

September 23, 2022

Mr. Atul Kumar Tiwari  
Secretary  
Ministry of Skill Development and Entrepreneurship (MSDE)  
Government of India  
Room No. 516, Shram Shakti Bhawan  
Rafi Marg  
New Delhi - 110001

Dear Mr. Tiwari:

***India: Skills Strengthening for Industrial Value Enhancement (STRIVE) Operation***  
***[IDA Credit no. 5965-IN]***  
***Interim Joint Review Mission (July 28 and August 3-4, 2022)***

I thank you and the MSDE team for the cooperation extended during the above-captioned Interim Joint Review Mission. The attached Aide Memoire summarizes the Mission's findings and agreed actions.

I am pleased to note that the Fiduciary Systems rating has been upgraded from Moderately Unsatisfactory to Moderately Satisfactory on account of the completion of the key actions: (a) alignment of financial management arrangements with respect to funds flow and accounting with the Single Nodal Agency (SNA) Guidelines, (b) completion of the institutionalization of internal audit arrangements at the state level in a majority of the States, and (c) receipt of the requested portion of data on funds flow, accounting, and internal and external auditors.

I request your support to complete the following critical actions:

- *Submission of a Restructuring Request:* The MSDE to submit a request for restructuring through the DEA for: (a) a no-cost extension of the project closing date; and (b) partial cancellation of the project financing in the amount of US\$20 million based on the estimated work plan for the remaining project period.
- *Increase program expenditures:* Although program expenditures are now at 58 percent of the total disbursement of US\$76.46 million, program expenditures need to increase to catch up with the disbursements already made. Kindly note that as per the Bank's PforR policy, if project expenditures as per the expenditure framework are less than project disbursements by the end of the Program, the difference will need to be refunded to the Bank.

- *Improve the oversight for the timeliness of expenditure reporting and the quality of State internal audits:* The National Project Implementation Unit (NPIU) has received Utilization Certificates for only 58 percent of the reported expenditures. Internal audit arrangements have been instituted at the state level in 28 out of 34 participating States and Union Territories. In most of the State internal audit reports, there are no audit opinions to guide the State Project Implementation Units (SPIUs). The audit reports are of low quality and in most cases, there is no reporting on procurement audit matters.
- *Resolve expenditure monitoring issues in the Bank of India (BOI) dashboard* to facilitate smoother implementation of the SNA guidelines.
- *Oversee the Project Management Contractor's support to the NPIU:* For effective support from the PMC, the staffing needs to be consistent with seamless backup arrangements in the PMC staff to overcome transmission losses due to frequent staff change.

I look forward to your support for the successful completion of the project. Should you have any questions, please contact Ms. Shobhana Sosale ([ssosale@worldbank.org](mailto:ssosale@worldbank.org)) or Ms. Sangeeta Dey ([sdey2@worldbank.org](mailto:sdey2@worldbank.org)), the Task Team Leaders.

Yours sincerely,



Auguste Tano Kouame  
Country Director, India

Encl. Aide-mémoire of the July 28 and August 3-4, 2022, Interim Joint Review Mission

Copy to:

Mr. Rajesh Khullar, Alternate Executive Director, World Bank

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Government of India

Mr. Hanish Chhabra, Director, Department of Economic Affairs, Ministry of Finance

Mr. Navjot Singh, Under Secretary (FB), Department of Economic Affairs, Ministry of Finance

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Mr. R K Pathak, Deputy Director General (Projects), Directorate General of Training, Ministry of Skill Development & Entrepreneurship

Mr. Anil Kumar, Director (Project), Ministry of Skill Development & Entrepreneurship

**Aide Memoire**  
**INDIA: Skill Strengthening for Industrial Value Enhancement (STRIVE)**  
**Interim Joint Review Mission | July 28 and August 03-04, 2022**

## **I. INTRODUCTION**

1. A World Bank Interim Joint Review Mission (JRM) mission<sup>1</sup> took place for the Skills Strengthening for Industrial Value Enhancement (STRIVE) operation during July 28 and August 03-04, 2022. The mission sought to critically evaluate whether a project extension is warranted, to assess the extent to which the results framework would be achieved within the current project period, and whether the project had been able to sufficiently demonstrate progress in (a) the systems and process set-up to manage fiduciary aspects including fiduciary management and reporting, and (b) the environmental and social systems management and reporting. Additionally, the mission also discussed key achievements, challenges, risks and respective mitigation measures, and the likelihood of achieving the Project Development Objectives (PDOs) during the proposed project extension period. The mission schedule is provided in **Annex 1**.

2. Discussions were held with key government counterparts from the Ministry of Skills Development and Entrepreneurship (MSDE), the Directorate General of Training (DGT), and the Project Management Consultants (PMC). As a pre-cursor to the mission, detailed discussions were held with five State government officials (Odisha, Tamil Nadu, Maharashtra, Telangana, Gujarat) as well as the DGT, MSDE. The list of stakeholders consulted is provided in **Annex 2**. The mission members are grateful to the government counterparts including the National and State Project Implementation Units (NPIU and SPIUs) for the comprehensive discussions. The mission extends its gratitude to Mr. Rajesh Aggarwal (Secretary, MSDE), Mr. Atul Kumar Tiwari [Director General of Training (DG)], Mr. Sanjay Kumar (Director - Project), Mr. Hemant D. Ganjare (Joint Director - Project), Mr. Rajesh Meena (Deputy Director - Project), Mr. Shridhar (Assistant Director, Project) and the entire NPIU team for their cooperation during the mission.

3. The key findings of the mission were discussed at the wrap-up meeting on August 4, 2022 with Mr. Rajesh Aggarwal (Secretary, MSDE) as the chair. The discussion points and agreements in the Aide-Memoire were also endorsed by World Bank Management. As agreed with the MSDE, the Aide-Memoire will be classified as “For Official Use Only” under the World Bank Access to Information Policy and will not be publicly disclosed.

## **II. PROJECT DATA AND RATINGS**

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<sup>1</sup> The mission comprised Shobhana Sosale (Task Team Leader), Sangeeta Dey (Co-Task Team Leader), Neha Gupta (Financial Management Specialist), Arushi Sood (Consultant, Financial Management Specialist), Geeta Shivdasani (Procurement Specialist), Deepa Balakrishnan (Senior Environmental Specialist), Surbhi Dhingra (Consultant, Social Development Specialist), Kunal Datt (Consultant, Education and Implementation Specialist), and Ritu Sharma (Program Assistant). The mission was conducted on a hybrid mode with four mission members including two co-TTLs participating physically, while other mission members responsible for fiduciary aspects (financial management, procurement), and social aspects participated via videoconferencing facilities.

**Table 1: Key Project Data and Ratings**

Project Data		Project Performance Ratings	
<b>Board Approval:</b> March 2, 2017 <b>Effectiveness Date:</b> February 8, 2018 <b>Closing Date:</b> November 30, 2022  <b>IDA Credit Amount:</b> \$124 Million [\$119M (PforR Program) + \$5M (IPF Project)]  <b>Disbursement as at August 17, 2022:</b> US\$76.46 million <b>Disbursement percentage:</b> 61.7%	<i>Dimension</i>	<i>Previous (May 2022)</i>	<i>Current (August 2022)</i>
	Progress towards achievement of PDO	MS	MS
	Implementation Progress	MS	MS
	Technical	S	S
	Fiduciary Systems	MU	MS
	Social Safeguards	MS	MS
	Disbursement Linked Indicators (DLIs)	MS	MS
	Monitoring & Evaluation	MS	MS

HS=Highly Satisfactory; S=Satisfactory; MS=: Moderately Satisfactory; MU=Moderately Unsatisfactory; U=Unsatisfactory; HU=Highly Unsatisfactory; NA=Not Applicable; NR=Not Rated; PDO= Project Development Objectives.

### III. IMPLEMENTATION PROGRESS AND KEY FINDINGS

4. The STRIVE operation became effective on February 8, 2018. It is financed by an IDA Credit of US\$125 million, and Government of India (GoI) financing in the amount of US\$193 million for a total Project cost of US\$318 million. The operation had a delayed start, and the first restructuring was completed in June 2020 to adjust the scope and results of the Project, and a second restructuring was completed in May 2021 to cancel the saving of US\$1 million from the TA component based on a projection of TA activities and GoI's assessment of expenditures expected to be incurred in the remaining project period.<sup>2</sup> The IDA financing for the project is now US\$124 million.

5. Disbursements currently stand at US\$76.46 million. Disbursements against the project Disbursement Linked Indicators (DLIs) has reached US\$57.2 million beating the target of achieving US\$51.6 million by June 2022. Total disbursements also include US\$16.7 million unadjusted advance and US\$2.6 million expenditure towards Technical Assistance. US\$18.1 million is projected to be disbursed against DLIs achievements by the end of September 2022, and an additional US\$6.5 million is projected to be disbursed by end-November 2022.

#### Achievement of Project Development Objective (PDO)

6. The PDO for the STRIVE operation is to improve access to quality and market-driven vocational training provided in ITIs and apprenticeships. An assessment of the Results Framework, outcome and output indicators, and disbursements achieved indicate good progress towards the achievement of the PDO. Out of seven PDO level indicators, three indicators have already met the final targets, and two other indicators are on track. Progress on the remaining two PDO indicators related to Industrial Training Institutes (ITIs) and apprenticeships has been impacted due to the closure of the institutions because of the COVID-19 pandemic. Going forward, they will require at least one additional Academic Year to achieve the targets. The ITIs are now open and functioning on regular schedule. In case of resurgence and re-closure, the situation will be reassessed. Overall, progress towards achievement of the PDO continues to be *Moderately Satisfactory*. A summary of the PDO status is presented Table 2.

<sup>2</sup> The first restructuring in June 2020 resulted in: (a) multiple DLR level changes, (b) decrease in the value of a DLI by US\$1 million and, (c) increase in the TA component by US\$1 million. The second restructuring in May-June 2021 resulted in a decrease in the value of the TA component by US\$1 million based on savings identified by the DGT, MSDE.

**Table 2. Progress towards achieving the PDO**

	As of August 2022	End-of-Project target
<b>The final targets have already been met for three indicators</b>		
PDO 4-Reduction in instructor vacancy	15	15
PDO 5-Training of Trainers	20,000	20,000
PDO 2-Female enrolment rate	18.6 percent (2021)	15 percent (2022)
<b>Two indicators are on track</b>		
PDO 1- Increase in number of ITI graduates	22 percent (data collection is still currently underway)	20 percent
PDO 7-Direct Operation Beneficiaries	440,000 (under verification)	400,000
<b>Two indicators have been impacted due to the closure of the institutions because of the COVID-19 pandemic.</b>		
PDO 6-Apprenticeship	16	30
PDO 6- Increase in gainful employment of ITI graduates	Indicator not yet measured. Results have only just been declared and a survey firm is in the process of being hired.	

## Implementation Status

7. Implementation progress has accelerated. The project is catching up with the restructured implementation schedule at a substantive pace. Implementation structures and arrangements are well defined and established at the National Project Implementation Unit (NPIU), State Project Implementation Units (SPIUs), Industrial Training Institutes (ITIs) and Industry Cluster (IC) levels. The NPIU's implementation monitoring at the National, State, ITI and IC levels is satisfactory. Implementation progress is regularly evaluated, and feedback is now being collected on a regular basis. The problems due to the COVID-19 pandemic, delays in procurement and reporting of expenditures faced by State-level implementing agencies are now being addressed in a more timely manner. Further, regular capacity building and knowledge sharing workshops are also being conducted. Therefore, implementation progress continues to be *Moderately Satisfactory*. Details are provided in **Annex 3**, and the status of implementation progress and results indicators is presented in **Annex 4**, while those of the Disbursement Linked Indicators (DLIs) are presented in the **Attachment to Annex 4**. A summary of the DLI specific status is provided in Table 3.

