

**TVET Reform Project  
Bangladesh  
(BGD/06/01M/EEC)**

**Proposed Project Design  
and Pilot Implementation Strategy**

**Training for Rural Economic Empowerment  
(TREE)**

**A Sub-component of Component 5  
Increased Access of Under-privileged Groups to TVET  
Result 5.1 – Community-based Training mainstreamed into  
TVET**

***Rodolfo R. Baldemor  
Consultant***

**International Labour Organization  
Dhaka, Bangladesh**

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## **Abbreviations Used**

BMET – Bureau of Manpower Employment and Training  
CBT – Community-based Training  
CBO – Community-based Organization  
C5 – Component 5  
DAP – Differently-abled Persons  
GO – Government Organization  
ILO – International Labour Organization  
LIA – Lead Implementing Agency  
MEWOE – Ministry of Expatriates' Welfare and Overseas Employment  
NCC – National Coordinating Committee  
NVQ – National Vocational Qualification  
OJT – On-the-job Training  
PAW – Participatory Action Workshop  
PWD – Persons with Disabilities  
TEP – Transition Enterprise Plan  
TOR – Terms of Reference  
TOT – Training of Trainers  
TREE – Training for Rural Economic Empowerment  
TTC Technical Training Centers  
TVET – Technical Vocational Training and Education  
UNDP – United Nations Development Programme  
UCC – Upazila Coordinating Committee

## **Proposed TREE Project Design and Pilot Implementation Strategy**

### **Introduction**

Community-based training (CBT) now referred to by ILO as Training for Rural Economic Empowerment (TREE), a needs- based methodology for promoting income-generation through skills training and support services, has undergone long period of evolution, improvement and paradigm shifts. Years of project level implementation have produced results in each country, in their specific situations, and in particular socio-economic circumstances. These country experiences have transformed the training strategy from its conceptual and policy frameworks, to its systems and methodology, and most of all to its implementing tools and guidelines.

CBT/TREE has spawned increased agricultural production, small enterprise development in the non-farm sector, helped push small rural industries and social/ partnership enterprises, and has helped propagate informal micro-finance programmes of NGOs in the countryside – all in the name of promoting employment, self-employment and local economic development. It has undergone continuous changes and innovations; from outreach training activities of vocational institutions to various forms of skills training delivery modes designed to reach the poor in the communities; from skills training with post training support to people empowerment and community development. Its planning approach has changed from top-to-bottom methods to community-centered needs assessment and a variety of group and sectoral planning tools. It has metamorphosed into a necessary sub-component of the non-formal vocational training system that has matured and seeped into national training policies of some countries.

The methodology has been applied to national poverty reduction programmes as well as to post-conflict and post-disaster situations – all with outstanding results. Each country that implemented a TREE project has managed to prepare a country-specific manual, which has in turn been a basis for a global TREE manual produced by the ILO headquarters in Geneva. Indeed, there is now a wealth of knowledge as well as tested practical and empowering tools developed through the experiences of ILO and its global partners – tools that have evolved through problems and issues in the field related to sustainability of beneficiary projects and their social and economic mobility. TREE is no longer a small skills training project, it is now a development strategy that has come of age that can build strong rural economies through a convergent and comprehensive methodology where community development actors can work together under the global principles of decent work for all.

### **Rationale for the design**

This proposed project design is based on the following findings:

Encouraging results of the ILO Pilot CBT (**Community**-based Training) in Bangladesh - There are excellent indicators of success in the UNDP-funded ILO pilot project named “*Skills Training and Employment Promotion for Poor Women through Strengthening the Technical Training Centres*” completed in 2005. Former beneficiaries are continuously engaged in employment or self-employment and have expressed appreciation on the opportunities provided to them through the training programme. NGO partners have reported as high as 85% success rates in employment/ self-employment of their beneficiaries after they were introduced into

the CBT concept and methodology. This has contributed to the improvement of their services particularly in the rural areas. However, there are still certain aspects of the approach that have to be improved if we want more sustainability of beneficiary projects and their empowerment which is now the goal of ILO's current approach on Training for Rural Economic Empowerment. The desired capability of the beneficiaries and their communities to be on their own (planning and managing their economic affairs in a self-reliant manner) needs continuing refinement of the methodology and its tools for planning, training delivery and post-training services. Furthermore, different situations, different culture, different economic environment, and different government call for different solutions, particularly in terms of policy and their field implementation strategies.

Readiness of Government – The pilot ILO CBT project have provided opportunity to government agencies such as the Ministry of Labour and the Bureau of Manpower, Employment and Training (BMET) to learn and experience how the project works. BMET has expanded its skills training concerns from formal vocational training to community-based training to partnership building and has put emphasis on reaching to the underprivileged groups and sectors in the communities.

The Technical Training Centers' (TTC) programmes have been expanded to address the needs of socio-economic sectors (e.g. fishermen) and the community for self-employment opportunities whose overall goal is poverty reduction. They have enhanced their training goals from *potential* employment to *immediate* employment or self-employment. In accordance with the CBT/TREE methodology the TTCs have implemented training programmes covering skills, business development and life motivational workshops. Furthermore, BMET has expressed its willingness to be an overall coordinator and technical assistance provider to partners (NGOs – CBOs) that will be involved in non-formal skills training. However, BMET-TTCs need more capacity and capability building to interact with the economic sectors and other employment generators for training planning, designing, training implementation and follow-up and in mobilizing local support mechanisms in their areas.

Potential for TREE adaptation among development NGOs - There is a huge possibility for all the required tasks and responsibilities of TREE to be delivered in Bangladesh through local NGOs with the leadership and guidance of government. There are more than 20,000 NGOs in Bangladesh and more than 1,000 of them are rural development oriented (ADB study). They have validated models of economic projects in rural employment and income-generation primarily because of the member-based nature of their organizations. They provide the support mechanisms that are prescribed by the TREE methodology such as micro-credit, marketing, and technical assistance or extension services.

However, there is a need to introduce to them the use of more effective planning and need-assessment tools for skills training identification where they have shown weaknesses. There is also a need to emphasize to them the critical role of skills training as an entry point for people empowerment and for moving up to the social, economic ladder within Bangladesh's educational and TVET system. It is necessary to emphasize the role of a methodology to promote sustainable training programmes in entrepreneurship, micro-credit, income-generation and rural development. Except for the 6 NGO partners of the pilot CBT project, most development NGOs do not put much premium on skills training as an important aspect for socio-economic intervention. Skill training is only a minor component of programmes covering a variety of concerns for human, social, political, environmental and economic development.

