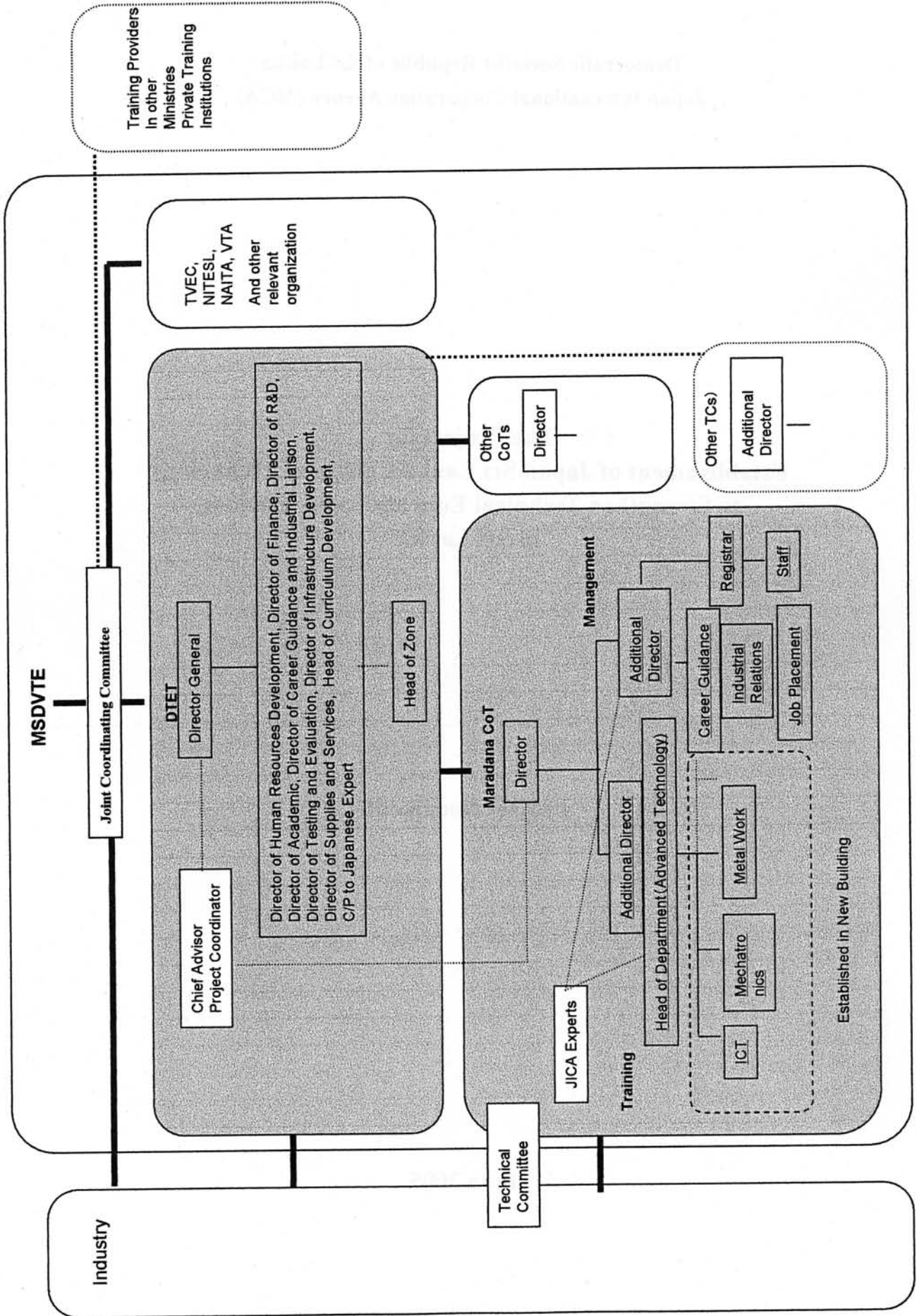


Plan of Operation (PO)

