off the roads. These trainings were offered by AEE, Universal Beauty Salon, Umushumba Mwiza, and CPAJ SDF subprojects.

Table 2.6. Achievements of Outputs under Component 3

<table>
<thead>
<tr>
<th>Component</th>
<th>Activities Funded through the Project</th>
<th>Outputs</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rapid Skills Delivery</td>
<td>Financing of sub-grants to eligible applicants on a competitive basis for the purpose of raising the quality and volume of their training in demonstrated areas of skills shortages.</td>
<td>A total of 108 sub-grant agreements were signed</td>
<td>A total of 14,872 persons enrolled in training financed through the SDF. The share of females was 47%.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>A total of 108 subprojects were satisfactorily completed</td>
<td>A total of 12,129 persons completed training financed through the SDF. The share of females was 39%.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>46% of SDF graduates were employed or self-employed within six months of completing the training.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>93.3% of pre-employed persons trained through SDF sub-grants improved their job performance as a result of training.</td>
</tr>
</tbody>
</table>

36
Annex 3. Economic and Financial Analysis

Internal Efficiency

1. Internal efficiency is concerned with the relationship between inputs and immediate goals (output) in education, such as the number of graduates and the quality of education. As the number of students enrolling in project institutions and completing the programs increased, the utilization of the resources at the institutional level also improved. Table 3.1 summarizes internal efficiency indicators, which can be divided into four groups: (a) physical inputs - rehabilitation of facilities; (b) teaching quality improvements - adequately skilled teachers, CBT approach, and improvement of the curricula and examinations; (c) system management improvement - improved budgeting and M&E; and (d) system output - number of students enrolled and graduated.

2. Assessing the increase in the efficiency compared to baseline was not possible because of the fact that these were new interventions. The results show that targets were achieved for internal efficiency indicators measuring teaching quality and system management improvement. The rehabilitation of institutions fell short of the target because of delays in the construction in the beginning of the project. Finally, the system output targets were overachieved in enrollment and fell short of the target in completion. The underachievement of the completion rate is also linked to the delay in construction—several batches of VTC students are still in school and are expected to complete at the end of 2016.

<table>
<thead>
<tr>
<th>Internal Efficiency Indicators</th>
<th>Baseline</th>
<th>P3 Target</th>
<th>Actual</th>
<th>% of Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>VTCs and IBTs rehabilitated and/or equipped for targeted occupations</td>
<td>0</td>
<td>10</td>
<td>8</td>
<td>80</td>
</tr>
<tr>
<td>Adequately skilled trainers</td>
<td>0</td>
<td>75</td>
<td>75</td>
<td>100</td>
</tr>
<tr>
<td>Number of occupations for which training is offered in at least one targeted VTC using the new CBT approach</td>
<td>0</td>
<td>8</td>
<td>8</td>
<td>100</td>
</tr>
<tr>
<td>Curricular and teaching/ training material validated for occupations targeted by the project</td>
<td>0</td>
<td>8</td>
<td>8</td>
<td>100</td>
</tr>
<tr>
<td>Examination mechanisms validated for occupations targeted by the project</td>
<td>0</td>
<td>8</td>
<td>8</td>
<td>100</td>
</tr>
<tr>
<td>Number of VTCs and IBTs which have an annual work plan and budget</td>
<td>0</td>
<td>10</td>
<td>10</td>
<td>100</td>
</tr>
<tr>
<td>A system is in place to monitor and evaluate TVET performance producing timely and accurate information</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Number of persons enrolled in VTCs and IBTs (share of female)</td>
<td>0</td>
<td>4,400 (41%)</td>
<td>5,490 (44%)</td>
<td>125 (107)</td>
</tr>
<tr>
<td>Number of persons completing VTCs and IBTs (share of females)</td>
<td>0</td>
<td>3,300 (36%)</td>
<td>2,144 (29%)</td>
<td>65 (81)</td>
</tr>
<tr>
<td>Number of persons enrolled in training under the SDF (share of female)</td>
<td>0</td>
<td>12,000 (37%)</td>
<td>14,872 (47%)</td>
<td>124 (127)</td>
</tr>
<tr>
<td>Number of persons completing training under the SDF (share of female)</td>
<td>0</td>
<td>10,000 (37%)</td>
<td>12,129 (39%)</td>
<td>121 (105)</td>
</tr>
</tbody>
</table>
External Efficiency

3. The external efficiency is concerned with the extent to which the educational system generates the necessary skills for the overall economy. In this project the external efficiency is measured by employment rates of the graduates, pre-employed persons trained through the SDF, who improved job performance, and employer satisfaction with VTC and IBT graduates. While the baseline for employment rate was not available, a WDA/Labor Market Information System tracer study (2009) revealed that only 22.5 percent of 2008 VTC graduates in construction and hospitality/tourism were employed within six months after completion. The tracer study of the graduates that benefited from the project shows that 65 percent of VTC and IBT students and 46 percent of SDF-trained individuals were employed or self-employed within six months after training completion. Another indicator of external efficiency shows that 93.3 percent of pre-employed individuals trained through the SDF increased their job performance. Finally, the tracer study of IBT graduates revealed that 99 percent of employers were satisfied with the performance of graduates and 84.7 percent of employers were satisfied with the performance of VTC graduates. Furthermore, a tracer study of VTC graduates revealed that 70 percent of employers considered VTC graduates as highly competent and 70 percent of employers will be willing to recruit the graduates to their organizations.

Benefit-cost Analysis

4. The cost-benefit analysis is based on calculations of the present values of economic costs and economic benefits. Economic costs include the project costs, individual expenses (tuition), if any, and opportunity costs. Economic benefits are measured in wage premium of graduates from VTC/IBT training relative to wages of graduates from lower secondary school. Data used in the analysis comes from project documents and from the 2013/2014 Integrated Household Survey of Living Conditions in Rwanda. There are likely to be social benefits from the project, although, as at project appraisal, this economic analysis abstracts from calculation of social benefits due to data limitations.

5. **Enrollment and graduates.** Table 3.2 reports the number of enrollment and graduates under the project.

<table>
<thead>
<tr>
<th>Table 3.2. Number of Enrolled Students and Graduates under the Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuals, non cumulative</td>
</tr>
<tr>
<td>-------------------------</td>
</tr>
<tr>
<td>Total number of students enrolled during fiscal year under the project, out of which</td>
</tr>
<tr>
<td>VTC and IBT</td>
</tr>
<tr>
<td>SDF</td>
</tr>
<tr>
<td>Total number of graduates during fiscal year under the project, out of which</td>
</tr>
<tr>
<td>VTC and IBT</td>
</tr>
<tr>
<td>SDF</td>
</tr>
</tbody>
</table>

6. **Costs.** Actual project disbursement is reported in table 3.3. It is assumed that private household costs were equal to zero because the tuition was free. Opportunity costs are the loss of earnings due to enrollment in training. The 2015 World Bank Rwanda Jobs report found that 2011
monthly earnings\(^4\) of those with incomplete secondary education were RWF 16,980 per month (US$29) or RWF 203,760 per year (US$350). If it is assumed that real wages did not increase, these earnings in 2015\(^5\) would have been equal to RWF 32,480 per month (US$45) or RWF 389,756 per year (US$540).\(^5\)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount, US$, nominal, non cumulative</td>
<td>2,000,000</td>
<td>650,000</td>
<td>4,460,000</td>
<td>15,010,000</td>
<td>6,370,000</td>
</tr>
</tbody>
</table>

7. **Benefits.** The 2016 tracer study of VTC graduates found that an average graduate was receiving RWF 64,040 per month\(^7\) (US$88) or RWF 768,450 per year (US$1,066) which is almost two times higher than the earnings of those with incomplete secondary education. The final results under the ICR show that 65 percent of VTC and IBT graduates were employed within six months. The 2016 tracer study of SDF graduates found that an average graduate was receiving RWF 57,418 per month\(^8\) (US$80) or RWF 689,016 per year (US$956). The final results under the ICR show that 46 percent of SDF graduates were employed within six months.