## Executive Summary of findings and recommendations

Given the current state of community-based skills training through the government and the NGO sector in Bangladesh a possible intervention such as this one being designed by the ILO TVET Reform Project will have to look for answers to at least five strategic concerns:

1. **What are the types of skills training programmes that the government should focus on to fill the gaps in the present community-based training projects in Bangladesh?**
2. **What should be the methodology, and what should be the tools necessary to effectively determine such training programmes?**
3. **What are the community-based support systems and structures needed to make training effective and the results sustainable?**
4. **What is the best mechanism to adopt in developing/ improving GO-NGO partnership in order to improve the system and increase the national capacity for community-based skills training?**
5. **What is the best strategy to mainstream community-based skills training or training for rural economic empowerment in the TVET system?**

Concerns	General Status	Recommendations
Training Programmes	No deliberate programme strategies, GO-NGOs implement CBT/TREE related training as a minor part of rural development programmes	<p>TREE project should have a deliberate focus. It should be used to address the following needs of rural economic sectors:</p> <p><u>Farm sector</u></p> <ul style="list-style-type: none"> <li>- Training that will promote agricultural and fishery development and environmental re-invigoration</li> </ul> <p><u>Non-farm sector</u></p> <ul style="list-style-type: none"> <li>- Training in new/ improved products by rural industries and social enterprises</li> <li>- Training in new/ appropriate technologies necessary to increase production, increase incomes and simplify work procedures especially for women and disabled persons</li> <li>- Making or processing marketable products from abundant raw materials in the locality</li> <li>- Making semi-finished products that are needed by mainstream manufacturing industries</li> <li>- Skills needed for rural infrastructure development (transport, water, renewable energy, communication, school buildings, etc.)</li> <li>- Small trading services that are geared towards increasing the velocity of the flow of money in the communities</li> <li>- Industrial skills needed by industries based on competencies that are compatible to the educational and social preparation of the target groups</li> <li>- Manufacturing skills that will prepare the target groups for job sub-contracting for local projects or with export firms</li> </ul> <p><u>Service sector</u></p> <ul style="list-style-type: none"> <li>- Skills that will promote community, family, home and personality development including health care, basic education, micro-credit provision, group organizing, etc.</li> </ul>

Methodology and its tools	There is no standard methodology and tools to implement CBT/TREE related programmes	<p>The TREE Project must develop or adapt methodology and planning tools that can become standards for determining training needs, tools that should be requirements for technical and financial assistance to CBT/TREE projects.</p> <ul style="list-style-type: none"> <li>- <i>Community profiling of target sites</i></li> <li>- <i>Rapid community planning techniques to look at the people's (women, men, youth, differently-abled persons, etc.) aspirations, plans and strategies related to employment, self-employment, enterprise creation, their environment, health care and other social infrastructure, and local economic development.</i></li> <li>- <i>Practical value chain analysis tools to look at needs of rural industry projects or product or market diversification, appropriate technology and other improvements that need training of people</i></li> <li>- <i>Company-based survey looking at employment opportunities through their downstream linkages, product diversification and market expansions programmes</i></li> <li>- <i>Community-based development planning through paper surveys on market and jobs opportunities</i></li> </ul>
Systems & Structures	There are existing but uncoordinated and with limited government support to community-based structures for training and post-training assistance to beneficiaries	<p>The TREE Project must endeavor to promote and assist in the following concerns:</p> <ul style="list-style-type: none"> <li>- <i>Provision of training materials/ packages to promote the delivery of the type of training programmes described above</i></li> <li>- <i>Provide training tools and equipment that can be given as <u>grant to the beneficiaries or sponsoring NGOs/ service providers to ensure immediate implementation of income-generating activities or enhancement of productions</u></i></li> <li>- <i>Introduction of new practical tools in enterprise development compatible to short cycle of business operations and small amount of micro-credit</i></li> <li>- <i>introduce, for government support, a revolving fund concept to groups of beneficiaries to increase their motivation, creativeness, and upward mobility in their enterprises</i></li> <li>- <i>support the strengthening of existing non-skills training projects of NGOs to enhance empowerment of the target groups</i></li> </ul>
GO-NGO collaboration Mechanism	There are existing models of GO-NGO collaboration in project implementation including foreign-assisted projects	<p>The TREE project should build on this existing collaboration system by directly involving NGO partners in the national coordination of TREE project.</p> <p>It shall endeavor to train NGOs on the utilization of the methodology. The provision of financial assistance to GO-approved training projects should be coursed through directly to NGO partners.</p>
Mainstreaming with TVET	CBT/TREE is not yet officially mainstreamed in the TVET System	<p>The skills training component of CBT/TREE projects should be linked to the National Vocational Qualification (NVQ) system. The TREE project shall utilize existing competency-based skills curriculum, or develop new ones in accordance with the standards of such programme. A policy should be adapted by government to assure regular budgetary support to CBT/TREE training programmes as described in this recommendation.</p>

## I – Proposed Project Design

This project design is essentially prepared as a programme policy strategy that can be mainstreamed in government and at the same time included in the proposed TVET system reform. It includes detailed and operational aspects of non-formal community-based skills training for employment and self-employment for the underprivileged in order to help government reduce the country's poverty.

### 1. Basic programme and policy framework (*Please see Annex 1*)

Development goal – In view of the objective of mainstreaming the TREE project into the TVET system of Bangladesh, it should not only be anchored into a training system but also on a broader development goal:

***“To contribute to the government’s poverty reduction strategy through economic empowerment of the underprivileged sectors in the communities to promote rural development and reduce urban migration”***

Project targets - Based on analysis and on the need for a sound and effective programme strategy the TREE project should deliberately and specifically define its targets in accordance with the government’s poverty reduction policies and programme directions:

- ***Beneficiaries - Underprivileged women, men, and youth in villages who are otherwise not eligible for entry into the formal TVET system Including persons with disabilities/ differently-abled persons***
- ***Project Sites – Marginalized communities but with potentials for economic growth and development***
- ***Industry sectors – Agriculture, forestry, fishery, rural construction, and industry sectors or sub-sectors that have rural linkages in terms of employment creation and supplying raw materials or pre-processed inputs***
- ***Service sectors – tourism, rural transportation, water, power, communication, environment, home services, personality improvement, health care, community development, etc.***

Nature of planning - The project should adopt and provide guidelines in its planning and implementation that will assure the identification of projects that will bring benefits to the community (**community-centered**) and its people (**people-oriented**), and that the planning process will be done by the community with participatory and practical tools that shall empower the beneficiaries to utilize after the initial round of intervention from project actors (**community-driven**).

The planning and needs assessment tools will be developed/ adapted through participatory action research/workshops to immediately establish ownership. They will be designed to be initiated by the government, and conducted through NGO partners, other local service providers and the beneficiaries themselves not by professional research and consulting firms or institutions.

The tools shall focus primarily on promoting local employment and self-employment opportunities by looking at local resources, distinctive social and economic characteristics, comparative advantages, and potentials for local

economic development. This does not, however, limit the process from looking at training needs for industrial wage employment of the target groups. In view of this, the proposed TREE project will develop or adapt tools that will include:

- **Community profiling of target sites**
- **Rapid community planning techniques to look at the people's (women, men, youth, differently-abled persons, etc.) aspirations, plans and strategies related to employment, self-employment, enterprise creation, their environment, health care and other social infrastructure, and local economic development.**
- **Practical value chain analysis tools to look at needs of rural industry projects for product or market diversification, new/ appropriate technology and other improvements that need training of people**
- **Company-based survey looking at employment opportunities through their downstream linkages, product diversification and market expansions programmes**
- **Community-based development planning through paper surveys on markets, consumer demands and job opportunities**

Training objectives – The core programme of TREE is short-term, non-formal skills training coupled with enterprise development, group organizing, micro-credit preferably through community-revolving fund scheme, and community enterprise system development. The training programmes are aimed to:

- **Create income-generation opportunities through self-employment and employment in the rural areas and the informal sector**
- **promote sustainable rural development through economic support mechanisms and programmes that promote training and enterprise culture among the beneficiaries**
- **catalyze further human, social and environmental development programmes in the community for educational and economic mobility and empowerment**