Activities	Targets													
	2005		2006		2007		2008		2009		2010			
	7	10	1	4	7	10	1	4	7	10	1	4	7	10
1. NVQ level 5&6 model training courses are introduced and conducted effectively in Maradana COT in the fields of Information and Communication Technology, Mechatronics and Metal Work.														
1-1. Develop syllabi and teaching materials for the model courses are developed.														
1-2. Install equipment for the courses														
1-3. Establish training infrastructure for the courses														
1-4. Update teaching staff's technical skill and teaching method for the courses.														
1-5. Formulate weekly and monthly training schedule along with the time tables to allocate teaching staff, equipment, and class rooms.														
1-6. Formulate list of training tools and equipment necessary for practical training														
1-7. Conduct courses														
1-8. Monitor the courses periodically														
2. DTET establishes a system for the training courses to fulfill industry's needs.														
2-1. Formulate functional Technical Committee for each model course to establish collaborative relationships between COT and industry														
2-2. Promote in-plant training of the model courses by enhancing industrial relationship.														
2-3. Enhance public relations of Maradana COT, including frequent implementation of short-term courses on model courses, periodical industrial placements by teaching staff, etc.														
3. Management capacity of DTET on training delivery is improved.														
3-1. Enhance capacity of DTET to conduct effective career guidance and counseling, including:														
• Base-line survey on present situation of career guidance in Maradana COT														
• Introduce a system to collect and update labor market information for the students in Maradana COT.														
• Provide advice to the career guidance officers of Maradana COT in the fields of; effective and continuous implementation of counseling and career guidance, communication with industry, etc.														

<p>3-2. Rationalize selection criteria of Maradana COT, including introduction of aptitude tests.</p>	<p>Aptitude tests are introduced for the selection of model courses students.</p>	
<p>3-3. Support preparation for part-time diploma courses in Maradana COT for those who are working in industry and who have completed NVQ level 4.</p>	<p>Part-time diploma courses are prepared.</p>	
<p>3-4. Conduct periodical studies at Maradana COT to ensure the relevance of the quality and level of the training, including:</p> <ul style="list-style-type: none"> A survey on employment status of the passed-out students. Evaluation of the training courses with the participation of the students A survey on quality and skill level of the passed out students by inquiring industries they are working for. 	<p>Tracer study of passed-out students is conducted. Course evaluation by the students is introduced. Satisfaction survey on the quality of the students is conducted.</p>	
<p>3-5. Improve training materials including:</p> <ul style="list-style-type: none"> Student handbooks Audio-visual teaching tools Teachers' guide, etc. 	<p>Student handbooks are produced, distributed and utilized in classrooms. OHP Sheets are produced, distributed and utilized in classrooms. Teachers' guides are produced, distributed and utilized by teaching staff.</p>	
<p>3-6. Conduct and expand National Skill Competitions annually.</p>	<p>National Skill Competitions are conducted annually.</p>	
<p>4. Accumulated know-how in Maradana COT is shared among the TC/COT, in the field of preparation of NVQ level 5&6 courses and improved methods on training delivery.</p>	<p>Additional NVQ level 5&6 courses are prepared in Maradana COT.</p>	
<p>4-1. Support formulation of additional NVQ level 5&6 courses in Maradana COT with the initiative of DTET.</p>	<p>Improved management skills successfully tested in Maradana COT is shared among TC/COT responsible and tried in other TC/COTs. Formulation of training courses of NVQ level 5&6</p>	
<p>4-2. Disseminate improved management skills to other TC/COT, in the fields of;</p> <ul style="list-style-type: none"> Formulation of training courses of NVQ level 5&6 Industry collaboration Career guidance/counseling Selection criteria Formulation of part-time diploma courses Studies to ensure the relevance of the courses 	<p>Industry collaboration Career guidance/counseling Selection criteria Part-time diploma courses Studies to ensure the relevance of the courses</p>	
<p>4-3. Improve technical skills of the instructors engaging in teaching of similar subjects to the model courses.</p>	<p>Technical skills of teaching staff in other TCs are improved by the implementation of short-time courses.</p>	

ORGANIZATIONAL CHART



**Democratic Socialist Republic of Sri Lanka
Japan International Cooperation Agency (JICA)**

**The Project for
Establishment of Japan Sri Lanka College of Technology
to Strengthen Technical Education and Training
in Sri Lanka**

