

SUPPORT TO VET REFORMS PROJECT (SVRP) IN UZBEKISTAN

Inception Phase Report



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Acronyms

| | |
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| CEMETS | Center on the Economics and Management of Education and Training Systems |
| CES | Chair of Education Systems |
| CIS | Commonwealth of Independent States |
| COCU | Chamber of Commerce of Uzbekistan |
| CPE | Centre of Professional Education |
| EDA | Federal Department of Foreign Affairs |
| EELI | Education-Employment Linkage Index |
| GSE | Gender and Social Equity |
| HELVETAS | HELVETAS Swiss Intercooperation |
| LMI | Labour market information |
| MoHSSE | Ministry of Higher and Secondary Specialised Education |
| MoELR | Ministry of Employment and Labour Relations |
| MPE | Ministry of Public Education |
| M&E | Monitoring and Evaluation |
| MRM | Monitoring Results Measurement |
| MSD | Market System Development |
| PCM | Project Cycle Management |
| PIU | Project Implementation Unit |
| PPP | Public-private partnerships |
| QA | Quality Assurance |
| SDC | Swiss Agency for Development and Cooperation |
| SFUJET | Swiss Federal University of Vocational Education and Training |
| SVRP | Support to VET Reforms Project |
| ToC | Theory of Change |
| VET | Vocational Education and Training |
| VSD | Vocational Skills Development |

1. Basic information

| | | | |
|---------------------------------|---|----------------------|--|
| Name of project | Support to VET Reforms Project in Uzbekistan (SVRP) | | |
| Country | Uzbekistan | | |
| SDC domain | Employment and Economic Development | Working Field | Inclusive employment of youth through VSD |
| Start date | Inception phase: 15.03.2021 Phase I: 01.12.2021 | End date | Inception phase: 30.11.2021 Phase I: 31.12.2025 |
| Short description | The main goal of SVRP (phase I) is to contribute to more gainful employment of Vocational Education and Training (VET) graduates through improved access to the labour market. This will be achieved through a systemic approach fostering improved coordination within the state structures as well as between the state and the economic actors and the improvement of quality of inputs (profiles, curricula, learning material, qualified teachers, infrastructure, provider management, financing) into the VET offer. | | |
| Overall goal | VET students and graduates in Uzbekistan profit from a functional labour market-oriented education and training system, allowing them to find and retain an attractive and decent job in sectors with growth potential. Target 2026: 2000 young persons of whom at least 50% being project beneficiaries, have obtained gainful and/or additional (self-) employment due to SVRP interventions. | | |
| Intermediate goal | VET graduates increase their employability through demand and labour market-oriented VET offer. | | |
| Outcomes | <ol style="list-style-type: none"> 1. Strengthened institutional actors implement a functional regulatory framework in a coordinated manner. 2. VET actors on central level and VET providers assume their quality-assurance roles, having developed the necessary structures, processes and instruments. 3. Teachers perform in a competence-oriented and labour-market oriented way. 4. The economic actors assume an enhanced role in the VET system, by contributing actively to the governance, definition and implementation of VET. | | |
| Outputs | <ol style="list-style-type: none"> 1.1. VET system monitored and harmonised. 1.2. Key institutions / persons are capacitated to take a leading role. 1.3. VET coordination mechanisms and processes established. 2.1 Improved institutional capacity on QA. 2.2 Accreditation system of formal VET providers complied with (nationally) agreed standards and piloted. 3.1 Strengthened institutional capacity for initial and in-service teacher training. 3.2 Improved institutional capacity on teachers' qualification and certification systems. 4.1 More structured representation of employers in VET established 4.2 Private sector-led strategy established and capacities of employers in advocacy built. | | |
| Approach | The SVRP project applies an inclusive systems approach based on an enhanced collaboration of public and private partners at the national and regional level in managing VET with a focus on capacity building and attention for transversal themes in cooperation with relevant development partners. | | |
| Beneficiaries | Project beneficiaries are the under- and unemployed, predominantly youth aged 15-29, and secondary school students who are attending public VET institutions. The project will make specific efforts to reach out to women and persons from disadvantaged backgrounds in these groups. | | |
| Implementing partners | <ul style="list-style-type: none"> • Helvetas Swiss Intercooperation (lead) • Center on the Economics and Management of Education and Training Systems (CEMETS) from CES/ETHZ • Swiss Federal University of Vocational Education and Training (SFUVET) | | |
| Donor | Swiss Agency for Development and Cooperation (SDC) | | |
| Resources (phase budget) | Inception phase: 564,425.00 Phase I: CHF 4,814,837 | | |

1. Introduction

1.1. Project background

The Support to VET Reforms Project (SVRP) in Uzbekistan is envisioned as a long-term, twelve-year project funded by the Swiss Agency for Development and Cooperation (SDC) and implemented by Helvetas with the Ministry of Higher and Secondary Specialised Education (MoHSSE) as key governmental partner. It aims at “VET students and graduates in Uzbekistan profit from a functional labour market-oriented education and training system allowing them to find and retain an attractive and decent job in sectors with growth potential.” The scoping mission (2020) to develop future Swiss interventions in the VET sector had identified four major intervention areas, being (i) strengthening of governance of the VET system, (ii) a comprehensive VET Quality Assurance framework, (iii) the structured provision of initial and in-service teachers’ capacity building in all spheres of VET, and (iv) models to achieve meaningful and close cooperation between VET providers and economic actors in Uzbekistan.

The project focuses on systemic changes that are based on deep understanding of the system of the whole VET sector and the capacities to govern its functions and resources in a sustainable manner in the long-term. The SVRP project applies an inclusive systems approach aiming to an enhance the collaboration between public and private partners at national and regional level in managing VET.

1.2. Strategic review and outlook

The overall purpose of the inception phase is to conduct necessary research and analysis which lead into the design of the overall programme strategy and operational setup. It sets the starting point for project implementation and brings together partners and team members for the first time, aligning their understanding under a common framework.

The SVRP PIU with backstopping support from Helvetas head office and Swiss technical partners, namely the Centre on the Economics and Management of Education and Training Systems (CEMETS) and the Swiss Federal University of Vocational Education and Training and SFUVET, have completed all main activities as outlined in the technical proposal accepted by SDC. The present document synthesizes activities and achievement during the Inception Phase according to the work plan agreed in Annex 1.

This period was set to deepen the understanding of the project team about the actual situation in a dynamic VET landscape, marked by a range of assessments, studies and fact-finding exercises to validate the assumptions that Helvetas has made to underpin its project implementation strategy. Introductions, exchanges, initial workshops to build synergies and an expert mission have been conducted to collect information to feed into the Project Document for the main implementation period which will run between December 2021 – November 2025 with a budget of approximately 4.8 million Swiss Francs. Assessments suggest that the initial Theory of Changes and the provisional Logframe are still highly relevant.

1.3. Key Dates

| | |
|------------------------------|---|
| 15 th March 2021: | signing of Implementation Agreement between SDC and Helvetas. |
| 26 th March 2021: | arrival of Team Leader to Uzbekistan |
| April – June: | Introduction and orientation on VET landscape and stakeholders |
| May – July: | Field assessments by project experts and short-term consultants |
| 31 st July: | Submission of Draft Project Document |

15th September: Submission of Final Project Document
18th November: Approval of the Project by Credit Committee in Switzerland
30th November: Signing of contract between SDC and Helvetas

2. Outputs and performance

The following section reports the outputs and performance according to the project's logical framework. Given that the inception phase – the 8.5-month period with which this report is concerned – is used mainly for project design and organisational setup, little can be said about the effect of intervention at outcome level and on youth employment (goal). Only some initial and limited experiences can be documented in regard to capacity building from Swiss partners (SFUVET and CEMETS).

This part therefore focuses on outputs and performance as per technical proposal and plan for the inception phase which was submitted by Helvetas and accepted by SDC. Future annual reports will however reflect on changes as per logical framework.

2.1. Assessments and capacity building in collaboration with Swiss Partners

SFUVET

Distant methodological support from the team of experts of project partner SFUVET helped the project team to guide the local assessments, finetune the stakeholder mapping and analysis, and the diagnostics of the VET system. Interviews with different institutions and experts have been held to visualise the complexity of the system, its many layers, and understand functional relationships between the core stakeholders in the system. This has been compared with the responsibilities and mandates brought by decrees and regulations, and that are expressed in tasks defined in national plans like the Education Sector Plan.

A visit of Swiss expert Emanuel Wuethrich to the project (1-9 June 2021) facilitated deepening of the analyses to the final design of the project and its strategic orientation. It confirmed the central position of the Department of VET in the Ministry of Higher and Secondary Specialised Education (MoHSSE) for the steering of the reform process and overall governance of the VET system, whereas it allowed to identify the MOHSSE' Institute of Pedagogical Innovations, Retraining and Further Training (IPIRFT) as important partner in delivering of methodological and pedagogical aspects of the reform. The IPIRFT will be the entry point for Outcome 3 and create a first interaction with its Swiss counterpart.

The capacity assessment mission from SFUVET revealed that good communication (towards employers, training providers, youth, public) by stakeholders implementing the reform is essential but missing. The dense VET landscape, both in terms of institutions and of regulations require a high level of communication and interactions between stakeholders to ensure that the systemic changes that have been (and are still being) introduced are well understood, accepted and internalised by the implementers of the system's functions. Since the introduction of reform decrees (2018), system changes are being operationalised with various levels of success. Activities (surveys, capacity building, best practices) proposed for phase I will also serve for communication campaigns and as a strategy to inform stakeholders and trigger dialogue about replicating or upscaling success stories and about alternative solutions for areas of lesser result.

A second mission in November 2021 served for further consultations with both IPIRFT and individual employers to discuss about and observation examples of practical teaching to further build the relationship with IPIRFT and was instrumental to identify which training programme of the Swiss International VET Academy¹ would be the most appropriate and

¹ The objective of the Swiss International VET Academy programme is to support skills development worldwide and especially the development of dual-track elements in vocational education. The targeted audience are experts, VET professionals, representatives of VET-institutions governmental and non-governmental and companies.

which would be barriers in accessing such training. The online course “Situation-based Teaching in VET”² has been supported from distance by Emanuel Wuethrich and the online course Understanding Quality in VET³ is envisaged for Phase 1.