**Table 3. Progress towards achieving DLIs**

DLI	Description	Status	Disbursed (US\$ million)	Pending (US\$ million)	Disbursement projected by	
					September 30, 2022	November 30, 2022
DLI-1	Signing PBGAs with 200 ITIs	Achieved, disbursed	2	0		
DLI-1	Increase in graduates	Data Validation ongoing	0	16	16	
DLI 2	On-Job-Training	Data Collection ongoing	15	4		
DLI 2	National Tracer Study	Delayed	0	2		
DLI 3	Instructor vacancy reduction	Achieved, disbursed	8	0		
DLI 3	Policy Paper on Instructors	Achieved, disbursed	1	0		
DLI-3	State adoption of instructor policy paper	Delayed	0	1.5		0.5
DLI-3	Upgradation of 4 CITS trades	Delayed	0	10		
DLI-4	State level Tracer Studies	Delayed	2	16		6
DLI 5	Project operations manual	Achieved, disbursed	1.5	0		
DLI-5	Industry Clusters (IC) Apprenticeship training	Ongoing, with delays	11.2	9.8		
DLI 6	ITI female enrollment rate	On-Track	7.5	2.5		

DLI 6	IC female enrollment rate	Achieved, disbursed	9	0	2.1	
Total		119.0	57.2	61.8	18.1	6.5

8. **Flow of Funds, Utilization, and Program Expenditure.** Almost all 32 participating States<sup>3</sup> have now re-aligned their funds flow mechanism with the requirements of the Government of India Single Nodal Agency (SNA) Guidelines of March 2022. Going forward, the SNA guidelines are expected to materially alleviate the reported difficulty in funds availability with participating implementing and field agencies. There is a demonstrated pick-up in the pace of operations at the field level since April 2022. As of July 2022, the Ministry had disbursed INR498 crores (over 40 percent of the planned expenditure) to program participants. In turn, the latter had spent INR209 crores (or 42 percent of the released amount received) and had submitted utilization certificates (UCs) equivalent to INR159 crores (or 76 percent of the spent amount) to the NPIU. Comparing this with the numbers of April 2022, program expenditures are up by INR77 crores (or 58 percent) and UC submission is up by INR94 crores (or 144 percent). Another INR15-25 crores are expected to be spent under the program up to mid-September 2022.

9. **Financial Management (FM).** Based on the substantial progress assessed during the May 2022 mission<sup>4</sup>, the August 2022 mission reviewed progress against pending actions. With the introduction of the SNA guidelines of the Government of India, aside from for the change in banking arrangements in the States, there are no changes in the financial management (FM) arrangements for the Project. They continue to remain relevant as envisaged and assessed in the integrated fiduciary systems assessment conducted during project preparation. As on August 17, 2022, the program disbursements stand at US\$76.46 million (equivalent to INR560.80 crore) which constitute 61.7 percent of the program loan size of US\$124 million. The disbursements include an unadjusted advance of US\$16.7 million. As per figures provided by the NPIU and the previous years audited program financial statements, as on July 31, 2022, INR498 crore of program funds have been released to the States and to the MSDE's National Instructional Media Institute NIMI (~INR445 crores) and towards professional services from the Technical Assistance component (~INR53 crores). Of this amount, only INR209 crore has been spent by the States and utilization certificates (UCs) for INR159 crore have been received by the NPIU. The NPIU must ensure that at the end of the program period the cumulative expenditure is greater than or equal to the total Bank disbursement. If, at the end of program period, Bank disbursements are greater in value than the actual expenditure incurred, then Government of India will have to refund such excess (Section V Part B Para 2 of the Financing Agreement).

10. **Adherence to the provisions of the Project Operations Manual (POM).** The Financing Agreement requires program implementation to be as per the provisions of the POM. However, based on discussions held during the mission and the data shared, it appears that the provisions of the required FM documentation submitted by the States for release of the performance-based grants (as set out in sections 4.1.3.1 and 4.1.3.2) are not being strictly adhered to. For example, Himachal Pradesh and Odisha have not submitted the (i) unaudited financial statements for the immediately preceding quarter, and (ii) minutes of the meeting of the Audit Committees but have received the second tranche releases under RA 1 and RA 2. However, the second tranche to these States was released based on the NPIU receiving the utilization certificates (UCs), audit reports and the achievement of key performance indicators (KPIs). It is unclear if the ITIs in these states have submitted their statutory audit reports for the last financial year to the SPIUs. Moreover, a program guideline issued by the DGT on March 21, 2022, allows participating states to redistribute program funds across result areas without submitting to

<sup>3</sup> Note: The STRIVE Operation includes 32 States and 2 Union Territories (UTs). The 2 UTs do not have their own legislature. They expend funds from separate central government budget allocations.

<sup>4</sup> (a) re-aligning funds flow arrangements with the new SNA Guidelines of GoI (this has been completed in all 34 participating states and will ensure that there are adequate funds for all IAs), (b) achieving a 65 percent increment in underlying expenditures which now stands at INR132 crores (US\$17.6 million) as of March 2022, and obtaining utilization certificates against 50 percent of reported expenditures, (c) the institution of internal audit arrangements at the State level in 28 out of 34 participating States, (d) the institution of external audit arrangements in all 34 participating States, (e) attaining over 60 percent disbursement against DLIs before June 2022, and (f) timely submission of CAG audit report for FY20-21 and the IUFRs.

the NPIU the documents as specified in the POM. This dilutes the internal control mechanism envisaged by the POM.

11. Based on the progress achieved by the NPIU in addressing the actions highlighted in the previous mission, the FM performance rating is upgraded from *Moderately Unsatisfactory* to *Moderately Satisfactory*. Key completed actions include the: (a) alignment of FM arrangements of STRIVE with respect to funds flow and accounting with SNA Guidelines, (b) completion of the institutionalization of internal audit arrangements at State level, and (c) the receipt of the requested portion of data on funds flow, accounting internal and external auditors. The NPIU should adhere to the provisions of the POM as it attempts to scale up spending in the coming months. Further details pertaining to financial management are provided in **Annex 5**. The status of agreed actions following the May 2022 mission are listed in **Annex 7**.

12. **Procurement.** Based on the discussions held during the mission and a review of action points, procurement risk continues to be *Substantial*. Procurement performance rating has been upgraded from *Moderately Unsatisfactory* to *Moderately Satisfactory*. The World Bank team notes the: (a) efforts of the NPIU to complete pending action points in the last aide-memoire[s], and compliance with PAP actions, (b) PMC's continuity of procurement support to the NPIU, and the addition of personnel to assist the NPIU to fulfil its responsibilities in line with the POM, and (c) some progress with regards to the integration of procurement audit. The mission reminded the NPIU members about the compliance requirement outlined in the POM. Further, as mentioned during the May 2022 mission, the NPIU was required to ensure that the States needed to include the auditor's opinion on procurement as a separate paragraph in their respective audit reports. The mission was informed that no procurement related complaint had been received since the May 2022 mission. Finally, the NPIU reported that no high value contracts have been signed under the Program supported activities. Details of the procurement observations are provided in **Annex 5**. The status of agreed actions following the May 2022 mission are listed in **Annex 7**.

13. **Extension:** The Project is scheduled to close on November 30, 2022. The MSDE has requested MoF/DEA clearance for a no-cost extension of 18 months for the Project, from November 30, 2022 to May 31, 2024. MoF/DEA had requested the World Bank team's comments/views on the extension request. One PDO indicator--national level graduate tracer study will require at least one additional Academic Year to achieve the targets. Overall, based on the progress made in financial management and procurement aspects resulting in a rating of *Moderately Satisfactory*, the World Bank team confirms that an 18 months no-cost extension is warranted. Further, it has been estimated that a partial cancellation of project financing in the amount of US\$20 million would be prudent. A letter from DEA to the World Bank requesting the restructuring of the project for (a) a no-cost extension of the project closing date by 18 months from November 30, 2022 to May 31, 2024, and (b) the partial cancellation of US\$20 million would be required for the World Bank team to proceed with the next steps.

14. The extension would need to be approved by restructuring the Project before end-October 2022. Keeping within the overall scope of the Project, the restructuring could include additional activities intended to be transformative in nature to encompass 21<sup>st</sup> Century skills such as coding, the value and application of artificial intelligence, electric vehicles as part of the automotive industry enhancements, drone technology, and so on. Further blended learning across several programs will be pursued. The activities have already commenced on a small-scale pilot basis. They will be enhanced and extended during the proposed project extension period.

15. **Key Implementation Challenges and agreed actions.** The mission identified and discussed the following key issues concerning project implementation: (a) the need for continued efforts on the fiduciary management side with oversight over funds flow, utilization, and program expenditures, (b)

consistent quality in environment and social management aspects, and (c) key actions going forward to maintain the moderately satisfactory ratings for the project.

16. **Monitoring and Evaluation.** Taking into consideration that the technical aspects of the Project are being tracked each month, brief technical discussions were held during the mission. Implementation progress has picked up significantly. The achievements against the results areas are provided in **Annex 3**.

17. **Environmental and Social (E&S) Management Aspects.** With respect to the P4R component(s), the mission reviewed the status of agreed actions of the May 2022 mission and the quarterly progress on E&S aspects. Based on the information, the mission notes that the E&S risk rating continues to be 'moderate'. Based on progress made, E&S is rated as *Moderately Satisfactory*. For the effective E&S management of the program, the following aspects are required: (a) capacity development on know-how and E&S aspects and reporting for the implementing agencies including the NPIU and PMC personnel remains important, (b) NPIU/PMC continuous monitoring of ITIs and ICs is needed in close coordination with SPIUs, and (c) regular reporting and documentation of E&S practices based on the agreed questionnaire and visits to sample ITIs/ICs. The mission recommends a set of actions. This is itemized in **Annex 7**.

18. With respect to the IPF Component, in addition to the Tribal People Planning Framework, participating ITIs have prepared a detailed Social Action Plan (SAP) to promote inclusionary parameters for students and faculty. Several rounds of discussions with the NPIU/PMC have been held to discuss the SAP requirements to satisfy the requirements of the tribal policy. The mission has recently received information on the number of ITIs in the LWE areas with disaggregated data on enrolments for 2019-2020 and 2021-2022. However, analytical information is inadequate/missing to assess specific interventions and progress being made in such area, including details on the Social Management Plans (SMPs) that have been shared as part of the ESMP. The issue was discussed again, and remedial action had been agreed upon during the May 2022 mission. The action has now been partially achieved.

19. The program primarily has positive benefits to the tribal population, and no land acquisition in the tribal areas is needed; the substantial scale of coordination required with participating institutions (ITIs) across the country on many social facets continues to be weak. Therefore, there is a need to deploy additional and relevant staff and resources from the NPIU/PMC<sup>5</sup>, with sustained assistance through capacity development to participating states and institutions. Given that the NPIU/PMC is yet to furnish a detailed report on the IPF part and requires capacity augmentation to implement and supervise Social Safeguards, the social safeguards performance is retained as MS on the following conditions:

- Deployment of additional and dedicated staff/consultant to manage social development/safeguards
- Revised/updated social progress report furnishing information (per the details shared with the NPIU/PMC) by September 30, 2022.

20. **Grievance Redress Mechanism:** The Project has introduced a standard grievance redress system for project beneficiaries to register complaints, queries, and suggestions pertaining to the project implementation of safeguards and fiduciary (financial management and procurement) aspects. An online form has been developed for use by students, faculty/trainers/vendors, and other stakeholders. This has been widely circulated via office memorandum. Despite there being a Project-wide grievance redress system, the mission notes that no updates have been received on the number of complaints

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<sup>5</sup> This was agreed during the May 2022 mission and endorsed by the NPIU and PMC. There is a critical need for additional personnel. The Bank team recommends that a more experienced staff be hired, with prior experience on managing social and environmental aspects preferably with an understanding of Bank or other donors-assisted E&S policies.

received on the E&S front, including channels available for complaint submission, responsible staff at the NPIU, time taken for resolving the complaints, and the escalation matrix. These details were also missing from the GRM survey that was conducted online. Further, there were questions on the survey which have never been answered. This is an underlying factor for concern and must be included in the reporting irrespective of new complaints. The PMC team is advised to download some publications from the WB page on GRM handling, which would help understand the reporting and monitoring requirements on GRM for a Bank funded project.