Project Document

June 2005

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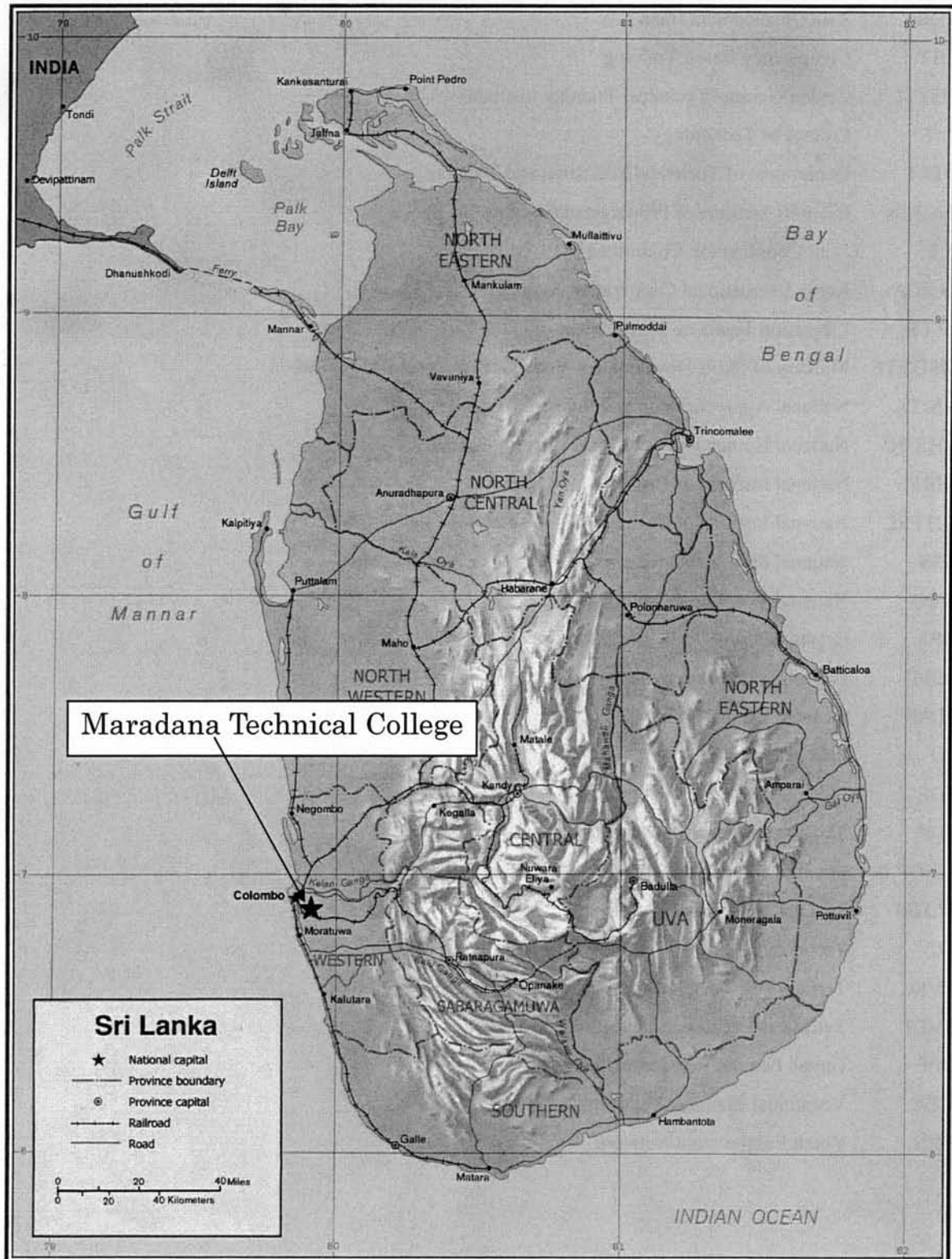
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Base 802514 6-00