8. **Assumptions.** The expected working life period is 30 years and no unemployment between graduation and leaving the employment is assumed. The starting employment rate of project graduates is assumed at 76 percent; however, after a year it converges to the employment rate of the overall population, 96 percent. The exchange rate is set at US$1 = RWF 793; the discount rate 12 percent; and the inflation rate 3.8 percent (average between 2010 and 2015).

9. **Economic analysis results.** The project’s NPV is estimated to be US$10.5 million and IRR 18.1 percent. As there was no NPV and IRR estimated at appraisal, the actual results cannot be compared with the expectations. Compared to other recent project on skills, technical vocational education, or post-secondary education, the project scores well both in NPV and IRR (see table 3.4)

<table>
<thead>
<tr>
<th>Country</th>
<th>NPV (US$, millions)</th>
<th>IRR (%)</th>
<th>Loan Amount, (US$, millions)</th>
<th>Ratio NPV/Loan</th>
<th>Year of Project Approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rwanda</td>
<td>10.5</td>
<td>18.1</td>
<td>30</td>
<td>0.35</td>
<td>2011</td>
</tr>
<tr>
<td>Tanzania</td>
<td>2.3</td>
<td>36.5</td>
<td>115</td>
<td>0.02</td>
<td>2008</td>
</tr>
<tr>
<td>Nigeria</td>
<td>n.a.</td>
<td>13.0</td>
<td>180</td>
<td>n.a.</td>
<td>2007</td>
</tr>
<tr>
<td>Zambia</td>
<td>n.a.</td>
<td>17.0</td>
<td>25</td>
<td>n.a.</td>
<td>2001</td>
</tr>
<tr>
<td>India</td>
<td>n.a.</td>
<td>15.0</td>
<td>250</td>
<td>n.a.</td>
<td>2004</td>
</tr>
</tbody>
</table>

\(^4\) In 2010 prices.
\(^5\) In 2010 prices.
\(^6\) Unfortunately, EICV 4 data that the team obtained from the Rwanda National Institute of Statistics website does not contain information about earnings in 2013/2014 even though this question is asked in the questionnaire.
\(^7\) The tracer study presented the ranges of earnings and corresponding percentages of graduates which receive these earnings. The monthly earnings were obtained by averaging these numbers.
\(^8\) The tracer study presented the ranges of earnings and corresponding percentages of graduates which receive these earnings. The monthly earnings were obtained by averaging these numbers.
<table>
<thead>
<tr>
<th>Country</th>
<th>2013 (%)</th>
<th>2014 (%)</th>
<th>2015 (%)</th>
<th>2016 (%)</th>
<th>2017 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sri Lanka*</td>
<td>40.1</td>
<td>13.9</td>
<td>101</td>
<td>0.40</td>
<td>2014</td>
</tr>
<tr>
<td>Pakistan*</td>
<td>22.8</td>
<td>17.4</td>
<td>50</td>
<td>0.46</td>
<td>2015</td>
</tr>
</tbody>
</table>

*Note: * refers to economic analysis at appraisal stage, otherwise at the ICR stage.
Annex 4. Bank Lending and Implementation Support/Supervision Processes

(a) Task Team Members

<table>
<thead>
<tr>
<th>Names</th>
<th>Title</th>
<th>Unit</th>
<th>Responsibility/Specialty</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lending</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Margo A. Hoftijzer</td>
<td>Senior Economist</td>
<td>GED03</td>
<td>Task Team Leader</td>
</tr>
<tr>
<td>Otieno Ayany</td>
<td>Financial Management Specialist</td>
<td>AFTME-HIS</td>
<td>Financial Management Specialist</td>
</tr>
<tr>
<td>Chantal Kajangwe</td>
<td>Procurement Specialist</td>
<td>AFTPE-HIS</td>
<td>Procurement Specialist</td>
</tr>
<tr>
<td>Fadila Caillaud</td>
<td>Senior Economist</td>
<td>GED01</td>
<td>Team Member</td>
</tr>
<tr>
<td>Alexandria Valerio</td>
<td>Senior Economist</td>
<td>GEDGE</td>
<td>Team Member</td>
</tr>
<tr>
<td>Michaela J. Weber</td>
<td>Private Sector Specialist</td>
<td>GTCCS</td>
<td>Team Member</td>
</tr>
<tr>
<td>Anna Victoria Gyllerup</td>
<td>Operations Adviser</td>
<td>AFRDE</td>
<td>Operations Adviser</td>
</tr>
<tr>
<td>Richard K. Johanson</td>
<td>Consultant</td>
<td>AFTEE-HIS</td>
<td>Team Member</td>
</tr>
<tr>
<td>Samia Melhem</td>
<td>Lead ICT Policy Specialist</td>
<td>GTI09</td>
<td>Team Member</td>
</tr>
<tr>
<td>Norosoa Andrianaivo</td>
<td>Senior Program Assistant</td>
<td>GHN03</td>
<td>Team Member</td>
</tr>
<tr>
<td>Noreen Beg</td>
<td>Senior Environmental Specialist</td>
<td>GEN04</td>
<td></td>
</tr>
<tr>
<td>Josiane Niyonkuru</td>
<td>Administrative Assistant</td>
<td>AFMRW</td>
<td></td>
</tr>
<tr>
<td><strong>Supervision/ICR</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hiroshi Saeki</td>
<td>Team Leader</td>
<td>GED01</td>
<td>Task Team Leader</td>
</tr>
<tr>
<td>Mulugeta Dinka</td>
<td>Procurement Specialist</td>
<td>GGO01</td>
<td>Procurement Specialist</td>
</tr>
<tr>
<td>Enagnon Ernest Eric Adda</td>
<td>Financial Management Specialist</td>
<td>GGO31</td>
<td>Financial Management Specialist</td>
</tr>
<tr>
<td>Antoinette Kamanzi</td>
<td>Procurement Assistant</td>
<td>AFMRW</td>
<td>Procurement Assistant</td>
</tr>
<tr>
<td>James Tumwine</td>
<td>Consultant</td>
<td>GSP01</td>
<td>Consultant</td>
</tr>
<tr>
<td>Rosario Aristorenas</td>
<td>Senior Program Assistant</td>
<td>GED01</td>
<td>Team Member</td>
</tr>
<tr>
<td>Svetlana Khvostova</td>
<td>Safeguards Specialist</td>
<td>GEN01</td>
<td>Safeguards Specialist</td>
</tr>
<tr>
<td>Uwagaga Francoise Kayigamba</td>
<td>Safeguards Specialist</td>
<td>GEN01</td>
<td>Safeguards Specialist</td>
</tr>
<tr>
<td>Ana Ruth Menezes</td>
<td>Senior Education Specialist</td>
<td>GED01</td>
<td>Team Member</td>
</tr>
<tr>
<td>Hope Nanshemeza</td>
<td>Team Assistant</td>
<td>AFCE2</td>
<td>Team Member</td>
</tr>
<tr>
<td>Margo A. Hoftijzer</td>
<td>Senior Economist</td>
<td>AFCE2</td>
<td>Task Team Leader</td>
</tr>
<tr>
<td>Alexandria Valerio</td>
<td>Senior Education Specialist</td>
<td>AFCE2</td>
<td>Team Member</td>
</tr>
<tr>
<td>Helen J. Craig</td>
<td>Lead Human Development Specialist</td>
<td>AFCE2</td>
<td>Task Team Leader</td>
</tr>
<tr>
<td>Tawhid Nawaz</td>
<td>Operations Adviser</td>
<td>Africa</td>
<td>Operations Adviser</td>
</tr>
<tr>
<td>Karthika Radhakrishnan</td>
<td>Operations Officer</td>
<td>GEDDR</td>
<td>ICR Author</td>
</tr>
</tbody>
</table>
(b) Staff Time and Cost