21. As multiple ITIs have ongoing renovations, the NPIU had been requested to ensure that the States/ITIs provide GRM facility for workers if the contractors have failed to provide one. Further, the NPIU had also been requested to ensure that the progress report include information on the workers' grievances. However, to date no such report/information has been made available. Since the refurbishment activities are at the institution level, access to the institutional GRM is needed. The ITIs have GRMs at the institutional level. The NPIU has collected details pertaining to this in ongoing E&S data collection exercises and will be shared as part of the net report. The NPIU must determine ways to resolve complaints, direct workers to the State level GRM/GRO, and keep the World Bank team informed of the decision. As this area seems weak, the mission suggests that as part of the capacity building exercise, the NPIU must also conduct training for GROs (State/ITI/IC levels) on grievance handling and management. The training should stress the need to close the complaints by responding to the complainant. Details on environmental and social aspects are provided in **Annex 6**. The status of agreed actions following the October 2021 and May 2022 mission are listed in **Annex 7**.

#### IV. NEXT STEPS AND AGREED ACTIONS

22. *Status of agreements during the mission.* The detailed list of actions is provided in the table below, and the progress against the actions agreed during the previous mission are provided in **Annex 8**. As of July 28, 2022, most of the actions set out in the action plans have been completed and many are in progress. Table 3 specifies the key agreed actions from the mission including the pending/delayed actions from previous mission.

**Table 3. List of Agreed Short- and Medium-Term Actions during the July 28 and August 03-04, 2022**

Activity	Agreed Actions	Responsible	Due Date
1.	Share steps and corresponding projected timelines for conducting a Tracer Study at the National level.	NPIU	September 15, 2022
2.	Share steps and corresponding projected timelines for preparation and approval of CITS/ CTS trades in a blended mode.	NPIU	September 15, 2022
<b>Financial Management</b>			
3	Ensure adherence to the provisions of the POM with respect to documents required for release of subsequent tranches	NPIU	Immediate (from September 30, 2022)
4	Submit the CAG audit report for FY21-22	NPIU	November 30, 2022
5	Revive and operationalize the Bank of India (BOI) dashboard in line with NPIU & SNA requirements	NPIU	November 30, 2022
<b>Procurement</b>			
6	Share URL on which Procurement Plan for NIMI has been disclosed	NPIU	September 30, 2022
7	Complete procurement audit as per requirements of the Program Operations Manual	NPIU	March 31, 2023

8	Ensure a separate paragraph with auditor's opinion on procurement in internal audit, including that of NIMI, and provide information on auditor's opinion in a systematic manner	NPIU	March 31, 2023
9	Continue providing quarterly progress reports on procurement and disclose them in public domain	NPIU	On-going until Program end date
<b>Environment &amp; Social Aspects</b>			
12.	Submission of the E&S monitoring-cum-compliance report with detailed information on the E&S PAP actions and GRM details (based on questionnaire surveys and sample ITI visits)	NPIU	September 25, 2022 for the period June-December 2021, and for January-June 2022, the half-yearly report to be submitted by November 15, 2022
13.	Capacity augmentation at the NPIU- an additional human resource to manage E&S (the TOR to be verified and approved by the Bank).	NPIU	September 30, 2022
14.	Review, analyze and confirm if all aspects of OHS are covered as part of the curriculum and what need to be better covered	NPIU with inputs from SPIUs/ITIs	September 30, 2022
15.	Capacity Building: Separate workshops on OHS, ESMP, Waste Management, National Regulations, and Social Safeguards	NPIU	October 31, 2022
16.	Support development of standard awareness material	NPIU	October 31, 2022
17.	Documentation of E&S best practices	NPIU	October 31, 2022
<b>Project Restructuring</b>			
18.	Receive letter from GoI regarding restructuring and partial cancellation of project financing as required	DEA	By September 25, 2022
19.	Complete project restructuring	World Bank	By October 31, 2022

23. **Next Mission.** The next joint review supervision mission will take place in late-October 2022. The World Bank task team will collaborate with the NPIU/MSDE to draw up the implementation plan for transformational changes from a technical perspective during the proposed project extension period up to May 31, 2024 and continue to support the operation to put in place transformational changes from a technical perspective, assess together with the NPIU the progress on FM, Procurement, and Environment & Social Management aspects.

**INDIA: Skill Strengthening for Industrial Value Enhancement (STRIVE)****Interim Joint Review Mission**

July 28 and August 03-04, 2022

**Mission Schedule**

Thursday, July 28, 2022					
#	Meeting with/ Meeting Purpose:	From	To	Location	Participants
1	Review of Fiduciary Aspects: Financial Management	10:30	13:00	WebEx	NPIU, PMC, World Bank STRIVE team

Wednesday, August 3, 2022					
#	Meeting with/ Meeting Purpose:	From	To	Location	Participants
1	Discussion on Agreed Actions from previous mission	9:30	10:30	Kaushal Bhawan and Webex	NPIU, PMC, World Bank STRIVE team
2	Meeting with Director General/ Special Secretary on way forward	10:30	11:00	Kaushal Bhawan and Webex	DG/SS, NPIU, World Bank STRIVE team
3	Result Area wise technical discussions	11:00	12:00	Kaushal Bhawan and Webex	NPIU, PMC, World Bank STRIVE team
4	Result Area wise technical discussions	12:00	13:15	Kaushal Bhawan and Webex	NPIU, PMC, World Bank STRIVE team
5	Review of Fiduciary Aspects: Procurement	14:00	15:30	Kaushal Bhawan and Webex	NPIU, PMC, World Bank STRIVE team
6	Agreements on Fiduciary Aspects: FM and Procurement	15:30	17:00	Kaushal Bhawan and Webex	NPIU, PMC, World Bank STRIVE team

Thursday, August 4, 2022					
#	Meeting with/ Meeting Purpose:	From	To	Location	Participants
1	Progress on Environment & Social Safeguards Management Aspects	9:30	10:30	Kaushal Bhawan and Webex	NPIU, PMC, World Bank STRIVE team
2	Wrap-up meeting	10:30	12:00	Kaushal Bhawan and Webex	NPIU, PMC, World Bank STRIVE team

**INDIA: Skill Strengthening for Industrial Value Enhancement (STRIVE)**  
**Interim Joint Review Mission**  
 July 28 and August 03-04, 2022  
**List of Participants**

Sl. No.	Name of Department	Name of the Officer	Designation
1	<b>MSDE</b>	Rajesh Aggarwal	Secretary
2		Atul Kumar Tiwari	Special Secretary/ Director General (Training)
3	<b>DGT/ NPIU</b>	Sanjay Kumar	Director (P)
4		Hemant Ganjare	Joint Director
5		Rajesh Meena	Deputy Director
6		N.Sridhar	Asst. Director
7	<b>PMC for STRIVE</b>	Narayan Ramaswamy	Project Lead
8		Garima Singh	Team Lead
9		Mahaveer Agarwal	Institutional Expert
10		Praveen Manikpuri	Apprenticeship Expert
11		Jayant Srivastava	Finance Expert
12		Abhishek Chaturvedi	Apprenticeship Expert
13		Saanvi Vashisht	Support Consultant
14		Aparna Dass	Support Consultant
15		Sanjay Kumar	Procurement Expert
16		Krishna Prakash Singh	Institutional Expert
17		Nidhi Gautam	Support Consultant
18	<b>World Bank</b>	Shobhana Sosale	Task Team Leader
19		Sangeeta Dey	Co-Task Team Leader
20		Deepa Balakrishnan	Senior Environment Specialist
21		Geeta Shivdasani	Procurement Specialist
22		Neha Gupta	Financial Management Specialist
23		Arushi Sood	Financial Management Specialist
24		Surbhi Singh Dhingra	Consultant, Social Specialist
25		Kunal Datt	Consultant, Education & Implementation Specialist
26		Ritu Sharma	Program Assistant

**INDIA: Skill Strengthening for Industrial Value Enhancement (STRIVE)**  
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**Implementation Progress**

COVID-19 pandemic induced lockdowns and reverse migration have significantly impacted project implementation:

- **Results Area 1: Improved performance of ITIs.** Project results as of end-July 2022 show that:
  - (1) There is increase in the *number of graduates from project ITIs that have signed PB grant agreements (PDO#1)*. This is currently at 22 percent, thereby surpassing end-of-Project target of 20 percent. This is not yet claimed as data validation is still ongoing. Data collection has been delayed since 2020 due to: (a) examinations being delayed for the 2019-20 and 2020-21 cohort of trainees. The results were due in September 2020 and September 2021 respectively. However, they were delayed due to COVID-19 related disruptions, (b) a significant proportion of trainees were unable to take the examinations due to COVID related reverse migration and disruptions, (c) supplemental examinations are currently being held for a small proportion of trainees who were unable to appear for the examinations. Most of the examinations have, however, now been conducted, and (d) results for the 2019-20 cohorts were announced only in April 2022. Results for the 2020-21 cohorts are yet to be declared.
  - (2) There is only marginal increase in enrolments by 1 percent over the baseline as calculated in the PAD due to: (a) COVID-19 pandemic-related dropouts and reverse migration, and (b) closure of ITIs due to the pandemic in August 2020, the important season for ITI admissions.
  - (3) OJT opportunities are being tracked, and with the policy push towards increasing connection with industry, the Project has continued to achieve the target throughout the pandemic period. The Year 4 DLI target of 20 percent was over-achieved by 2.8 percent and is now at 22.8 percent.
  - (4) Female enrolment rates continue to be monitored on a regular basis. The Year 4 DLI target of 14 percent has also been surpassed by 4.6 percent and is now at 18.6 percent.
  - (5) A national level tracer study to track graduates of ITIs is delayed due to delayed examinations and consequently the declaration of results. The activity is expected to be completed only beyond the current project closing date of November 30, 2022.
- **Results Area 2: Capacity of States to Support ITIs and Apprenticeship.** Project results as of end-July 2022 show that:
  - (1) The development of a trainer recruitment, training and career progression policy paper has been prepared and MSDE has approved the paper. The disbursement against this activity has also been completed. Work towards the development of career progression policies at the State level has been initiated. However, the preparation of a policy based on the MSDE's model guidance document on a Career Progression Policy (CPP) (the Recruitment, Training and Career Progression Policy as in the PAD) is delayed due to administrative, financial, and other related approvals involved at the state level. The activity is not expected to be completed within the current project closing date of November 30, 2022.
  - (2) Fifteen participating States have achieved at least a 20 percent reduction in instructor vacancy. This marks the achievement of the end-of-project target.
  - (3) The NPIU has facilitated one state (Haryana) to conduct a pilot tracer study. The sample Terms of Reference for a Tracer Study, Guidelines, and Frequently Asked Questions documents have now been prepared and disseminated to all States. Several capacity building workshops continue to take place. As a result, four States (excluding Haryana) have now conducted state level tracer studies. Further, tracer studies are ongoing in eight States, and another seven are in

the process of procuring an agency to conduct tracer studies. The 2020-21 target of five States conducting tracer studies along with approval from SSC are expected to be achieved by October 2022.