Training coverage – Although the methodology recognizes the need for a holistic approach covering human, social, environmental, political and economic programmes and services, the TREE methodology will focus on the economic component of promoting income-generation through employment and self-employment training. The methodology will support training programmes that are oriented towards the development of skills in the following areas:

#### **Farm sector**

- **Training that will promote agricultural and fishery development and environmental re-invigoration**

#### **Non-farm sector**

- **Training in new/ improved products by rural industries and social/ partnership enterprises**
- **Training in new/ appropriate technologies necessary to increase production, increase incomes and simplify work procedures especially for women and persons with disabilities**
- **Making or processing marketable products from abundant raw materials in the locality**
- **Making semi-finished products that are needed by mainstream manufacturing industries**

- **Skills needed for rural infrastructure development (transport, water, renewable energy, rural communication, school buildings, etc.)**
- **Small trading services that are geared towards increasing the velocity of the flow of money in the communities**
- **Industrial skills needed by industries based on competencies that are compatible to the educational and social preparation of the target groups**
- **Manufacturing skills that will prepare the target groups for job sub-contracting for local projects or with export firms**

**Service sector**

- **Skills that will promote community, family, home and personality development including health care, basic education, micro-credit provision, group organizing, etc.**

Training designs - In view of the nature of the goals, objectives and target beneficiaries of the proposed TREE methodology the nature of training designing and curriculum development will also be different. The needs-based approach of planning will call for a flexible design of training programmes that will cover any of the following purposes:

- **For self-employment/ income-generation – For identified training programmes for self-employment or income-generation the TREE project will utilize training that combines skills formation to make/ process marketable projects, and training for enterprise creation using practical training packages and materials. Consequently, the TREE project will provide training/ production tools and small basic equipment that the beneficiaries can use immediately after the training programme to engage into enterprise projects for income-generation**
- **For rural wage employment – For identified training programmes that are geared towards local wage employment, such as those for small industries, social/ partnership enterprises and community/local sub-contracting, the TREE project will utilize adapted training packages that will suit the needs of such jobs**
- **For industrial wage employment – For training needs identified that are geared towards industrial wage employment the TREE project will utilize nationally accepted competency-based training materials.**

Follow-up training programmes - The entry point training programmes that will be designed and delivered based on the community planning and needs assessment processes will be followed with other support training and development interventions such as the following:

- **Skills up-grading – for upward economic and educational mobility**
- **Entrepreneurship development – for greater participation to market**
- **Group formation and management – for creating support mechanism**
- **Micro-credit management – preferably CBO owned and managed**
- **Community enterprise system – for enhancing production capacities**
- **Gender sensitivity – for mainstreaming gender issues**
- **Life motivation skills – to improve capacity for empowerment**
- **Other skills training on human and social development**

Training delivery – Following the nature of the flexibility of the training programmes their delivery will also be flexible.

- ***For self-employment or income-generation – For these types of training, where tools and equipment will be provided, the conduct of training can be in the communities where the proposed enterprise projects will be established by the beneficiaries. In fact, it is recommended that the training venue will be the same place of the proposed enterprise project.***
- ***For rural wage employment – For these types of training the training venue can be local training centers of partner NGOs, the Technical Training Centers (TTC), in local industries as a form local apprenticeship with expert craftsmen, and in any other suitable venue located within the community.***
- ***For industrial wage employment – For these types of training programmes the venue should be in formal vocational training centers such as the TTC and other technical schools.***
- ***For follow-up training programmes – external experts and specialized organizations and training agencies will be utilized***

Link of training with the TVET system – Skills training in TREE, whenever necessary, shall be linked with the **National Vocational Qualification (NVQ) system of TVET**. Hence, the skills components shall be based on existing competency-based training materials as they will be applied to the processing and manufacture of marketable products, operation of tools and equipment, and provision of services.

New TREE training materials shall be developed and assessed under NVQ standards to make the beneficiaries qualify for national certification/ recognition, training equivalency, and educational mobility. The TREE approach shall be positioned under the **non-formal TVET sub-system**.

## **2. Development/ adaptation of Methodology and its tools**

Methodology - The methodology will dwell around five basic components of TREE project implementation:

- ***Project organization and management***
- ***Community-based planning***
- ***Training delivery***
- ***Post-training support***
- ***Monitoring and evaluation***

The tools will be developed/ adapted from the generic tools of the ILO TREE Manual which were derived from country-specific experiences. The TREE Project will develop the tools and prepare a country manual that will be used to train local TREE experts who can also train other locals in their utilization and advocacy.

The tools and guidelines will cover both the technical aspects and project management issues.

- **Technical processes** – The technical tools will cover the following tasks and components of the TREE methodology:

- **Community-based planning**
  - **Preparing training proposals and their supporting documents**
  - **Organizing skills and enterprise development training programmes**
  - **Post-training follow-up services and mechanisms, organizing, micro-credit system and/or community revolving fund schemes**
  - **Creating/ managing income-generating or small enterprises**
  - **Organizing community groups and managing internal market systems through simple linkages or value chains**
  - **Organizing and managing community revolving funds to support such internal market or value chain development**
  - **Organizing common production, marketing or service facilities**
  - **Monitoring and evaluating their own projects**
  - **Linking and leveraging their economic activities with micro-finance providers, local economic development. government and donor resources, and with the formal economic sector**
- **Project Management** – The methodology will be linked with policies on financial assistance and management of the TVET Reform Project and as much as possible with government rules and regulations relative to GO-NGO sub-contracting and partnership. This strategy will establish the ground rules for policy implementation in terms of budgetary planning and financial intermediation with government.
- **Managing a TREE Project**
  - **Partners mobilization**
  - **Managing financial assistance to training projects**
  - **Assessment of proposals**
  - **Providing financial assistance**
  - **Management Information System**
  - **Conducting tracer studies and project evaluation**

### 3. Project Organization *(Please see Annex 2)*

**“Home” of the TREE Methodology** - In order to instantly mainstream the TREE project into government programme policies it has to be implemented through a Lead Implementing Agency (LIA). Since the pilot CBT-type of training programme was already implemented through the Bureau of Manpower and Training (BMET) it is highly recommended that this should be continued. Hence, BMET has to develop ownership of the methodology right from the start. The agency must be the “Home” of the TREE and as such it has to develop its capability to perform certain functions such as the following:

- **Act as the government lead implementing agency of TREE**
- **Provide the direction and training implementation policies**
- **Organize and maintain a network of local training providers**
- **Conduct capability-building of local partners on the methodology**
- **Train skills trainers**
- **Develop and maintain training packages and materials and**
- **Monitor and evaluate the national programme**

**National coordinating committee (NCC)** – For national implementation a national coordinating committee must be organized to support the LIA in performing its functions such as providing national support for budgetary proposals, strategic

policies, evaluating programme performance and provision of support services. The committee shall be composed of government and private agencies who are engaged in the following programmes for women, youth, persons with disabilities, and unemployed/underemployed men:

- ***employment promotion***
- ***training provision***
- ***small enterprise creation***
- ***micro-credit***
- ***appropriate technology***
- ***market linkaging***
- ***small business advisory***
- ***local infrastructure development***
- ***economic sector planning***
- ***community organizing***
- ***job placement/ vocational guidance***
- ***other social services that impact on poverty reduction***

TREE experts - To do this, the LIA must assign/designate officials who will be trained and developed into national TREE experts. The ensuing activities of the consultant particularly the scheduling, organizing, coordination and conduct of the capability building programmes will be done directly with the designated TREE officials of LIA and its partners. These TREE experts shall be the following:

- ***National TREE Coordinator – strictly from LIA***
- ***National TREE Training Officers – from LIA and other NCC partners***
- ***Community coordinators – from NGO partners/ sub-contractors and Technical Training Centers or TTCs***
- ***Trainers – from NGO partners and TTCs***

Local committees – The implementation of TREE training projects will have the support of Upazila Coordinating Committees (UCC). These committees shall be ad-hoc in character and their function is to provide advice on the selection of project sites, beneficiaries, sectors, training partners or institutions, and on the assessment and endorsement of project proposals. They will be chaired by local government officials and will be composed of agencies and organizations that are also represented in the national advisory and coordinating committee.