<table>
<thead>
<tr>
<th>Stage of Project Cycle</th>
<th>No. of Staff Weeks</th>
<th>US$ (including travel and consultant costs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lending</td>
<td>71</td>
<td>498,819</td>
</tr>
<tr>
<td>Total:</td>
<td>71</td>
<td>498,819</td>
</tr>
<tr>
<td>Supervision/ICR</td>
<td>121</td>
<td>656,959</td>
</tr>
<tr>
<td>Total:</td>
<td>121</td>
<td>656,959</td>
</tr>
</tbody>
</table>
Annex 5. Summary of Borrower's ICR

WORKFORCE DEVELOPMENT AUTHORITY – WDA
Empowering people with employable skills and entrepreneurship capacity
P. O. BOX 2707
Tel: (+250) 255113365
E-mail: info@wda.gov.rw
Website: www.wda.gov.rw

SKILLS DEVELOPMENT PROJECT (SDP)
SUMMARY OF BORROWER’S IMPLEMENTATION COMPLETION AND RESULTS REPORT (ICRR)

1. Introduction and Background

Rwanda’s long-term development vision, as outlined in the Vision 2020, is to be a middle-income export-oriented economy, operating as a knowledge-based service hub by 2020. The Government of Rwanda fully recognizes the economic problems affecting the country and has developed and is implementing policies that seek to create jobs and reduce poverty.

The Economic Development and Poverty Reduction Strategy (EDPRS) targets economy-wide productivity improvements and an economic transformation from subsistence agriculture towards commercial agriculture, manufacturing, and services. These strategies have raised demand for better and more appropriately skilled Rwandan workers.

Recognizing the critical need for skilled human resources to be able to meet private and public sector demands, the Government of Rwanda (GoR) established the Workforce Development Authority (WDA) to provide practical skills for the Rwandan workforce. The WDA’s mandate is to promote, facilitate, and guide the development and upgrading of skills and competences in order to enhance competitiveness and employability of the Rwandan workforce. To achieve this, the GoR made a strategic decision to significantly increase investments in a strong and dynamic Technical and Vocational Education and Training (TVET) system. TVET is greatly recognized as a vehicle to boost two key EDPRS II pillars namely ‘economic transformation’ and ‘youth employment and productivity’.

The WDA’s goal is therefore linked to other national policies including but not limited to Vision 2020, the EDPRS, the Education Sector Strategic Plan (ESSP) 2013/14-2017/18, the Gender Policy, the National Employment Programme (NEP), the Workplace Learning Policy, etc. These national documents underscore the need for developing skills for a knowledge-based society if Rwanda is to achieve the structural economic change implied in the targets of Vision 2020 and also stipulate that major emphasis will be placed on vocational and technical training fields.
In line with this strong emphasis on TVET, the GoR obtained a US$ 30 Million Credit from the World Bank to enable the WDA to implement the Skills Development Project (SDP). The GoR also contributed US$ 4.5 Million as counterpart funds towards the SDP.

The World Bank Board approved this 5-year project on 29th April 2011 and it became effective on 6th October 2011. The Project effectively close on time on 31st May 2016 as originally planned.

2. Project Objectives, Beneficiaries and Key Indicators

2.1 Project Development Objective (PDO)

The key development objective of the SDP was to improve access to quality and demand-responsive vocational training.

Specifically, the project aimed at alleviating current and longer-term skills constraints to contribute to Rwanda’s transition to a middle income, export- and service-oriented knowledge economy by 2020.

2.2 Project Beneficiaries

The Project’s major beneficiaries were:

- Students and graduates from improved vocational training in selected priority occupations in targeted training providers;
- Recipients of training funded through the Skills Development Facility;
- Public and private training providers benefiting directly from project interventions; and
- The private sector, which will benefit from the improved skills base of the labor force.

2.3 Key Outcome (PDO) Results Indicators

The following are the PDO level indicators of the Project:

- Employer satisfaction with VTC students;
- Employed persons trained through SDF sub-grants who improved job performance;
- VTC graduates who are employed or self-employed within six months of graduation;
- Persons completing:
  - Vocational training;
  - Training financed through Skills Development Facility;
- Direct beneficiaries:
  - Persons enrolled in VTCs;
  - Persons enrolled in training financed through the Skills Development Facility;
- SDF graduates who are employed or self-employed within six months of graduation (This was added during restructuring);

In 2014, the Project was restructured to ensure that the Results Framework incorporated the progress and changes in the Project implementation. While the PDO remained unchanged, some indicators and targets were revised to reflect the current progress of the Project. However, there were no major changes to the Project other than target revisions and indicator rewording which were more realistic and appropriate for the remaining period of the Project.

3. Project Components
The SDP is composed of three main components:

**3.1 Component 1- Delivery of Quality and Relevant Vocational Training (US$ 23.6 Million)**
Under this component, to improve the relevance and quality of training programs in 8 selected training occupations or trades offered in 6 selected training providers or TVET schools, the Project financed an integrated package of inputs or “building blocks” namely:

- **Curriculum Development**: Design and implementation of competency-based, demand-driven curricula;
- **Assessment**: Design and implementation of summative assessments of trainees to ensure they meet industry standards;
- **Infrastructure, Equipment, and Materials**: Infrastructure rehabilitation and construction, provision of equipment and materials;
- **Training of Trainers**: Design and delivery of training to upgrade new or existing trainers related to technical skills and appropriate pedagogical methodologies;
- **Industrial Attachment Program**: Develop and implement industrial attachment programs to promote trainee’s hands-on experience and exposure to a relevant work environment;
- **Institutional-based Management & Development**: Provision of management and leadership capacity building.

**3.2 Component 2- TVET System Strengthening (US$ 3.3 Million)**
This component aimed to (a) Monitor and evaluate training delivery, in particular the implementation and performance of the SDP; (b) Inform strategic policy decisions and policy reforms by providing sound analyses concerning key aspects of the training system; and (c) build capacity for monitoring and evaluation and for conducting relevant research within the WDA and other relevant stakeholders.

**3.3 Component 3: Rapid Skills Delivery (US$ 7.6 Million)**
The objective of this component was to minimize skills gaps by rapidly increasing the supply of skills in high demand in the labour market. The instrument which was used to achieve this objective is a Skills Development Facility (SDF) that provided sub-grants to eligible applicants on a competitive basis for the purpose of raising the quality and volume of their training in demonstrated areas of skills shortages. The aim was to expand the number of individuals with the relevant skills in critical sectors and improve the quality of individuals’ skill sets in key occupations and sectors.