CEMETS’ Summer Institute

The second institutional partner from Switzerland, CEMETS, was limited to provide distance support during the inception phase, due to their ETH COVID-related travel restrictions. CEMETS has a strong track record on capacity development of ministries and VET reform leaders. It supported the team with theory and conceptual understanding of VET Reform processes based on scientific and international evidence of proven approaches. During the inception phase, several exchanges have been held between reform experts Ursula Renold and Katie Caves and local partners⁴ which has created a great respect and acceptance of CEMETS as a leading institute that can provide meaningful guidance to the Uzbek reform process. Since ETH continues in 2022 its restrictive travel policies, the support from CEMETS will continue to be arranged through digital sessions.

CEMETS organised an annual Summer Institute, a learning platform and Reform Lab where an international group of VET professionals is challenged to reflect their own reform process in an academic setting to deepen understanding of VET systems and their (social) engineering from point of view of different disciplines. Five high level technical staff from key government and private sector partners took part in the digital Summer Institute 2021 which has kicked off in the beginning of June and continued until December. The theme for 2021 was employers’ engagement.

The annual thematic focus defined for 2022 will be Governance, an appropriate and timely topic for the MoHSSE to practice on its leadership role to coordinate the VET offer and initiate an institutionalized dialogue among stakeholders involved in VET. With the support of CEMETS, that will share best practices and proven mechanisms, MoHSSE will review roles and responsibilities among public and private actors, optimize the distribution of tasks, and allocate additional resources for VET provision.

The Chair of Education Systems team at ETH Zurich also conducted an Education-Employment Linkage survey in Uzbekistan. In international comparison (Figure 1), Uzbekistan’s overall EELI score for the College and Technicum TVET programs is 3.8. This moderate score puts Uzbekistan slightly above the average of all countries with EELI measurements to date.

² <https://www.sfuvet.swiss/situation-based-teaching-vet>

³ <https://www.sfuvet.swiss/understanding-quality-vet>

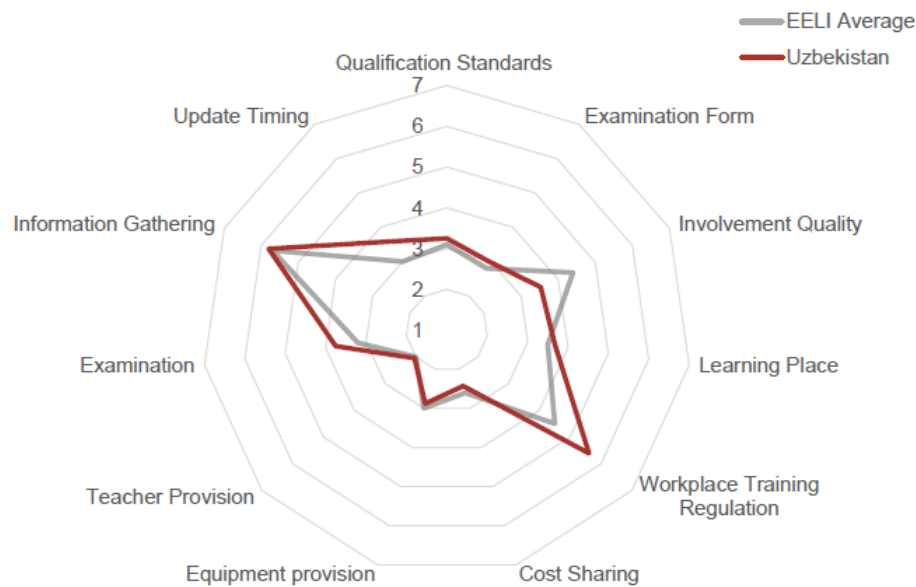


Figure 1: Process-level EELI scores compared to EELI average

The study concludes that Uzbekistan’s education system leaders have recently made changes in an effort to increase the permeability and labour market relevance of TVET. As these changes are relatively new, the report establishes a baseline of moderate linkage upon which the system can continue to grow.

2.2. Identification of collaboration and synergies with donor projects in VET Sector

As with the introduction to government and private sector stakeholders, also the presentation of Helvetas in the larger donor community involved in VET has taken place at individual level to explore the possibilities for collaboration and creating synergies between different projects and seek deep understanding of each donor’s engagements and objectives in the VET sector. The list of current donor projects in the formal and non-formal VET sector in Annex 2 shows a relatively small number of international funded projects and implementing agencies at national and regional level, in economic sectors or thematic areas.

Interviews offered the chance to present the SVRP project, to contribute to the Swiss visibility. The project is connected to the informal donors’ Telegram group to quickly update each other on the latest development taking place in the VET system in Uzbekistan. All members of the donor community are very receptive for the creation of a VET development platform for regular updating, informing, and exchanging between the different initiatives in digital or physical meetings. Promising perspectives on collaboration and synergies will be incorporated in the project document.

Coordination with other donors is an obligation to ensure aid effectiveness. In recent years, Uzbekistan has received significant attention from international donor organizations, both in terms of bilateral and multilateral support. Many projects have come to an end, some are ending in 2021, and some new ones are starting. The currently ongoing number of international projects in the VET sector is not big, with the major donors being ADB, EU, WB, SDC, GIZ, and KOICA, and the main focus currently been given for supporting non-formal VET through MoELR. After consultation with all active projects, closer synergies with at least two of the projects listed below are being established, those funded by EU and implemented by UNESCO, and GIZ. Both projects are in the early days of implementation and have a duration of 3-4 years. Governance, capacity building and improvements of Quality Assurance are

domains that are addressed by both and have a possibility to overlap with the SVRP if not well agreed with and assigned by the MoHSSE.

- UNESCO: the project is working in Agriculture and Irrigation and in defined regions but is planning to link between sectoral development and strengthening of governance capacities of MoHSSE at central level. Agendas of both our projects will be aligned with MoHSSE and translated in practical actions, e.g., through joint running of working groups. This project has very recently entered its 1st phase and dialogue between project teams has been established.
- GIZ, like the UNESCO project has a sectoral focus (textile) and combines a practical orientation on addressing sector-specific challenges with also attention for root causes of slow unfolding of the reform process. These root causes are found in the VET system, and GIZ intends to also contribute to systemic changes especially in the organisation of Quality Assurance. Capacities strengthening in the MoHSSE is a domain that requires close collaboration between these sister-projects

SVRP approach should be to encourage the Uzbek authorities to take the leading role in overall coordination, with initial organisational support from the project. With its focus on governance, Outcome 1 should provide ample opportunities to support the government in its coordination efforts (comparative studies, policy reviews) and leverage Switzerland's role in the VET domain. SVRP started sharing preliminary agendas with relevant donors to be ahead with aligning with their interventions.

3. Conducting studies and data collection

To validate the project implementation strategy, the PIU has commissioned a series of studies to deeply assess the VET landscape, actors and relationships to verify earlier assumptions, jointly with stakeholders. Fact finding allows for strategy adjustment and to prioritise and reason the interventions in the 1st phase of the project.

The outcomes of these studies helped PIU to re-assess assumptions on the context and adapt activities and timing for the four outcome areas of the project. The key results presented below have been directly integrated into the ProDoc.

3.1. Assessment of the Business Enabling Environment for private sector to engage in VET

Strong engagement of MSMEs can enhance the relevance, quality and attractiveness of VET. SVRP assessed the business environment to verify if it enables or restrains the collaboration between the private sector, and in particular MSMEs, and VET institutions.

The analysis identified in which way the project can use favourable factors to promote collaboration under the following question: how is collaboration between VET providers and the private sector promoted or being held back, influencing the professional perspectives for young VET graduates? This is important both from the point of view as jobseekers or as starting entrepreneurs.

Using the guiding tool “Engaging the Business Sector in VET” published by DCdVET⁴ and the ILO toolkits for making apprenticeships more attractive to enterprises and, in particular, to SMEs and creating an enabling environment for quality apprenticeships⁵, the study concluded to the lack of engagement of the private sector mainly due to novelty of the dual education system in VET system in Uzbekistan. The following findings were proposed for better engagement of employers:

- ✓ **Changing the nature of the partnership between State and employers:** it currently holds the nature of administrative cooperation (i.e. delivery of services like construction, maintenance, food catering, etc) rather than social partnerships for quality and delivery of VET;
- ✓ **Defining new contributions:** the ownership and management of VET system are closely related to the sources of financing, which is fully state led;
- ✓ **Capacity building:** train qualified specialists in PPP and improve the qualifications of civil servants in VET system for effectively functioning of the PPP mechanisms;
- ✓ **Improving the regulatory framework:** the legal basis for establishing the working relationship between VET institution and the entrepreneurs is signing a memorandum or prospective employment contracts. Today, it is widely in absence in the vocational education system. The new decree on dual VET of the of March 2021 (PKM RUz № 163) adds to regulatory framework in VET system but it is too early to say if this sufficiently attracts businesses to engage in VET. Experience with the new regulation has still to be built before its effectiveness becomes clear. As an example, the requirements in regulation prohibiting the use of minors' labour create certain

⁴ <https://www.dcdualvet.org/en/portfolio-items/arbeitsinstrument-teil-1-studie/>

⁵ <https://www.ilo.org/global/topics/apprenticeships/publications/toolkit/innovations-and-strategies/promoting/creating-enabling-environment/lang-en/index.htm> ;

<https://www.ilo.org/global/topics/apprenticeships/publications/toolkit/innovations-and-strategies/promoting/enterprises/lang-en/index.htm>

difficulties for business to ensure the employment and internship for minors associated with the risks to the health during the production cycle.

- ✓ **Upskilling teachers:** the qualification of teaching staff is another question, which also requires trainings and integrity with recent trends and market demand.