Abbreviations and Acronyms

ADB	Asia Development Bank
CBT	Competency Based Training
CGTTI	Ceylon German Technical Training Institute
CoT	College of Technology
DTET	Department of Technical Education and Training
INGRIN	INGRIN Institute of Printing and Graphics Sri Lanka
JCC	Joint Coordination Committee
KOICA	Korea International Cooperation Agency
LTTE	Liberation Tigers of Tamil Ealam
MSDVTE	Ministry of Skills Development Vocational & Technical Education
NAITA	National Apprenticeship and Industrial Training Authority
NHRDC	National Human Resource Development Council
NIBM	National Institute of Business Management
NITESL	National Institute of Technical Education of Sri Lanka
NSS	National Skill Standards
NVQ	National Vocational Qualification
OPA	Organization of Professional Associations
PCM	Project Cycle Management
PDM	Project Design Matrix
PO	Plan of Operation
SDF	Skills Development Fund Ltd.
SDP	Skill Development Programme
SIROP II	Small Scale Rehabilitation and Upgrading Project II
SLMM	Sri Lanka Monitoring Mission
TC	Technical College
TVEC	Tertiary and Vocational Education Commission
TVET	Technical Vocational Education and Training
UPFA	United Peoples Freedom Alliance
VTA	Vocational Training Authority
YEN	Youth Employment Network

1. Introduction

The Government of Democratic Socialist Republic of Sri Lanka (hereafter referred as Sri Lanka) places a high priority on human resources and skills development in their economic policy framework, “Creating our future, building our nation” which has been formulated by the Sri Lankan Government in July 2004. The Department of Technical Education and Training (DTET), in the Ministry of Skills Development, Vocational and Technical Education (MSDVTE), is the key organization as a training provider, responsible for the management of thirty six (36) Technical Colleges in the country. DTET introduced a new strategy to improve the quality of trained personnel in order to match the industrial needs in Sri Lanka by upgrading nine existing Technical Colleges (TCs), to Colleges of Technologies (CoTs). CoTs will be responsible for training middle level technicians and offer a diploma course. In accordance with this strategy, MSDVTE made a request in July 2004 to the Government of Japan to implement a Project for establishment of a model CoT and to contribute to the reform of technical vocational education and training (TVET) in Sri Lanka.

In response, JICA (Japan International Cooperation Agency) dispatched a Technical Study Team, from September to October 2004, to confirm a framework of the Project, and to conduct a survey on employment trends and the TVET system in the country. As a result, the Japanese Government has decided to cooperate with Sri Lankan Government to implement the Project.

The Preparatory Study Team was dispatched in February 2005, to confirm the scope of cooperation, relevance of the Project, and the operation plan. In addition to the series of discussions conducted between JICA and the relevant institutions of Sri Lanka, mainly MSDVTE and DTET, a Project Cycle Management (PCM) workshop was held with key stakeholders to formulate the Project Design Matrix (PDM) of the Project.

This document has been prepared based on the results of the above discussions and PCM workshops held in the Preparatory Study. It has the following descriptions: Chapter 2 explains the socio-economic situations of the country, description of the TVET sector to explain the background of the Project and reasons why JICA needs to assist in this subject; and Chapter 3 describes the institutional framework of the TVET sector of the country, and problems and issues of the sector. The Project strategies and framework are detailed out in Chapter 4 and 5, respectively. The results of the Project ex-ante evaluation conducted with respect of the five evaluation criteria are described in Chapter 6. Finally, the basic methods of monitoring and evaluation of the Project is explained in Chapter 7.

2. Background Information

2-1. Socio-Economic Situations of the Country

2-1-1. Geography, demography and social issues

Sri Lanka is located at 6°-10° North Latitude and 80°-82° East Longitude, and has the land area of 65,552 Sq. Km. Its total population is 19.043 million with 9.707 million females and 9.336 million males. It is a multi ethnic country with 74% Sinhala, 18% Tamil, 7% Moors (Muslim) and 1% Other. The main religions of the people are, 69% Buddhism, 15% Hinduism, 8% Christianity and 7% Islam.