The above budgets for the components were the original allocations during Project design. However, there was a reallocation that was done during the course of implementation where it was agreed that all the unallocated funds meant for contingency as well as some funds from Component Two be allocated to Component One. Table 1 below shows the said reallocations in XDR:
Table 1: Reallocation of Project funds

<table>
<thead>
<tr>
<th>Component</th>
<th>Allocation (XDR)</th>
<th>Original</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1</td>
<td></td>
<td>11,000,000</td>
<td>13,600,000</td>
</tr>
<tr>
<td>Component 2</td>
<td></td>
<td>1,900,000</td>
<td>1,200,000</td>
</tr>
<tr>
<td>Component 3</td>
<td></td>
<td>4,500,000</td>
<td>4,500,000</td>
</tr>
<tr>
<td>Unallocated</td>
<td></td>
<td>1,900,000</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>19,300,000</td>
<td>19,300,000</td>
</tr>
</tbody>
</table>

4. Summary of Key Project Achievements

In this section, a summary of the key Project achievements is presented by project component:

4.1 Component 1: Delivery of Quality and Relevant Vocational Training

This component focused on strengthening the TVET system through interventions aimed at improving quality and relevance of training delivery in eight selected priority occupations and in six selected vocational training centers\(^9\). The training occupations or trades were Culinary Art, Food and Beverage Service, Front Office Operations, Housekeeping Operations, Carpentry, Masonry, Plumbing and Electrical Installations. The targeted institutions that were the direct beneficiaries of this component’s interventions were ETO Kibungo (now called IPRC East), ETO Kibuye (now called IPRC West), EST Busogo (now called Busogo TSS), Kabarondo VTC, Kirehe VTC and Kinihira VTC.

Key Achievements:

(i) **Curriculum Development:** The competency based curricula for all the said training occupations being offered in the above-mentioned SDP-supported schools were developed and subsequently upgraded to be aligned with the Rwanda TVET Qualifications Framework (RTQF). These updated curricula were successfully deployed and used in all the 6 SDP schools as well as in Industry Based Training (IBT), which is explained below. WDA continues to monitor the schools to ensure that these curricula continue to be used and that new trainers are adequately trained in their usage.

Furthermore, in order to support the teaching and learning of the said curricula, the WDA provided additional reference books and teaching and learning materials to the VTCs and this helped to reduce the ratio of materials to students to between 1:7 and 1:10 depending on the school; and the ratio of materials to trainers was improved to between 1:2 and 1:3 depending on the school. Before the Project interventions, so many

---

\(^9\) The Project originally targeted 7 institutions including Kibari VTC but it was dropped by GoR due to land disputes.
trainees and trainers used to share very limited training materials. This used to adversely affect the quality of the training being offered.

It is worth noting here that the Project did not intervene as much as anticipated during Project design because it benefited immensely from the very good and close cooperation and partnership with the PAFP (Belgian Common Programme of Support), which was already also planning the same interventions in curriculum development. As such, it was agreed that SDP contribute to the financing of logistics for the SDP schools while PAFP provided the technical assistance needed to develop and upgrade the curricula.

(ii) **Assessment:** The competency-based student assessment packages and related tools for the eight occupations mentioned above were also developed to correspond with the updated curricula in line with the RTQF as mentioned above. They were also successfully used in all the 6 SDP schools as well as in Industry Based Training (IBT). A competency based assessment policy was also developed and piloted in the SDP schools. WDA continues to monitor the schools to ensure that these packages continue to be used and that new trainers are adequately trained in their usage.

(iii) **Infrastructure, Equipment, Furniture, and Other Materials:** Table 2 below summarizes by school the achievements registered by the Project in infrastructure development, workshop/training equipment, furniture and other materials.
Table 2: Infrastructure, Equipment, Furniture, and Other Materials

<table>
<thead>
<tr>
<th>Name of School</th>
<th>Summary of Achievements</th>
</tr>
</thead>
</table>
| 1 Kirehe VTC   | **Brand New Facilities and External Works**: New Workshops for Masonry, Electrical Installations, Plumbing and Carpentry trades. Also new student canteen, new latrines, new washrooms, new water tanks, new road, new pathways and parking, new storm water drainage & waste, new water sewerage system, new fence & landscape.  
**Rehabilitated or renovated facilities**: Entire administration block & classroom blocks.  
**Training/Workshop Equipment**: New modern training/workshop equipment was purchased for the Electrical, Masonry, Plumbing and Carpentry workshops.  
**Furniture and Other Materials**: Office and Classroom furniture were purchased. A networked computer lab was also set up containing 20 new computers including their specialized furniture. The project also provided new lightning protection equipment as well as new school signposts. Finally, consumables for Electrical Installation were purchased by the Project while the WDA used its ordinary budget to purchase consumables for the other trades. |
| 2 Kinihira VTC | **Brand New Facilities and External Works**: New Workshops for Masonry and Carpentry trades. Also new student canteen, new latrines, new washrooms, new water tanks, new road, new pathways and parking, new storm water drainage & waste system, new water sewerage system, new fence & landscape.  
**Rehabilitated or renovated facilities**: Entire administration block, classroom blocks, plumbing workshop, electrical workshop, staff quarters.  
**Training/Workshop Equipment**: New modern training/workshop equipment was purchased for the Electrical, Masonry, Plumbing and Carpentry workshops.  
**Furniture and Other Materials**: Office and Classroom furniture were purchased. A networked computer lab was also set up containing 20 new computers including their specialized furniture. The project also provided new lightning protection equipment as well as new school signposts. Finally, consumables for Electrical Installation were purchased by the Project while the WDA used its ordinary budget to purchase consumables for the other trades. |
| 3 EST Busogo  | **Brand New Facilities and External Works**: New Workshops for Masonry, Electrical Installations, Plumbing and Carpentry trades. Also new kitchen, new latrines, new washrooms, new water tanks, new road, new pathways and parking, new storm water drainage & waste system, new water sewerage system, new fence & landscape, new pit latrines.  
**Rehabilitated or renovated facilities**: Entire administration block, classroom blocks, staff quarters, dining hall, drawing studio, boys dormitories.  
**Training/Workshop Equipment**: New modern training/workshop equipment was purchased for all the 8 occupations namely Electrical, Masonry, Plumbing, Carpentry, Culinary Art, Food & Beverage Service, Front Office Operations and Housekeeping Operations.  
**Furniture and Other Materials**: Office and Classroom furniture were purchased. The project also provided new lightning protection equipment as well as new school signposts. Finally, consumables for Electrical Installations and Food & Beverage Service were purchased by the Project while the WDA used its ordinary budget to purchase consumables for the other trades. |
4 ETO Kibungo (IPRC East) | **Brand New Building Facilities and External Works**: New Hospitality Center complex, new classroom block, new masonry workshop, new washrooms and gas tank enclosure. Also, new road, new latrines, new washrooms, new water tanks, new pathways and parking, new storm water drainage & waste system, new water sewerage system, new fence & landscape.

**Rehabilitated or renovated facilities**: Entire administration block, classroom blocks, electrical, carpentry, plumbing, automobile & welding workshops, multipurpose hall, dining & kitchen hall, students hostel, staff quarters & canteen.

**Training/Workshop Equipment**: New modern training/workshop equipment was purchased for all the 8 occupations namely Electrical, Masonry, Plumbing, Carpentry, Culinary Art, Food & Beverage Service, Front Office Operations and Housekeeping Operations.

**Furniture and Other Materials**: Office and Classroom furniture were purchased. The project also provided new lightning protection equipment. Finally, consumables for Electrical Installation and Food & Beverage Service were purchased by the Project while the WDA used its ordinary budget to purchase consumables for the other trades.

---

5 ETO Kibuye (IPRC West) | **Brand New Building Facilities and External Works**: New Hospitality Center complex, new classroom block, new carpentry workshop, new electrical workshop, new plumbing workshop, new washrooms, new gas tank enclosure. Also, new road, new washrooms, new water tanks, new pathways and parking, new storm water drainage & waste system, new water sewerage system, new fence & landscape.

**Training/Workshop Equipment**: New modern training/workshop equipment was purchased for all the 8 occupations namely Electrical, Masonry, Plumbing, Carpentry, Culinary Art, Food & Beverage Service, Front Office Operations and Housekeeping Operations.