3.2. Analysis of the Legal and Institutional Framework in VET

SVRP conducted an analysis of the major constraints of the VET-system related to the current legal and institutional framework. It allowed for an understanding of the (top-down) structure of VET regulations in the country and for the identification of bottlenecks from the higher levels down to lower levels of the regulatory framework. It also informed on the vision of VET by the lawmakers and the status of the different actors.

Following the guidance of SFUVET, seven key functions (processes) of VET were identified based with mandated authorities and implementing agents, and the decrees and regulations in the context of VET that relate those functions:

1. Analysis of the economic environment and labour market demand for skilled professionals
2. Analysis and planning of the VET system (governance of VET)
3. Certification and training design (system design)
4. Management of skills acquisition and certification (delivery of VET)
5. Evaluation of the effectiveness of the VET system.
6. Financing of the VET scheme
7. Quality assurance of VET

Each document evaluated against the key functions, to determine whether it is success factor or a barrier for the implementation of that function.

The analysis noticed that secondary professional education in Uzbekistan is in the process of institutional and changes in order to consider the labour market demands, and address social and economic transformations. Despite the fact that government adopted number of legislative acts on VET over the past few years it is still not creating the well chained web of regulative environment for the VET sector. The lack of a single policy guiding for VET of Uzbekistan to formulate a unified approach in legislation makes it difficult to determine the strategic goals of the VET sector development and its governance. One single act referring to specific thematic area in VET may combine some other thematic, which is not directly aimed to achieve baseline goal of one thematic area of VET. In addition, update on current legislations is not always accessible through online open sources.

The government of Uzbekistan is deliberately implementing the measures for the development of PPP in the VET sector. These documents ensure regulatory framework for expanding the share of the private sector in research and education and formation of a competitive environment with attracting investments to the VET sector. However, there are still a number of factors limiting the potential of partnership of VET schools with employers.

The assessment concludes that the list of documents adopted from 2017, including the law on education, gives grounds to work on the next stages of regulation to fill the regulative gaps and in combination as systematic mechanism for their implementation together with stakeholders.

3.3. Identification of potential economic sectors for pilot interventions

The project conducted general assessments for orientation on suitable economic sectors to conduct pilot activities linked to Outcomes 2, 3 and 4 after consultation with the stakeholders and following a systemic approach. In this process, the market analysis following the MSD / M4P approach⁶ with its explicit intention to create potentials for poor, vulnerable, and otherwise marginalised groups. The analysis tried to answer to the following questions: Which sectors can contribute to revive the economy in an inclusive manner? Which sectors are likely to emerge going forward? What are the implications of skills development in these sectors?

Beyond the overall economic analysis, seven criteria have been applied to eleven economic sub-sectors as recognized in Uzbekistan, including the seven sectors that cover 80% of the labour market (agriculture, industries, construction, trade, transport, education, health), where the vast majority of VET graduates find employment. The result of the analysis is illustrated by Figure 2.

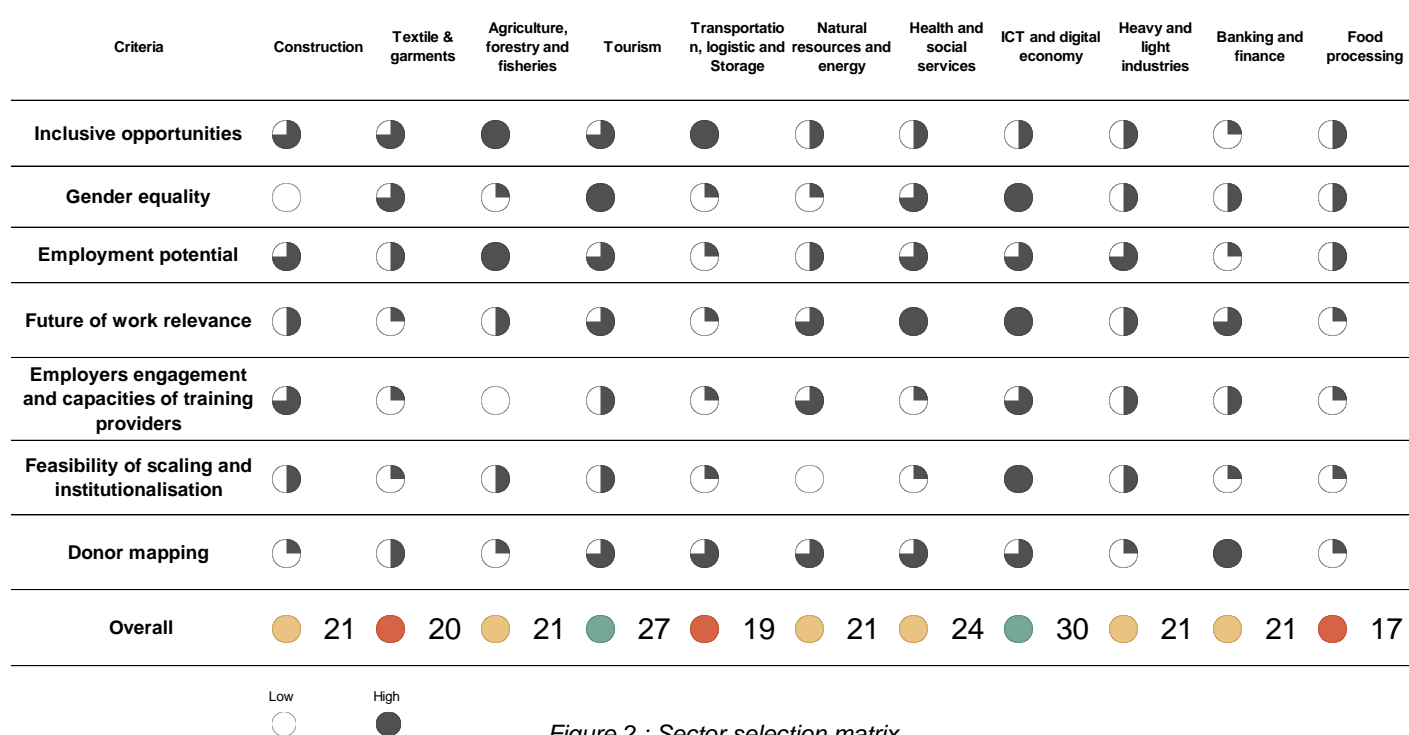


Figure 2 : Sector selection matrix

The Information and Communications Technology (ICT) sub-sector appears to be relevant for the target beneficiaries, offers opportunities for systemic change and is feasible for conducting pilot interventions. In the current Covid-19 economic situation, it offers as main advantage to being active transversally and providing services to all other sub-sectors mentioned above. It can be linked with other Swiss projects and facilitate synergies with outcome 3 by supporting the digitalization of teaching, benefiting from the large experience of SFUVET.⁷

Digitalising the economy is a government priority, translated in the National Strategy "Digital Uzbekistan 2030" which was adopted by presidential decree dated 5 October 2020. The "One Million Uzbek Coders" was launched at the end of 2019 with the aim to provide everyone with a distance learning opportunity and allow the general population to be involved in the development of new professions in the ICT field that will employ young people and also

⁶ <https://beamexchange.org/guidance/strategicframework/select-market/>

⁷ <https://www.sfuvet.swiss/digitalisation>

persons with disabilities.⁸ However, the MoHSSE is not yet fully embracing the ITC sector a suitable for piloting, and sees opportunities for the -not further specified- services sector. The decision for one (or two) pilot sectors will be made in the beginning of Phase I.

An additional short study has been conducted to identify the characteristics of the ITC sector, to find entry points for including as sector for promoting principles of reform.

3.4. Gender and Social Inclusion in VET

The objective of this consultancy was to assess the situation of gender and social inclusion in the VET sector, identifying entry points and concrete examples for the project to bring the topic of gender and social inclusion on the agenda of employers and educational institutions to leverage good practices, and across VET-related programs, with a specific link to the ongoing reform process of VET, in order that all women and men can “find and retain an attractive and decent job in sectors with growth potential”.

The report confirmed that, in Uzbekistan, women participation is good in formal compulsory education but drops at Higher Education level. It highlighted the differences in the choice of professions and reservations of employers to employ women in “men specific”, higher-paying sectors and the resulting lack of female role models and teachers in these sectors. Despite their educational attainment, women generally have poorer career prospects than men.⁹

Providing concrete recommendation for the VET sector in general, the entry points proposed by the assessment should be translated into all project activities during inception phase, in particular when working with pilot institutions and companies (outcomes 2 and 3). At system level, emphasis should be brought on improving the regulatory framework (outcome 1) and making it more conducive for women.

The following priorities have been defined for phase 1, to be integrated in the project activities:

- Capacity building of policy makers and VET staff
- Increased accessibility for women and disadvantaged groups:
- Awareness-raising and advocacy

Mentioned activities should follow the key principles of gender equality and social equity (GSE) policy¹⁰ and use its related tools, as well as SDC’s guideline on inclusion of women in VSD¹¹.

3.5. Analysis of COVID impacts on VET

SVRP examined the impact that the COVID-19 crisis on different actors in the VET system (e.g. VET providers at different levels, students, MSMEs etc.) and of the adaptations that have been made or are being planned. The report provides an overview of national educational responses to COVID-19 related VET providers closures that may help inform measures and strategies to ensure continuity of quality education.

The respondents to the survey agreed that the student enrollment decreased due to the pandemic. Main reasons being financial difficulties due to parents’ job loss or fear of letting a child to study in the classical, pre-pandemic regimen. As a consequence, decreasing income from less students enrolled on fee-basis caused financial difficulties for vocational training institutions. Likewise, employers recruited less graduates who had thus challenges to enter the work market. Governmental schemes provided emergency funding for VET but this

⁸ <https://www.gazeta.uz/ru/2019/11/21/million-uzbek-coders/>

⁹ <https://www.adb.org/sites/default/files/institutional-document/479841/uzbekistan-country-gender-assessment-update.pdf>

¹⁰ https://www.helvetas.org/Publications-PDFs/HELVETAS_GSE_Policy_2019_EN.pdf

¹¹ https://www.eda.admin.ch/dam/deza/en/documents/themen/gender/gender-und-berufliche-bildung_EN.pdf

support toward educational institutions was unbalanced when comparing between different VET providers.