Network of training providers/ partners – National TREE implementation will be supported by local training providers, primarily NGOs who have extensive experience in community development work and who can, as much as possible, perform all the tasks, requirements, and services required in each of the stages of the TREE methodology. Their coordinators and trainers will be trained under this project.

#### **4. Capability building programmes (Please see Annex 3)**

Participatory action workshops (PAW) - The selected officials and partners to be assigned to the TREE project will undergo training on the methodology and the utilization of its tools. The training shall be designed as participatory action workshops that will review existing tools and adapt them to local context and conditions. The process will instantly develop ownership of the tools which is needed in producing a country-specific TREE Manual and for the mainstreaming of the methodology into the government's TVET system and policies. The PAWs

will be modular designed to address the needs of the various actors in the TREE project and their required knowledge and competencies in their respective roles in the implementation of the methodology.

Training of trainers – Training of trainers for skills and enterprise development will be a major component of the capability building programme. It may involved skills upgrading and techniques of instructions. It will be tailor made for existing trainers of TTC and other training centers, local craftsmen, local enterprise operators, and returning overseas workers.

## **5. Project implementation policies *(Please see Annex 4)***

Extent of financial assistance - The pilot TREE project shall adopt official management policies especially in terms of the coverage, costs and manner of release of financial assistance to training projects and related activities. These policies shall be standardized so that it can feed into the government's budgeting system during the final mainstreaming and institutionalization.

Project criterion – A criteria covering various management elements shall be developed to be followed in the implementation of projects which shall also be based on existing policies of related projects in Bangladesh especially for GO-NGO partnerships. These policies shall be discussed and agreed upon between the lead implementing agency and its partners and shall become part of the operating system of the TREE Project. The criteria shall cover the following:

- ***Selection of project sites (to include the former pilot CBT districts)***
- ***Selection of target groups***
- ***Selection of local partners (including former CBT NGO partners)***
- ***Assessment and approval of training proposals***

These principles, plans, guides, criterion and other elements of a TREE project shall be developed/ adapted, tested and validated during the implementation of the pilot or demonstration TREE project to be supported by the TVET Reform Project.

## II – Mechanics of Implementation of the Pilot TREE Project (Please see Annexes 1 - 5)

The organizational and experts development programme will be supported by actual implementation of pilot/demonstration TREE training projects in selected districts, Upazilas and villages.

### 1. Assumptions

The implementation will be based on a few assumptions:

- ***That a national TREE project team has already been organized from the LIA and partner organizations,***
- ***That capability-building programme on the methodology has been completed for the TREE staff and for the implementing partners (NGO/training providers)***
- ***That implementing partners (NGOs) have been identified and they are ready to participate***
- ***That Upazila Coordinating Committees have been organized.***

### 2. Systems and Procedures

General Mechanics – Figure 1 describes the general concept in the pilot implementation. There are five (5) actors involved in the process:

- Target beneficiaries in their communities
- NGO partners/ Service Providers
- Upazila Coordinating Committees
- Lead Implementing Agency
- ILO TVET Project

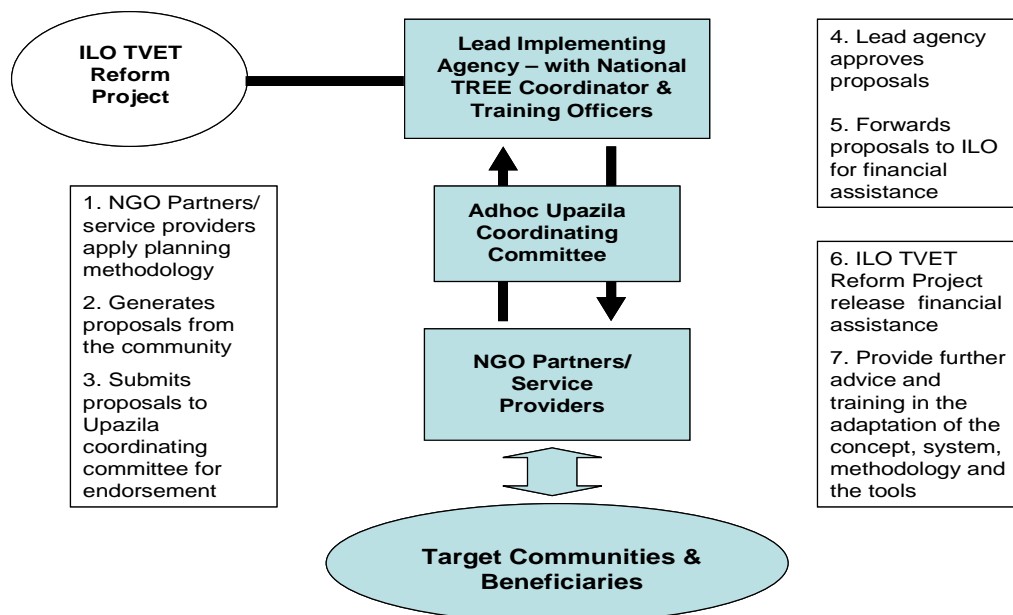


Figure 1 – General Mechanics of Implementation

The procedure will involve the following steps to be performed by the various actors:

- **The beneficiaries will identify their training needs for income-generation either wage employment or self-employment, with the facilitation of trained TREE coordinators from the partner NGOs**
- **The NGO partners will forward the training proposals to the Upazila Coordinating Committees or assessment and endorsement/assistance**
- **The LIA will assess, approve and forward the proposals to the ILO TVET Reform Project for release of financial assistance**
- **The ILO TVET Reform Project will release the financial assistance to the implementing NGO in accordance with a Memorandum of Agreement or Sub-contract Agreement (Please see Figures 2 and 3).**
- **The NGO partner will implement the training project in accordance with the TREE Methodology**

### 3. Modes of project management and financial intermediation

There are at least two (2) modes of project management and financial intermediation for GO-NGO partnerships in TREE-similar projects in Bangladesh. Either of the two will work. However, decisions should be in favor of which one will be of greater relevance to the future institutionalizing or mainstreaming of TREE in the government. On the other hand, for purposes of pilot testing, it is recommended that the two modes be tested in two separate areas during the pilot implementation.

#### **Mode A – Thru a 3-Party Memorandum of Agreement**

This mode of project management is designed to course the implementation of TREE projects through only one implementing partner: either a consortium of several NGOs or one big NGO that can cover all selected project sites.