**Furniture and Other Materials**: Office and Classroom furniture were purchased. The project also provided new lightning protection equipment. Finally, consumables for Electrical Installation and Food & Beverage Service were purchased by the Project while the WDA used its ordinary budget to purchase consumables for the other trades.

---

6 Kabarondo VTC | **Training/Workshop Equipment**: New modern training/workshop equipment was purchased for the Electrical, Masonry, Plumbing and Carpentry workshops.

**Furniture and Other Materials**: Office and Classroom furniture were purchased. A networked computer lab was also set up containing 20 new computers including their specialized furniture. The project also provided new lightning protection equipment as well as new school signposts. Finally, consumables for Electrical Installation were purchased by the Project while the WDA used its ordinary budget to purchase consumables for the other trades.

**NB**: It should be noted here that it was agreed that the Project fully finance all the construction rehabilitation works and equipment and material supply for five schools namely ETO Kibungo, ETO Kibuye, Kinahiira VTC, Kirehe VTC and EST Busogo (except the new hospitality block construction which was agreed to be financed by the WDA Ordinary Budget while the Project finances all the equipment and material purchase for the said hospitality complex). It was further agreed that the Project finance all the equipment and material support for Kabarondo VTC while the WDA finances all the construction and rehabilitation works.
(iv) **Training of Trainers (ToT):** The Project spearheaded the recruitment of new and more qualified trainers and workshop assistants to deliver training especially for the new trades such as the hospitality trades, plumbing, etc. This included not only the technical trainers and assistants but also trainers in English, ICT and Entrepreneurship, in line with the new curricula.

Once the teaching staff (trainers and workshop assistants) were on board and in line with the ToT Strategy that was developed by WDA to guide all ToT activities, a total of 107 trainers from the SDP supported schools and IBT centers were trained in competency based training and assessment (CBT/A) approach and pedagogy as well as technical upgrade. More than half of those also received training in ‘soft skill areas’ namely ICT, English and communication.

Given the limited number of TVET trainers in Rwanda that have both the teaching experience and industry exposure, and in a bid to ensure the high quality of the training delivered, the Project initiated the recruitment of four ‘master trainers’ in the four trades of the construction and building services sector (carpentry, masonry, plumbing and electrical installations). These experienced expert trainers continue to mentor, coach and support the existing trainers and students in the SDP supported schools. A total of 54 regular trainers and workshop assistants have so far benefited from the master trainers’ services.

16 master trainers for the four hospitality trades of Culinary Art, Food & Beverage Service, Housekeeping Operations and Front Office Operations that were previously hired at the now defunct Remera Hospitality Academy were also on several occasions deployed to support the SDP schools namely ETO Kibungo, ETO Kibuye and EST Busogo. Please note that these were not hired by the Project but were availed by WDA to support the SDP schools especially the VTC level students but they also supported other levels such as Technical Secondary School and Diploma students which were beyond the project scope.

The Project also recruited five master trainers for English to improve the very low English proficiencies of both staff as most of them are francophone and students of the SDP supported schools.

(v) **Industrial Attachment Program (IAP):** Through close collaboration and partnership between SDP and the Japanese International Cooperation Agency (JICA), an IAP Framework was developed including IAP Guidelines and Modules for the implementation of the IAP and to strengthen the linkage between schools and the industry (labor market).

As part of the said Framework, each school appointed an Industrial Liaison Officer (ILO) who is the official link between the school and the industry. This Officer is charged with forging relationships and partnerships with the industry, seek internship slots, follow up on ongoing internships, etc. A series of workshops on IAP tools and instruments was conducted to benefit ILOs, trainers, and management staff of the SDP schools as well as company representative.
They in turn deployed and used said tools successfully in all the six schools. WDA continues to ensure that new school managers, trainers and company representatives continue to receive training in IAP to ensure continued implementation of the Program. So far, a total of 37 trainers and school management staff of the SDP schools have so far been trained on IAP tools and instruments.

As a result, 92% of the students who completed their classroom training in the 2015 academic year in all the six SDP schools and IBT centers were able to find and successfully complete their mandatory industrial attachment in line with the IAP tools and guidelines that were developed to guide the schools in the implementation of the IAP.

(vi) School-based Management:

The Project worked with the WDA authorities to recruit school managers, deputy school managers and support staff in the SDP schools that only had acting personnel. This was then followed by the development of a Staff Training Needs Assessment and Training Plan.

A series of capacity building workshops for a total of 16 management staff of the SDP schools were conducted focusing on different aspects of school management best practices. The new members of staff were trained on CBT/A approach, IAP, TVET management, strategic planning, budgeting, private sector engagement, career guidance and orientation, entrepreneurship, business incubation, production units and other income generation strategies.

In addition, WDA has identified a group of successful school managers who provide a series of lectures and training sessions to the managers and deputy school managers of the six SDP schools. These exemplary managers of successful TVET schools, who have been able to demonstrate good TVET management practices such as attracting high numbers of student enrolment, tracking graduate employment and employer satisfaction and generating incomes through their production units and using some of the proceeds to provide bonuses to their trainers were able to share best practices with the SDP school managers. All this is in line with the Capacity Building Plan that was developed to guide the capacity development activities in the SDP schools.

Also, a number of study tours were organized for both the school management and teaching staff to visit model and successful schools both in Rwanda and abroad. A total of 24 staff benefited from these study tours.

The Project also supported the school management teams with technical assistance in developing their income generation strategies and setting up of Production Units with the schools to supplement their incomes while making sure that it does not compromise the education mandate of the schools;

In addition to six building blocks above, other activities also made good progress.

Industry-Based Training (IBT).
SDP introduced an innovative program that was called the ‘**IBT program**’ by partnering with four hotels namely Virunga Hotel in Musanze district, Urumuli Hotel in Gicumbi district, Moriah Hill Resort in Karongi district and Eastland Hotel in Kayonza district. Each hotel offers training in four hospitality occupations namely Front Office Operations, Food & Beverage Service, Culinary Art and Housekeeping Operations.

This mode of training was introduced as there were delays in the construction of the VTCs. While this was a temporary measure conceived due to the initial project implementation delays, all six building blocks under Component 1 discussed above were provided to students. Thus, the quality of the training at the hotels was maintained.

785 students have so far completed IBT in the two cohorts that were conducted and about 900 more are currently undergoing their training until December 2016 when they commence their industrial attachment or internships. A big majority of IBT graduates got employment according to a tracer survey that was conducted by an independent consultant.

The classroom and onsite practical training is conducted at the host hotels for a period of 6 months in the hotels after which they do 2 to 3 months of industrial attachment in different hotels, restaurants and other related hospitality establishments.

An independent consultant was hired by the Project to evaluate the effectiveness of the IBT program in relation to the Project’s development objectives. This section below on IBT’s achievements was extracted from the Consultant’s report:

**Achievements of IBT**

At each of the hotels or IBT sites mentioned above, focus group discussions were conducted with 16 trainees (four from each of the four hospitality trades). Discussions were based on trainee ratings of their levels of satisfaction with the IBT program. Satisfaction ratings referenced aspects of the IBT program including content of modules trained, competence of trainers, quality of hosting-hotel services, equipment and support, trainee welfare, duration of training and overall training and recruitment process.

The findings showed that the largest proportion (81%) of the consulted trainees fall under the “satisfied” category followed by the “very satisfied” (17%) with no significant differences across trainee gender or the four hotels. Only one case falls into the category of very low level of satisfaction. Overall, IBT trainees are satisfied with the training program. The following sections elaborate reasons for these high satisfaction levels (i.e., “what is working in the IBT program”).

