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PROJECT DOCUMENT
Country: Republic of Azerbaijan

Project Title: Modernizing Vocational Education and Training (VET) Centres in Azerbaijan
Project Number: 00094479
Implementing Partner: UNDP, Ministry of Education of the Republic of Azerbaijan

Start Date: August 2017 **End Date:** August 2020 **PAC Meeting date:** 28 July 2017

Brief Description
<p>The overall objective of the project is to contribute to the modernisation of the vocational education and training system in Azerbaijan, enhancing quality, equality, relevance and access in line with European standards and practices.</p> <p>The project focuses on two specific objectives:</p> <ol style="list-style-type: none"> 1) To improve quality of education for increasing attractiveness of VET in Ganja city and neighbouring regions, as well as adjust vocational education to the requirements of the industry. 2) To improve quality of education for establishing labour market oriented VET system in Lankaran Economic Region. In this regards, operational capacity of Jalilabad Vocational Lyceum will be strengthened through the establishment of modern Regional VET Centre of Excellence for occupations in agriculture and industry (manufacturing) sectors. <p>It should be noted that both the overall and specific objectives of this action conform to recent policy of the Government of Azerbaijan on diversification of economy through the development of non-oil sector, reduction of disparity between regions and Baku, development of human capital. As seen from the overall and specific objectives, this action will completely conform to the development policy of the Government of Azerbaijan and the project will cover some of the highlighted challenges, existing problems and shortages of VET system defined in the policy documents.</p> <p>The project will contribute to the Sustainable Development Goal 4. "Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all; Target 4.4 "By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship".</p>

Contributing Outcome (UNDAF/CPD, RPD or GPD):
UNAPF 2016-2020 Outcome 2.1: By 2020, Azerbaijan has enhanced institutional capacities for transparent, evidence-based and gender- responsive policy formulation and implementation
Strategic Plan Outcome 1. Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded.
Indicative Output(s) with gender marker: GEN2

Total resources required:	USD 3,463,531	
	Output 1: USD 1,820,250	
	Output2: USD 1,643,281	
Total resources allocated:	UNDP TRAC:	USD 346,353
	EU:	USD 3,117,178
	Government:	0
	In-Kind:	0
Unfunded:		

Agreed by (signatures):

Government partner

Mr. Mikayil Jabbarov

Minister of Education

Date:

UNDP

Mr. Ghulam M. Isaczai

UNDP Resident Representative

Date:

Table of contents

I. Development Challenge	3
ii. Strategy	4
III. Results and Partnerships	5
IV. Project Management.....	16
V. Results Framework.....	17
VI. Monitoring And Evaluation.....	23
VII. Multi-Year Work Plan	26
VIII. Governance and Management Arrangements.....	33
IX. Legal Context and Risk Management.....	34

I. DEVELOPMENT CHALLENGE

Currently, the vocational education and training (VET) system of Azerbaijan has many challenges in terms of management, financial support, staff and content of education, material and technical base and infrastructure. In the last decade, the Government has implemented a wide range of activities, State programs, strategies and concepts. In addition, a VE Agency under the Ministry of Education was established in 2016 for developing the VET sector. The main objective of the Agency is to increase the efficiency and relevance of vocational education and training system in Azerbaijan and to produce qualified workforce for the labour market.

Nevertheless, certain problems remain. The infrastructures of the majority of VET centres have not been modernized for decades while educational resources, educational programs, teaching and learning materials used by VET centres are out of date or do not respond to the requirements of a modern VET system. Financial support from the state budget is not at the required level and VET centres are not currently able to generate income due to the challenges they face. Social partnership is also very weak. The rate of involvement of professional, administrative and management staff of VET centres in training courses on capacity building are low and quality of training courses are not satisfactory. Legal and regulatory framework on VET is out of date. Moreover, these challenges and problems bring about the bad reputation of VET centres. Statistical data shows that annually less than 11% of graduates are enrolled in VET institutions in Azerbaijan, while it is 40-60% in developed countries. Estimations show that each year approximately 50-60% of general education graduates enter the labour market without any qualification. This is one of the main reasons for the higher unemployment rate and low productivity among youth i.e. unemployment level among youth (15-24) was 13.4% in 2015 in Azerbaijan.

The Government of Azerbaijan has recognized the importance of developing the VET system in the "Strategic Roadmap for Vocational Education and Training"¹, "Strategic Roadmap on Agriculture and Agricultural Products Processing Sector", "Strategic Roadmap on SME development" (approved in 2016), "National Strategy for the Development of Education" (approved in 2013), development concept "Azerbaijan 2020: Look into the Future" (approved in 2012), "State Program on Socio-economic Development of Regions for 2014-2018". The general objective of these policy documents are to reform the VET system in Azerbaijan in order to achieve high results through an improvement in the infrastructures, the content of education, the professional capacity, the establishment of recognition of prior learning, internal quality assurance and social partnership (including PPP). Proposed project will address the governance issues in all envisaged activities and use collected findings as evidences for model replication in other regions as well as uses the results for improving policy framework in the area of VET.

Proposed Vocational Education programme will be implemented in two regions of the country, namely Ganja and Jalilabad. Both of the regions are top priority for The Ministry of Education and were selected due to many factors, such as labor market relevance, priority sectors for country development, private sector interest and required infrastructure in place.

Ganja:

The city is an industrial centre of western Azerbaijan. Over the past years, GDP of Ganja has increased fuelled by the industrial development. In 2015, share of industry in the GDP of Ganja city reached 26%. Key industries in Ganja are metallurgy, porcelain making, silk production,

footwear and textiles. However, these industries are not operating at their full capacities. Other economic sectors include food processing, grapes and cotton cultivation at surrounding farmlands.

Jalilabad:

Jalilabad region is one of the most important producers of agricultural crops in Azerbaijan. Jalilabad is the leader in wheat production, other main crops are potato, grape, vegetables and fruits. Livestock including cattle and sheep breeding and poultry is also well developed. In 2015, overall output reached 7.4 mln AZN which is about 33.4% higher than the output in 2003. The largest share of investments in Jalilabad goes to the construction sector

Vocational education project in both regions will address the different educational region specific needs. Nevertheless, the programme will ensure synergy and cooperation in the establishment of the management structure of the both VET centres, sustainability strategy, awareness campaigns and public private partnership strategy. It is also planned to establish the working groups at the community level to exchange the experience and lessons learned.

The target groups of this action will be youth, adults, internally-displaced persons, professional, administrative and management staff of the centre, as well as unemployed men and women who will be involved in trainings and capacity building activities organized by the project.

Access to people with disabilities will be ensured during the rehabilitation and renovation works in both centres. Public awareness and promotional resources produced by the project will include materials especially designed to change occupational stereotypes and attract more women to VET.

