

Draft description of a Competitive Grant Facility for Work Force Development

Introduction

In December 2011, MCC selected Georgia as eligible to develop a second MCC five-year compact to promote sustainable economic growth and poverty reduction. As part of the compact development process, the Government of Georgia (GoG) identified a need to improve the quality of human capital, particularly to address a shortage of skilled technicians and professionals in key economic sectors as a constraint to the country's continued growth. The GoG then proposed a compact program to address this constraint, including professional education or technical/vocational education and training (TVET).

A number of recent reports have highlighted the mismatch between the skills available in the Georgian labor market and the skills needed by industry. These reports emphasize the need to develop quality job skills in order to meet the needs of industry and business. This research indicates a priority to develop level IV and V job skills, especially in the broad areas of construction, transport, information technologies, and agriculture (including but not limited to primary production, processing, value adding). While the activities proposed for the TVET project of the compact program will emphasize job skills at levels IV and V, there also are needs to develop short-term training programs at levels I to III as well as continuous education and re-training opportunities.

Recent studies also show that, although existing TVET programs – particularly at levels I to III – provide opportunities to socially vulnerable¹ students, they also exhibit sizeable gender imbalance in program enrollments and returns to training. In particular, a smaller share of women than men enroll in some types of professional skills/TVET programs. For levels IV and V, attention will need to be paid to ensuring the equitable participation of students from socially vulnerable and/or language minority groups.

Objective of these consultations:

These consultations are intended to inform the design of the proposed TVET project in the compact. It is an opportunity to gather ideas on the types and scale of programs/practices that might be funded as part of the proposed compact. Using information from these consultations, MCC and MCA-Georgia² (MCA-G) will design a competitive grant facility as part of the proposed compact. Following approval and signature of the proposed compact, MCA-G will finalize the documentation for the competitive grant facility and commence the process of calling for proposals for programs/practices to be funded as part of the proposed compact.

Competitive Grant Facility

The Government of Georgia and MCC are contemplating that the proposed compact will include a competitive grant facility of approximately USD \$12- 15 million to co-finance investments in industry-led skills and workforce development programs. The facility will consist of two components as described below. In order to achieve substantial impact and reach broad

¹ As defined by the Government of Georgia.

² MCA-Georgia is a special purpose entity established by the GoG to manage the implementation of the Compact program.

beneficiaries, a range of proposals, including those requiring considerable financial support and those requiring relatively less financial support, are acceptable.

Component 1 – Course-related Program Development Grants: Grants will be provided to existing organizations to either establish new course programs or to upgrade or expand their current programs; the focus will be on training in the areas where providers can demonstrate a strong demand in the market. Selected programs may receive technical assistance to support effective implementation. Possible types of investments include: facility improvement; equipment; teacher professional development; curricula development; twinning with a foreign provider; or other technical assistance. As part of proposals, or as a form of technical assistance, twinning relationships with foreign providers are encouraged. Course-related Program Development Grants may range between USD \$500,000 - \$3 million. Recipients would be expected to document and disseminate the project and lessons learned. They will also be expected to participate in any seminars or conferences arranged to share experiences.

Component 2 – Best Practice Grants: Best Practice Grants will identify and support existing or promising provider procedures, operations, and other best practices not directly related to new course program development. Examples of best practices could include the use of industry discipline-based advisory boards, development or expansion of the use of competency-based training (CBT) curricula, the availability of career advice services or incentives that promote gender and social equity in program participation and job placement, the use of industry specialists as practical skills teachers, outreach and support activities that promote access for disadvantaged groups. Best Practice Grants would support TVET provider best practice and would fund the documentation and dissemination of the identified best practice. Best Practice Grants may range between USD \$100,000 - \$400,000.

Who should be involved?

The project will be open to any government agency, public or private company or corporation, professional association, TVET college or university, NGO, or other legal entity active or planning to be active in Georgia in the provision of professional/technical training and education. The training programs should result in professional certificates, diplomas or otherwise measurable skills that allow trainees/graduates to respond to job-market demands – key criteria include number of employed beneficiaries and increased incomes of beneficiaries. Internal programs limited to corporate employees are not eligible.

Training providers (public and private), and businesses may suggest ideas for either:

- 1) creating new program offerings or upgrading or expanding existing programs; or
- 2) sharing best practice in delivering professional education/TVET.

Registration, Questions/Clarifications, and Submission

- All interested respondents should register their interest with an email to call@mcageorgia.ge
- Questions and clarifications should be provided in writing via email to call@mcageorgia.ge

Note:

All participants are advised that nothing contained in this draft document is intended to be construed as creating an obligation or committing MCC, MCA-G, the Government of Georgia or the Government of the United States to provide funding or assistance in relation to the proposed activities or any individual activity. The compact is subject to negotiation, approval, and signing between the Government of Georgia and the Government of the United States.