- **Results Area 3: Improved Teaching and Learning.** Project results as of end-July 2022 show that:
  - (1) The DGT has conducted workshops with industry bodies and subject matter experts to inform the revision of the curriculum development process. Feedback has also been provided to the DGT through technical assistance from the World Bank and the UK-DFID agency.
  - (2) Four Crafts Instructor Training Scheme (CITS) trades have been identified.
  - (3) The MSDE has decided to (a) reduce the number of notional training hours from 1,600 to 1,200, (b) include 150 hours of OJT/ project work and 240 hours of any short-term course, and (c) align the ITI National Training Certificate (NTC) with secondary and senior secondary level certifications.
  - (4) The development of textbooks aligned with the trades, is already underway.
  - (5) Finally, the focus is on developing the trades to facilitate blended mode of teaching-learning. The MSDE's National Instructional Media Institute (NIMI) will undertake the assignment. NIMI has already completed the procurement process of hiring an agency to develop the trades in a blended mode.
- **Results Area 4: Improved Apprenticeship.** Project results as of end-July 2022 show that:
  - (a) Thirty-three ICs have been selected and are being provided with intensive capacity development support through the SPIUs, SAMCs, NPIU, and the PMC. Despite these efforts, COVID-19 related disruptions, especially the lockdowns, reverse migration, trainee apprehension with resuming training, the shift in the focus of IC members to resume business activities, and delays in ICs receiving funds from State directorates have progressively caused delays in the achievement of related results.
  - (b) Issues related to mobilization and retention of trainees continue to persist. It is however encouraging to note that a majority of the courses taken up by the ICs are custom/ tailor made trades (indicating that specific needs of ICs are being attempted to be met through the mechanism).
  - (c) The NPIU and SPIUs have been introducing technical and fiduciary measures to deal with the challenges including those induced by the COVID-19 pandemic. Fiduciary measures include allowing States autonomy and fungibility with regards to funds and spending limit allocation to ICs. Technical measures include relaxation in the definition of an IC, reduction in administrative steps towards approval of IAI plans, divestment of decision-making authority pertaining to changes in batch size, trades, etc. to the SPIU.
  - (d) Evidence of results has been verified by the Independent Verification Authority (IVA) for 16 out of 33 ICs. The MSDE has also claimed the disbursement pertaining to the DLI 4 on the implementation of apprenticeship training for the 16 ICs and the claim has been disbursed. Six ICs are also expected to achieve their targets by November 15, 2022.
- **Increase in enrolments and number of graduates in project ITIs:** In keeping with the project design, the DGT has encouraged States to initiate short-term courses of 300 hours or more to ensure full capacity utilization of the Project ITIs. The initiative is showing promising initial results. It is helping to bring students back to the ITIs who might have otherwise dropped out of longer-term courses during the adjustment period of returning to education and skilling following the COVID-19 pandemic closures. A total of 12,925 trainees in the current cohort are enrolled in short-term courses and a total of over 15,000 trainees have been enrolled in the academic sessions. With respect to increase in the number of graduates, the skilling system has been confronted by delays in conducting examinations and declaring results. The delays are accounted for due to, in part, the nearly 1.5 years of pandemic induced ITI closure and, in part, due to Computer Based Testing (CBT) related examination reforms.

- **Facilitating knowledge exchange and learning among States:** The mission had recommended the DGT during the mission preparation to inspire knowledge exchange and learning across States by organizing field visits using a hub-and-spokes model. The DGT has commenced taking the initiative to facilitate cross-learning among States. From the perspective of funds utilization, well-performing States (Himachal Pradesh, Odisha, Kerala, Telangana) in aspects such preparation of plans for implementing ITI and State level activities are being paired with lagging States (Andhra Pradesh, Gujarat, Chhattisgarh). The States shared leading practices in monitoring and evaluation, adapting to the new SNA mechanism, and implementing innovations through ICs (Jammu & Kashmir, Karnataka, Uttar Pradesh).

## **Implementation Progress by Results Area**

### ***Results Area 1: Improved Performance of Industrial Training Institutes***

A nationally competitive process by December 2020 resulted in 200 ITIs being selected to benefit from the project. The State Project Implementation Units (SPIUs) are regularly monitoring the implementation of activities, and the NPIU is regularly monitoring the State level results and financial progress.

Key issues in this Result Area: (a) delays caused by the ITI closure due to COVID-19 pandemic, (b) non-adherence to monitoring processes in certain ITIs, and (c) weak capacities at the State and ITI levels. Implementation progress of this result area was disrupted due to: (a) the initial delay in the flow of funds to ITIs, and (b) widespread and repeated closures of the ITIs due to the COVID-19 pandemic between March-August 2020 and from March-July 2021. The pandemic has caused delays in the ITIs' academic year, including admissions, examinations, and certifications due to the surge/second wave of the pandemic in April 2021. Despite the challenges, implementation progress at the ITIs-level has improved substantially. For instance, ITIs have initiated short-term courses since August 2021 with the support from the project to improve job-market relevance of training programs and capacity utilization of project-specific ITIs. The initiative has shown promising initial results with over 15,000 trainees enrolling in the programs. The ITIs have also significantly increased the On-the-Job training (OJT) options for students.

The status of DLIs related to this Result Area are as follows:

- Target of signing 200 ITIs is achieved and disbursed (DLI 1 2019-20 (i) US \$ 2 mn).
- DLI relating to increase in ITI graduates by 20% is impacted due to COVID related disruptions (DLI 1 2019-20 (ii) US \$ 16 mn), however the entire scalable target of 20% is expected to be achieved by mid-November 2022.
- DLI relating to 25% trainees undergoing OJT is expected to be achieved by mid-November 2022 (DLI 2 2021-22 (i) US \$ 4 mn).
- DLI relating to female enrolment is on track. Target of 14% female enrolment is achieved and disbursed (DLI 6 2020-21 (i) US\$ 2.5 mn).
- DLI relating to undertaking a tracer study to ascertain employment levels is delayed and may. Not be achieved during the current project period.
- The target of 15% female enrolment is on track to be achieved by mid-November 2022 (DLI 6 2021-22 (i) US\$ 2.5 mn).

## ***Results Area 2: Increased Capacities of State Governments to Support Industrial Training Institutes and Apprenticeship Training***

34 of 36 Performance Based Funding Agreements (PBFA) have been signed with States/ UTs and advance funds have been released to 32 participating States and 2 UTs<sup>6</sup>. Few states have also been provided with the second tranche of funds as per fund release conditions laid down in the Operations Manual. The institutional structure as prescribed in the Operations Manual are in place across all participating States. Significant efforts have been made by NPIU towards building State level capacities as well and States have participated in more than 80 workshops (including 30 in-person workshops). A pilot of tracer study tools has been completed by the NPIU in the State of Haryana to test effectiveness of tech-enabled tools and the NPIU has further shared the toolkit comprising of final report of pilot tracer study along with draft Terms of References and guidance note with all states to help them in carrying out tracer studies. A knowledge dissemination workshop was held for capacity building of states on conducting tracer study. Owing to regular workshops and review meetings States are at different stages ranging from floating tender to conducting tracer study in their state. The MSDE has prepared the model policy paper on career progression, training and recruitment of ITI trainers in consultation with stakeholders including states and public suggestions. The same has been shared with states for preparing and adopting the policy at the state level and capacity building workshops for adoption of the policy paper has also been conducted.

This component of the STRIVE operation is now able to showcase 2 important reforms. The reduction in trainer vacancy coupled with robust career progression policy at states is expected to be helpful in creating a sustainable environment at the State level to ensure adequate trainers are in place after project completion. A system of conducting tech-enabled tracer studies will also be helpful to States in creating a sustainable way of assessing employment outcomes after completion of the project and will act as a feedback loop to policymakers at all levels to incorporate timely actions.

Status of DLIs related to this result area are presented as follows:

- DLI relating to development of a draft career progression policy has been claimed and disbursed. (DLI 3 2019-20 (i) US \$ 1 mn)
- Adoption of career progression policy by States is delayed and, is expected to be achieved by 5 out of the maximum limit of 15 States/ UTs within the current project closing date. (DLI 3 2019-20 (ii) US \$ 1.5 mn).
- DLI relating to instructor vacancy has been claimed and disbursed for 15 States, marking achievement of end of project targets. (DLI 3 2019-20 (iii), 2020-21 (i), 2021-22 (i) totalling to US\$ 8 mn)
- DLI relating to conduct of a pilot tracer study in one State has been claimed and disbursed (DLI 4 2019-20 (i) US \$ 2 mn). Further, four States have already completed the Study and have prepared draft reports, eight States have hired research agencies and are in the process of conducting the studies. A further seven States are in the tendering process and, several States are in the final stages of approval of procurement plans. The 2020-21 DLI of 5 States is expected to be achieved by October 2022. (DLI 4 2021-21 (i) US \$ 6 mn)

## ***Results Area 3: Improved Teaching and Learning***

The DGT has conducted workshops with industry bodies and subject matter experts for revision of the curriculum development process. Feedback has also been provided to the DGT through technical assistance provided through the UK-DFID and The World Bank. Further, 4 Crafts Instructor Training Scheme (CITS) trades have also been identified for upgradation and development of textbooks for these trades is already underway. These textbooks will act as the base for blended content development.

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<sup>6</sup> The 2 Union Territories (UTs) do not have their own legislature. They expend funds from separate central government budget allocations.

Status of DLI related to this result area is presented as follows:

- The procurement process for hiring of an agency to upgrade the 4 trades has been completed. However, the 4 trades are expected to be upgraded and DLI achieved only by July 2023 (DLI 3 2020-21 (ii) US\$10 mn)

***Results Area 4: Improved and Broadened Apprenticeship Training***

33 ICs have signed tripartite PBGAs. Funds as advance payments to ICs, as per provisions of the operations manual, have been released by the NPIU to state governments for all 33 ICs. However, funds have reached only 24 ICs till date. 16 ICs have already initiated 2 trades each and this achievement has been claimed and disbursed. Further, 3 additional ICs are expected to launch 2 trades each by September 2022.

Status of DLIs related to this result area are presented as follows:

- DLI relating to enrolment of trainees in IC is achieved and disbursed for 16 ICs (DLI 5 2020-21 (i) US\$11.2 million). A further 6 ICs are expected to achieve the DLI by November 2022 resulting in a further disbursement of US\$4.2 million.
- DLI relating to female enrolment in ICs is on track. End project target 12% female enrolment in aggregate across 12 ICs is achieved and disbursed (DLI 6 2021-22 (ii) US\$ 3 million).

## INDIA: Skill Strengthening for Industrial Value Enhancement (STRIVE)

## Interim Joint Review Mission

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## Results Framework – Progress Report

Results Areas Supported by PforR	PDO/Outcome Indicators	Intermediate Results Indicators	DLI Number	Unit of Measurement	Baseline (FY17)	Mid-term Review	May 2022	Actual Current (Aug. 2022)	End Target (FY22)
<b>Results Area 1:</b> Improved Performance of Industrial Training Institutes	PDO Indicator 1: Increase in the number of graduates from ITIs that have signed PB Grant Agreements		1	Percentage (annual)	0	NA	Result yet to be declared	22 (Internal MSDE data validation ongoing)	20
		IR Indicator 1.1: Percentage increase in enrolment across ITIs with signed PB Grant Agreement		Percentage (annual)	0	-2	1	1	25
		IR Indicator 1.2: Percentage of trainees undergoing OJT across ITIs with signed PB Grant Agreements	2	Percentage (annual)	2*	12	31	31	25
	PDO Indicator 2: Female enrolment rate in ITIs with signed PB Grant Agreements		6	Percentage (annual)	9.7*	19.1	18.6	18.6	15
	PDO Indicator 3: Percentage of graduates from ITIs that have signed PB Grant Agreements who are in gainful employment one year after graduation		2	Percentage (annual)	50*	NA	NA	NA	50
	% female			Percentage (annual)	39.7	NA	NA	NA	42
<b>Results Area 2:</b> Increased Capacities of State Governments to Support Industrial Training Institutes and Apprenticeship Training	PDO Indicator 4: Number of Participating States that have reduced the vacancies of sanctioned trainers' posts by at least 20% in government ITIs		3	Number (cumulative)	0	10	15	15	15
		IR Indicator 4.1: Number of Participating States that have conducted tracer studies	4	Number (cumulative)	0	NA	4	4	16
		IR Indicator 4.2: Percentage of trainees in government ITIs who are from ST populations		Percentage (annual)	1.35	Already achieved and hence removed from the project			4
<b>Results Area 3:</b> Improved Teaching and Learning	PDO Indicator 5: Number of teachers who have completed pre-employment or in-service distance learning/blended modules			Number (Cumulative)	5,000	18,000	20,000	20,000	20,000
		IR Indicator 5.1: Number of CTS trades for which ICT-based teaching and learning packages have been developed		Number (cumulative)	0	0	6	6	4