II. STRATEGY

The project will be implemented according to CPD national priority to strengthen institutional capacities and effective public and social services, and UNAPF outcome 2 to enhance institutional capacities for transparent, evidence-based and gender-sensitive policy formulation and implementation. To this end, UNDP will employ a mix of strategies combining capacity-building measures in VET institutions in Ganja and Jalilabad with sector-specific interventions. The focus will be put on developing human capital as a necessary prerequisite for a diversified, competitive and knowledge-based economy. It will ensure that the most vulnerable sections of the workforce, including young people, women and persons with disabilities, have access to skills and resources that match labour market demand. To this end, UNDP will support national institutions in designing and rolling out new vocational education programmes in the non-oil sectors.

The project will contribute to the **Sustainable Development Goal 4**. "Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all;

Target 4.4 "By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship"

Indicator 4.4.1: Proportion of youth and adults with information and communications technology (ICT) skills, by type of skill

Project objective:

The overall objective of the project is to contribute to the modernisation of the vocational education and training system in Azerbaijan, enhancing quality, equality, relevance and access in line with European standards and practices. The project outputs are to improve quality of education for establishing labour market oriented VET system in Lankaran Economic Region, and to improve quality of education for increasing attractiveness of VET in Ganja city and neighbouring regions, as well as adjust vocational education to the requirements of the industry.

Project Outputs:

The objective of the action will be achieved through the delivery of the following outputs and results:

Output 1: Support to the establishment of Regional Industrial VET competence Centre in Ganja

Estimated Result 1: Regional VET Competence Centre is established

Estimated Result 2: Skills and employability of the graduates of VET Competence Centre are enhanced

Estimated Result 3: Partnerships with private sector is established

Estimated Result 4: Mechanism for recognition/validation of prior learning (competences) is developed and introduced

Estimated Result 5: Awareness on EU best practices in VET is increased

Output 2: Establishment of Regional VET Centre of Excellence in Lankaran Economic Region

Estimated Result 1: Regional VET Centre of Excellence is operationalized and modernised

Estimated Result 2: Skills and employability of the graduates of VET Lyceum are enhanced

Estimated Result 3: Mechanisms established for partnerships with employers

III. RESULTS AND PARTNERSHIPS

Expected Results

The overall objective of the action is to contribute to the modernisation of the vocational education and training system in Azerbaijan, enhancing quality, equality, relevance and access in line with European standards and practices.

The specific objective of this action is to improve quality of education to increase attractiveness of VET in Ganja city and neighboring regions, as well as to adjust vocational education to the requirements of the industry. This specific objective will be achieved through strengthening the operational capacities of the Ganja State Vocational Education Centre on Industry and Technology to convert it to a modern Regional VET Competence Centre meeting labour needs of the industry.

Another specific objective of the action is to improve quality of education through the establishment of labour market oriented VET system in Lankaran Economic Region. The specific objective will be achieved through strengthening the operational capacities of the Jalilabad Vocational Lyceum to convert it to a modern Regional VET Centre of Excellence for occupations in agriculture and manufacturing sectors.

The proposed action pursues dual-track approach:

- It will strengthen physical, managerial and training capacities of the Jalilabad VET Lyceum to provide high-quality modern-style education matching the demands of the local labour market;
- It will reinforce the importance of public-private partnership and cooperation and create replicable models to bridge education to employment.

It is proposed to start the project with the 3 months Inception Period that will enable more in- depth consultations with all project stakeholders in both Baku and regions. Project will produce Inception Report that is expected to cover following outcomes:

- Baseline Assessment will be conducted to assess current situation of the Vocational Education in the target region. The assessment will include collection of data on capacities, graduates and employment rate of the Jalilabad Vocational Lyceum.
- Identification of the Small and Medium enterprises with the potential interest in VET
- Detailed description of the proposed Activities within the Action
- Modifications and/or amendments to the proposed Action Plan

Output 1: Support to the establishment of Regional Industrial VET competence Centre in Ganja

The expected results of the proposed action are structured under components which are described in further detail below:

Estimated Result 1: Regional VET Competence Centre is established

This component will support the development of the Ganja State VET Centre on Industry and Technology as a Regional VET Competence Centre by addressing the existing gaps in infrastructure and modernizing the management approaches.

The best learning environment for future skilled labor is a place which enables students to practice skills and where they experience their future job place. This allows students to apply their theoretical knowledge to the business environment and to start interacting with business representatives. The project will focus on sectors requiring skilled labor which have been identified in the Government's VET Road map approved by the President of Azerbaijan in 6.12.2016. The Regional VET Competence Centre in Ganja will be designed as one stop resource centre and flagship of high quality vocational education to develop, support and strengthen Azerbaijan's workforce for the industrial sectors. The component will develop legal framework of the Competence Centre, propose a new governing structure/bodies representation government entities, industries, and professional workers' associations. The work under this component will also include analysis of the feasible financing options so that in future the VET Competence Centre can generate its own income through providing services to government, employers and workers associations. The activities of the Center will not be limited to Ganja city but will provide services and share advanced practices and innovations with workforce from other administrative regions of the Ganja-Gazakh and Aran Economic Zones.

The institutional reform will be complemented by infrastructural upgrade of the learning facilities including renovation of the classrooms, workshops and their refurbishment. Infrastructural needs assessment carried out at stage of the project preparation found that the selected VET school has been recently renovated. However, in the context of this project equipment and building of existing workshops should be re-equipped based on the demand of labour market and allow students to fell real industry environment in the centre.. A list of specific equipment and machinery to be acquired in the framework of the action (detailed description is provided in the Section 2.1.2 Methodology).

The Estimated Result 1 will be achieved through the following activities:

Activity 1.1 Development of legal-normative documents on establishment of the Competence Centre

Activity 1.2 Installation of the equipment

Activity 1.3 Purchase of equipment, tools and machines

Activity 1.4 Set up of management and internal quality assurance system

Estimated Result 2: Skills and employability of the graduates of VET Competence Centre are enhanced

The component will support development of a methodology for and conduct of a labour market study. The study will map the largest public and private employers in the industrial sector, identify their existing and potential human resources needs, and determine specific skills and competences that are deficient at the labour market. The findings of the labour market study will be used for the planning and development of new curricula and modular training courses of the Ganja.

Preliminary assessment and consultations with stakeholders carried out at the stage of project preparation showed that currently the Ganja VET Centre on Industry and Technology does not have any curricula. It uses traditional old-fashioned teaching methods and materials. Most of teaching materials were not updated since the collapse of Soviet Union. Hence, there is a great need for the update of educational programs and feed-in of the new content and knowledge to improve the quality of the education in the VET Centre on Industry and Technology

The assessment also pre-identified six occupations in the industrial/manufacturing sector for which curricula and modular courses will need to be developed as a matter of priority. These are: turner, miller, Computer Numerically Controlled (CNC) operator, electrician, locksmith and Clothes style specialist. This list of specializations is indicative and will be further validated/refined based on the findings of the labour market study. Since the Ganja region is prevailed mostly with heavy industry and most of the professions are typical male occupations, project will encourage and facilitate active female participation in studying for Clothes Style Specialist. Curricula will define the duration of the education, units of competency, and assessment criteria. The component will support development of teachers training materials and deliver trainings to the staff of the Ganja VET Centre.