**Satisfactory Quality of Training and Trainers**

The majority of IBT trainees expressed satisfaction with both the quality of training and trainers. The training content and materials provided were from an accredited curriculum and most of the training modules were based on international standards and practices. The modules were also well organized and logically sequenced. The training was completed within the required time and covered all modules except in a few cases for particular disciplines in particular hotels such as for culinary art at Moriah Hill Resort. The trainees appreciated being able to specialize in one of the four hospitality trades indicating that many other hospitality offerings in other schools teach all four trades leaving a graduate with no specialization or ‘a jack of all trades and master of none’ as they say.
In addition, IBT trainers were considered exceptional in all hotels by both trainees and hotel management. Hotel management explained that IBT trainers contributed to the hotel’s own processes and management by providing technical advice to the different departments within the hotel. Trainees elaborated that trainers possessed the technical knowledge and facilitation skills to deliver the trainings. The use of experienced trainers provided trainees with not only the opportunity to learn but also for career guidance and practical skills development. The use of local trainers who were able to speak in Kinyarwanda, French and English fluently also ensured adequate delivery of trainings.

Adaptable and Flexible Training Methods

Occasionally, the IBT training faced some challenges at the beginning including lack of some advanced equipment at host hotels and lack of training space during busy days at the hotels. However, trainees appreciated that the trainers used creative techniques to deliver the planned modules under the different constraints. For example, in some cases, in absence of demonstration equipment (e.g., vacuum cleaner, espresso machine), the trainers used DVDs, YouTube videos and photographs to demonstrate equipment functions. Some trainees were confident enough to use such equipment even if they had never seen them physically. Similarly, in culinary art, in absence of certain ingredients in the hotel kitchens, trainers showed trainees how to improvise with acceptable, accessible ingredients.

As part of the training’s practical focus, trainees were used in actual hotel events. For instance, IBT students were used in food and beverage service, front office, and culinary arts services whenever there were functions or ceremonies and hotels required additional labor. This enhanced their practical skills development and built confidence in ability to apply their newly gained knowledge and skills.

Inclusion of Other Prerequisite Skills

The IBT program delivered technical hospitality skills and knowledge and also contributed to the development of various life skills and prerequisite competences and knowledge for the hospitality sector. The trainings in Information and Communication Technology (ICT) and basic English contributed to the high satisfaction rating by trainees, especially among the front office trainees as they explained how international and regional languages are a prerequisite for them in their new careers.

The trainers also built trainees’ competence in basic life skills including personal etiquette, hygiene, and customer-care, teamwork, self-confidence, self-esteem and communication. Most IBT trainees indicated that these life skills – that they had previously taken for granted – are actually prerequisites, especially for the hospitality sector, which they had not expected at the time of enrollment.

Integration of Carrier Guidance

The IBT program included carrier guidance talks from experts from prominent hotels in Rwanda
(e.g., staff from Serena Hotel, Muhazi Beach Hotel and Sports View Hotel). These carrier guidance sessions greatly contributed to trainee understanding of and interest in the hospitality industry, demonstrated by the following quotes from trainees in the FGDs:

*As a man the career guidance made me realise the kitchen is not only for women as my skills can be used in the kitchen as well.*
- IBT Trainee, Moriah Hill Resort

*The IBT has changed our attitude towards the hospitality industry because we formerly had the attitude that such work is for the uneducated and people who have failed to get jobs.*
- IBT Trainee, Virunga Hotel

**Adequate Project Monitoring and Support**

WDA or, more specifically, the hospitality department staff and the SDP management, were actively involved in monitoring project progress. The program has made timely and necessary adjustments to address emerging needs during implementation, such as the integration of the ICT and English training programs. Trainees appreciated the regular monitoring visits at least once every month that encouraged them to stay in the program.

**Enhanced Employability**

Most trainees are secondary school graduates who either failed to raise funds to continue with formal education or desired to venture into the hospitality industry but did not know how to or could not afford it. They participated in the training to enhance their ability to get jobs and acquire stable income. The IBT program helped many of them achieve this objective. For example, some students used their new skills in culinary art and, with sufficient start-up capital, established their own enterprises such restaurants and bakeries. Others obtained skills in house keeping and front office operations that can be used in the hospitality sector but also in corporate institutions seeking to improve customer care services. Many trainees were offered jobs either at the host hotels or at other hotels within the districts; most trainees attribute this to the IBT making them more competitive candidates. The trainees also expressed optimism about job prospects in the future given the current rapid development of the hospitality sector in Rwanda.

**4.2 Component 2: TVET System Strengthening**

This component sought to: (a) monitor and evaluate training delivery, in particular the implementation and performance of the SDP; (b) inform strategic policy decisions and policy reforms by providing sound analyses concerning key aspects of the training system; and (c) build capacity for monitoring and evaluation and for conducting relevant research within the WDA and TVET providers.

*Summary of Key Achievements:*

(i) **Monitoring and Evaluation (M&E):** The Project developed an online-based M&E System as planned to monitor and evaluate training delivery, in particular the implementation and performance of the SDP. This system continues to be functional
and is able to generate different reports on several indicators outlined in the Results Framework. Also an M&E Guide was developed to support the usability of the online M&E System. This Guide included an M&E Framework, M&E Plan, Log frame, forms, templates, and other tools.

Users were trained both at WDA and VTCs. WDA continues to monitor the utilization of the system to ensure that the collected data are used to improve the project implementation and results. While M&E functions initially reported only on SDP indicators, it is planned that reporting will be across all WDA indicators in the future. In the long term, the M&E system would also collect data from private sector institutions.

Further, an SDF sub-system or module to monitor the grant disbursement and utilization was added that included an optional online SDF grants application for SDP applicants. This however did not replace the paper based application system in order not to exclude potential applicants who may not be computer literate.

(ii) **Informing strategic policy decisions:** The Study to review TVET literature on Skills was completed in order to understand what research and analyses have already been done on TVET in Rwanda so as to inform future studies based on identified gaps.

A number of other studies were also completed including a mid-term interim assessment of the implementation progress of the Project. This study that was done midway through the Project, helped the Project to adjust implementation activities so as to achieve all the targets in the remaining period before the Project closure.

The Project also conducted a staff capacity assessment study and capacity development plan that was mentioned earlier. A quality assessment study was also commissioned by the Project to gauge the level of quality of training delivered in the VTCs and IBT sites in all the key building blocks.

In line with WDA’s mandate of monitoring and evaluating the performance of the investments made in the SDP supported TVET institutions, a total of 3 tracer surveys were conducted in the course of the Project implementation. The overall goal of the surveys was to assess the labor market relevance and employability of the graduates of VTCs, IBT and SDF-supported TVET institutions, and how the training (type, quality, quantity) matches the expectations of employers (employer satisfaction survey) and the needs of the market, and also the aspirations of the trainees. The results of these tracer surveys also provided information on the number of ‘off-farm jobs’ that were created as a result of the Project investments in line with the EDPRS targets.

The Project spearheaded and sponsored analyses on labor market skills needs and bottlenecks in the agriculture and mining sectors.

The Project also initiated and sponsored a consultation workshop between GoR and other development partners on TVET financing in Rwanda. This led to a study on Sustainable TVET Financing, which was eventually financed by the TA Pool Fund that
was set up by WDA and the Ministry of Education to support technical assistance activities for TVET. This Fund is currently being supported by KOICA and GIZ Rwanda.

(iii) Capacity Building: As mentioned above, staff from WDA and the SDP schools were trained not only in the usage of the M&E online system, but also the basics and fundamental principles of M&E in general.

The Project also conducted a number of workshops on analyses of different aspects of TVET in Rwanda as mentioned above. These were mainly brainstorming workshops led by international experts recommended by the World Bank.