Results Areas Supported by PforR	PDO/Outcome Indicators	Intermediate Results Indicators	DLI Number	Unit of Measurement	Baseline (FY17)	Mid-term Review	May 2022	Actual Current (Aug. 2022)	End Target (FY22)
		IR Indicator 5.2: Number of CITS trades upgraded	3	Number (cumulative)	0	0	0	0	4
		IR Indicator 5.3: Impact evaluation of work readiness pilot and girls' incentive pilot completed		Number (cumulative)	0	Indicator Dropped during Restructuring in June 2020			0
<b>Results Area 4:</b> Improved and Broadened Apprenticeship Training	PDO Indicator 6: Number of ICs that have introduced at least 2 different apprenticeship programs within their participating (member) industries		5	Number (cumulative)	0	4	16	16+Data validation ongoing for 3	30
		IR Indicator 6.1: Number of ICs receiving IAI Grants that have reached a female enrolment of 12% in their respective apprenticeship programs	6	Number (cumulative)	0	Data gathering under process	10	10	10
<b>Cross-cutting</b>	PDO Indicator 7: Direct Operation beneficiaries			Number (cumulative)	0	150,000+	440,521	440,521+	400,000
	% female			Percentage (annual)	0	19	19	19	12

## Disbursement Linked Indicators

DISBURSEMENT LINKED INDICATORS (DLIs)	TOTAL FINANCING ALLOCATED TO DLIs (USD MN)	AS A % OF TOTAL FINANCING	DLI BASE LINE	DISBURSEMENT-LINKED RESULTS				
				RESULTS TO BE ACHIEVED IN FY2017/18 (YEAR 1)	RESULTS TO BE ACHIEVED IN FY2018/19 (YEAR 2)	RESULTS TO BE ACHIEVED IN FY2019/20 (YEAR 3)	RESULTS TO BE ACHIEVED IN FY2020/21 (YEAR 4)	RESULTS TO BE ACHIEVED IN FY2021/22 (YEAR 5)
DLI 1- Increase in the number of graduates from ITIs that have signed PB Grant Agreements								
1. Increase in the number of graduates from ITIs that have signed PB Grant Agreements	18.0	15.0	0	-	-	(i) At least 200 ITIs have signed PB Grant Agreements with MSDE*  (ii) The number of graduates in the academic year for ITIs that have signed PB Grant Agreements has increased at least by 5% compared with number of graduates in academic year 2017/18*	-	-
Achievement Status				-	-	(i) Achieved, Disbursed  (ii) In progress, Likely to be achieved by mid-November 2022	-	-
DLI 2- Improvement in industrial training and employment outcomes for trainees and graduates of ITIs that have signed PB Grant Agreements								

<b>2. Improvement in industrial training and employment outcomes for trainees and graduates of ITIs that have signed PB Grant Agreements</b>	21.0	17.5		-	-	(i) At least 10% of trainees enrolled in academic year 2019/20 across ITIs that have signed PB Grant Agreements have undergone OJT  (ii) At least 15% of trainees enrolled in academic year 2019/20 across ITIs that have signed PB Grant Agreements have undergone OJT*	(i) At least 20% of trainees enrolled in academic year 2020/21 across ITIs that have signed PB Grant Agreements have undergone OJT*	(i) At least 25% of trainees enrolled in academic year 2021/22 across ITIs that have signed PB Grant Agreements have undergone OJT  (ii) A national-level graduate tracer study on trainees graduated from ITIs who have signed PB Grant Agreements is conducted and published to measure job placement outcomes*
<b>Achievement Status</b>				-	-	(i) Achieved, Disbursed.  (ii) Achieved, Disbursed.	(i) Achieved, Disbursed.	(i) On Track.  (ii) Delayed. May not be achieved in the current project period

<b>DLI 3- Reduction in ITIs' trainer vacancies and improvements in training of trainers</b>								
<b>3. Reduction in ITIs' trainer vacancies and improvements in training of trainers</b>	20.5	17.1		-	-	(i) MSDE has developed a policy paper on sustainability plan for the recruitment, training and career progression for ITIs trainers*  (ii) Participating States have developed the career progression policy*  (iii) At least 5 Participating States have reduced the vacancies of sanctioned trainers' posts by at least 20% in government ITIs compared with vacancy	(i) At least 7 Participating States have reduced the vacancies of sanctioned trainers' posts by at least 20% in government ITIs compared with vacancy numbers as on 3rd January 2019*  (ii) DGT has upgraded at least 4 CITS trades in blended mode and approved by NCVET/DGT/NSC*	(i) At least 10 Participating States have reduced the vacancies of sanctioned trainers' posts by at least 20% in government ITIs compared with vacancy numbers as on 3rd January 2019*

						numbers as on 3rd January 2019*		
<b>Achievement Status</b>				-	-	(i) Achieved, Disbursed. (ii) In Progress. (iii) Achieved, Disbursed.	(i) Achieved, Disbursed. (ii) In Progress	(i) Achieved, Disbursed.

<b>DLI 4 - Number of Participating States that have conducted tracer studies</b>								
<b>4. Number of Participating States that have conducted tracer studies</b>	18.0	15.0	0	-	-	(i) Pilot tracer study in one state by DGT	(i) At least 5 Participating States have conducted tracer studies*	(i) At least 10 Participating States have conducted tracer studies*
<b>Achievement Status</b>				-	-	(i) Achieved, Disbursed.	(i) In Progress, Likely to be claimed by October 2022	

<b>DLI 5-Number of ICs that have introduced at least 2 different apprenticeship programs within their participating (member) industries</b>								
<b>5. Number of ICs that have introduced at least 2 different apprenticeship programs within their participating (member) industries</b>	22.5	18.8			(i) MSDE has developed and approved/ adopted the Operations Manual for the IAI Grant mechanism*		(i) At least 4 ICs, that have enrolled apprentices under the IAI Grant mechanism, have each introduced at least 2 new apprenticeship programs within their participating (member) industries*	
<b>Achievement Status</b>					(i) Achieved, Disbursed.		(i) Achieved, Disbursed for 16 IC. In progress for 6 and likely to be achieved by mid-November 2022.	

<b>DLI 6- Increase in female enrolment rate in ITIs with PB Grant Agreements and ICs receiving IAI Grants</b>								
<b>6. Increase in female enrolment rate in ITIs with PB Grant Agreements and ICs receiving IAI Grants</b>	19.0	15.8	15.62%* 0			<p>(i) Female enrolment across ITIs with signed PB Grant Agreements during academic year 2019/20 has reached 11% of all enrolees</p> <p>(ii) Female enrolment across ITIs with signed PB Grant Agreements during academic year 2019/20 has reached 12.5% of all enrolees*</p> <p>(iii) At least 4 ICs receiving IAI Grants have reached a female enrolment of 5% in aggregate*</p>	<p>(i) Female enrolment across ITIs with signed PB Grant Agreements during academic year 2020/21 has reached 14% of all enrolees</p> <p>(ii) Female enrolment of 10% in aggregate across 10 industry clusters*</p>	<p>(i) Female enrolment across ITIs with signed PB Grant Agreements during academic year 2021/22 has reached 15% of all enrolees</p> <p>(ii) Female enrolment of 12% in aggregate across 10 industry clusters</p>
<b>Achievement Status</b>						<p>(i) Achieved, Disbursed.</p> <p>(ii) Achieved, Disbursed.</p> <p>(iii) Achieved, Disbursed.</p>	<p>(i) Achieved, Disbursed.</p> <p>(ii) Achieved, Disbursed.</p>	<p>(i) In progress, Likely to be achieved by September 2022.</p> <p>(ii) Achieved, Disbursed.</p>

## INDIA: Skill Strengthening for Industrial Value Enhancement (STRIVE)

### Interim Joint Review Mission

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### Procurement and Financial Management

#### Procurement

*Applicable Procurement Rules:* The Program is under PforR with a Technical Assistance (TA) component. For PforR, governments' procurement processes are required to be followed, and for the TA (IPF component), the World Bank's guidelines are required to be followed.

*Procurement Capacity:* In the past procurement capacity at the NPIU had been inadequate, with frequent changes in procurement staff and prolonged procurement processes resulting in elapsed time to staff the PMC and support the NPIU. However, over the past months procurement capacity has been augmented at the NPIU. It is now considered adequate as it has been augmented through the addition of a resource person to support procurement functions under the Program. The day to day functioning of the procurement team at the NPIU has not been adversely impacted with changes in procurement personnel. The identified person is continuing to perform his functions. The PMC has not proposed his replacement. This has supported business continuity. This has also ensured that the NPIU is appropriately capacitated to discharge its procurement-related responsibilities as per arrangements outlined in the STRIVE Program Operations Manual and is able to fulfil its responsibility for reporting back on the Program fiduciary framework.

*Procurement Program Action Plan (PAP):* A functional procurement complaint handling and redressal mechanism is available on the project website. The NPIU confirmed during the mission that the complaint handling system is available on the MSDE DGT STRIVE microsite and reported that no complaints have been received during the period from the May 2022 mission. According to the NPIU, the system can generate reports on complaints received and handled/addressed. An excel-based system generated report was shared with the mission. The mission urged the NPIU to continue with the monitoring and oversight of procurement related complaints under the Program since complaints can be received even outside of this channel despite there being a system in place.

*PAP related to preparing and publishing the Annual Procurement Plans on the website* has been met as 65 percent compliance has been achieved as of the last mission in May 2022, against a target of 60 percent during the 4<sup>th</sup> year of program effectiveness. By June 30, 2022, the achievement was 87 percent. However, it is necessary to monitor this by following up with procuring entities who have not sent the required data. It was noted that the procurement plan of NIMI (National Instructional Media Institute) of the MSDE was not available in the public domain. The mission requested immediate compliance with this action.

*Procurement Audit:* The mission reiterated the need for a procurement audit. The NPIU was requested to ensure that the internal financial audit reports of the States and NIMI include an explicit/separate paragraph on procurement audit and the auditor's opinion in line with the NPIU issued circular issued to all States to ensure that they are acceptable to the Bank. The NPIU shared the status of the data on procurement audit inclusion in internal audit. It was reported that the delay was on account of hiring of an internal auditor. As reported by the NPIU, out of 32 states, 28 had hired an internal auditor, 8 have completed their internal audit, and 4 had integrated procurement audit. The Bank team requested that

for states that have completed audits but do not include auditor's opinion on procurement, the auditors be requested to provide this separately for the audit(s) already concluded. Further, as was discussed during the last mission, the NPIU will also discuss with NIMI that the internal auditor appointed by NIMI should include an opinion on procurement for funds released to NIMI under STRIVE.

*High Value Contracts (HVC):* The NPIU reported that no high value contracts have been signed under the Program supported activities.

*Program Closing Date and Proposed Extension:* The current program closing date is November 30, 2022. A no-cost extension request of 18 months has been received by the Bank recently. The World Bank team explained to the NPIU that the World Bank's liability to finance contracts under the Operation would end as of the current Program closing program date of November 30, 2022. Any no-objection provided by the Bank does not commit the Bank to financing any expenditure that STRIVE may incur under any contract beyond the Program closing date.

### **Financial Management (FM)**

*Funds Flow:* Almost all 32 participating states and 2 union territories have re-aligned their funds flow mechanism with the requirements of the Government of India SNA Guidelines of March 2022. Going forward, the SNA guidelines are expected to materially alleviate the reported difficulty in funds availability with participating implementing and field agencies. Other challenges to funds flow such as delay in release of funds by select states treasuries like Andhra Pradesh and Punjab, booking of expenditures under incorrect budget heads which is holding up second tranche release at Nagaland and Tripura, opening of multiple SNA accounts by Delhi and in-process SNA compliance by Madhya Pradesh, are examples of implementation challenges being faced by the Ministry and States at present but do not pose a significant funds flow risk to the program.

So far, the Ministry has disbursed INR445 crores (up by 5 percent since April 2022) to its participating agencies. A release of another INR70 crores is estimated to happen until the end of September 2022. The second tranche of funds has been released to only 2 states, Himachal Pradesh and Odisha, under the pre-SNA norms. The NPIU has confirmed that documents as per the requirements of the Project Operations Manual (POM) have been submitted by both States prior to the release of the tranche. About 15 more States are expected to request for the next tranche in the coming months. The Ministry expects to release a cumulative second tranche of INR70 crores until mid-September 2022.