An important dimension of this component will be awareness raising campaign that will aim to increase the social prestige and attract more young people to the vocational education. Special attention will be given to breaking gender stereotypes in the occupational choices to attract more women and girls to the VET specializations traditionally dominated by men.

It is expected that upon completion of the action the Ganja VET Centre will offer new training courses to 250 students at a given time, in the fields of engineering, technologies and manufacturing. Close to 1,000 young people will be reached by the awareness raising campaign. At least 50 teachers will increase their professional level through participation in the trainings offered by this component.

The Estimated Result 2 will be achieved through the following activities:

Activity 2.1 Conducting Labour market study

Activity 2.2 Development of 6 curricula including units of competency and assessment criteria

Activity 2.3 Development of modular training materials including modules on 7 key and 3 core competencies and manuals on 6 occupations/professions

Activity 2.4 Development of promotion and public awareness materials and dissemination

Activity 2.5 Delivery of trainings to VET Competence Centre staff

Estimated Result 3: Partnerships with private sector is established

This component will support building of different levels of partnership between the Ganja VET Competence Centre and largest employers from private sector operating in various industries, thereby contributing to a greater degree of the labour market orientation of VET provisioning.

To improve the match between VET provision and labour market needs, student choice should be better guided and channelled. The planning of VET provision should take account of the availability of apprenticeship places.

Under this component, various forms of cooperation with the private sector will be put in place. From the very start the project will sensitive the private sector employers on the advantages of the collaboration with VET institutions and will make sure that there is a platform for the private sector to participate in the discussion on the design and content of the VET, as well as establish a channel of communication between the VET system and private sector to help obtain relevant and up-to-date information on the labour market requirements, and occupational guidance.

In particular, the component envisages activities will facilitate engagement of the private stakeholders in a dialogue on their roles and responsibilities for the provision of VET through a series of meetings and roundtable discussions. The action will also support a feasibility study on the possible cooperation mechanisms between the Ganja VET Centre and local businesses (e.g. setting up an umbrella organization of private sector employers to work with VET authorities, public-private co-financing agreements etc.).

The component will also pilot various models of training delivery that better meet the private sector demands in the qualified workforce such as organizations of master classes at the employers' premises, internships etc.

It is expected that the action will benefit at least 20 largest potential employers, both public and private, which include companies and state entities in transport and logistics, automobile industry, communication, winery, construction, aluminium production, machinery and others.

Action will also identify and involve small and medium enterprises in the areas of the potential interest for VET graduates.

The Estimated Result 3 will be achieved through the following activities:

Activity 3.1 Development of strategy on public private partnership including co-financing and income generation

Activity 3.2 Organization of awareness campaign on advantages of cooperation between VET schools and the private sector

Activity 3.3 Conduct series of dialogue and round tables with local businesses

Activity 3.4 Explore possible cooperation mechanisms between VET Centre and local businesses.

Activity 3.5 Organize pilot master classes/training courses for students at the premises of potential employers

Estimated Result 4: Mechanism for recognition/validation of prior learning (competences) is developed and introduced

The “Action Plan on the Implementation of the National Strategy for the Development of Education in the Republic of Azerbaijan” approved in 2015 envisions introduction of the system for recognition of competencies acquired through non-formal and informal learning.

This component will support a pioneering effort to establish and pilot a mechanism for recognition of prior learning (RPL) in the Ganja VET Competence Centre. The action will help to develop methodological guidelines to support the implementation of Validation of Non-Formal and Informal Learning (VNFIL) that will cover the main requirements for VNFIL assessment; the steps, processes and procedures to be followed; roles and responsibilities of all stakeholders involved in the process; arrangements for monitoring and quality assurance of the VNFIL processes. The component will also support selecting the most appropriate assessment approaches, identifying requirements for evidence of learning, designing assessment and evaluation means and techniques. Piloting of the recognition and validation system will generate useful lessons that will be taken into consideration in designing the national RPL system in Azerbaijan.

The component will be carried out in close coordination with the National VE Agency under the Ministry of Education responsible for the implementation of the VNFIL.

The Estimated Result 4 will be achieved through the following activities:

Activity 4.1 Development of guidelines for validation and certification

Activity 4.2 Development of evaluation forms

Activity 4.3 Conducting pilot assessment on recognition/validation on selected competences

Activity 4.4 Preparing of individual development plans for gaps in competences

Activity 4.5 Operationalization of recognition/validation system in pilot VET

Estimated Result 5: Awareness on EU best practices in VET is increased

This component is cross-cutting and is designed to help the Ministry of Education, National VE Agency and VET providers to gain a deeper knowledge and understanding of the best practices in VET in the EU countries. The activities under this component will enable the Ministry of Education and VET authorities to learn and select the most suitable and effective models, mechanisms and approaches in terms of managing VET institutions, building multi-stakeholder platforms and public-private partnerships, and implementing competence recognition programme. Within the component, a review of the existing VET systems in EU countries will be undertaken, and at least two countries will be visited (indicatively, Germany and Estonia) by a team of government officials, staff and management of selected VET institutions, national experts etc.

The Estimated Result 5 will be achieved through the following activities:

Activity 5.1 Conduct research on EU best practices in the area of VET

Activity 5.2 Organize study tours for VE Agency and VET Competence Centre

Output 2. Establishment of Regional VET Centre of Excellence in Lankaran Economic Region

Estimated Result 1: Regional VET Centre of Excellence is operationalized and modernised

This component will support the development of the Jalilabad Vocational Lyceum as a regional Centre of Excellence by addressing the existing gaps in infrastructure and modernizing the management approaches.

The Regional VET CoE in Jalilabad will be designed as one stop resource centre and flagship of high quality vocational education to develop, support and strengthen Azerbaijan's workforce for manufacturing and agricultural sectors. The Centre will be in charge of monitoring skill development practices and promote best practice workplace models in the two sectors. The component will develop legal framework of the COE, propose a new governing structure/bodies representation government entities, industries, and professional workers' associations. The work under this component will also include analysis of the feasible financing options so that in future the CoE can generate its own income through providing services to government, employers and workers associations. The activities of the Center will not be limited to the Jalilabad region but will provide services and share advanced practices and innovations with workforce from other administrative regions of the Lankaran Economic Zone (e.g. Yardimli, Masally etc.).