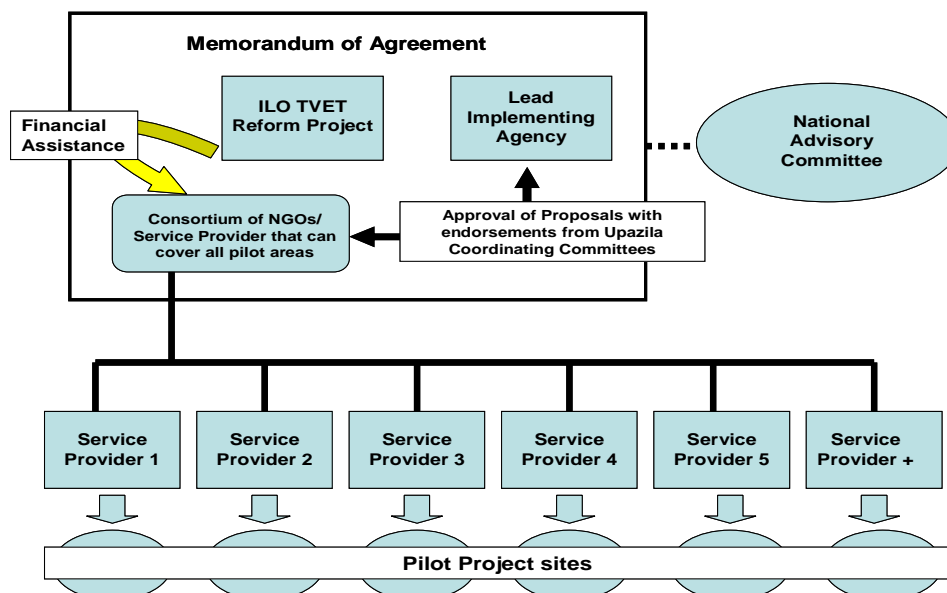


Figure 2 – Mode A: Financial Assistance thru a 3-Party Memorandum of Agreement

This mode means that the ILO, the LIA, and a Consortium of several small NGOs or one big NGO/ service provider will enter into a three-party agreement to implement the TREE project in piloting and adapting the methodology and its tools with a major agreement that financial assistance will be course through only to the partner consortium or big NGO who, in turn, will manage the financial assistance within their ranks or organization.

### **Terms of agreement, 3-Party**

#### **1. Lead Implementing Agency**

- Will manage the implementation of the TREE pilot project
- Will assign National TREE Project Coordinator and a TREE training officer
- Will approve all training proposals
- Will chair the National Coordinating Committee

#### **2. NGO Consortium/ Service Provider**

- Will implement the training projects in accordance with the methodology
- Will assign member NGOs/ service providers and/or community project coordinators for each of the selected communities
- Will submit reports and recommendations on the field implementation for inputting in the system and methodology

#### **3. ILO TVET Reform Project**

- Will conduct capability-building programmes for people involved in TREE
- Will provide the financial assistance to the project
- Will lead in the development of the country-specific manual and tools, and on the mainstreaming of the TREE in the TVET system of Bangladesh

Advantage - The advantage of this mode is that there is lesser bureaucracy in service delivery because there is only one actor involved in the whole process of implementation. The role of the government is supervision, audit and oversight using performance-base financial release of financial assistance.

Disadvantage - The disadvantage, however, is the limited number of actors that will be mobilized and trained on the utilization of the methodology.

### ***Mode B – Thru a 2-Party Agreement***

This mode of project management and financial intermediation is based on the mobilization of multiple project partner implementers.

This means that the ILO and the Lead Implementing Agency will still enter into a Memorandum of Agreement stating therein that while the management of the project will be done by the Lead Implementing Agency the financial assistance for approved training proposals will be released to several NGO partners/ service providers, that will be selected during the course of implementation, through individual sub-contract agreements.

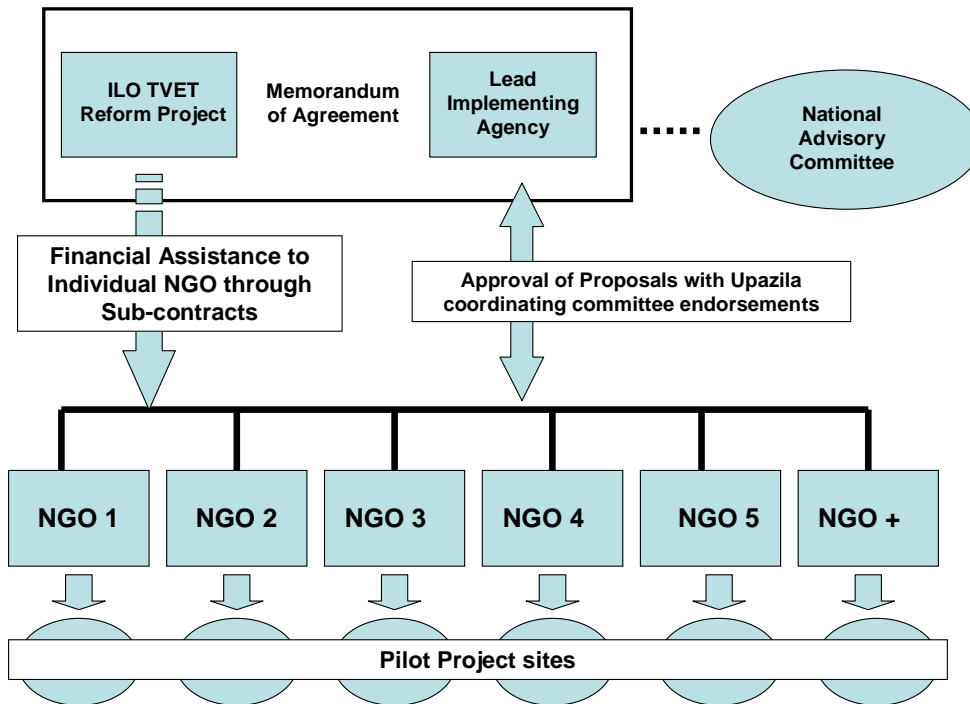


Figure 3 – Financial Assistance a 2-Party Agreement

### **Terms of agreement: 2-Party**

#### 1. Lead Implementing Agency

- Will manage the implementation of the TREE pilot project
- Will assign National TREE Project Coordinator and a TREE training officer
- Will approve all training proposals
- Will chair the National Coordinating Committee
- Will select the NGO partners to be sub-contracted

#### 2. ILO TVET Reform Project

- Will conduct capability-building programmes for people involved in TREE
- Will provide the financial assistance to the project
- Will lead in the development of the country-specific manual and tools, and on the mainstreaming of the TREE in the TVET system of Bangladesh
- Will enter into sub-contract agreement with NGOs selected by the Lead Implementing Agency for release of financial assistance.

Advantage – The advantage of this mode is that there will be more actors that will be involved in the process of adaptation and capability-building programmes that can be tapped as implementers or advocates of the TREE methodology during mainstreaming process.

Disadvantage – The disadvantage is the difficulty of managing a large number of field implementers with multiple sub-contracts, monitoring and evaluating individual projects, and the problem of application of controls in the whole process.

#### 4. Terms of Reference (TOR) for NGO Partner/ service provider

The terms of reference for both Modes of project and financial intermediation will be the same as far as the tasks and releases of money is concerned to partner NGOs.