*Program Expenditure:* There is a demonstrated pick-up in the pace of operations at the field level since April 2022. As of July 2022, the Ministry had disbursed INR498 crores (or 40 percent of the planned expenditure) to program participants. In turn, the latter had spent INR209 crores (or 47 percent of the disbursed amount received) and had submitted utilization certificates (UCs) equivalent to INR159 crores (or 76 percent of the spent amount) to the NPIU. Comparing this with the numbers of April 2022, program expenditures are up by INR77 crores (or 58 percent) and UC submission is up by INR94 crores (or 144 percent). Another INR15-25 crores are expected to be spent under the program up to mid-September 2022.

Major contributors to last quarters' expenditures are the states of Maharashtra, Chhattisgarh, West Bengal and Gujarat. The states of Himachal Pradesh, Odisha, Tamil Nadu, Telangana, and Kerala continue to perform well. A sharp pick-up in progress has been reported in Assam, Arunachal Pradesh, J&K, Jharkhand, Nagaland, and Tripura, making them promising performers in the future. Finally, the states of Haryana, Punjab, Rajasthan, Madhya Pradesh, Andhra Pradesh, Uttar Pradesh, and Karnataka need to significantly accelerate performance (27 percent of the program funds are with these states, and nearly 80 percent of that is unspent).

Program commitment remains at a spending level of INR1,118 crores, out of the total program cost of INR2,200 crores. Program expenditures are expected to receive a boost from the recent decision of the DGT to allow re-distribution of funds across result areas by States. This will hasten tranche release from the Ministry, and from the deposit of statutory dues in arrears for the last 3-6 months in many States owing to another systematic update from the MoF on opening of 'holding banking accounts'. Except in Karnataka, where expenditure across programs is held up by the ongoing implementation of State treasury reforms, all participating agencies are now in a comfortable position to spend and report program expenditures seamlessly.

*Assurance:* Program audit reports due to be submitted by the Ministry to the World Bank up to March 2021 have been submitted. The audit report for FY21-22 is due and can be submitted by December 31, 2022. There are no pending audit reports as on date under the STRIVE Operation.

As regards compliance with assurance requirements at the State level, 28 out of 32 program participants have completed the appointment of internal and external auditors, while 4 others are in the process of appointing internal auditors. Punjab, Kerala, Madhya Pradesh, and J&K are the 4 States expected to onboard the internal auditor by end of August 2022. In total, 14 internal audit reports and 16 external audit reports have been submitted to the NPIU by 8 and 10 States respectively for the cumulative periods FY2019-20, FY2020-21, and FY2021-22. Some audit reports span a period of one-half year while others span a period of one year. Of the 32 participating States, 16 have submitted at least one report, the first audit is in progress in 2 states but neither has any audit taken place nor is it in progress in the remaining 14 States. The NPIU is alerted about Uttar Pradesh, where the audit needs to be commenced immediately.

Four out of 16 States have completed procurement audit reporting. The NPIU is requested to pay special attention to compliance with the POM pertaining to the States' accounting and assurance requirements.

The CAG has allowed expenditures in the amount of INR34.77 crores of the Ministry's total disbursal of INR414 crores for the period 2018-21 under the STRIVE Operation. Considering that approximately INR560 crores have been claimed against the IBRD loan of USD124 million as of August 1, 2022 and that the Project is currently scheduled to close in November 2022, the Mission continues to flag the risk that the GoI will need to refund the difference in amount of loan disbursed and audited expenditures calculated as on the current closing date of the Project.

*Accounting & Reporting:* Based on understanding the implications of the SNA Guidelines on program accounting arrangements under STRIVE, the original program accounting arrangements remain valid and are not altered in any way. The Bank of India (BOI) dashboard continues to have limited functionality and is expected to be re-aligned to meet the requirements of SNA by November 2022. NPIU continues to rely on follow-ups, videoconference, and face-to-face meetings with States for the purposes of program reporting.

The STRIVE Operation through the NPIU submits timely IUFRs. The IUFR for the period ended June 2022 is due by August 15, 2022.

*Transparency:* All audit reports of the Ministry are available online on the website of the STRIVE Operation. Eight out of 16 states have placed their audit reports in the public domain.

*Lessons learned:* Weekly catch-up calls by NPIU with select States have helped to ramp up on-the-ground progress and is translating into expenditures; thematic reviews by NPIU on each aspect of the

FM cycle is improving compliance; continuous capacity building of State officers to clarify way forward is assisting with greater oversight.

# INDIA: Skill Strengthening for Industrial Value Enhancement (STRIVE)

## Interim Joint Review Mission

July 28 and August 03-04, 2022

### Environment and Social Management Aspects

The Bank reviewed the progress of E&S during the mission and the period between the previous and this mission through site visits to sample States/ITIs (accompanied by NPIU and PMC E&S officers) and review of questionnaire-based information collected and reported (draft report) submitted by NPIU. Following are the observations based on the site visits to select ITIs and ICs in the states of Odisha, Maharashtra, Kerala, and Tamil Nadu.

### Key Observations

#### Tamil Nadu, Kerala

PAP Actions on Environment	Completion measurement (refer PAD)	Status during Site Visit
Robust environmental management system developed and functioning in ITIs	Designated nodal person on environmental and safety management at ITIs	Nodal E&S persons are appointed at all ITIs & IC visited
	OHS management during works, such as appropriate construction debris disposal, drainage along the ITI campus, hazardous waste management, sanitation, and water supply and monitor these.	OHS was managed to some extent using ESMP provided covering all these aspects Scrap and wastes were observed in some campuses, which need proper removal / auction or recycling/reuse of what can be reused. Circular economy concepts are largely followed as Government agencies collect and sell scraps, workshop wastes and e-wastes, but there is scope for improvement in case of solid and plastic wastes generated in campuses where there are canteen facilities. In Balanagar ITI, waste is sent to poultry & pig farms, saw dust is sent to Bangalore for recycling/reuse.  Drainage in ITIs need increased attention. Female toilets have incinerator and vending machines for sanitary pads, but in general maintenance and cleanliness is poor. There shall be dedicated training on these by NGOs. Disposal of incinerator Ash (though small quantities) is also important; depending on type of incinerators
	State level Nodal person for monitoring ITI's compliance	State Nodal person at SPIUs identified, but no direction from NPIU on monitoring or reporting except on filling the google form
	Adhere to national and state environmental regulations for OHS, Environmental Management	ITI/ICs are aware of these through trainings provided under the STRIVE program. Adheres to key regulations
	Water harvesting and conservation and water-saving systems should be in place.	Water harvesting and conservation, saving attempted through Rain Water Harvesting arrangements through CSR / other funds. Water coolers and purifiers are brought from STRIVE funds in some it is to ensure drinking water

<b>PAP Actions on Environment</b>	<b>Completion measurement (refer PAD)</b>	<b>Status during Site Visit</b>
Students aware of and practice good safety norms in ITI	Training to staff and students of each ITI on OHS and environment, including hazardous waste	OHS training is part of Curriculum (first Semester). Additional trainings are arranged through various state agencies on OHS, Environmental aspects as and when they offer such trainings – for example: Fire Safety Training by Fire Department, Department of Factories and Boilers etc. No 6 monthly repeater trainings ensured. Trainings are provided every six months and will benefit from a clearer schedule. Some ITIs have tie ups with industries who give refresher trainings.
	The PB Grant Agreement to include provisions to ensure that students use safety gear in workshop, are clearly communicated OHS measures, and use required measures in their day-to-day working	Grant agreement (ref: format in PIM) ensures provisions for use of safety equipment in workshop and day to day working. OHS measures communicated each semester as part of curriculum and strictly before the apprentices start for apprenticeship. However, use of appropriate safety gears is minimal.  Some ITIs improved OHS by purchase of safety equipment under STRIVE: safety glasses (welding), fire extinguishers
Apprenticeship enforces good OHS and waste management standards	Grant agreement on IAs to include provisions to ensure that apprentices are aware of and practice good OHS measures, and proper waste management systems in place and functional	Apprentices get more exposure to safety requirements/OHS at ICs. They are being made aware of these through dedicated training also before apprenticeship.  Apprentices also need to be instructed to use OHS gears, PPEs.  Waste management at shops (work areas) is defined and systematized, but solid waste management at campuses is poor in most cases and need training, awareness and periodic monitoring by SPIUs / NPIU

#### Some specific points related to the ITIs of Kerala and TN

- 1) ITIs are continuously in the pursuit of improving environmental aspects, as these are essential for overall better performance. This includes greening of campus / plantations, organized green clubs / eco clubs and various activities through them.
- 2) ITIs use CSR funds and other support to bring in required improvements. However, they need required funding support for many actions which are essential for overall environmental improvement
- 3) They have been made aware of environmental PAP actions, while preparing E&S Action Plan at the start of the program
- 4) OHS is part of curriculum and trainings (not periodic or organized) are provided by various agencies/departments. Safety gears are not used every time, and safe working are not fully practiced.
- 5) Grievance mechanisms are in place in all ITIs, some have systems such as QR Codes displayed on Notice Boards to register complaints. However, students are not well aware that they can also report on PHS through these systems.

- 6) Request for Clarifications / further support from ITIs/SPMU
- More guidance and handholding from NPIU on E&S.
  - SPIUs to be guided/instructed on E&S aspects continuously
  - Clarity on program funding support for E&S aspects

### Odisha and Maharashtra

Following are the social observations from the state's visit

PAP Actions on Social	Completion measurement (refer PAD)	Status during Site Visit
<b>Inclusion.</b> All ISPs to include a plan for inclusion of vulnerable groups	The ISPs to lay out strategies for enhancing inclusion: mobilization, placement, and apprenticeship opportunities for women, SCs, STs, OBCs, minorities, and persons with disabilities disclosed	<p>The institutions are taking actions for the inclusion of the disadvantaged, including females, like networking with NGOs for mobilization and visits by faculty to the nearby areas; however, these are not laid down in the ISPs. Further, in the absence of a baseline (status of inclusion parameters) at the program start and lack of monitoring by ITIs, SPIUs, and PMC, no reports indicate the trends (upward or downward).</p> <p>The institutions in Maharashtra could not furnish current placement data and lacked enrolment data.</p> <p>All the institutions visited have missed PWD student data. However, it appears that the PWD data are being collected as part of the MIS system. The data for the national level (200 ITIs) needs to be provided to the World Bank team.</p> <p>Though the institutions have social nodal officers, they lack exposure on STRIVE and social development aspects.</p>
<b>MIS.</b> Develop a system to disaggregate data pertaining to SCs, STs, OBCs, women, minorities, and persons with disabilities as part of tracer studies for ITI graduates to be implemented by states under the Program	ToRs for tracer studies to include requirement for disaggregation of data pertaining to SCs, STs, OBCs, women, minorities, and persons with disabilities	<p>None of the institutions could furnish disaggregated data, which is critical for social assessments and suggested as part of the Social Action Plan. It has been suggested that the institutions track gender and caste disaggregated data on a half-yearly basis. The NPIU has confirmed that the disaggregated data are being collected through MIS and that all the ITIs are submitting the data. The data for the national level (200 ITIs) needs to be provided to the World Bank team.</p> <p>Placement data are not generally tracked as part of the existing system since candidates may opt for job/ apprenticeship/ higher education after completion of their training. Also, since this is not a PAP action, no mechanism is in place for data collection. To introduce this, changes would be required in the MIS system. Appropriate budgetary allocation is</p>

PAP Actions on Social	Completion measurement (refer PAD)	Status during Site Visit
		<p>required, and agreement needs to be reached on this. The World Bank team acknowledges that though the aspect is not required as per the PAP, it would be advisable to collect the data on placements/jobs to meet/complete the requirements on inclusion.</p> <p>The World Bank team's guidance is that no changes are recommended in the existing MIS. The PMC could guide the institutions to collect the data at the institutional level and collate them at the national level through SPIUs. It has been agreed that a mutually acceptable and feasible way forward will be discussed and agreed to resolve the issues. The World Bank team will work with the NPIU/PMC further on this.</p>

#### Some specific points related to the ITIs of Odisha and Maharashtra

##### **Bhubaneswar ITI**

- 1) The ITI in Odisha (particularly Bhubaneswar) has better access to market knowledge reflected through its linkages with the state government's ongoing skill development programs (Odisha Skill Development and Odisha Millet Mission) and private sector/NGOs for students' mobilization and apprenticeships, such as Hamara Bachpan, FICCI FLO women group and CWIC (Odisha). Though this association is dated, STRIVE can benefit positively from it, and the results related to STRIVE's domain from these interventions must be documented.
- 2) One of the positive results of STRIVE is mandatory OJT for all the trades; initially, OJT was restricted to the food trade only.
- 3) The overall student placement rate for Bhubaneswar ITI was reported at 60%, though the disaggregated data was not available, critical from the inclusion and equity fronts.
- 4) The revised admission policy has had adverse implications on the female enrolment, which declined for 2021-22 with 31.5% female students - the enrolment rate for the previous year was not available.
- 5) The gendered dichotomy continues to surface in the sectors with zero or no female OJT positions in the electrician and fitter industries. This forces females (who may be interested in these courses) to opt for other classes/trades.
- 6) As large as 20-30% of student's dropouts from the courses owing to a lack of motivational issues, family and peer pressure, lack of orientation, and lack of knowledge.