The institutional reform will be complemented by infrastructural upgrade of the learning facilities including renovation of the classrooms, workshops and their refurbishment. Infrastructural needs assessment carried out at stage of the project preparation found that equipment and building of existing workshops are worn-out and are not usable for conducting practical lessons. It helped to identify a list of specific equipment and machinery to be acquired in the framework of the action (detailed description is provided in the Section 2.1.2 Methodology)

The Estimated Result 1 will be achieved through the following activities:

Activity 1.1 Preparation of the concept of Centre of Excellence

Activity 1.2 Renovation of workshops and class-rooms

Activity 1.3 Purchasing and set up of the equipment, tools and machines

Activity 1.4 Development of the management and internal quality assurance system

Estimated Result 2: Skills and employability of the graduates of VET Lyceum are enhanced

The component will support development of a methodology for and conduct of a labour market study. The study will map the largest public and private employers in the agricultural and manufacturing sector, identify their and potential human resources needs, and determine specific skills and competences that are deficient at the labour market. The findings of the labour market study will be used for the planning and development of new curricula and modular training courses of the Jalilabad VET Lyceum.

Preliminary assessment and consultations with stakeholders carried out at the stage of project preparation showed that currently the Jalilabad VET Lyceum does not have any curricula. It uses traditional old-fashioned teaching methods and materials. Most of teaching materials were not updated since the collapse of Soviet Union. Hence, there is a great need for the update of educational programs and feed-in of the new content and knowledge to improve the quality of the education in the VET Lyceum.

The assessment also pre-identified at least three occupations in the agricultural sector (crop specialist, fruit growing specialist and agro-service specialist), and three in the industrial/manufacturing sector (cabinet maker, carpenter, draping), for which curricula and modular courses will need to be developed as a matter of priority. This list of specializations is indicative and will be further validated/refined based on the findings of the labour market study. Curricula will define the duration of the education, skills and knowledge, and assessment criteria.

The component will support development of teachers training materials and deliver trainings to the staff of the VET Lyceum.

An important dimension of this component will be awareness raising campaign that will aim to increase the social prestige and attract more young people to the vocational education. Special attention will be given to breaking gender stereotypes in the occupational choices to attract more women and girls to the VET, including for professions traditionally dominated by men.

It is expected that upon completion of the action the Jalilabad VET Lyceum will offer new training courses to 160 students at a given time, in the fields of crop growing, construction, and manufacturing. Close to 1,000 young people will be reached by the awareness raising campaign. At least 30 teachers will increase their professional level through participation in the trainings offered by this component.

The Estimated Result 2 will be achieved through the following activities:

Activity 2.1 Conducting labour market study

Activity 2.2 Development of 6 curricula (3 for agricultural sector and 3 for industry/manufacturing) including competence units and assessment criteria

Activity 2.3 Development of modular training materials and manuals on 6 occupations/professions

Activity 2.4 Development of promotion and public awareness materials and dissemination

Activity 2.5 Delivery of trainings to the staff of VET Centre on new curricula

Estimated Result 3: Mechanisms established for partnerships with employers

This component will support building of different levels of partnership between the Jalilabad VET system and largest employers from private sector operating in agriculture and manufacturing, thereby contributing to a greater degree of the labour market orientation of VET provisioning.

Under this component, various forms of cooperation with the private sector will be put in place. From the very start the project will sensitive the private sector employers on the advantages of the collaboration with VET institutions and will make sure that there is a platform for the private sector to participate in the discussion on the design and content of the VET, as well as establish a channel of communication between the VET system and private sector to help obtain relevant and up-to-date information on the labour market requirements, and occupational guidance.

In particular, the component envisages activities will facilitate engagement of the private stakeholders in a dialogue on their roles and responsibilities for the provision of VET through a series of meetings, roundtable discussions. The action will also support a feasibility study on the possible cooperation mechanisms between the VET Centre and local businesses (e.g. setting up an umbrella organization of private sector employers to work with VET authorities, public-private co-financing mechanism etc.).

The component will also pilot various models of training delivery that better meet the private sector demands in the qualified workforce such as organizations of master classes at the employers' premises, internships etc.

It is expected that the action will benefit at least 20 largest potential employers of the graduates of the VET Lyceum which include are agro-business companies such as 'Agro-service', 'Agro-leasing', poultry farms, vegetable and fruit producers, providers of communal services, veterinary service, road and bridge repair (Azeryolservice), automobile repair companies and others. Action

will also identify and involve and small and medium enterprises in the areas of the potential interest for VET graduates.

The Estimated Result 3 will be achieved through the following activities:

Activity 3.1 Organization of awareness campaign on advantages of partnership between VET providers and private sector

Activity 3.2 Conduct series of dialogue and round tables with local businesses

Activity 3.3 Explore possible cooperation mechanisms between VET Centre and local businesses.

Activity 3.4 Organize pilot master classes/training courses for students at the premises of potential employers

Resources Required to Achieve the Expected Results

UNDP will manage and maintain the oversight on the overall budget and procurement of inputs required for implementation of the action. For this purpose, a UNDP Programme Analyst will be assigned to the action and he/she will be responsible for monitoring the implementation of the action by the project team, quality assurance, timely reporting of its progress to the EC as well as for organizing the required external evaluation. UNDP Operations staff will support the project team with guidance and compliance with UNDP operational rules and procedures. UNDP will also assign its Communication Specialist to support the action's visibility plan.

Risks and Assumptions

The risk analysis is presented in the Risk Log below:

Risk description	Type of risk	Impact and Probability	Mitigation measures
Approval of the legal status of the Ganja VET Centre as a Competence Centre may be delayed due to lengthy and bureaucratic clearance procedures.	Legal	I=high P=low	UNDP will seek all avenues to expedite the approval process including involvement of concerned stakeholders (such as Ministry of Justice and others) at the stage of preparing legal framework, follow-up meetings, ensuring quick response to queries and comments from concerned stakeholders.
Approval of the legal status of the Jalilabad VET Lyceum as a Centre of Excellence may be delayed to lengthy and bureaucratic clearance procedures.	Legal	I=high P=low	UNDP will seek all avenues to expedite the approval process including involvement of concerned stakeholders (such as Ministry of Justice and others) at the stage of preparing legal framework,

			follow-up meetings, ensuring quick response to queries and comments from concerned stakeholders.
Initially, the idea of close cooperation may be new to the private sector, and some businesses may be reluctant to participate in the dialogue with the VET authorities.	Social	I=high P=medium	The appropriate strategy would be to emphasize the benefits of such partnership for both sides, throughout all meetings, round tables, and have more assertive communication and networking.
Financial support that will be provided to the VET Competence Centre in Ganja upon completion of the action may be insufficient to maintain the high performance standards and retain managerial staff and teachers trained by the action, thereby undermining its sustainability.	Financial	I=high P=medium	The action will look into feasible financing options of the Ganja VET Competence Centre and propose recommendations on its mid and long-term financial sustainability.