##### **Figure 4 - Terms of Reference for NGO Partner/ service provider**

The NGO partner/ service provider will perform all task requirements of the TREE methodology and produce outputs and results in accordance with the following stages:

Stage 1: Community planning - Training proposals in standard TREE format with their respective supporting documents

Stage 2: Training Delivery – Trained beneficiaries in accordance with the approved training proposals

Stage 3: Post-training support – Beneficiaries engaged in income-generating activities/ rural employment/ industrial employment as has been described in the approved training proposals.

The NGO/ service provider's tasks will be interspersed by actions coming from the various other actors within the working units of the TREE project management and delivery system (e.g. UCC, LIA and ILO). Subsequently, payment of professional fees shall also be linked with such management actions.

These process will involve the performance of required tasks on the methodology, the submission of the outputs of such tasks, the actions to be taken by the assessment and control units in the system, the response of such assessment units, the subsequent actions of the NGO partners in case there are corrections/ additional requirements, and the final release of financial assistance to complete the cycle of activities for each project.

Figure 5 – System of Payment for Tasks

<b>Task of Service Contractor</b>	<b>Task of TREE Project</b>	<b>Payment (Please refer to Annex 4)</b>
Submission of Training Proposals generated from the community planning process of the methodology	Assessment of proposals by District Coordination Committee. Approval of Lead Implementing Agency. Release of financial assistance by TVET Reform Project.	Payment corresponding to the approved cost of doing the community planning.

Submission of report on training delivery after the conduct of training	Assessment of training programme and trainees in accordance with approved assessment procedures and training requirements.	Payment of cost of training in accordance with the approved training proposal.
Submission of report on post-training support to beneficiaries after the provision of such services	Assessment of results of the post-training support to the beneficiaries as described in the training proposal.	Payment of cost of post-training services as approved in the service contract.
<p><b>Note: The payment scheme may be modified as to provide advance payment for mobilization and other preliminary expenses to be incurred by the service contractor.</b></p>		

## 5. Demonstration projects

In order to develop/ adapt the methodology, tools, systems and procedures in the TREE methodology laboratory projects which will serve as demonstration or showcase projects of the methodology should be implemented. It is recommended that at least two (2) Upazilas should be selected for the purpose.

It is also recommended that the two modes of implementation (3-party MOA and 2-party MOA) be piloted in order to see the effectiveness of the approach and henceforth be included in the expected programme policy.

## 6. Monitoring and documentation

The pilot project implementation will be monitored in accordance with the TREE Monitoring System which will be installed at the TREE project management team. Highlights of activities will be documented to be studied and inputted in the final preparation of a country-specific manual on TREE.

## 7. Evaluation

The pilot project will be evaluated on its impact and outcomes through tracer studies. The instruments for conducting tracer studies are included in the TREE instruments and will be one of the capability- building modules that will be developed/ adapted by the ILO TVET Reform Project.

Management Information System for monitoring and evaluation will be developed/ adapted in the pilot TREE project and will involved the gathering of data and information as well as the analysis on the following:

### Quantifiable outputs

- No. of Communities covered
- No. of Training programmes implemented
- No. of Beneficiaries enrolled in training programmes
- No. of Beneficiaries completed training
- No. of Organizations, agencies and individuals mobilized

### Desired outcomes

- Rate of trained beneficiaries involved in group or individual self-employment
- Rate of trained beneficiaries employed in local enterprises and industries
- Rate of increase in monthly incomes of beneficiaries due to the intervention

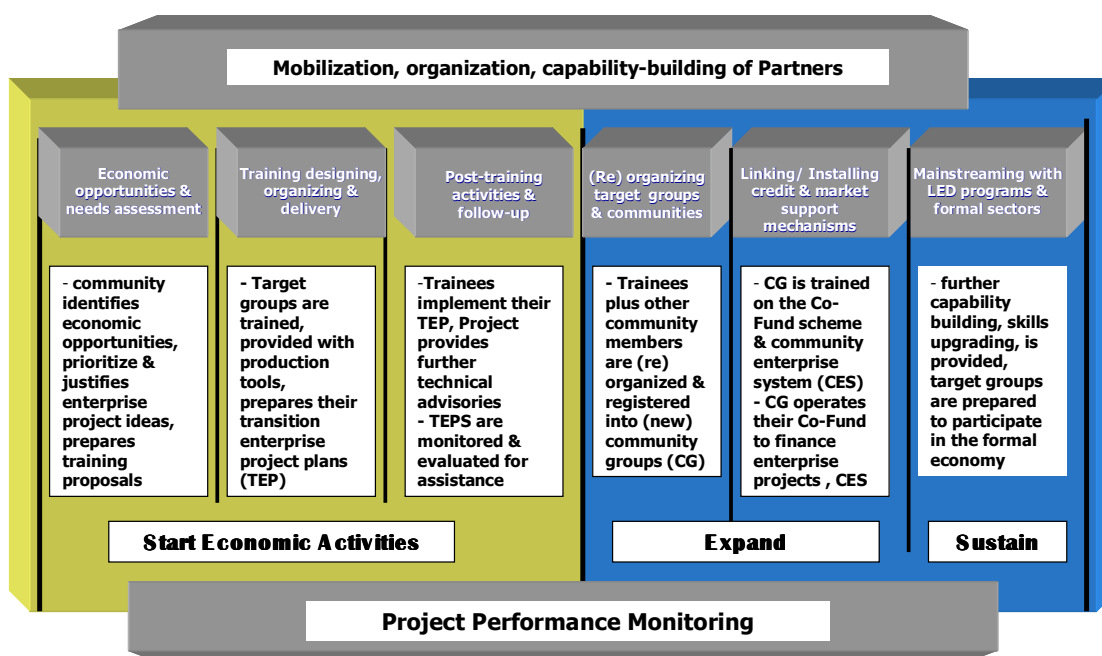
### Indicators of success

- Beneficiaries seeking for higher level of training and certification
- More partners engaging in TREE-related projects
- More target groups participating in training
- More communities asking for TREE-related assistance

## Annex 1 The TREE Methodology A Brief Note

TREE stands for “Training for Rural Economic Empowerment”. It is a comprehensive and convergent Methodology complete with a set of practical tools or guidelines that help implement training and development policies of governments and donor agencies into actual and successful programmes and projects.