##### **Berhampur ITI**

- 1) The institute is the oldest in the country and stands at 11th Rank (rating by the DGT).
- 2) One of the critical initiatives of the institute is skill gap minimization to sustain the industrial environment, which started in 2010. The analysis has positively benefited the student retention capacity at the campus and during OJT.
- 3) Another initiative of the institution is linkages with the service center (for the automobile sector) instead of industries for hands-on training for students.

- 4) Promoting entrepreneurship among female students in the electrical trade, the institution facilitates the production of LED bulbs by the students, which are sold in the nearby markets, and the profit is shared with the female students. As this is recently started, the details on the number of girls benefiting from this could not be assessed. As the disaggregated numbers were unavailable during the visit, it is difficult to evaluate what category of students needs extra support (financial support, academic support, counseling, etc.).
- 5) Since 2020, as part of STRIVE, placement week has been organized wherein multiple companies/industries are invited, and free placements talks by industry experts are held. As large as 20 companies (TATA consultancy, Hero Group, etc., are participating in placement week).
- 6) To promote female students in the technical trades, an MoU with TATA Aerospace Ltd., Hyderabad, has been signed, assuring 100% intake of mechanical trade girls in OJT/company placement. This is very encouraging, though STRIVE's contribution could not be assessed.
- 7) The institute has a reasonable GR system with GRM registers and a dedicated GRO. It is suggested that NPIU/PMC share the GR guidance with the institution for timely resolution and adequate documentation, including the grievance escalation process.
- 8) The infrastructure (soft services, such as clean women's rooms, functional incinerators, and ramps for PWDs) needs improvement.
- 9) Another area for improvement is the OHS practices followed by students and trainers in the labs, including ensuring the use of face glasses/shields, gloves, proper disposal of waste, etc.
- 10) The institution faces 15% dropouts each year. As the disaggregated numbers were unavailable during the visit, it is difficult to assess what category of students needs extra support (in terms of financial aid, academic support, counseling, etc.).

### **Pune and Mumbai**

- 1) The institutions lack a placement tracking mechanism and request guidance from DGT to strengthen and streamline placement tracking (standard template to be shared by DGT).
- 2) The institute in Pune has a robust four-tier GRM with an instructor responsible at the primary (first tier). At the second tier is the group instructor, whereas the vice-Principal and Principal ensure redressed grievances at the third and fourth tier, respectively. To further strengthen this, it is suggested that PMC/NPIU orient the institutions on the central GRM, particularly regarding the allowed timeframe and requirements for closing any complaints.
- 3) The institutions must advance their outreach strategy (ITI Pune initiated it post-COVID, and ITI Mumbai needs assistance in finetuning the outreach approach). The female enrolment rates stand at 13% and 11% for Pune and Mumbai, respectively, indicating insufficient intake). The numbers for pass-outs were not available.
- 4) As part of the faculty development initiative, ITI Mumbai has signed an MoU with L&T, which is tutoring and preparing master trainers. The training is available to only full-time staff, and six ToTs are ready. The institute proposes expanding the training to all 40 (full-time) faculty, who will train the visiting/part-time faculty/trainers. The master trainers would also orient students on the related trades.
- 5) ITIs in Maharashtra lack information on the OHS curriculum.

**Action Points for the Program** -The following are the key action points for STRIVE on E&S management

## **Overall**

### **1. Monitoring by SPIUs and NPIU and reporting on a timely manner**

- a) NPIU, with the support of the SPIU, to monitor & obtain the status of adherence to the ESMP and report through the progress reports covering:
  - Compliance to the National, State regulations on OHS (for the workers, students, teachers, and other staff in the ITI), appropriate construction debris disposal, drainage along the ITI campus, hazardous waste management, sanitation, and water supply. Monitoring & reporting should also cover if proper functional waste management (including circular economy) followed in all ICs/ ITIs.
  - Details on labor and student safety compliance, GBV prevention practices, advance notification, appropriate barricading, and GRM to the laborers.
- b) Compile and share monitoring report for newly added ICs in line with the reports for the initial 3 ICs.
- c) Plan and organize training for the SPIUs & it is, particularly those initiating civil works/renovations.

### **2. Capacity Building**

- a) To improve the performance and reporting of the ITIs and adequate supervision by the NPIU/PMC, the following is suggested:
  - Training on the national and state regulation on OHS to ITIs and SPIUs (currently, the awareness and level of understanding are poor) by the NPIU.
  - Onward sharing and ensuring the use of the compendium of all National Environmental Regulations (the Bank shared this compendium with NPIU & a presentation was also made by the Bank on regulations as part of more extensive training) by SPIUs and supervised by NPIU.
  - Separate workshops on OHS, ESMP, Waste Management, and National Regulations.
  - Capacity augmentation at the NPIU- an additional human resource to manage E&S (suggest - the TOR should be verified and approved by the Bank).

### **3. Review, analyze and confirm if all aspects of OHS are covered as part of the curriculum**

- a) OHS Curriculum is a mandatory part of the CTS trade curriculum. However, as required under PAP, there is no appreciation course every six months. Please have a system for appreciation course on this. Also, there is no confirmation if all aspects of OHS are covered in the curriculum.

### **4. Monitoring report**

- a) Submission of the E&S monitoring report with detailed information on the E&S PAP actions (please refer to the PAD/ESSA for details on PAP actions), disaggregated inclusion data (for all the participating ITIs), GRM, and compliance status (refer to the ESMP and earlier guidance on this), with the Bank for review. The monitoring report must also include a separate section on the tribal/LWE area interventions; some of the suggested categories are:
  - Specific interventions completed/ongoing for ST students by ITIs (as per the issues identified in the ESSA)
  - Trend analysis (reporting on the improvements, if any, in the enrolment, retention, transition to placements)
  - Details on the infrastructure available
  - Details of the safety practices followed during renovations (ESMP, GBV, GRM)

### **5. Support development of standard awareness material, posters**

- a) It will be a good practice to prepare standard awareness posters and use them for IEC in all ITIs/ICs (as these are different in different ITIs), and there is a scope for using posters in line with OSHA/IS/ILO/other standard requirements.

**Specific suggestions based on the ITIs and ICs visit:**

- a) Clarification on availability of Program funds for E&S aspects
  - Send clarification to all ITIs on the eligible expenditure, mainly for E&S pursuits and the type of activities that can be funded. For instance, if the program funds can be used for these activities enlisted in PAP, actions - water harvesting & water saving, drainage, waste management, training on hazardous wastes and safety / OHS, firefighting, other safety equipment, and providing PPEs.
- b) Occupational Health and safety
  - ITI at Tamil Nadu had an OHS cell sponsored by an industry, which can be made a 'light house' for all ITIs to follow. NPIU and SPIUs to organize safety training / OHS training for all ITIs in batches through various consultants and departments.
  - Practice of OHS measures including use of PPEs at ITIs and ICs need to be streamlined by SPIUs. They should be given a systematic training on OHS under the project as training as part of curriculum is not fully integrated into practice; and program shall support purchase of appropriate PPEs, fire safety and other gears (which are all available in GeM).
  - Training on OHS is provided at the beginning of the course, as it is part of the curriculum, and mostly when the students leave for apprenticeship. There is a need for a schedule for OHS training every 6 months for all batches. It will be good to have OHS cell or OHS 'bus' which can visit each ITI / IC and explain all aspects of OHS as is the case of some States.
  - Regular use of PPEs shall start from ITIs itself, so that tomorrow this is practiced by the ITI graduates, at all work areas thus changing our work safety culture. There shall be dedicated monitoring on this at ITIs and ICs through a special OHS squad.
  - Incident and Training registers shall be maintained at all it is and ICs. OHS squads and focal point shall be chosen and select / interested few shall be given training to immediately respond in case of emergencies at ITIs / ICs. This effort shall continue even beyond the project period
- c) Drainage and Solid waste Management
  - Drainage and solid waste management in campuses need increased attention and regular monitoring by SPIUs / NPIUs
  - Green cell/Eco cell shall also monitor overall waste management, cleanliness of toilets, drainage and sanitation, and take appropriate actions.
  - Training schedule on SWM, Hazardous Waste Management shall be arranged as currently awareness on these is minimal
- d) Document good practices
  - Some of the initiatives like linkages with 'Odisha Skill Development' 'Odisha Millet Mission' and improvements in the placements should be assessed and documented. Identify and document similar initiatives of other ITIs.
- e) Grievance mechanism
  - Organize training programs for ITIs (GROs) on central GRM structure and ways to improve and integrate institutions existing GR systems with the main.
  - GRM shall also cover OHS and this shall be communicated to all students and staff.

## INDIA: Skill Strengthening for Industrial Value Enhancement (STRIVE)

## Interim Joint Review Mission

July 28 and August 03-04, 2022

## Agreed Actions from previous missions

Table 1. Status of Agreed action item as per May 2022 Joint Review Mission

Activity	Agreed Actions	Responsible	Due Date	Status
1.	Share estimated DLI disbursements projections for the current project period as well as for the period for which extension has been requested to the DEA.	NPIU	June 30, 2022	Completed
2.	Share State, ITI and IC wise KPI achievement data with the Bank team.	NPIU	June 30, 2022	Completed
3.	Share steps and corresponding projected timelines for conducting a Tracer Study at the National level.	NPIU	June 30, 2022	Completed on August 30, 2022
4.	Share steps and corresponding projected timelines for preparation and approval of CITS/ CTS trades in a blended mode.	NPIU	June 30, 2022	Completed on July 15, 2022
<b>Financial Management</b>				
8a.	Align the FM arrangements of STRIVE on funds flow and accounting with SNA Guidelines.	All SPIUs	July 31, 2022	Substantially Completed
8b.	Complete institutionalization of internal audit arrangements at State level.	All SPIUs		Substantially Completed
8c.	Prepare reconciliation of SNA accounts for each spending agency to track expenditures of field agencies up to June 30, 2022.	All SPIUs		Dropped
8d.	Share requested data on funds flow, accounting internal and external auditors (to be discussed further with WB).	NPIU		Completed
9.	Revive the Bank of India Dashboard.	NPIU	November 30, 2022	To be carried forward
<b>Procurement</b>				
10.	Provide update of procurement meetings at state and sub-state level procuring entities to enhance achievement of Procurement PAP, provide monitoring and oversight over procurement portfolio under the Program, and as part of promoting good procurement practices	NPIU		In progress
11.	Integrate 'procurement complaint reporting formats' in the guidance note on GRM, and the reporting mechanism	NPIU	July 15, 2022	Completed
12.	Report on the status of Project procurement audit	NPIU	July 31, 2022	Completed
13.	Augment the procurement capacity at the PMC and NPIU to support procurement actions	NPIU	Completed in end-May 2022	Completed
<b>Environment &amp; Social Aspects</b>				
12.	Submit half-yearly training calendar (June - December 2022) on E&S aspects and initiate refresher/additional focused trainings on E&S aspects for low performing ITIs.	NPIU	June 30, 2022	Partially Complete
13.	Share details of Project ITIs from the LWE/Backward areas with key indicators – enrolment, OJT, apprenticeship, and placements.	NPIU and WB	August 1, 2022	Completed. The disaggregated data has been shared for

				enrolment. Data on OJT and placement are not collected as part of the existing MIS.
14.	Complete and share the E&S due diligence report(s) of all Government ITIs that have initiated minor civil works (aligned with the advisory on labour and GBV).	NPIU	June 30, 2022	Partially Complete
15.	Compile and share a report on (a) environmental and social aspects (including inclusion indicators) engrained in all relevant Result Areas.	NPIU	Bi-annual reporting. June 30, 2022	Not Achieved
16.	Document and disseminate best practices with regards to E&S in the form of reports, videos, pamphlets, or presentation by States/ ICs/ ITIs.	NPIU	Bi-annual reporting. July 15, 2022	Partially Complete