The success of the project is pre-conditioned on the following assumptions:

- There is a continued commitment on the part of the Government of Azerbaijan to carry out reform of the VET sector;
- There is a genuine interest among all partners to cooperate for the achievement of the action results;
- Trained staff and teachers of the Ganja VET Competence Centre and Jalilabad CoE have genuine interest and dedication to utilize new knowledge acquired through the action;
- National and regional authorities are supportive of VET reform and help to gain action's buy-in by the local population;
- There is a good level of coordination between various branches of the national executive authorities (such as Ministry of Education, Ministry of Economy, Ministry of Labour and Social Protection of Population) and local executive authorities to ensure achievement of the objectives of the action.

Stakeholder Engagement

Key project stakeholders will be:

Ministry of Education

Ministry of Education (MoE) is the principal government body responsible for the formulation, coordination and implementation of education policies including vocational education, and will be the main Government counterpart to play an active role in the implementation of the action. The Ministry will ensure national ownership of the action, facilitate access to the project's target areas,

and coordinate certain activities with other government entities (e.g. with the Ministry of Labour and Social Protection of Population and its State Employment Service). In this respect, close cooperation is expected throughout the implementation with the key officials and experts assigned by the MoE for this purpose.

Private businesses

Partnership with employers is one of the key prerequisites for taking the vocational education system of Azerbaijan to a modern level and bridging education to employment. It is therefore of crucial importance to involve employers in the vocational education system as a key stakeholder, and consider their perspective on the development of skilful workforce to meet the employers' needs. Private businesses will be involved as a valuable source of relevant and up-to-date information on the labour market requirements, and occupational guidance.

Development partners

Development partners (GIZ, FAO, World Bank, EU, ILO and others) supporting skills development projects and initiatives in Azerbaijan will be important project stakeholders. They will share, coordinate and collaborate with the action as and where relevant.

Another potential partners in the project will be central executive authorities (e.g. Ministry of Economy, Ministry of Labour and Social Protection of Population), local regional authorities and municipalities, local associations of workers, NGOs/CSOs, research and academic institutions

All stakeholders will be identified and proper partnership strategy will be developed through a stakeholder analysis during the Inception Phase.

Knowledge

Project will use the services of the Istanbul Regional Hub for the required expertise and technical guidance. UNDP Istanbul Regional Hub operates within a framework that help deliver quality, accessible and locally relevant services to the 22 countries and territories in which UNDP works in Europe and CIS.

The activities of the action, its accomplishments and lessons learnt will be disseminated through the following channels:

- The Inception Workshop will be organized at the start of the project to communicate the action objectives, expected results and activities to the concerned stakeholders;
- Media advisory and press releases will be issued to inform the various audiences about the specific activities/outputs;
- A dedicated Facebook page will be created to inform the interested groups (young people, other VET providers, businesses, development community etc.) on the operations of Ganja VET Competence Centre; it will also make available the training materials, workshop presentations, videos and other resources that have been produced in the frame of the action and which can be re-produced with prior authorization;
- At least two success stories per year will be produced to capture and disseminate the project results and best practices. Success stories will be disseminated through media, UNDP and EU website and UNDP regional and global knowledge networks to ensure outreach outside Azerbaijan;

- Publications to summarize and disseminate the results and recommendations of the action. The management team of the action will determine, if any of the technical reports and analyses produced by the action merit formal publication and will also (in consultation with EC and UNDP) plan and produce these publications in a consistent and recognizable format with a due recognition of their sponsors;
- Final workshop will be organized at the completion of the project with participation of policy makers, VET providers, businesses and media to disseminate information on the project results.
- Findings of the project evaluation with proven results and demonstrated benefits for the target groups will also be disseminated to increase the interest of replicating the project in other communities.

Sustainability and Scaling up

The project sustainability will be ensured by focusing on the following dimensions:

Policy level sustainability: The first important step has been put in place by aligning the project objectives with the national strategies and priorities. The Government of Azerbaijan acknowledges the importance of developing an education system that satisfies the growing demand for qualified and skilled labour. The Government is committed to the process of the national education system reform and have declared education as one of the main priority areas for state policy. A particular emphasis is laid on the technical and vocational educations system that meets the increasingly diversified and specialized labour demand of the private sector. The government of Azerbaijan aims to increase education's share of GDP annually, so that it reaches the level of developed countries by 2020 (Source: Azerbaijan 2020: Look into the Future). The following documents are the main policy and strategy documents of government for development of education sector in Azerbaijan that were consulted in designing the action:

- a) *"Azerbaijan–2020: The Vision of the Future" Development Concept, December 2012*
- b) *The State Strategy on Development of Education in the Republic of Azerbaijan, October 2013*
- c) *The Action Plan on the implementation of the National Strategy for the Development of Education, January 2015*
- d) *Strategic Roadmap on Vocational Education and Training, December 2016*

Institutional sustainability: Reforming professional training is a complex task that calls for the collaboration of various stakeholders across the public and private sector. Involvement of public and private stakeholders has already started at the planning stage and will continue throughout the action, to enhance the sustainability of the results that will be achieved by this action. The action will build up on the technical expertise and knowledge of local stakeholders to ensure that the VET reform plan enjoys credibility and have an increased probability of being firmly integrated into institutional set-up. The action will also seek to activate existing resources and build capacities of the stakeholder groups to drive the reform process forward.

Financial sustainability: Financial sustainability presents one of the most challenging tasks. It is unrealistic to expect that beneficiaries (mainly young people) or private sector alone will be able to cover large parts of costs for the education. The project will support a feasibility study on financing options blending various types of funds (state budget, private sector, income-generating activities etc.)

Environmental sustainability: The action will ensure that all renovation works are carried out in compliance with environmental standards. The new curricula for occupations in the industrial will integrate environmental standards where appropriate.

Both of the projects are pilots to re-think the setup of the VET centers for the application of various models. Jalilabad project is aiming at the creation of regional center of excellence, which should support the development of other VET schools in the Lankaran region. Ganja project is another model that is expected to establish cooperation model with the private sector. Potentially both of the projects can be replicated in other regions.

IV. PROJECT MANAGEMENT

UNDP will manage and maintain the oversight on the overall budget and procurement of inputs required for implementation of the action. For this purpose, a UNDP Programme Analyst will be assigned to the action and he/she will be responsible for monitoring the implementation of the action by the project team, quality assurance, timely reporting of its progress to the EC as well as for organizing the required external evaluation. UNDP Operations staff will support the project team with guidance and compliance with UNDP operational rules and procedures. UNDP will also assign its Communication Specialist to support the action's visibility plan.