The social index of Sri Lanka is rather high as compared to other South Asian countries. The government is granting free education and health services which have contributed

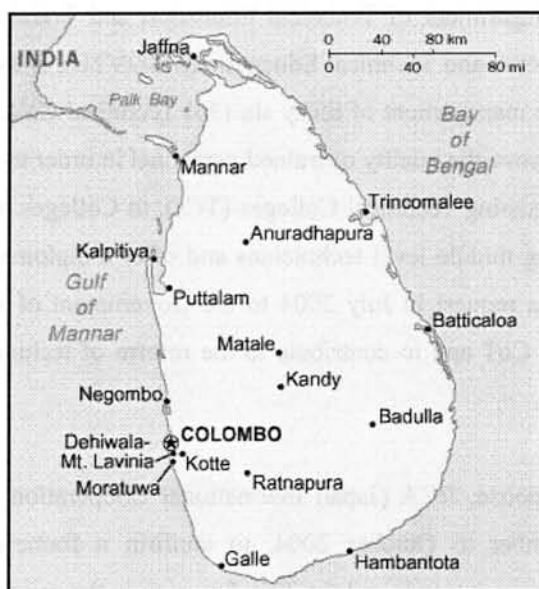
to the improvement of the educational and demographic indicators. However, slow progress of poverty eradication, unemployment, malnutrition among the younger generation, ageing society and increase of adult diseases are some of the serious social problems in Sri Lanka. Some of the important social indices of the country are given below:

Table 1 Some important social indices of Sri Lanka

Items	Figure
Life Expectancy at birth (years), 2000	72.1
Adult literacy rate (% age 15 and above), 2000	91.6
Total fertility rate (per woman) 2002 provisional	1.9
Children under weight for age (% under age 5), 1995-2000	33
Infants with low birth-weight (%), 1995-2000	17
Infant mortality rate (per 1000 live births), 2002 provisional	10
Maternal mortality ratio reported (per 100,000 live births), 1985-99	60

(Source: Human Development Index, UNDP, 2002 and Sri Lanka Statistical data sheet, year 2003, Dep. of Census and Statistics, Sri Lanka)

The world's fifth-largest earthquake hit Southern Asia on 26th December 2004 unleashing a tsunami and crashed into Sri Lanka, too. It caused unprecedented scale of disaster to the country as it was reported at the time of 25th January 2005 that 30,957 were died, 202,742 families were affected, 79,791 families were displaced and 5,644 people are still missing.



2-1-2. Economy

The major industries of Sri Lanka are traditional agriculture of tea, rubber and coconuts, and manufacturing of garment and textiles. The GDP per capita at current market prices is US\$931 for 2003.

The government introduced Structuring Reform from 1983 with the support of World Bank and IMF. The economy has gradually improved since 1991, despite serious pressure to increase defence expenditures. The economic performance of the country recorded a growth rate of 5.9% in GDP at constant (1998) prices in 2003 against the growth rate of 4.0% recorded for the year 2002. This is a remarkable economic performance when compared to that of the last four years. The inflation rate based on GDP Implicit Deflator indicated 5.1% for the year 2003, showing a significant decline when compared to the inflation rate of 8.1% recorded for the year 2002.

This remarkable economic performance for the year 2003 was achieved due to the following main reasons:

- (1) Favourable weather condition prevailed during the year 2003.
- (2) Water levels of hydropower reservoirs increased due to better rainfall resulting to increase generation of hydropower while steps were also taken to increase the capacity of generating thermal power, which helped to discontinue with power cuts and the continuous power supply given from May 2002.
- (3) Continuation of peaceful environment created by the Cease Fire Agreement.
- (4) Better external trade and economic performance created by the satisfactory economic situation performance experienced in the countries like the US, Japan and some European countries.

2-1-3. Conflict and peace process

There had been conflicts between the Sri Lankan Government and the Liberation Tigers of Tamil Eelam (LTTE) for a period of more than 20 years. In February 2002, both parties signed the Cease Fire Agreement with the assistance of the Norwegian mediation. The Peace talks had been held six times from September 2002 to March 2003. However in April 2003, the LTTE postponed the peace talks since they were unsatisfied with the performance of the Sri Lankan Government towards the peace process. Even after that, both parties had made efforts to progress the peace process by submitting their own proposals for Interim Administration.

As the result of the General Election held in April 2003, UPFA (United People's Freedom Alliance) defeated the UNP (United National Party). Even after this political change, the peace talks had not resumed yet, due to the discrepancy between the new government and LTTE over the priority of the agendas of the peace talks. An interim division within the LTTE has also delayed the resumption of the peace talks.