It is specifically designed to provide employment and self-employment opportunities to underprivileged target groups in rural communities through skills training, enterprise development, organizing to operate their own community revolving funds, operate their local economic system, and linking them with the formal sector when they are ready and willing. Below is a country-specific (*Sri Lanka*) framework of TREE Methodology:

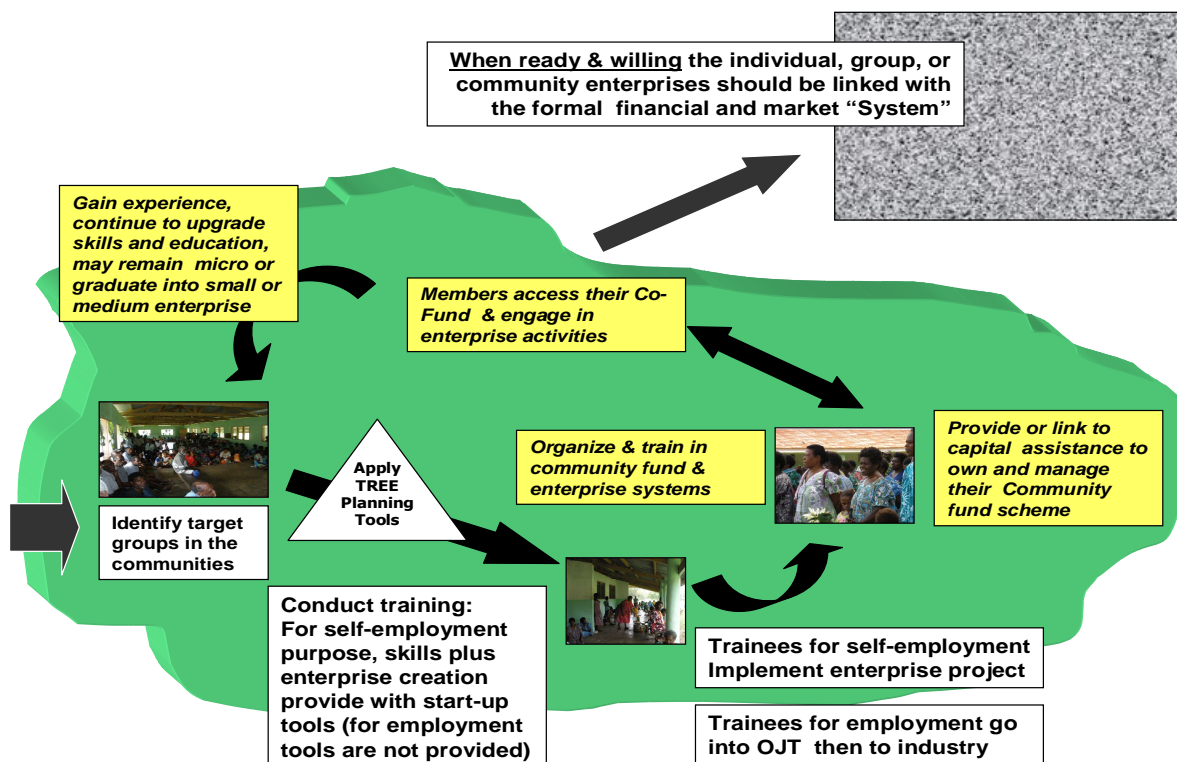


The TREE Methodology is composed of steps and stages that encompass needs assessment, training designing and delivery, post-training follow-up, organizing, installing support mechanisms, and mainstreaming with local economic development programmes and the formal sector.

The tools and instruments in each stage of the methodology are focused on concepts, practical implementing guidelines, and implementing forms that address the critical issues on lack or absence of Skills, Structures, and Systems, and how to Start, Expand and Sustain local enterprise activities in accordance with the limited capabilities of the target groups, the marginal capacity of rural markets, and the seasonal and dual structure of the rural informal economy.

TREE answers many questions and concerns on a full range of training and development issues such as the following:

1. How to conduct planning for small community-based enterprise projects using faster tools and practical methods that incorporates the following:
  - Identifying, prioritizing and testing viability and sustainability of projects
  - Engaging direct and enlightened participation of the community groups
  - Developing sense of ownership of community projects by the beneficiaries
  - Empowering people, creating self-reliance and the culture of training and social entrepreneurship
  
2. How to promote the concept of profit-oriented enterprise as against the traditional subsistence livelihood activities taking into account the following problems:
  - Marginal educational capacity of target groups but taking into consideration their tremendous indigenous skills and knowledge
  - Small capacity of village consumption and non-commercially viable markets but taking into consideration the local economic resources that are available
  - Micro-financing needs of small enterprise projects that are not qualified to access micro-finance programme but taking into consideration the indigenous systems of neighborhood economic relationships obtaining in traditional villages
  
3. How to prepare simple and standardized project proposals that the beneficiaries can prepare themselves and that donors or government funding agencies will understand easily through the following:
  - Correct information on the technical name of the project, its time frame, target beneficiaries, its goals, objectives and target outputs and outcomes
  - Project design or how the project will be implemented, monitored and managed, who will implement it, and what is the contribution and role of the beneficiaries and community in the implementation
  - Complete list of expenditure items and their estimated costs for the assessment of donor agencies in order to provide financial assistance and/or subsidy
  - Endorsements from the beneficiaries, Village Chiefs/leaders, training providers and government agencies in- charge of coordination, monitoring, and providing assistance to such kind of development projects
  
4. How to access national and international donor funds and how to make them release their financial assistance to the beneficiaries with the following:
  - Lesser bureaucracy, minimal red tape, maximum benefit to beneficiaries and simple layers of controls
  - Effective method of fund releases which is accurate, transparent and with built-in monitoring and reporting of expenditures and performance
  - Monitoring the social and economic benefits to the beneficiaries, their families, and their communities
  
5. How to monitor, document and evaluate the beneficiary projects that will gather data and information for sharing, replication and continuous development of the concept, tools, strategies, management/ project governance structure and service delivery system
  
6. How to convince government policy makers on the usefulness of community-centered and people-oriented training and development programmes as a parallel strategy to macro-economic and global policies in solving poverty.



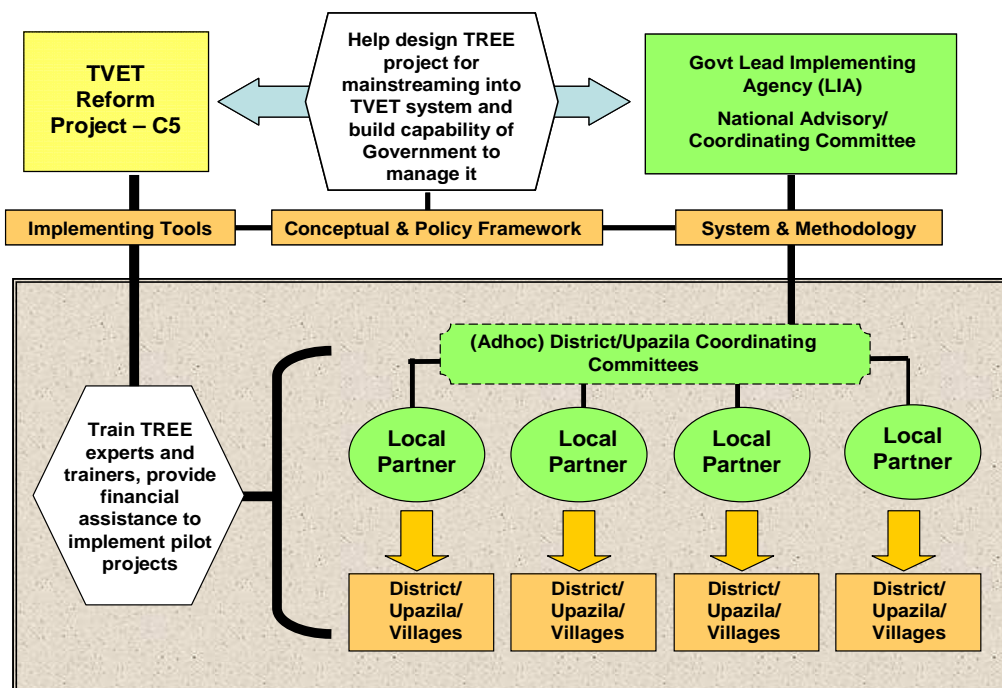
### Practical Steps in the TREE Methodology

The application of the methodology follows a linear process. Its core programme is skills training supported by other capacity and capability-building programmes that ends up in empowering the target beneficiaries to decide whether to compete or not in the formal sector.