UNDP will support co-ordination and networking with related initiatives, institutions and similar projects in the country. At the central level, the Ministry of Education and the national VE Agency under the MoE will be UNDP's main government counterpart associated with the implementation of the action. At the local level, the project team will work in close cooperation with the Ganja and Lankaran VET authorities.

Both projects will be managed by the one Project Implementation Unit. The cost of the Key technical experts will also be shared between two projects for the similar type of the work. This approach will ensure effectiveness of the programme through the establishment of the close collaboration and aligning the activities of the both VET Centres and cost-efficiency due to the merge of the Project Implementation Unit, key technical expertise, office costs and other applicable budget items for the Programme.

V. RESULTS FRAMEWORK²

<p>Intended Outcome as stated in the UNDAF/Country Programme Results and Resource Framework: <u>UNAPF 2016-2020 Outcome 2.1: By 2020, Azerbaijan has enhanced institutional capacities for transparent, evidence-based and gender-responsive policy formulation and implementation</u></p>			
<p>Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets:</p>			
Indicator 2: Human Development Index	Baseline: 0.747, Target: 0.752		
Indicator 3: Gender Inequality Index	Baseline: 0.340, Target: 0.325		
Indicator 5: Networked readiness index	Baseline: 4.31, Target: 4.7		
<p>Applicable Output(s) from the UNDP Strategic Plan: OUTCOME 1: Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded</p>			
<p>Project title and Atlas Project Number: Modernizing Vocational Education and Training (VET) Centres in Azerbaijan</p>			
<p>Award ID: 00094479</p>			
INTENDED OUTPUT	OUTPUT TARGETS	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES
	Output 1. Support to the establishment of Regional Industrial VET competence Centre in Ganja		INPUTS, USD

² UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that indicators are S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that external audience clearly understand the results of the project.

<p>Indicator 1.1 Regional VET Competence Centre is established</p> <p>Baseline 1.1 Legal framework is outdated Equipment does not exist</p>	<p>- Legal framework of the VET Lyceum is developed</p> <p>- Infrastructure is upgraded</p>	<p>Activity 1.1 Development of legal-normative documents on establishment of the Competence Centre.</p> <p>Activity 1.2 Installation of the equipment</p> <p>Activity 1.3 Purchase of equipment, tools and machines</p> <p>Activity 1.4 Set up of management and internal quality assurance system</p>	<p>UNDP, State VE Agency, Ministry of Education</p>	
<p>Indicator 1.2 Skills and employability of the graduates of VET Competence Centre are enhanced</p> <p>Baseline 1.2 There is no any modern curricula in VET centre</p>	<p>-Labour market survey conducted</p> <p>- 250 students are trained in the field of engineering, technologies and manufacturing</p> <p>-New training courses developed and introduced</p> <p>-About 1000 young people are reached by the awareness raising campaign</p> <p>-At least 50 teachers' professional level are increased through participation in the trainings</p>	<p>Activity 2.1 Conducting Labour market study</p> <p>Activity 2.2 Development of 6 curricula including units of competency and assessment criteria</p> <p>Activity 2.3 Development of modular training materials including modules on 7 key and 3 core competencies and manuals on 6 occupations/professions</p> <p>Activity 2.4 Development of promotion and public awareness materials and dissemination</p> <p>Activity 2.5 Delivery of trainings to VET Competence Centre staff</p>	<p>UNDP, State VE Agency, Ministry of Education</p>	

<p>Indicator 1.3 Partnerships with private sector is established</p> <p>Baseline 1.3 There is no cooperation of VET system and local business on labour market requirements</p>		<p>Activity 3.1 Development of strategy on public private partnership including co-financing and income generation.</p> <p>Activity 3.2 Organization of awareness campaign on advantages of cooperation between VET schools and the private sector</p> <p>Activity 3.3 Conduct series of dialogue and round tables with local businesses</p> <p>Activity 3.4 Explore possible cooperation mechanisms between VET Centre and local businesses.</p> <p>Activity 3.5 Organize pilot master classes/training courses for students at the premises of potential employers</p>	<p>UNDP, State VE Agency, Ministry of Education</p>	
<p>Indicator 1.4 Mechanism for recognition/validation of prior learning (competences) is developed and introduced</p> <p>Baseline 1.4 There is no mechanism for recognition/validation of prior learning</p>	<p>-Mechanism for recognition/validation of prior learning is operationalised for 6 professions</p>	<p>Activity 4.1 Development of guidelines for validation and certification</p> <p>Activity 4.2 Development of evaluation forms</p> <p>Activity 4.3 Conducting pilot assessment on recognition/validation on selected competences</p> <p>Activity 4.4 Preparing of individual development plans for gaps in competences</p> <p>Activity 4.5 Operationalization of recognition/validation system in pilot VET</p>	<p>UNDP, State VE Agency, Ministry of Education</p>	

<p>Indicator 5 Awareness on EU best practices in VET is increased</p>	<p>-At least two study tours to EU countries are organised</p>	<p>Activity 5.1 Conduct research on EU best practices in the area of VET Activity 5.2 Organize study tours for VE Agency and VET Competence Centre</p>	<p>UNDP, Ministry of Education</p>
<p>Output 2. Establishment of Regional VET Centre of Excellence in Lankaran Economic Region</p>			
<p>Indicator 2.1 Regional VET Centre of Excellence is operationalized and modernised</p> <p>Baseline 2.1 No analysis present; Legal framework is outdated Equipment and building of workshops are worn-out and are not use ble</p>	<p>-Legal framework for the Centre of Excellence is developed -Analysis of the feasible financing options of the VET lyceum is available -Infrastructure is upgraded</p>	<p>Activity 1.1 Preparation of the concept of Centre of Excellence Activity 1.2 Renovation of workshops and class-rooms Activity 1.3 Purchasing and set up of the equipment, tools and machines Activity 1.4 Development of the management and internal quality assurance system</p>	<p>UNDP, State VE Agency, Ministry of Education</p>