4.3 Component 3: Rapid Skills Development Facility or Fund (SDF)

The objective of this Component was to minimize skills gaps by rapidly increasing the supply of skills in high demand in the labor market.

Key Achievements:

The Project provided sub-grants to eligible applicants (TVET providers) on a competitive basis for the purpose of raising the quality and volume of their training offerings in demonstrated areas of skills shortages. The application and evaluation process was rigorous and went through 4 major stages; where two stages were done by the SDF secretariat within the Project including screening and due diligence while the other two stages were done by external experts including evaluation by independent consultants who were experts in the respective fields of the applications and a committee that was set up known as the SDF Sub Grants Committee which was made up of representatives from the private and public sectors. All this was done to ensure transparency in the award process.

The SDF provided grants in four rounds of the selection process to a total of 108 institutions against the results framework target of 90 with a total value of grants totaling approximately US$ 4.86 Million.

Due to the aggressive awareness and training programs that were organized by WDA at the district levels, the number of applicants for SDF grants increased from 171 in the first round to about 300 in the fourth and last round. Similarly the quality of proposals gradually increased which is reflected in the increase of successful applicants from 17 in round 1 to 38 in round 4.

The acceptance rate of applications was on average 13 percent of the total applications.

The following tables (3 and 4) provide a snapshot of SDF implementation:

<table>
<thead>
<tr>
<th>Table 3: Snapshot of applications, award and implementation statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Round</strong></td>
</tr>
<tr>
<td>Number of grants applications received after call for proposals</td>
</tr>
<tr>
<td>Number of grants applications that passed the initial screening/desk review phase</td>
</tr>
<tr>
<td>Number of applications that succeeded in the technical evaluation phase by technical experts in their respective areas of expertise.</td>
</tr>
</tbody>
</table>
Table 4: Training and Employment Numbers

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Targets by Project end</th>
<th>Achieved by Project end</th>
<th>% of achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Persons Enrolled in training financed through SDF</td>
<td>12,000 (37% Females)</td>
<td>14,872 (47% Females)</td>
<td>124% (127% Females)</td>
</tr>
<tr>
<td>Persons Completing training</td>
<td>10,000 (37% Females)</td>
<td>12,129 (39% Females)</td>
<td>121% (105%)</td>
</tr>
<tr>
<td>Percentage of graduates able to find jobs within 6 months of graduation</td>
<td>50%</td>
<td>46%</td>
<td>92%</td>
</tr>
<tr>
<td>Percentage of graduates that improved job performance</td>
<td>82%</td>
<td>93%</td>
<td>114%</td>
</tr>
</tbody>
</table>

The projects that were funded covered the whole country with a slightly higher concentration in Kigali for obvious reasons. We’ve got SDF presence in almost all districts of Rwanda (28/30). We also covered almost all trades that were marketable during the project life. Due to the fact that the construction industry is booming in Rwanda, the majority of the funded projects are in the field of construction and building services (carpentry, masonry, welding, plumbing, electricity and firefighting). However, we also had quite a high number in Hospitality management and automobile mechanics.

With its presence in 28 districts of Rwanda and in all priority sectors set in EDPRS 2, SDF registered success in many other areas. The SDF has had impacts at four levels: the trainees, the training institutions, Government institutions and the general population.

At the trainees’ level:

Certification and Employment

The SDF has created and improved employment opportunities. With the support of the National Employment Program (NEP) through Kora Wigire funds at Umurenge Saccos, the Graduates of SDF are creating Jobs in construction and building services, art and craft etc. According to the second tracer survey of SDF, 46% of the graduates got employment within 6 months after graduation. This rate is going to increase even further due to government initiatives through the National Employment program (NEP) that is giving graduates start-up capital. This is a soft loan arrangement with a grant element in it to enable the youth with skills to create their own employment.

Employer satisfaction continues to grow (89.5%) as the percentage of those that improved productivity (93.3 %) also increased. The same goes for the levels of income that graduates receive after training. According to the tracer survey, about 60% of the graduates surveyed earn more than 20,000 FWR per month. By comparison an average casual worker on the farmer earns between 1600 frw -20,000frw depending on location.

For the ones that were working before joining SDF, their salaries increased tremendously. For example in the mining subsector, some had their salaries multiplied by 3. This was due to two factors: one is...
that their productivity had increased but also another big factor was that they now had a certificate that could give them mobility. Therefore, the SDF facilitated employment mobility among many young people. There are some who had earlier acquired basic skills in some trades like mining but due to the fact that they had not received formal training, they would keep serving one employer enduring the small wages. However, after the SDF funded trainings, most of these now have what to show to prove their competence in form of certificates of completion and competence. In addition, the improved productivity has meant increased salaries/wages for many.

**Programs that are women friendly**

TVET has always been looked at as an area for men only due to emphasis in male-dominated trades. However, SDF has introduced many women dominated trades as well such as hairdressing, hospitality, weaving and tailoring. These have helped significantly increase the number of ladies who were still skeptical about the male dominated trades like construction.

This is a picture of the best trainee at IPM (an SDF grantee institution) receiving a tailoring machine from the institution to help her start off.

This picture shows ladies showing off a sample of their products at another SDF grantee called DAC.

**Programs that were all inclusive**

SDF was able to reach most districts and all segments of the society, including the marginalised, vulnerable and disabled people.

This is a picture of disabled ladies at their graduation at AGHR, one of the SDF grantees.

Apart from those that were physically disabled, the project had a lasting impact on street children and sex workers. Trades like tailoring and hairdressing, helped in getting many sex workers and street children off the roads. These activities were championed by AEE, Universal beauty salon, Umushumba mwiza and CPAJ SDF subprojects, all financed by SDF.

**At Beneficiary training institutions:**

**Improved training capacity:**

In line with the SDF motto “unlock your potential” there are institutions that have been having very good plans and visions that were unrealized. Through provision of funds to purchase modern equipment and hire competent trainers, most of them improved their capacities to offer quality trainings.
This picture shows SDF trainees undergoing training in culinary art using the equipment and consumables purchased from the SDF funds.

This picture shows training in modern automobile mechanics in preparation for the new government policy on old vehicles. Some equipment bought through SDF funding was seen in beneficiary institutions/garages for the first time.

**Capacity Building**
The level of trainings offered by SDF secretariat to the schools/institutions management has equipped them with vital fiduciary and management skills to manage their institutions more efficiently. They received thorough training in financial management and procurement. This picture shows the SDF FMS sharing with the managers of institutions some of the likely mistakes that beneficiaries need to avoid.

The partnership with WDA gave institutions more credibility and an improved image. Some of beneficiaries have award-giving photos like this one during the fourth round awards giving ceremony presided by the Director General of WDA. This helped in their marketing strategies. The fact that these institutions could prove that they are working in partnership WDA attracted many trainees and this helped to make the training provision sustainable.

**Framework and Forum for networking among TVET providers.**

SDF has created a networking framework among the TVET providers. The training that beneficiaries receive doesn’t only give them the capacity to manage their institutions but they get to network with their peers. This has proven to help in the marketing of products that come from their production units.

**Acquiring new methodologies of work**

Before SDF, most of the institutions were having only one training session a day. However, the flexibility offered by SDF has taught them a great lesson in managing resources more efficiently. The same resources and trainers can now be used for two sessions a day. The trainers can get additional income which increases their motivation.

**At Government institutions level:**
The SDF has helped WDA, Rwanda Revenue Authority and Districts to realize their performance targets. Many Government institutions including WDA were able to achieve their performance targets.
Informal trainings were formalized, more applications for accreditation were stimulated. Since a tax clearance certificate from RRA was an eligibility condition for accessing the funds, there are many institutions that paid their taxes to enable them become eligible to apply for the funds. Similarly, in the districts, there were gains at three fronts: number of skilled people increased, new jobs were created and new products came into the market because of SDF financed training.