**Table 2. Status of Agreed action item as per October 2021 Joint Review Mission**

#	Agreed Actions	Resp.	Due Date	Comments
<b>Overall</b>				
1	Share State/ Society/ ITI/ IC wise funds flows including actual fund utilization.	NPIU	November 30, 2021	Completed
2	Share estimated DLI disbursements projections for the following scenarios: 12 months and for 18 months extension.	NPIU	November 30, 2021	Completed
3	Share a fund utilization/ expenditure projection for the remaining project period for the following scenarios: no extension, 12-months extension and, 18 months extension; with the World Bank	NPIU	November 30, 2021	Completed
4	Conduct Fiduciary Management workshops to build fund utilization capacities with all downstream implementing agencies (34 States/ 426 ITIs/ 33 ICs)	NPIU	December 31, 2021	Completed
5	Share updated State/Society/ITI/IC wise fund flow and utilization report.	NPIU	December 31, 2021	Completed
6	Achieve \$15 million utilization of the program fund by the downstream implementing agencies (State, 426 ITIs, and ICs)	NPIU	December 31, 2021	Completed
7	Letter of request for project extension to the DEA.	MSDE/NPIU	December 31, 2021	Completed
8	Submit IVA verification reports for the following DLRs: 2019-20 DLI 1 (ii), 2020-21 DLI 2 (I), 2020-21 DLI 5 (I), 2020-21 DLI 6 (I) & (ii)	NPIU	December 31, 2021	Partially Complete. Only DLI 1 is pending
9	Achieve \$30 million utilization of the program fund by the downstream implementing agencies (State, 426 ITIs, and ICs)	NPIU	March 31, 2022	Completed
10	Achieve \$60 million utilization of the program fund by the downstream implementing agencies (State, 426 ITIs, and ICs)	NPIU	June 30, 2022	In Progress
<b>Result Area 1: Improved Performance of Industrial Training Institutes</b>				
11	Share ITI wise KPI achievement and fund flow/utilization data with the Bank team	NPIU	November 30, 2021	Completed

12	Share an updated implementation plan for the PMKVY3.0 with a revised target beyond 20K trainees.	NPIU	November 30, 2021	Completed
13	Organizing geography-based workshops between ITIs and SSCs to explore opportunities for increasing short term programs in ITI	NPIU	November 30, 2021	Completed
14	Support ITIs on arranging training material on specialized activities such as refrigerant management, equipment maintenance, working in laboratories etc.	NPIU	November 30, 2021	Completed
15	Complete collection of data for enrolments and pass out from States/ ITIs for measuring progress towards achievement of DLI 1 and IR Indicator 1.1	NPIU	December 31, 2021	Data Collection in process
16	Provide procurement and financial management workshops to 426 ITIs and States to enhance expenditure and submission of UCs	NPIU	December 31, 2021	Completed, providing that data on number of workshops organized on procurement are provided to the Bank team
17	Organize additional focused capacity building for low performing ITIs	NPIU	January 31, 2022	Completed
18	Complete procurement of firm for National level tracer study	NPIU	March 31, 2022	Pending
20	Achieve 50% utilization of the 1 <sup>st</sup> tranche fund by 426 ITIs	NPIU	March 31, 2022	In Progress, data is pending.
<b>Result Area 2: Increased capacities of State Governments</b>				
21	Share State-wise KPI achievement and fund transfer/utilization data with the Bank team	NPIU	October 31, 2021	Completed
22	Organize technical workshops to participating States in conducting of tracer studies and preparation of Career progression plan as per model guidelines.	NPIU	Ongoing	Completed
23	Organize additional focused capacity building for slow fund utilizing States	NPIU	December 31, 2021	Completed
24	Disburse next tranche of funds to states upon meeting of agreed KPIs and corresponding UCs	NPIU	January 31, 2022	This process is being followed
25	Achieve 50% utilization of the 1 <sup>st</sup> tranche fund by the participating States	NPIU	March 31, 2022	In Progress, data is pending.
<b>Result Area 3: Improved teaching and learning capabilities</b>				
26	Completion of RFP process for final selection of agency and award of contract	NPIU	December 31, 2021	Delayed. RFP process underway by NIMI, likely to be completed by October 22
27	Finalization of textbooks developed by NIMI for selected CITS courses	NPIU/ NIMI	April 30, 2022	In Progress. Delayed due to change in MSDE/ DGT policy framework

				related to curriculum.
<b>Result Area 4 : Improved and broadened apprenticeship training</b>				
28	Follow-up with States to ensure that advance funds are disbursed to all participating ICs.	NPIU	December 31, 2022	Completed
29	Organize capacity building workshops towards strengthening capacity of SAMCs and Industry Clusters for implementing the IAI grant mechanism scheme and KPIs	NPIU	January 31, 2022	Completed
<b>Project Management and Technical Assistance</b>				
30	Hire more assistants at PMC to support procurement actions	NPIU	November 30, 2021	Ministry's decision is to continue with existing PMU strength & 1 dedicated Deputy Director for oversight of procurement related activities.
<b>Procurement and Financial Management</b>				
31	Share requested data on internal auditors	NPIU	November 30, 2021	Complete
32	Conduct meeting with states/sub-state level procuring entities, and provide update on integration of procurement audit into audit reports	NPIU	November 30, 2021	Complete
33	Firm up TA utilization plan for USD 1.40 million	NPIU	November 30, 2021	Pending
34	Propose methodology for implementation and measurement of PAP related to publication of annual procurement plan to the satisfaction of the Bank	NPIU	November 7, 2021	Completed
35	Report back on requirement of augmenting existing procurement capacity at the NPIU, MSDE to discharge responsibilities in a satisfactory manner	NPIU	November 30, 2021	Ministry's decision is to continue with existing PMU strength & 1 dedicated Deputy Director for oversight of procurement related activities.
36	Complete institutionalization of Internal and External audit arrangements at State level	NPIU	December 15, 2021	Completed for 28 States, rest are under process
37	Report back on integrating procurement complaint reporting formats in guidance note on GRM	NPIU	December 15, 2021	Completed
38	Provide first quarterly progress report on procurement implementation in formats agreed with the Bank, in a manner acceptable to the Bank	NPIU	December 15, 2021	Completed

39	Align the FM arrangements of STRIVE on budgeting, funds flow, expenditure and accounting with SNA Guidelines	NPIU	December 31, 2021	Substantially Completed. Pending data from Madhya Pradesh State. However, confirmed on August 30, 2022 that it has been completed. The NPIU to validate and share with the World Bank team.
<b>Environmental and Social Aspects</b>				
40	Submit half-yearly training calendar on E&S aspects and initiate regional workshops (hybrid) on E&S aspects.	NPIU	November 30, 2021	Completed
41	Develop a TA action/activity for the tribal area (Schedule V and Schedule VI).	NPIU	November 30, 2021	Agreed that a consultant will be hired by the World Bank to conduct the study
42	Conduct an online survey on the ease of access to the GRM system.	NPIU	December 20, 2021	Raw data and report was shared with the Bank
43	Conduct safeguard due diligence of all Government ITIs that have initiated civil works (aligned with the advisory on labor and GBV).	NPIU	October 31, 2021	Incomplete. Action item to be revised based on upcoming E&S visits to ITIs from the Bank's side.
44	Compile the status of (a) environmental and social aspects (including inclusion indicators) engrained in all relevant Result Areas and (b) OHS included in the curricula and provide support to bridge the gaps, if any.	NPIU	December 31, 2021	In Progress
45	Document and disseminate best practices with regards to E&S in the form of reports, videos, pamphlets or presentation by States/ ICs/ ITIs.	NPIU	December 31, 2021	In Progress

**Program Action Plan as at August 2022**

#	Action Description	DLI*	Covenant*	Due Date	Responsible Party	Completion Measurement**	Status
Program Related							
1	PMC in place	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Within one year of effectiveness	MSDE	Award of consultancy contract	<input type="checkbox"/> Met
2	OM, including ITI PB Grant Agreement Scheme Guidelines, State Performance- Based Funding Scheme Guidelines, and IAI Grant Mechanism Guidelines, completed	<input checked="" type="checkbox"/>	<input type="checkbox"/>	April 30, 2017	MSDE	—	<input type="checkbox"/> Met
Procurement Arrangements							
3	Functional procurement complaint handling and redressal mechanism	<input type="checkbox"/>	<input type="checkbox"/>	Within one year of effectiveness	MSDE	Availability on project website and reports generated from the system	<input type="checkbox"/> Met
4	Preparing and publishing Annual Procurement Plans on project website	<input type="checkbox"/>	<input type="checkbox"/>	Throughout Program implementation	ITI, State Directorates, MSDE	Year 2: 20% of target achieved Year 4: Another 40% of target achieved	<input type="checkbox"/> Met
Social and Environmental Related							
5	Inclusion. All ISPs to include a plan for inclusion of vulnerable groups	<input type="checkbox"/>	<input type="checkbox"/>	As part of the PB Grant Agreement to be signed with the ITIs	ITIs, State Directorates, MSDE	The ISPs to lay out strategies for enhancing inclusion: mobilization, placement, and apprenticeship opportunities for women, SCs, STs, OBCs, minorities, and persons with disabilities disclosed	<input type="checkbox"/> Met
6	Gender. Study to understand the demand- and supply- side constraints for women to enter skills training and subsequently transition into the labor market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Within a year of effectiveness	MSDE	Study completed and shared with the World Bank	<input type="checkbox"/> Met

7	MIS. Develop a system to disaggregate data pertaining to SCs, STs, OBCs, women, minorities, and persons with disabilities as part of tracer studies for ITI graduates to be implemented by states under the Program	<input type="checkbox"/>	<input type="checkbox"/>	Ongoing	State Directorates, MSDE	ToRs for tracer studies to include requirement for disaggregation of data pertaining to SCs, STs, OBCs, women, minorities, and persons with disabilities	<input type="checkbox"/> Ongoing
8	Robust environmental management system developed and functioning in ITIs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Within 6 months of signing of the PB Grant Agreement with ITIs	State Directorates, ITIs	Each ITI should have a designated nodal person on environmental and safety management who would be responsible to undertake following broad environmental management in respective ITI. These include onsite construction management covering the aspects of OHS of the workers students, teachers, and other staff in the ITI, such as appropriate construction debris disposal, drainage along the ITI campus, hazardous waste management, sanitation, and water supply and taking due care to monitor these aspects. A nodal person shall also be designated at the Directorate level for environmental monitoring to ensure compliance to system established in each ITI. Existing national and state environmental regulations for OHS management along with environmental management of the above aspects is to be adhered to. Water harvesting and conservation and water-saving systems should be in place.	<input type="checkbox"/> Met (and continues till the end of the program)

<b>9</b>	Students aware of and practice good safety norms in ITI	<input type="checkbox"/>	<input type="checkbox"/>	Start with first semester of each course, and repeat appreciation course every 6 months	State Directorates, ITIs	Training to staff and students of each ITI on OHS and environment, including hazardous waste, completed. The PB Grant Agreement to include provisions to ensure that students use safety gear in workshop, are clearly communicated OHS measures, and use required measures in their day-to-day working	<input type="checkbox"/> Met (and continues till the end of the program)
<b>10</b>	Apprenticeship enforce good OHS and waste management standards	<input type="checkbox"/>	<input type="checkbox"/>	Beginning of apprenticeship and repeat every 6 months	ICs	Grant agreement on IAIs to include provisions to ensure that apprentices are aware of and practice good OHS measures, and proper waste management systems in place and functional	<input type="checkbox"/> Met (and continues till the end of the program)