For SVRP, the study highlights the importance for VET institutions to be up-to-date with online teaching and learning. They should be able to adapt course content to the pandemic realities and optimize digital tools to support blended learning but certainly also be vigilant for students' access to computers and internet to avoid new or further inequalities in education. Inputs from the project are possible for such adaptations (knowledge, staff, finance etc.), beyond the pandemic.

3.6. Economic and Financial Analysis (EFA)

The ex-ante Economic and Financial Analysis (EFA) was elaborated during a field visit in July 2021 and further remote exchanges in November 2021. The analysis follows SDC guidelines¹² to integrate EFA to Project Cycle Management (PCM). The main goal of SVRP (phase I) is to contribute to more gainful employment of VET graduates through improved access to the labour market.

The assessment revealed that supporting to the VET reform in Uzbekistan would have positive effects not only on the training centre (better curricula, more market-oriented teaching, increased enrolment), the youth graduating from these schools (easier insertion, better wages) and the companies (increase productivity and competitiveness, higher quality, reduction of staff costs) selected for the pilots but also on the overall economy by contributing to increased profits (more dynamic labour-market, innovation). **The substantial economic benefits induced by the reform and supported by the project justify the project investments.**

Considering only the 1'000 youth from pilot colleges, the analysis concluded to a Net Present Value of CHF 9,013,811, more than the project cost, resulting into an Internal Return on Investment of 39% and a benefit-cost ratio of 1.28. From a broader perspective, assuming that 1,290,198 youth will enter in the VET system in the next four year of phase 1, the cost per student is of CHF 4 for the project.

3.7. Review of risk assessment

The various assessments and consultations presented above supported the review of the different risks of the project. The matrix below provides a synthesis of the main risks, and the mitigation measures identifies.

The inception phase revealed that, the key point to successfully support the reform is the building up of required capacities for leadership and coordination with the different actors (state institutions, private sector, and VET providers through joint assessment of weaknesses and co-designing interventions).

As main focus, the Swiss project partners should ensure adapted approaches to achieve high quality capabilities among the key stakeholders. Specific attention should be put on the role of the private sector (outcome 4), relatively new in Uzbekistan, creating space to explore and promote the future of VET system from their perspective to ensure their long-term interests.

| Identified Risks | Likelihood | Impact | Risk mitigation |
|------------------|------------|--------|-----------------|
| Context | | | |

¹² https://www.shareweb.ch/site/Water/news-networking-tools/Documents/SDC%20How-to%20Note%20CBA_CEA.pdf

| | | | |
|--|--------|--------|--|
| Complexity of VET institutional structures and relations slows the roll-out of the reform. Reform "fatigue" amongst stakeholders because of complexity of process and continuous changes. | Medium | Medium | <ul style="list-style-type: none"> - Continuous context analysis, adjustment of intervention modalities, scope and approach - Sequencing of activities that combines long term achievements and short-term results - Reiterate the government's commitment and communicate that reforms are needed to address current shortcomings |
| Private sector/employers are not inclined to increase their engagement in the delivery of VET or in changing the established VET delivery models | Low | Medium | <ul style="list-style-type: none"> - Study and respond to the incentives for businesses, employers, industries to partake in VET reform - Communicate benefits of private sector/employer's participation |
| Youth acceptance of the reform and interest in pursuing VET decreases as economy and income grow (e.g., enrolling in university or private schools) | Low | Medium | <ul style="list-style-type: none"> - Frequent communication about reform successes and reform plans - Use of popular social media channels to reach youth |
| Socio-cultural attitudes and traditional forces influence social and cultural norms and practices, limiting the VET opportunities for young women. | Medium | Medium | <ul style="list-style-type: none"> - Studying context - Stakeholder involvement, role models - Gender strategy |
| Institutional | | | |
| Capacity gaps or stretched human resources in project stakeholder institutions | High | High | <ul style="list-style-type: none"> - Engagement strategy identifies these gaps and plans capacity building accordingly, in coordination with other donors that stretch the same HR |
| <ul style="list-style-type: none"> - Inter-ministerial roles, responsibilities and prerogatives are unclear, or competing interests cause friction, delaying project implementation, - Limited inter-ministerial communication - Absence of a vision agreed across the relevant ministries and a system-wide approach leads to further fragmentation of VET system - Reform not stable yet, more changes to be incorporated with publication of additional decrees | Medium | Medium | <ul style="list-style-type: none"> - Focus on clarifying inter-ministerial tasks as part of Outcome 1 activities - Transparency vis-à-vis all stakeholders and equal inclusion in project activities - to set up thematic working groups, bringing together representatives of main stakeholders - Engage the Steering Committee to identify and de-escalate any frictions and find solutions for way forward |
| Public budget resources are insufficient to finance the comprehensive VET reform | Medium | Medium | <ul style="list-style-type: none"> - Involve relevant actors (e.g., Ministry of Finance, parliamentary commissions) involved in legislative changes - Explore – in the medium- to long-term – funding by sources other than public sector budgets if negative impact on public finances has a sizeable impact on VET provision. - Utilise CBA/CEA to make a case for VET reform |
| Programmatic | | | |
| Sequencing of activities is affected by crowded and uncoordinated initiatives by development agencies/projects coupled with inability (stakeholders, processes) to flexibly adapt to changing context | Medium | Medium | <ul style="list-style-type: none"> - Active reach out to and coordination with current and upcoming interventions - Broad participation in the steering committee and/or other consultative mechanisms - Support (see Outcome 1) the Uzbek authorities in coordination efforts of initiatives (donor harmonization) - Leverage current Swiss lead role in the VET domain via Switzerland's official representation in Uzbekistan |
| Challenge to identify change of / effects of the project for VET system, specifically in the medium term; can negatively affect motivation of stakeholders to keep momentum up (→ see also above) | High | Medium | <ul style="list-style-type: none"> - Use of process and quality indicators (instead of outcome / impact indicators) - Monitor whether the ToC and specifically the assumptions for VET system change hold true or whether additional support activities are needed - Promote culture of evidence-based decision making |

4. Project Document and Logical Framework

4.1. Project Document: Draft and Final submissions

Integrating the learnings of the various assessment presented above and the consultations with stakeholders, the PIU drafted the ProDoc with the support of Helvetas backstopping in Switzerland.

Consultation with representatives of government agencies, providers of formal and informal VET, private education and private sector, as well consultative workshops have been held in June and July 2021 and the draft version was submitted to SDC on 31st of July. Integrating the comments from SDC in September 2021, the final version was submitted on 15th of September. The meeting of the Credit Committee of SDC of November 18th has accepted the Project Document, and the contract for implementation of the first phase of SVRP was signed between SDC and Helvetas on 30th of November.

Mid December, the validation meeting for acceptance of the project's objectives and outcomes was held with participation of representatives of the major national stakeholders in the VET sector.

The process for the intergovernmental agreement between the Swiss and the Uzbek Government is being coordinated by the Swiss Embassy in Tashkent.

4.2. Logical Framework

At the heart of the Project Document, the PIU could develop the logical framework summarized below. Aligned with a comprehensive Monitoring and Results Measurement system, SVRP develop a full LogFrame including indicators and targets which can be found in Annex 3.

| Impact | | | |
|---|---|---|--|
| VET students and graduates in Uzbekistan profit from a functional labour market-oriented education and training system allowing them to find and retain an attractive and decent job in sectors with growth potential. | | | |
| Outcome 1 | Outcome 2 | Outcome 3 | Outcome 4 |
| Strengthened institutional actors implement a functional regulatory framework in a coordinated manner | VET actors on central level and VET providers assume their quality-assurance roles, having developed the necessary structures, processes and instruments. | Teachers perform in a competence-oriented and labour-market oriented way. | The economic actors assume an enhanced role in the VET system, by contributing actively to the governance, definition and implementation of VET. |
| Output 1.1 VET system monitored and harmonised. | Output 2.1 Improved institutional capacity on QA. | Output 3.1 Strengthened institutional capacity for initial and in-service teacher training. | Output 4.1 More structured representation of employers in VET established |
| Output 1.2 Key institutions / persons are capacitated to take a leading role. | Output 2.2 Accreditation system of formal VET providers complied with (nationally) agreed standards and piloted. | Output 3.2 Improved institutional capacity on teachers' | Output 4.2 Private sector-led strategy established and capacities of employers in advocacy built. |
| Output 1.3 | | | |

| | | | |
|--|--|---|--|
| <p>VET coordination mechanisms and processes established.</p> | | <p>qualification and certification systems.</p> | |
|--|--|---|--|

4.3. Helvetas and the Project Implementation Unit (PIU)

A key objective of the inception phase is to set up appropriate team and management structures which allow the efficient implementation of programme interventions. In doing so, the key challenge during this initial programme phase is to align the individual understanding and expectations under a common strategic and operational framework. A certain degree of flexibility is therefore required by all parties involved in order to establish the most efficient management and support structure for programme implementation.

Keeping this in mind, Helvetas has installed since April 2021 a centrally located PIU office with a full-time Team Leader for the project. Two national project experts have been hired as consultants in inception phase in the field of VET system and policies, and on MRM for education. The intention was to employ both experts full-time in Phase I. On the same basis a Finance and Administrative consultant has been hired. A third expert to facilitate Business Sector Linkages was under recruitment process during the inception phase. Backstopping to the PIU, online and with several missions, has been provided both by the regional Helvetas office in Kyrgyzstan and from Helvetas Switzerland for management matters, and for conceptual and strategic matters.