<p>Indicator 2.2 Skills and employability of the graduates of VET Lyceum are enhanced</p> <p>Baseline 2.2 There is no any modern curricula in VET centre</p>	<p>-160 students are trained in the field of growing, construction and manufacturing</p> <p>-New training courses developed and introduced</p> <p>-Almost 1000 young people are reached by awareness raising campaign</p> <p>-At least 50 teachers' professional level are increased through participation in the trainings</p>	<p>Activity 2.1 Conducting labour market study</p> <p>Activity 2.2 Development of 6 curricula (3 for agricultural sector and 3 for industry/manufacturing) including competence units and assessment criteria</p> <p>Activity 2.3 Development of modular training materials and manuals on 6 occupations/professions</p> <p>Activity 2.4 Development of promotion and public awareness materials and dissemination</p> <p>Activity 2.5 Delivery of trainings to the staff of VET Centre on new curricula</p>	<p>UNDP, State VE Agency, Ministry of Education</p>	
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<p>Indicator 2.3 Mechanisms established for partnerships with employers</p> <p>Baseline 2.3 There is no cooperation of VET system and local business on labour market requirements</p>	<p>-Partnership between VET Centre and private sector is built</p> <p>-Master classes, internships etc. at the employers' premises are organized</p>	<p>Activity 3.1 Organization of awareness campaign on advantages of partnership between VET providers and private sector</p> <p>Activity 3.2 Conduct series of dialogue and round tables with local businesses</p> <p>Activity 3.3 Explore possible cooperation mechanisms between VET Centre and local businesses.</p> <p>Activity 3.4 Organize pilot master classes/training courses for students at the premises of potential employers</p>		
Project Management				
		On-going project management, monitoring and reporting	UNDP	

VI. MONITORING AND EVALUATION

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management.		
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.		
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	Quarterly	Relevant lessons are captured by the project team and used to inform management decisions.		
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.		
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision-making.	As required	Performance data, risks, lessons and quality will be discussed by the project board and used to make		

					course corrections.	
Project Report	A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk log with mitigation measures, and any evaluation or review reports prepared over the period.	Annually				
Project Review (Project Board)	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of-project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	Annually			Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.	

Evaluation Plan³

Evaluation Title	Partners (if joint)	Related Strategic Plan Output	UNDAF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders	Cost and Source of Funding
e.g., Mid-term Evaluation		Growth and development are inclusive and sustainable, incorporating productive capacities that	Azerbaijan has enhanced institutional capacities for transparent, evidence-based	September 2018	Ministry of Education	7,000 USD Project budget

³ Optional, if needed

			create employment and livelihoods for the poor and excluded.	and gender-responsive policy formulation and implementation			
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VII. MULTI-YEAR WORK PLAN ⁴⁵

Project Title: Modernizing Vocational Education and Training (VET) Centres in Azerbaijan

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year			RESPONSIBLE PARTY	PLANNED BUDGET	
		Y1	Y2	Y3		Funding Source	Budget Description
Output 1: Support to the establishment of Regional Industrial VET competence Centre in Ganja	1. Regional VET Competence centre is established						
	Activity 1.1 Development of legal-normative documents on establishment of the Competence Centre	X				Local consultant	\$ 7509
	Activity 1.2 Installation of the equipment		X		UNDP, MoEdu	Local consultant	\$ 80000
	Activity 1.3 Purchase of equipment, tools and machines		X	X		Equipment	\$319617
	Activity 1.4 Set up of management and internal quality assurance system			X		Equipment	\$ 19835
					EU	Local Expert	\$ 7300

⁴ Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32

⁵ Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

	Activity 3.1 Development of strategy on public private partnership including co-financing and income generation.		X			EU	Local consultant	\$ 18300	
	Activity 3.2 Organization of awareness campaign on advantages of cooperation between VET schools and the private sector	X	X			EU	Audio-visuals	\$15000	
	Activity 3.3 Conduct series of dialogue and round tables with local businesses		X			EU			
	Activity 3.4 Explore possible cooperation mechanisms between VET Centre and local businesses.		X			EU			
	Activity 3.5 Organize pilot master classes/training courses for students at the premises of potential employers		X			EU	Trainings, seminars	\$ 42750	
								\$ 76050,00	
	1. Mechanism for recognition/validation of prior learning (competences) is developed and introduced								
	Activity 4.1 Development of guidelines for validation and certification		X	X			EU	Local consultant	\$170650

Activity 4.2 Development of evaluation forms				X		EU	Audio-visual	\$35000
Activity 4.3 Conducting pilot assessment on recognition/validation on selected competences				X		EU	Local consultant	\$170650
Activity 4.4 Preparing of individual development plans for gaps in competences				X		EU	Audio-visuals	\$15000
Activity 4.5 Operationalization of recognition/validation system in pilot VET				X		EU	International consultant Audio-visuals	\$109216 \$14000
								\$ 514516,00
2. Awareness on EU best practices in VET is increased								
Activity 5.1 Conduct research on EU best practices in the area of VET				X		EU	Travel Audio-visual	\$90000 \$15000
Activity 5.2 Organize study tours for VE Agency and VET Competence Centre				X		EU		
3. Project Management								
Ongoing project management, monitoring and reporting				X		UNDP	Contractual service-Companies	\$ 215689
								\$320689
						EU	GMS	\$119081.76
							TOTAL	\$1820250

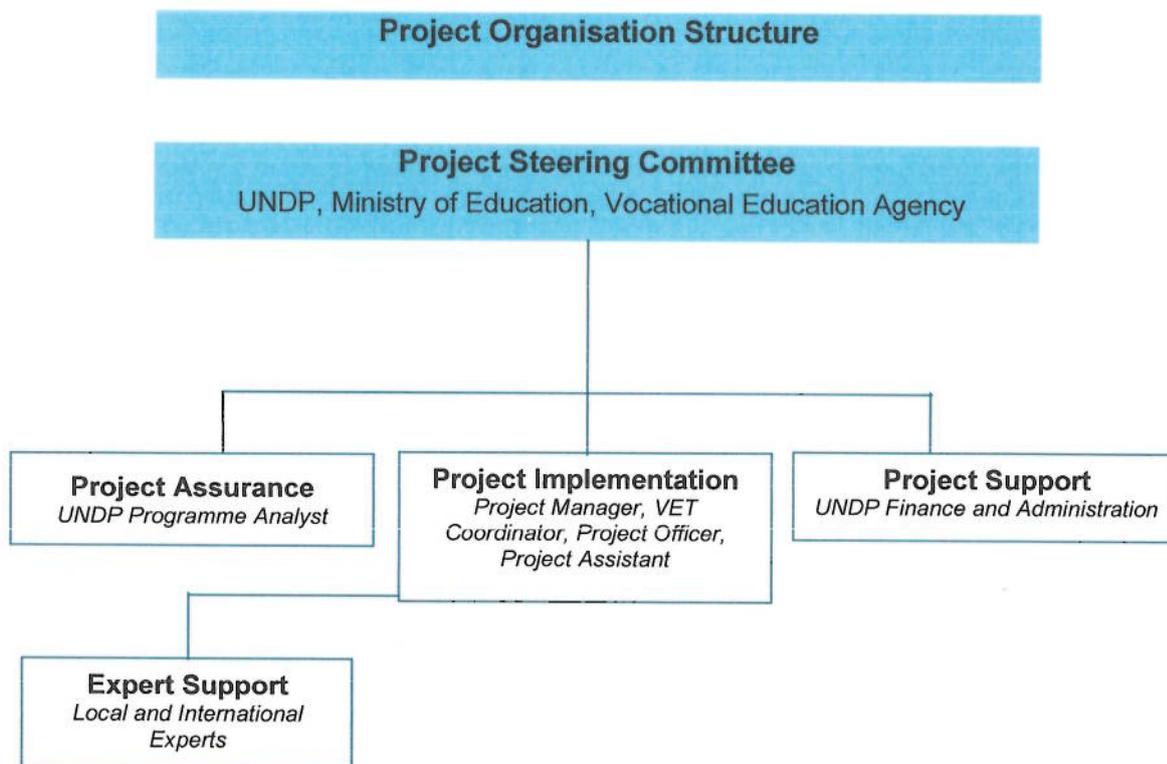
Output 2: Establishment of Regional VET Centre of Excellence in Lankaran Economic Region	1. Regional VET Centre of Excellence is operationalized and modernised				UNDP, MoEdu	EU	Local consultant	\$19350							
	Activity 1.1 Preparation of the concept of Centre of Excellence	X	X												
	Activity 1.2 Renovation of workshops and class-rooms		X	X											
	Activity 1.3 Purchasing and set up of the equipment, tools and machines		X	X											
	Activity 1.4 Development of the management and internal quality assurance system			X											
											\$ 14806				
											\$ 395576,00				
	2. Skills and employability of the graduates of VET Lyceum are enhanced								UNDP, MoEdu	EU	Local consultant	\$47800			
	Activity 2.1 Conducting labour market study	X													
	Activity 2.2 Development of 6 curricula (3 for agricultural sector and 3 for industry/manufacturing) including competence units and assessment criteria		X	X											
	Activity 2.3 Development of modular training materials and manuals on 6 occupations/professions		X	X											
															\$221850