At general population level:

Idleness and associated evils: Giving skills to young people who were unemployed has reduced the level of idleness in communities. This has reduced on the crime rates.

Improved Image of TVET: Prior to the sensitization and awareness campaigns, the majority of Rwandans had a wrong perception that TVET was for the under-privileged and incompetent. With SDF, we were able to attract high school and university graduates who took advantage of the training offered in TVET to help them acquire marketable skills that would enable them to become entrepreneurs in different sectors. Examples are in hairdressing, hospitality and Agriculture who enrolled in Belaasi Saloon School, Demi Sheraton and EAV Kabutare respectively. Some of these are now trainers while others are entrepreneurs following the completion of their training. The flexibility and the hands-on approach that SDF adopted changed the mindset and perception of TVET among Rwandans.

Innovative ‘Made in Rwanda’ products on the Market: Through support from the SDF, some products that were being imported at very high costs are being made in Rwanda. For example; the quality of furniture made from Mpanda VTC using the equipment bought through SDF support is very competitive on the local market.

Expansion of the skill nets available in Rwanda
The SDF has pioneered the development and delivery of new courses in the TVET system. New training centers were developed, others were formalized and new trades developed. Skills in Mining, energy and firefighting were introduced only after SDF interventions.

Improvement of Quality in TVET training provision
Some funds given as grants were used to purchase modern machines and equipment for training. This has prompted even graduates who had attended technical and vocational training to return for refresher courses. Some of these have turned into trainers due to their earlier training and experience. This cuts across all sectors from tailoring to motor vehicle mechanics.

5 Assessment of SDP’s Objective, Design, Implementation and Outcome

5.1 Project Objectives:
The project development objectives remain highly relevant to the development agenda of Rwanda. There is need for skilled labor to support the ambitious development plans of Rwanda as enshrined in Vision 2020 and EDPRS plans.

5.2 Project Design
The project design was relevant and flexible. Overall, the project’s components were well designed and aligned with the Government’s strategy on the promotion of skills development through TVET in order to fight unemployment and subsequently spur socio-economic development as stipulated in the TVET Policy and TVET Strategy for Rwanda. The Project focused on the fundamental economic sectors that boost economic development.

5.3 Implementation
Due to the GoR’s efficiency and results-based focus and with the strong backing and support of the World Bank, the project allowed some flexibility during implementation such as introduction of IBT.

Effectiveness delays: Despite the initial effectiveness delays (Project was declared effective 5 months after Bank approval) and delayed appointment of a permanent Project Manager, the Project was still able to implement all the Project activities.

Initial Delays after the declaration of project effectiveness: The project implementation was slow in the beginning due to the limited technical capacity within the WDA to prepare standard bidding documents for construction works and procurement of training equipment acceptable to World Bank procurement processes and standards. The Project remedied this by hiring short-term resources/consultants to prepare said procurement documents.

Mid-term review (MTR). The mid-term review was conducted in November, 2014. The project had disbursed approximately 61.5% of the total project budget, although it still lagged behind in terms of the initial disbursement schedule. The project had made major progress in the activities under Component 2 and Component 3 but lagged behind in Component 1. As a result of the MTR, the Project underwent minor restructuring.

Overall, the Project implemented all the activities that were planned although some delays were incurred as mentioned above. The SDP team effectively coordinated with the different units and
departments of the WDA to ensure that all the Project activities were implemented as planned despite the said incurred delays.

5.4. Outcome
The project was relevant, achieved high targets and closed on time. The PDO was developed aligned with Rwanda’s Development Strategy (Vision 2020 and EDPRS). A broad range of activities were fully implemented within the Project period.

The project achieved the PDO quite satisfactorily and most of the PDO indicators were met despite the challenges encountered in the initial stages most notably the delays in construction works and supply of training equipment. The efficacy of this project is worthy to note given that most World Bank financed skills development projects in other countries don’t always achieve their targets on time and always need extensions.

6. Assessment of Bank and Borrower Performance

6.1 Borrower Performance
Despite the initial delays that were caused by limited technical capacity within the WDA, a number of remedial actions were constantly undertaken to keep the Project on track especially during implementation phase.

**Political commitment:** The GoR’s very strong commitment towards skills development was strongly promoted by top leadership of the country including HE President Paul Kagame who appointed a Minister of State for TVET, a completely new cabinet portfolio. In addition, senior officials were fully committed to the Project including the Minister of Education, the Minister of Finance and Economic Planning and the Director General of WDA.

**Stakeholder engagement and donor coordination:** All activities that SDP supported had been fully linked and integrated into larger WDA goals. During the project’s preparation, the GoR reviewed all skills development activities with the stakeholders and donors, and agreed upon the activities to be supported by the SDP. A clear agreement, among the donors and stakeholders regarding the World Bank’s role and commitment to TVET implementation through SDP was reflected throughout the project appraisal.

**Incorporated lessons learned from other skills development projects:** The SDP’s design reflected lessons learned from other skills development projects. The SDP staff went on study tours including visiting the Mozambique Skills Development Fund to learn lessons that would be vital during implementation.

**Disbursement:** The Project was able to disburse 100% of the funds within the original planned timeframe, despite the initial delays incurred.

A key lesson can be learned from an arrangement that did not work out in favor of the Project. An agreement was struck where the Project would procure training equipment that would be
installed in 2 schools (Kabarondo VTC and Hospitality block of EST Busogo)\textsuperscript{10} whose construction would be financed by the WDA Ordinary budget. As it turned out, the Project procured the equipment which was supplied and delivered in the said schools but the construction works financed by WDA Ordinary Budget were not completed and had in fact stalled. As a result, the equipment ended up being stored for more than a year. However, some of the tools and materials that didn’t need to be grounded and installed after the workshops were complete were put to use by the trainers and the students.

In retrospect, it would have been easier for the Project to finance both the construction and equipping of one school while the WDA Ordinary budget does the same for the other school as opposed to the Project buying equipment for both schools while WDA does construction for the same schools.

6.2 Bank Performance

Overall, the Bank was highly instrumental for the successful preparation and implementation of the Project, particularly through its continuous implementation support and supervision missions that were carried out during both the preparation and implementation phases. Rather than being mere supervision missions the Bank missions turned out to be an effective supporting mechanism to ensure the achievement of the project goals and indicators.

\textit{Key lesson:} The lengthy procurement clearance process did present challenges due to so many back and forth correspondences especially at the beginning of implementation. While this may be partially attributed to the limited capacity at WDA at the beginning before the Project hired other resources as mentioned above, the Bank’s system of no objections at almost every stage exacerbated the problem.

However, the overall performance of the Bank staff was significantly satisfactory.

7. Proposed Arrangements for future sustainability

Due to the tremendous success of the IBT program, the GoR decided to mainstream it in the National Employment Program (NEP). It is now a key component of NEP. In fact, NEP has already started implementing IBT and it has now been included in the NEP National Guidelines. Due to the success of the first SDP operation, the GoR has requested the World Bank to support a follow up operation through the Bank’s Program for Results (PfR) lending instrument. The preparation of this operation is currently underway and it is expected to go to the Board in July 2017. This new operation will aim at supporting the development of a continuum of skills for a few selected key economic sectors.

The GoR is also considering continuing with the SDF either as part of this PfR operation or through a different mechanism which will be determined at a later time.

\textsuperscript{10} It should be noted that only the hospitality block of EST Busogo was financed by the WDA Ordinary Budget. The rest of the construction works were financed by the Project.