Conclusions at the end of the inception phase about the composition of the PIU and the balanced presence of core competences have led to a minor but important change in the set-up of the team. The scope of MRM tasks does not justify a full-time position, whereas the national expert preferred to commit to the project on a consultancy basis, to ensure continuity of monitoring processes. This created space for recruiting a second education expert to the team, for which recruitment took place in January 2022. For all three expert positions the right candidates have been identified: two education experts (Quality Assurance and Teaching Performance) and a Private Sector Expert. The changes in staffing at the end of the inception phase have improved the ability to assure the quality of implementation.

The registration of Helvetas as INGO in Uzbekistan was completed on January 21st, 2022, which allows the PIU to complete the set up and equipping, and the project management system finalised. Organisational documents, manuals, internal policies, set up of finance and procurement systems etc. have been developed and shall be operationalised from February 1st.

As per the strategy defined in the technical proposal, the PIU structure will be kept lean to maximize the focus on capacitating and empowering systemic partners, highlighting the ownership of the reform process by the Uzbek stakeholders, and engaging short-term specialists (national, regional) as per unfolding of the project and anticipating on developments in the VET sector. Besides the PIU office, a satellite space for the project team has been offered by MOHSSE in its Pedagogical Institute which the project will start using as per need in Phase I.

4.4 Project Steering Committee (PSC)

The validation meeting of December 15th approved the proposed set up and membership of a Project Steering Committee (PSC) as the joint body to govern the project implementation. It reviews, comments and approves the strategic orientation of the project. The first meeting of the Steering Committee will be held as soon as possible after the signing of the

intergovernmental agreement in the first months of Phase I.

Chairmanship will be shared between the Swiss Embassy, and MoHSSE as the main system partner. Further members of the Steering Committee shall come from the Ministry of Investment and Foreign Trade, MoELR, IPIFRT and the SISQE. The PIU will provide secretarial services for the PSC.

Findings of the inception phase revealed that the Swiss Embassy should have an important role. As co-chair of the Steering Committee the Embassy is strategically positioned to elicit dialogue with the managers of the key players in the VET sector, for visionary leadership to enhance the reform process, for necessary framework conditions in general and for the provision of more resources for VET in particular. Also, the Embassy will have key role in fostering the dialog among SVRP and other SDC projects, and among donor community regarding projects with similar objectives.

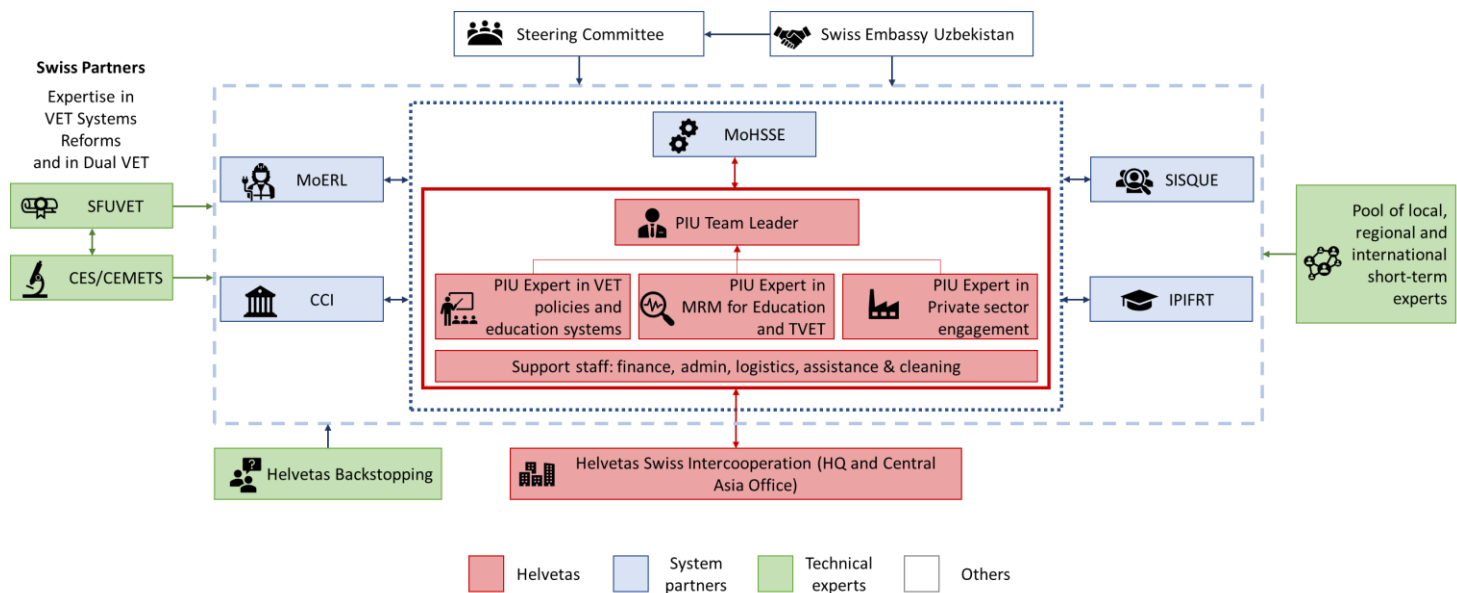


Figure 3 Project Organizational set-up

5 Finance

Overall depletion of the available budget for the Inception Phase reached 85% (Cost Statement, annex 4).

Part 1, 3 and 4 see high levels of depletion, between 91-100% of the budget. Most of the cost for personnel have been spend as foreseen. Slight underspending of the budget can be explained by a slower recruitment of the 3rd expert position of Business Advisor.

On part 2, the underspending remains at 40%, for which several reasons are present:

-The office expenses remained modest as only from May onwards an office space was rented.

-The budget for travel cost, both for international and domestic traveling had been estimated rather high, which also reflects in lower spending in part 4: due to COVID restrictions the intended international mission from CEMETS could not take place and changes to the relationship with sub-contractor CAICo made regional travel unnecessary. Also, for the domestic travelling the budget reservations had been estimated high for the local situation.

The PIU team and its consultants have familiarized with several VET providers and private sector connections in regions and in Tashkent but have further mainly focussed and interacted with stakeholders on the national level where the heart of the VET system reform process is found. Certainly, the first year of Phase I will be devoted to substantiating relationships with the national level architects and managers of the reform process, to ensure that the leadership becomes receptive and proactively demonstrates changes in governance and software like communication, collaboration, behaviour that are at the heart of the reform. Although key partner MOHSSE has selected at the end of the Inception Phase Namagan and Jizak as areas for piloting activities, this will not become effective until the 2023.

Expenses for further studies and events have remained somewhat lower than planned.

6 Lessons learnt

6.4 Challenges encountered

Despite its extensive experience in managing projects in Central Asia, entering a new country as Uzbekistan is a challenging task for Helvetas. Adapting to the formalities and to the official procedures was a learning process during inception phase. This lack of familiarity with the country, the COVID- enforced restrictions for pre-project country visits, the need to build a new institutional network from scratch, an evolving context with the new government and a dynamic reform process (new decree and regulations issued) have created additional work for the PIU and have delayed the start of some studies. Three challenges can illustrate the difficulties of the PIU during this period:

- The intended collaboration with CAICo Ltd as local sub-contractor for the duration of the inception phase has encountered with an organisational conflict, which caused a substantial delay in the recruitment of short-term experts for the foreseen analyses that underpinned the intervention design and strategies. Despite the delays, SVRP could conduct the necessary assessments in time to integrate in the Project Document.
- The registration process of Helvetas was rejected twice, holding back independent operations of the PIU, created additional administrative work in parallel of the project and has put a higher than anticipated request on organisational support from the embassy, for which the Helvetas team (both local and international) have been highly appreciative. On the other hand, this has also led to a solid working relationship from which both the embassy and Helvetas will benefit in years to come. The new branch of Helvetas in the Republic of Uzbekistan was registered on January 17, 2022.
- The implementation of the VET reforms can still be considered as in early stages with many new systemic elements having been put in place, but not or not fully functional yet. For example, colleges and technicums are experimenting with new curricula and training programs developed on the basis of the professional. qualifications, without appropriate consultation with labour market partners. Sector councils, assigned with development of occupational standards have in name been installed but are not operational yet. The first academic year offering VET “new style” has only just come to an end, with very low enrolment rates. Strong, visionary leadership is needed for the reform to motivate stakeholders to embrace the *radical changes*¹³ to the system

6.5 Adaptations to project after the inception phase

Beyond the challenges mentioned above, the inception phase brought important lessons to adapt the initial proposal and draft the ProDoc. The assessments and exchanges have confirmed most of the initial assumptions that:

1. Government still follows a top-down approach with an important capacity gap between the central and regional levels. Thus, the role of the project will be to bridge this gap by:
 - Building the capacity of the central level to communicate better, collect feedback, develop capacities of regional partners and disseminate information (not only issue decrees);

¹³ Purpose of the VET reform as expressed in Presidential Decree 5313 of 25/01/2018

- Support in translating decrees into strategies with roadmaps for implementation, indicating realistic time frames, leadership roles and implementers;
 - Gather evidence and recommendations from implementers of the reform (training providers) on their challenges, capacity needs and best practices; as well as from employers that should be structured and empowered (advocacy). This demands a very good rapport with the implementers, to feel and trust that the SVRP set-up can facilitate to broker changes in the system – but need for changes has to be recognised and accepted first.
2. Engaging employers (outcome 4) remains the top priority validated by MoHSSE and supported by high interest from economic actors, but meets also with certain suspicion since bureaucracy has to adapt to collaboration with outsider parties. This creates the link between the four outcomes (public-private governance, technical expertise for QA, better skilled teachers etc.). There are willingness and resources from employers, but at the same time hesitation for becoming trapped in bureaucracy.
 3. Matching the project with the Education Sector Plan (ESP) of Uzbekistan 2019-2023 will ensure alignment with government planning and foster ownership. The main goal of SVRP remains to provide MoSSHE with access to the correct data and information to make the right decisions and bring complementary expertise where needed.