The following are the steps in the methodology:

1. Selection of project site – this is done through poverty and development criteria agreed upon by stakeholders
2. Selection of the target groups in the site – they can be women, youth, persons with disabilities, unemployed men, farmers, fishermen, etc.
3. Conduct of needs assessment with the target groups – the planning and needs assessment tool may vary according to the situation
4. Training designing and provision of training – the training is primarily in skills., but if the need is for self-employment the skills training is supported by enterprise development an the provision of tools and equipment
5. Implementation of post-“classroom” training activities – if the training is for self-employment the trainees are required to prepare a Transition Enterprise Plan (TEP) and implement it either as group or individual using the tools provided, if the training is for employment the trainees are required to undergo on-the-job training (OJT)
6. Post-training support – as a support to training the TREE methodology promotes three tracks of activities;
  - for employment training graduates they are provided job placement assistance based on the pre-training objective described in the training proposal
  - for self-employment training graduates they are provided with, or linked with micro-credit after the implementation of their enterprise training plan
  - in both cases, the community is organized and trained in managing their community revolving fund and operate an enterprise system to sustain their economic projects and promote development of their communities
7. The beneficiaries are then empowered to decide whether to join or not to join and compete in the formal economy.

## Annex 2 – Organizational Development and Intervention Strategy



This organizational development strategy is compatible with the TVET Reform Project's goal of mainstreaming TREE programme policies into the government.

The Lead Implementing Agency (LIA), which will be referred to as the "Home" of TREE, is recommended to be the Ministry that implemented the pilot CBT Project in Bangladesh and where the Bureau of Manpower Employment and Training (BMET) is currently attached.

The LIA should be supported by other agencies and organizations that will form a National Advisory/ Coordinating Committee

At the District levels, the TREE project will be supported by Adhoc committees for local coordination, assessment of proposals and their endorsements for financial and technical assistance.

At the field level the TREE project will train and organize a network of local partners, mainly NGOs to help target groups facilitate planning, implementation of projects, and provide post-training follow-up services.

### Annex 3 - Capability Building Programme <sup>1</sup>

This will be designed as participatory action-workshops focused on existing TREE tools and guidelines for adaptation to local context and situation.

Stage of Implementation	Major Target Participants	Training Modules
Preparatory	<ul style="list-style-type: none"> <li>- National TREE Coordinator</li> <li>- National TREE Training Officers</li> </ul>	<ul style="list-style-type: none"> <li>- Concept of TREE for Bangladesh</li> <li>- The TREE Methodology</li> <li>- How to implement and manage a TREE Project, organizing, sub-contracting, monitoring, etc.</li> </ul>
Community Planning	<ul style="list-style-type: none"> <li>- Community Coordinators</li> <li>- National TREE Training Officers</li> </ul>	<ul style="list-style-type: none"> <li>- How to facilitate community-based development planning</li> <li>- How to facilitate target group-based employment and self-employment planning (youth, women, socio-economic sectors)</li> <li>- How to facilitate community development planning from an anchor company/ economic sector</li> <li>- How to conduct tracer studies</li> <li>- How to monitor project performance</li> </ul>
Training Delivery	<ul style="list-style-type: none"> <li>- Skills trainers</li> <li>- National TREE Training Officers</li> </ul>	<ul style="list-style-type: none"> <li>- How to prepare skills training outline</li> <li>- How to prepare training proposals</li> <li>- How to prepare skills training syllabus</li> <li>- How to teach transition enterprise project or TEP</li> <li>- How to maintain training records</li> <li>- How to teach – ten training techniques</li> </ul>
Post-training support	<ul style="list-style-type: none"> <li>- National TREE Training Officer</li> <li>- Community Coordinators</li> </ul>	<ul style="list-style-type: none"> <li>- How to implement a community revolving fund project</li> <li>- How to conduct enterprise project evaluation</li> <li>- How to provide business advisory services</li> </ul>

<sup>1</sup> Under the present TOR of the Consultant, the next two-month follow-up mission is supposed to be spent to conduct capability-building workshops on the pilot TREE implementation based on the design and strategies. However, the time frame may not be enough to deliver the amount of training modules that has been identified here. It would need a close scheduling of training and mobilization of target participants which may not always be ready. So, prioritization might be appropriate.

## Annex 4 – Model for financial assistance policies

The following table contains country experiences in budget and expenditures in implementing TREE projects. They are presented as cost items for each stage of the methodology or group of field activities. They can be a basis for sub-contracting.

<b>Stages of Activities</b>	<b>Allowable Cost Items</b>	<b>Maximum Assistance (USD)</b>
<b>Community planning</b>	Needs assessment, project designing, training programme development, preparation and submission of training proposals	\$1,000/ community
<b>Training delivery</b>	Honoraria trainers	\$500 – \$700 per trainee beneficiary
	Honoraria of training coordinators	
	Travel expenses of trainers and coordinators	
	Training tools and equipment	
	Training supplies	
	Stationeries	
	Trainees' uniform	
	Safety materials	
	Transportation costs of training inputs to training centers and sites	
	Trainees' allowance ( <i>situational</i> )	
	Rentals	
<b>Post-training support</b> (to cover at least 6 months of services after end of training)	Professional fees of partners' experts	\$1,000 for every batch of training
	Traveling expenses	\$300 per member of a community group
	Start-up Capital for Community Revolving Fund (Core Fund)	
<b>Management costs</b>	Allowance for unforeseen expenses	10% of training delivery costs
	Allowable Overhead cost	10% of all cost items

*Note: Inflationary cost is not included.*

**Annex 5 - Pilot Implementation Action Plan (with reference to Consultant's missions)**

Activities	Actors	Outputs	Indicative Schedules							
			April	May	June	July	Aug	Sept	Oct	Nov +
<b>Project Designing</b>	<b>Consultant (1st Mission)</b>	<b>Pilot Project Designed with draft conceptual and policy framework, system and methodology. Possible tools identified.</b>								
Negotiations with Government Lead Implementing Agency	C5 Team with the Government Lead Implementing Agency and Support Organizations	Lead Agency agrees with its role								
Organizing the National Advisory/Coordination Committee		Support Agencies identified - MOU signed								
Designation of TREE Officers		TREE officers to be trained and to manage project designated by partner agencies								
Discussions on Project Policies		Project implementation policies agreed especially financial assistance								
Selection of project sites		Target sites for pilot implementation finalized								
Selection of NGO Partners		Local NGOs or service providers identified and selected								
Preparation and signing of Sub-Contract Agreements		C5 Team	Sub-contract agreements signed							
<b>Capability Building Programmes of TREE officers and Partners</b>	<b>Consultant (2nd Mission)</b>	<b>TREE officers and designated coordinators and trainers of partners are trained on the TREE Methodology</b>								
Conduct of needs assessment and community planning	NGO partners and communities	Simultaneous needs assessment conducted								
Preparation of proposals		Project proposals prepared								
Assessment of proposals	District Coordinating Committees	Project proposals assessed								
Approval/ release of financial assistance	C5 Team	Project proposals approved/ financial assistance released (per contract agreement)								