Activity 2.4 Development of promotion and public awareness materials and dissemination		X	X		EU	Audio-visuals	\$ 150000
Activity 2.5 Delivery of trainings to the staff of VET Centre on new curricula		X	X		EU	Training, seminars	\$ 82200
3. Mechanisms established for partnerships with employers							\$ 501850,00
Activity 3.1 Organization of awareness campaign on advantages of partnership between VET providers and private sector		X	X		EU		
Activity 3.2 Conduct series of dialogue and round tables with local businesses			X		EU		
Activity 3.3 Explore possible cooperation mechanisms between VET Centre and local businesses.			X		EU	Local Consultant International Consultant	\$ 160500 \$ 80000
Activity 3.4 Organize pilot master classes/training courses for students at the premises of potential employers			X		EU	Travel	\$ 68000
4. Project Management							\$ 308500,00

	Ongoing project management, monitoring and reporting	X	X	X			Contractual individuals	\$238000
						UNDP	Rental	\$ 58100
							Audio-visual	\$33751
								\$ 329851,00
						EU	GMS	\$ 107504,39
							TOTAL	\$ 1643281

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

I. Project Governance. The project will be nationally implemented with UNDP acting as Responsible Party. The roles and responsibility for the implementation of the programme will be in line with UNDP Rules and Regulations for Project Management that defines minimum requirements to ensure UNDP's accountability for programming activities and use of resources. Ministry of Education will serve as an Implementing Agency and the Ministry of Education as the Government counterpart will be responsible for the facilitating of all project events, consultant missions undertaken within the context of this project.



II. Project Management. Project Manager (PM) will be recruited and tasked with day-to-day management of project activities, as well as with substantive, financial and administrative reporting. PM will be responsible for project implementation, routine management and monitoring. His/her primary responsibility is to ensure that the planned outputs are produced by undertaking necessary activities in accordance with the project plan and meeting the required standards of quality and within specified constraints of time and cost. The Ministry of Education will appoint Project Director who will be the main focal point in the Ministry for all project related issues and responsible for the overall oversight of the programme.

III. Project Assurance. UNDP will designate a Programme Analyst to provide independent project oversight and monitoring functions, to ensure that project activities are managed and milestones accomplished. The UNDP Programme Analyst will be responsible for reviewing the project reports, produced by the PM.

IV. Project Support. UNDP will provide financial and administrative support to the project including procurement, contracting, travel and payments.

V. Expert support. Local/International experts and/or consultancy companies will be recruited by UNDP as required for the implementation of each component, to develop training/awareness raising materials, conduct of studies and surveys.

A Project Steering Committee (PSC) will be established at the beginning of implementation and will meet minimum once a year to monitor the progress of the action, to guide its implementation and to support the action otherwise in achieving its listed results and objectives. The PSC will be composed by the representatives of the UNDP, EU, MoE and VE Agency. Other stakeholders can be invited to the PSC meetings by the decision of the PSC. The project manager will participate as a non-voting member in the PSC meetings and will be responsible for compiling a summary report of the discussions, recommendations and conclusions of each meeting.

The day-to-day management of the action will be carried out by a Project Management Unit (PMU) under the overall guidance of the PSC. The PMU will be based in Baku, with frequent travel to Ganja and Jalilabad, and will report to the PSC. The PMU will be composed of a project manager, project officer, and lead VET expert.

The Project manager will act as Head of PMU and assume overall responsibility for the successful implementation of project activities and the achievement of planned project outputs. Specifically, he/she will be responsible for drafting and ensuring adherence to the project workplan, ensuring adequate information flow, discussions and feedback among the various stakeholders and target groups, guide the work of experts and sub-contractors and ensure the timely execution of their assignments, preparing progress reports, ensuring visibility of project activities and results and other substantive and organizational tasks.

The Project Officer will support the Project Manager in day-to-day work. He/she will be responsible for all administrative matters such as procurement, contracting, organizational/logistical matters, and financial management of the project including disbursements, record-keeping, cash management, preparation of requests for direct payment and advances, and compilation of financial reports.

The Lead VET expert will support the project manager with substantive expertise in the area of VET and will be in charge of assuring quality of project deliverables and guiding/overseeing the work to be carried out by a team of international and the local experts/subcontractors to be recruited for the implementation of the specific outputs/activities of the action.

IX. LEGAL CONTEXT AND RISK MANAGEMENT

Legal Context Standard Clauses

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of (country) and UNDP, signed on (date). All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

This project will be implemented by UNDP ("Implementing Partner") in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

RISK MANAGEMENT STANDARD CLAUSES

1. Consistent with the Article III of the SBAA, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:
 - a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
 - b) assume all risks and liabilities related to the Implementing Partner's security, and the full implementation of the security plan.
2. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner's obligations under this Project Document.
3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml.
4. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
5. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
7. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
8. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
9. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants',

responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.

10. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

11. The Implementing Partner agrees that, where applicable, donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities which are the subject of this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

12. Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.
13. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
14. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, *mutatis mutandis*, in all sub-contracts or sub-agreements entered into further to this Project Document.