However, the above-mentioned assessments deepened SVRP contextual understanding of the VET system, which has led to finetuning the following points in the ProDoc:

1. The targets of the ESP are guiding, and the project will strengthen MoHSSE capacities for sector governance to achieve sustainability of results of the reform process (outcome 1). However, neither institutional nor legal framework seem to have reached a stable situation yet, with several new regulations having been issued, increasing the complexity of mandates within the VET sector. Capacities and leadership building starts from year 1 as foreseen for key positions. The project however will ensure long-term monitoring to accompany and adjust to yet unforeseen changes.
2. Preparing the ground for improving teacher's training (outcome 3) can start from year 1 with activities in collaboration with the Institute of Pedagogical Innovations, Training and Further Training (IPIRFT), to ensure that the system is well prepared before going more into pilot activities. The link with outcome 1, which was initially foreseen to start only in the second half of the phase, becomes more visible through capacity development of the institute' staff.
3. Outcome 2 will support piloting of an accreditation model for training providers. It is a more relevant entry point than setting examples for technical elements of Quality Assurance like curriculum development, assessment, occupational standards. The accreditation model will be tested in several pilot schools to provide direct feedback on (i) abilities of the VET system to apply effective and efficient accreditation and on (ii) the advancement of the reform in the piloted schools. This will help to further define capacity building needs and better connect the outcomes.

A sector is to be confirmed jointly between MoSSHE and the project for efficient elaboration of pilot activities to build up evidence only but will not be adopted as a sector for technical support by the project. The attention remains on applying and monitoring the advancement of the reform process. This intention shall be clearly communicated with stakeholders and the donor community.

7 Annexes

ANNEX 1: Workplan for inception phase

| Deliverables | Main activities | Mid-Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov |
|---|---|---------|-----|-----|-----|-----|-----|-----|-----|-----|
| Project management system established | Set-up Project Implementation Unit (PIU) infrastructure: office in Tashkent | | | | | | | | | |
| | Registration and accreditation procedures for the project (legal requirements, accounts) – (already ongoing) | | | | | | | | | |
| | Mobilise technical and administrative staff –contract and deploy international team leader and recruit core team; | | | | | | | | | |
| | Introduce organisational policies, structure and processes, including finance and procurement systems and procedures | | | | | | | | | |
| | Planning internal workshop and recruitment of additional technical advisers; | | | | | | | | | |
| | Organise project launching event | | | | | | | | | |
| | Mobilise and set up Steering Committee; define linkages with and roles of relevant Government entities | | | | | | | | | |
| | Plan backstopping support for inception phase and phase I | | | | | | | | | |
| Approach and strategy orientation to ensure common understanding | Prepare inception work plan, assignment of responsibilities, and mobilisation for and commissioning of external studies/assessments | | | | | | | | | |
| | Build the core team and provide orientation / initial training on the approach of the project | | | | | | | | | |
| | Assess and implement further team capacity building and training | | | | | | | | | |
| | Identify entry points and advise respective plans for addressing SDC's principle of social inclusion and gender equality . | | | | | | | | | |

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| <p>Conduct detailed stakeholders' analysis to identify/validate drivers and retainers of change and identifying an approach to secure their commitment:</p> <ul style="list-style-type: none"> • Conduct a social network analysis (or choose another method of systemic nature) with all actors in the VET system (including institutional partners) to understand communication, roles and power relations of actors in the VET system; • Analyse formal and informal mechanisms that link various actors for the purpose of creating synergies, joint planning and integrated operations; • Identify and test system partners with the potential to act as co-facilitators. Validate system partners; • Assess hindering factors and bottlenecks limiting the capacities of governmental entities to successfully implement the reform. | | | | | | | | | |
| <p>Establish a diagnostic of the VET system and major constraints:</p> <ul style="list-style-type: none"> • Discuss with MoHSSE the inclusion in the law of a transitional article mentioning that the new reform will be analysed in the coming years; • Conduct a comprehensive study on the legislative basis and the regulatory framework of the VET system; • Assess the business enabling environment (regulations, access to innovations, infrastructure, relevant inputs and services); • Conduct institutional analysis and capacity assessment of key staff of system partners to evaluate the VET-related capacities and develop related capacity development plan; • Present key features of the Swiss system to a larger public in Uzbekistan including industry sector, sectoral ministries and VET schools' management; • Examine COVID-19 crisis impact on different actors in the VET system (e.g. VET providers, MSMEs, etc.) with regard to implications to the VET offer in the future. | | | | | | | | | |
| <p>Start capacity building of five high-level reform leaders participating in the 2021 CEMETS Institute Reform Lab for Education Systems Engineering</p> | | | | | | | | | |

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|---|--|--|--|--|--|--|--|--|--|
| | <p>Review of and coordination with other initiatives:</p> <ul style="list-style-type: none"> • Conduct thorough assessment of other donors' projects and other Swiss interventions to rightly position the coordinating role of the Swiss Embassy; • Review of and consultation on possibilities of productive linkages and synergies with other similar projects; • Identify and plan synergies between the project and other Swiss financed interventions in the private sector development and local economic development. | | | | | | | | |
| | <p>Review of assumptions and planning of Phase 1:</p> <ul style="list-style-type: none"> • Further elaborate and finetune the theory of change, hierarchy of objectives with the formulation of outputs, outcomes and the impact, including respective indicators, baseline data, targets and project activities. • Elaborate an intervention strategy and approach in view of the scaling up and the sustainability of interventions. In particular, determine the appropriate mix of capacity development/coaching and direct provision of technical assistance. • Elaborate/validate existing risk analysis and integrate into project management / implementation (Phase I) | | | | | | | | |
| | Develop a Factbook Education System so that system partners have a similar understanding of the education system and its ecosystem in Uzbekistan | | | | | | | | |
| | Conduct survey on Education-Employment Linkage Index (EELI) that measures linkage in VET programs, empirically assessing their quality | | | | | | | | |
| Monitoring and results measurement systems established | Develop MRM system (indicators, baselines, target values) | | | | | | | | |
| | Conduct baseline and set targets and indicators | | | | | | | | |
| | Carry out an ex-ante cost-effectiveness and cost-benefit analysis | | | | | | | | |
| | Prepare M&E manual ensuring a) readiness of key components of the system such as measurement plans; b) setting up processes (to design strategies and interventions, to measure the changes and to manage in response to these changes); c) reports (documenting the process and results based on best practices). | | | | | | | | |
| Documentation & reporting | Project Document development, annexes finalization and submission to SDC; validation workshop with stakeholders | | | | | | | | |

prepared and shared

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|--|--|--|--|--|--|--|--|--|--|--|--|
| Prepare project budget (costs of project activities, management and fiduciary funds) | | | | | | | | | | | |
| Project Document accepted by SDC | | | | | | | | | | | |
| Prepare annual plan of operation | | | | | | | | | | | |

ANNEX 2 Current donor projects in the formal and non-formal VET sector

| Donors/ Main partners | Sectors | Short description |
|---|--|---|
| <p>Donor: ADB Partners: MOELR and MOHSSE Title: "Skills for a Modern Economy" Duration: 2020 – 2024 Budget: USD 93 mln</p> | <p>Construction Textile & garments ICT Agro-business Food processing Machinery maintenance and repair (agro-machines, automobile, home appliances) Repair and maintenance of automobiles</p> | <p>The project will improve access to and quality of training and job placement services for job seekers, with a special focus on youth and women. It focuses on fast-growing economic sectors with high potential to drive economic growth and create jobs. Focus on Non-Formal VET, collaboration with MoELR</p> |
| <p>Donor: EU / UNESCO Partners: MOHSSE and Ministry of Agriculture Title: 'Skills Development for Employability in Rural Areas of Uzbekistan' Duration: 2021–2024 Budget: EUR 10 mln</p> | <p>Agriculture and irrigation sectors Agro-business Food processing</p> | <p>The aim is to support skills development in agriculture and agro-business. Pilot regions: Karakalpakistan, Khoresm, Bukhara and Syrkhandarya.</p> |
| <p>Donor: BMZ/GIZ Partners: MOHSSE Title: "Professional Education in Central Asia" Duration: 2019-2022 Budget: EUR 5.5 mln</p> | <p>Food processing Textile industry</p> | <p>Assisting in the qualitative improvement of education and advanced training of specialists and managerial personnel in the field of food production technologies according to regionally comparable and international standards.</p> |
| <p>Donor: BMZ/GIZ Partners: MOHSSE Title: "Support the Reform and Modernization Process in the Vocational Education System of Uzbekistan" Duration: 2021-2023 Budget: EUR 7 mln</p> | <p>Textile industry</p> | <p>The reformed vocational training and further education of specialists in Uzbekistan corresponds to the needs of the economy in the textile sectors</p> |
| <p>Donor: WB Partners: MOELR Title: "Strengthening Social Protection System" Duration: 2020-2024 Budget: EUR 50 mln</p> | <p>Social sphere (Labour market)</p> | <p>Modernization of the social assistance system; Improving the effectiveness of programs on revitalizing the labour market.</p> |
| <p>Donor: DVV Partners: MOHSSE Title: Adult Learning and Education in Uzbekistan Duration: 2018-2021 Budget:</p> | <p>Adult Education</p> | <p>Analysis of the capacity of state educational institutions (formal sector) and non-state educational institutions (non-formal sector). Strengthening capacities of IPIRFT to develop teachers' modules and curricula for adult education</p> |
| <p>Donor: KOICA Partners: MOELR Title: Establishment of Vocational Training Centers in the Republic of Uzbekistan Duration: 2007-2023 Budget: USD 43 mln</p> | <p>General Employability of unemployed jobseekers: wide variety of sectors of non-formal education (construction, transport, welding, carpentry, electrical engineering, food processing, needlework etc.)</p> | <p>Project Components: Design and construction of four vocational training centers (Tashkent, Samarkand, Fergana, Urgench), refurbishment of one Centre (Shahrisabz City), provision of equipment for all five centers, consulting on vocational training on system-level, capacity development for establishing a National Skills Testing and Certification System (establishment of National Qualification Centre in Tashkent</p> |

| | | |
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| | | VTC), establishment of a teachers' training center for current and new teachers of the five KOICA VTCs and colleges under MOELR, Dispatch of Korean experts to Uzbekistan, KOICA Fellowship Programs. |
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ANNEX 3: Logical framework for phase I

The Logical Framework provides a balanced representation of qualitative, hybrid and quantitative indicators. The slight dominance of quantitative indicators is explained by the early stage of the reform process with many systemic mechanisms and VET legal framework yet to be revised, amended and established before the project can move to working towards the quality of systems and achieving better teachers' qualifications and higher academic standards.

| | Intervention logic | Indicators | Baselines (incl. reference year) | Targets (incl. reference year) | Sources and means of verification | Assumptions/risks |
|--------------------------------------|--|---|---|---|--|---|
| Overall objective: Impact | VET students and graduates in Uzbekistan profit from a functional labour market-oriented education and training system allowing them to find and retain an attractive and decent job in sectors with growth potential. | Number of youth (aged 15-24) and Number of adults (aged >24) (M/F) gained access to improved vocational skills. Out of these, Number of youth and Number of adults (M/F) found gainful employment or self-employment. (IED TRI 3) ¹⁴ | | | Annual reports of State Statistics Committee, MoHSSE MoEL | |
| Specific objective(s): Outcome(s) | Outcome 1. Strengthened institutional actors implement a functional regulatory framework in a coordinated manner | 1.1 VET overall regulatory framework (IED TRI 3) 1.2 VET coordination mechanisms for strategic steering of VET policies (IED TRI 3) | 1.1 – Regulatory framework fragmented (2021). 1.2 - Not in place | 1.1 –Regulatory framework harmonised by enforcement of respective legislative documents (2025) 1.2 – Informed decisions adopted by VET system stakeholders and implementation is followed. | 1.1 List of reviewed legal documents; Recommendations on harmonisation of normative documents; Amended by-laws 1.2 Agenda and minutes of meetings List of participants Internal monitoring on implementation of decisions | 1.1 Continued introduction of fragmented VET policy documents due to absence of a vision agreed across the relevant ministries and a system-wide approach 1.2 Slow process for stakeholders to participate in MOHSSE-lead coordination mechanisms. |

¹⁴ In the case of the SVRP, the clear orientation of the project on contribution to TVET system according to SDC VSD typology tool ([https://www.shareweb.ch/site/EI/Documents/VSD/Tools/SDC%20VSD%20Project%20typology%20tool%20one%202018-10%20\(en\).pdf](https://www.shareweb.ch/site/EI/Documents/VSD/Tools/SDC%20VSD%20Project%20typology%20tool%20one%202018-10%20(en).pdf)) facilitates the definition of indicators. The outcomes will focus on the sustained annual delivery capacities and youth insertion of VET institutions in relation to national policy objectives. Indicators follow the updated version of the SDC Working Aid on the use of Indicators in VSD Programmes (<https://www.shareweb.ch/site/EI/Documents/VSD/Instruments/VSD%20Indicators%20working%20aid.pdf>)

| | | | | | | |
|--|--|---|---|--|---|---|
| | | 1.3 Level of integration of VET Management System (EMIS) (IED TRI 3) | 1.3 Not in place | 1.3 Advanced level of integration of EMIS for VET sector with EMIS for HE (2025) | 1.3 –Progress reports on development of the structure and integration. MoHSSE acceptance document of the VET EMIS. | 1.3 Possible technical limitations of EMIS for HE may affect integration of EMIS for VET having single system-wide data collection and monitoring. |
| | Outcome 2: VET actors on central level and VET providers assume their quality-assurance roles, having developed the necessary structures, processes and instruments. | 2.1 Status of institutional framework on QA model (COI) 2.2 Nr of pilot VET providers compliant with amended quality standards. (COI) | 2.1 Fragmented and incomplete 2.2 – 0 | 2.1 QA model revised (2023); approved by State Inspection (2024) 2.2 – 5 (2025) | 2.1 Experts’ reports on revision process; Minutes of discussion meetings with stakeholders; Participants lists 2.2 Assessment review jointly with the State Inspection; Internal monitoring reports and pilot VET schools progress reports | 2.1 Capacity gaps or stretched human resources in project stakeholder institutions 2.2 Sequencing of activities is affected by crowded and uncoordinated initiatives by development agencies / projects coupled with inability (stakeholders, processes) to flexibly adapt to changing context |
| | Outcome 3: Teachers perform in a competence-oriented and labour-market oriented way. | 3.1 Status of teacher / instructor’s qualification and certification system (EDU ARI 2) 3.2 % of certified teachers with industry exposure (EDU ARI 2) 3.3 % of students and private sector actors assesses the quality of secondary VET as | 3.1 Outdated 3.2 – 0 3.3 - % tbd in baseline survey of graduates of 2021-2022 academic year | 3.1 Existing system revised (2023); recommendations developed (2024) and submitted for approval to MOHSSE (2025) 3.2 – 70% (at least 50% are women) 3.3- 80% (2024 - 2025) through end line surveys of graduates of pilot VET providers. | 3.1 Experts progress reports Final report with recommendations submitted to MOHSSE 3.2 List of certified teachers 3.3 – Mid-term evaluation, final survey | 3.1 and 3.2 Capacity gaps or stretched human resources in project stakeholder institutions |

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| | | improved in target regions and clusters (Additional indicator, not listed as ARI/TRI/COI) | | | | |
| | Outcome 4: The economic actors assume an enhanced role in the VET system, by contributing actively to the governance, definition and implementation of VET. | 4.1 Status of platforms fostering structured representation of employers and private sector in VET. (Additional indicator, not listed as ARI/TRI/COI) 4.2 Nr of companies or professional organisations contributing to relevant VET, disaggregated by a) companies and b) professional organisations) (IED TRI 2) | 4.1 – Not in place (2021) 4.2 – 0 | 4.1 – National and sub-national platforms established (2024). 4.2 – 7 (six companies and one professional organisation) | 4.1 Cooperation agreements signed; Minute of the meetings recording made decisions; internal monitoring reports. 4.2 List and contacts of companies; Minutes of meetings; VET schools records. | 4.1 Insufficient recognition and acceptance of more effective role of social partners in VET policy formulation at national, sectoral and VET provider levels. 4.2 Social partners, chambers and sectoral bodies cannot ensure proximity to the VET schools and are therefore not able to foresee future needs. |
| Outputs | Output 1.1: VET system monitored and harmonised. | 1.1.1_Institutional Level of knowledge on current VET reform progress 1.1.2 Number of legislative documents harmonised including gender sensitive policies and practices (COI) 1.1.3 Status of VET EMIS development. | 1.1.1 Fragmented and not based on evidence. 1.1.2_Inconsistency between legal documents. 1.1.3-VET EMIS not in place. | 1.1.1 – Analytical reports on monitoring of VET reform progress for 2021-2022 academic year (1 report in 2021, 3 reports in 2022) 1.1.2 Identified legal gaps and inconsistencies adjusted in legislative documents; documents approved by mandated stakeholders. 1.1.3- VET Management Information System diagnosed (2023); development supported (2025) | 1.1.1. Copies of periodic monitoring reports; minutes of the stakeholders' meetings. 1.1.2 Working group review reports. Minutes of meetings. Acceptance letters. 1.1.3- Analytical report on MoHSSE's existing systems (2022); report on the structure of EMIS system for VET (2023), | Capacity gaps or stretched human resources in project stakeholder institutions to engage in coordination and cooperation. Sequencing of activities is affected by uncoordinated initiatives by development agencies / projects coupled with inability (stakeholders, processes) to flexibly adapt to changing context. |

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| | <p>Output 1.2: Key institutions / persons are capacitated to take a leading role.</p> <p>Output 1.3: VET coordination mechanisms and processes established.</p> | <p>1.2 Number of senior civil servants with evidence of their strengthened capacity in respective fields of VET management.</p> <p>1.3.1 Status of effective national and sectoral VET coordination platforms (Additional indicator, not listed as ARI/TRI/COI)</p> <p>1.3.2 – Degree to which donor coordination on VET issues executed (Additional indicator, not listed as ARI/TRI/COI)</p> | <p>1.2 -0</p> <p>1.3.1- Not in place</p> <p>1.3.2 – No regular exchanges; communication limited to informal channels; absence of coordination of activities.</p> | <p>1.2- 10</p> <p>1.3.1 – 1 national platform and 2 sectoral platforms established (2022); cooperation agreements signed (2023); implementation of decisions followed (2025).</p> <p>1.3.2 – General data sharing by donors and debates on VET reform progress through regular meetings; coordination improved in planning of donor projects’ activities (2025).</p> | <p>Progress report on integration of EMIS of VET and HE into a single database (2024)</p> <p>1.2 Performance assessment reports; monitoring observations of CEMETS; opinion of stakeholders.</p> <p>1.3.1_ Performance assessment reports; monitoring observations; Stakeholders’ nomination of members, minutes of the meetings.</p> <p>1.3.2- minutes of the meetings; coordination decisions taken and followed.</p> | |
| | <p>Output 2.1: Improved institutional capacity on QA.</p> | <p>2.1.1 Nr of documents further regulating National Qualification Framework (Additional indicator, not listed as ARI/TRI/COI)</p> | <p>2.1.1– 0</p> | <p>2.1.1 - 5 (five key regulating documents on NQF developed: professional standards approved by Sectoral Skills Council; Curriculum Value Chain (CVC); Internal</p> | <p>2.1.1-List of regulating documents; monitoring reports on working groups’ meetings.</p> | <p>Challenges to deploy and form the qualified team from partner institutions</p> <p>Capacity gaps, stretched human resources and low motivation from sector council members to</p> |

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| | | <p>2.1.2 Degree to which NQF mechanisms executed by mandated authorities.</p> <p>2.1.3 Quality assurance standards and mechanisms for formal VET providers (Additional indicator, not listed as ARI/TRI/COI)</p> | <p>2.1.2 – Insufficient due to limited capacity and absence of regulating mechanisms.</p> <p>2.1.3– Existing QA standards and mechanisms do not match new NQF.</p> | <p>Assessment of qualification of students; External Assessment of students; Qualification assessment of teachers).</p> <p>2.1.2- Improved implementation of NQF through strengthened capacity.</p> <p>2.1.3_ Existing QA standards and mechanisms for formal VET providers revised and aligned with NQF levels 3 and 4 (2023); and approved by State Inspection (2025)</p> | <p>2.1.2-List of trained people (2024) follow up survey among stakeholders (2025).</p> <p>2.1.3-List of approved VET QA standards. Minutes of discussion meetings, internal monitoring reports; official database of legal documents www.lex.uz</p> | <p>engaged in development of qualifications limited capacities and human resources of respective stakeholders</p> <p>Socio-cultural attitudes and traditional forces influence social and cultural norms and practices, limiting participation of women.</p> |
| | <p>Output 2.2: Accreditation system of formal VET providers complied with (nationally) agreed standards and piloted.</p> | <p>2.2- Extent to which accreditation procedures guide implementation of vocational training programmes in accordance with QA standards.</p> | <p>2.2–Accreditation procedures not adjusted to QA standards.</p> | <p>2.2-Accreditation mechanisms reviewed and approved by State Inspectorate (2024); new system is piloted in academic year 2025-2026.</p> | | |
| | <p>Output 3.1: Strengthened institutional capacity for initial and in-service teacher training.</p> | <p>3.1.1 Nr of amended curricula for VET teachers (Additional indicator, not listed as ARI/TRI/COI)</p> <p>3.1.2 Nr of IPIFTR staff with the professional</p> | <p>3.1.1 - 0</p> <p>3.1.2 - 0</p> | <p>3.1.1 – Two (one curriculum for initial training; second for retraining of VET teachers)</p> <p>3.1.2 – tbd in 2022</p> | <p>3.1.1-Copies of amended curricula published in Learning Management System (online platform).</p> <p>3.1.2- Training program, List of participants,</p> | <p>Challenges to deploy and form the qualified team from partner institutions Sequencing of activities is affected by crowded and uncoordinated initiatives by development agencies / projects coupled with inability (stakeholders,</p> |

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| | <p>Output 3.2: Improved institutional capacity on teachers' qualification and certification systems.</p> | <p>competency required for designing and implementing teacher training programme (certified by industry exposure). (SDC EDU ARI2)</p> <p>3.2.1 Extent of harmonisation with NQF of teachers' qualification and certification systems.</p> <p>3.2.2 The degree to which the Institution employs internal assessment and evaluation data for enhancing competence, apart from formal grading and certification.</p> <p>3.2.3 Status of Institute's Learning Management System (LMS)</p> | <p>3.2.1-Systems are not aligned with NQF levels.</p> <p>3.2.2 –Internal assessment system inadequate</p> <p>3.2.3 LMS is not aligned with new VET standards</p> | <p>3.2.1-Systems are aligned with NQF levels.</p> <p>3.2.2-The Institute internal assessment system analysed (2022); the system is improved and applied (2025)</p> <p>3.2.3 Current status assessed (2022); improved and put into operation (2025)</p> | <p>employers' satisfaction survey.</p> <p>3.2.1-Minutes of working group; internal monitoring.</p> <p>3.2.2 Report on conclusions of the analysis; assessments results from Learning Management System (LMS).</p> <p>3.2.3 Institute's database system.</p> | <p>processes) to flexibly adapt to changing context. Target of # of staff trained in IPIFTR to be determined in close consultation with other donors with capacity building agendas</p> |
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| | <p>Output 4.1 More structured representation of employers in VET established</p> <p>Output 4.2: Private sector-led strategy established and capacities of employers in advocacy built.</p> | <p>4.1 –Nr of VET providers with formalised collaboration mechanisms with the private sector. (COI)</p> <p>4.2.1 – Status of the Strategy on engagement of employers in VET (Additional indicator, not listed as ARI/TRI/COI)</p> <p>4.2.2_Nr of advocacy actions fostering participation of employers in VET (Additional indicator, not listed as ARI/TRI/COI)</p> | <p>4.1– 0</p> <p>4.2.1 – Not in place</p> <p>4.2.2 – 0</p> | <p>4.1– 6 (2 providers at each of three levels of formal VET, professional school, college, technicum)</p> <p>4.2.1 – Strategy developed and approved by relevant stakeholders (2025)</p> <p>4.2.2 – 3 (at least one national advocacy actions from 2023)</p> | <p>4.1 Copy of the Strategy, link to website, Stakeholder’ acceptance letter</p> <p>4.2.1 Official document on acceptance of the Strategy; working group’s reports on its development; monitoring observations.</p> <p>4.2.2. Publications on advocacy actions; recorded results of the actions; monitoring reports.</p> | <p>Private sector / employers have insufficient resources and understanding of their engagement in the delivery of VET.</p> <p>Slow adoption of the new role to be played by vocational schools.</p> |
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Annex 4 Cost Statement for the Inception Phase

Financial statement for Mandate Agreement for Project Implementation

Support of VET reforms 2021 SDC

Reference: E-81068508/REF-1006-15370/7F-10441.01.01

Phase Duration: 15.03.2021 - 30.11.2021

Int. Project number

1253.01.1.0

Actual period:

15.03.2021 - 30.11.2021

Currency:

CHF

| Code | Function/ Designation | in CHF | | | | Costs phase | Balance phase per actual | Balance phase per actual date in % |
|---------------------|--|-----------------|-----------------------|------------------------|--------------------------|----------------|--------------------------------|--|
| | | Budget Phase | Budget actual year | Costs actual period | Balance actual period | | | |
| 1.1 | Consultant and/or International consultant (SAP-Number: 363 200 2100) | 307'350 | 307'350 | 281'388 | 25'963 | 281'388 | 25'963 | 8 % |
| TOTAL Part 1 | | 307'350 | 307'350 | 281'388 | 25'963 | 281'388 | 25'963 | 8 % |
| 2.1 | Expense allowances for accommodation and food (employee) (SAP-Number: 363 200 2200) | 17'550 | 17'550 | 11'992 | 5'558 | 11'992 | 5'558 | 32 % |
| 2.2 | Travel Expenses Employee(s) (SAP-Number: 363 200 2200) | 18'900 | 18'900 | 8'636 | 10'264 | 8'636 | 10'264 | 54 % |
| 2.3 | Additional Travel Expenses Employee(s) (SAP-Number: 363 200 2200) | 3'000 | 3'000 | 669 | 2'331 | 669 | 2'331 | 78 % |
| 2.4 | Other Costs Employee(s) (SAP-Number: 363 200 2200) | 67'000 | 67'000 | 42'144 | 24'856 | 42'144 | 24'856 | 37 % |
| TOTAL Part 2 | | 106'450 | 106'450 | 63'441 | 43'009 | 63'441 | 43'009 | 40 % |
| 3.1 | Material (consultant) (SAP-Number: 363 200 2200) | 10'000 | 10'000 | 9'967 | 33 | 9'967 | 33 | 0 % |
| TOTAL Part 3 | | 10'000 | 10'000 | 9'967 | 33 | 9'967 | 33 | 0 % |
| 4.1 | Remuneration of sub-contractor (SAP-Number: 363 200 2500) | 68'500 | 68'500 | 68'314 | 186 | 68'314 | 186 | 0 % |
| 4.21 | Expense allowances for accommodation and food (su... (SAP-Number: 363 200 2500) | 12'650 | 12'650 | 1'270 | 11'380 | 1'270 | 11'380 | 90 % |
| 4.22 | Travel Expenses Sub-contractor(s) (SAP-Number: 363 200 2500) | 1'975 | 1'975 | 1'867 | 108 | 1'867 | 108 | 5 % |
| 4.23 | Additional Travel Expenses Sub-contractor(s) (SAP-Number: 363 200 2500) | 1'500 | 1'500 | 139 | 1'361 | 139 | 1'361 | 91 % |
| 4.24 | Other Costs Sub-contractor(s) (SAP-Number: 363 200 2500) | 56'000 | 56'000 | 56'000 | 0 | 56'000 | 0 | 0 % |
| 4.2 | Travel and expenses (sub-contractor) (SAP-Number: 363 200 2500) | 72'125 | 72'125 | 59'276 | 12'849 | 59'276 | 12'849 | 18 % |
| TOTAL Part 4 | | 140'625 | 140'625 | 127'590 | 13'035 | 127'590 | 13'035 | 9 % |
| GRAND TOTAL | | 564'425 | 564'425 | 482'386 | 82'039 | 482'386 | 82'039 | 15 % |

Transfer of funds donor

Balance of Funds as per 15.03.2021 0.00

Payments received during period:

03.05.2021 250'000.00

15.12.2021 250'000.00

Total payments received: 500'000.00

Expenditures for the current period: 482'386.37

Balance of funds (in favour of donor) as per: 30.11.2021 -17'613.63

ANNEX 5: List of Reports of the Inception Phase

| | Title | author |
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| 1 | EELI – Education-Employment Linkage Index | CEMETS |
| 2 | Economic Sectors Analysis | Kh. Kurbanov / SVRP |
| 3 | Gender Mainstreaming and Social Inclusion in Vocational Education And Training Sector In Uzbekistan | D. Zakirova / SVRP |
| 4 | Assessment of COVID-19 implications on VET | A. Khusanov / U. Kadirova |
| 5 | Analysis of the Legal and Institutional Environment of the secondary VET sector of Uzbekistan | A. Rasulov |
| 6 | Assessment of the Business Enabling Environment for Private Entrepreneurs in VET | A. Rasulov |
| 7 | Analysis of the ITC sector in Uzbekistan | U. Kadirova |
| 8 | Report of the CEMETS Summer Institute | Research Group (pending until end of the course cycle, March 2022) |