2-2. Description of the Sector

2-2-1. Labour force and employment

For the past ten years, the primary sector, including “Agriculture, hunting, forestry and fishing,” has remained the main sector for employment in the country. However, a downward trend in the agriculture group continues to decline from 46.8 % in 1990 to 32.6% in 2001. On the other hand, “Community, social and personal service” has increased from 15.7% in 1990 to 18.5% in 2001. Similarly, the percentage share of the “Wholesales and retail trade”, “Construction” and “Manufacturing” sectors has increased from 9.6%, 3.9% and 13.3% in 1990 to 13.0%, 5.2% and 17.0% in 2001 respectively (See table 2).

Table 2. Percentage distribution of employed population by major industrial group based on the quarterly Labour Force survey – 1990 to 2001

Year	Total	Major Industry Group					
		Agriculture, hunting, forestry and fishing	Manufacturing	Construction	Wholesales and retail trade	Community, social and personal service	Other
1990	100.0	46.8	13.3	3.9	9.6	15.7	10.7
1991	100.0	42.5	15.0	4.7	10.7	14.8	12.3
1992	100.0	42.1	13.1	4.8	11.3	16.9	11.8
1993	100.0	41.5	13.2	4.4	11.1	17.5	12.3
1994	100.0	39.5	14.3	4.1	12.2	18.1	11.8
1995	100.0	36.7	14.7	5.3	12.2	17.3	13.8
1996	100.0	34.4	14.6	5.4	12.0	18.2	15.4
1997	100.0	36.2	16.4	5.6	12.4	17.3	12.1
1998	100.0	40.6	14.3	4.9	11.6	17.2	11.9
1999	100.0	36.3	14.8	5.3	12.1	18.4	13.4
2000	100.0	36.0	16.6	5.5	12.7	17.5	11.7
2001	100.0	32.6	17.0	5.2	13.0	18.5	13.7

(Source: Employment and unemployment in Sri Lanka – Trends, Issues and options, Dep. of Census and Statistics, 2004)

Table 3 shows that the employment rate has gradually decreased in last 10 years, however slightly increased in 2001 onwards. The table also shows that over the last 10 years the unemployment rate is highest among the youth in the age group of 15-19. However, it should be noted that this is mainly due to the fact that only a smaller number of people in this age group are employed, and therefore the total number of people in the labour force is small in this group, which is the denominator used in calculating the unemployment rate. In fact, the age group, which is worst affected, is 20-24, as this is the age where many people enter the labour force.

Table 3 Unemployment rate by age 1990-2003

Year	Unemployment rate	15-19	20-29	(15-29)	30-39	40-49	50+	Total
1990	15.9	40.1	30.3	70.4	8.4	4.0	2.1	100.0
1991	14.7	37.6	27.5	65.1	9.1	3.6	1.0	100.0
1992	14.6	39.1	27.5	66.6	7.8	3.5	1.4	100.0
1993	13.8	38.4	25.2	63.6	8.4	3.3	1.5	100.0
1994	13.1	40.7	24.5	65.2	7.6	2.5	1.2	100.0
1995	12.3	60.5	31.7	92.2	8.0	2.9	0.4	100.0
1996	11.3	36.5	22.0	58.5	6.0	1.9	0.5	100.0
1997	10.5	34.0	21.9	55.9	5.2	1.7	0.6	100.0
1998	9.2	27.3	19.3	46.6	4.9	2.0	0.7	100.0
1999	8.9	28.4	18.9	47.3	4.4	1.6	1.0	100.0
2000	7.6	23.4	17.4	40.8	3.6	1.4	0.8	100.0
2001	7.9	29.8	18.4	48.2	3.4	1.4	0.5	100.0
2002	8.8	30.1	20.1	50.2	4.0	1.5	0.8	100.0
*2003 first quarter	9.2	n/a	n/a	n/a	n/a	n/a	n/a	-

(Source: Employment and unemployment in Sri Lanka – Trends, Issues and options, Dep. of Census and Statistics, 2004)

Table 4 shows that unemployment rates are higher among those who have higher education level, especially those with G.C.E (General Certificate of Education) – A Level and university education. However, table 4 also illustrates that around 40% of the unemployed population have attained education between grades 5 to 10 (table 5). As such, unemployment is not only a serious problem for those who have higher educational qualifications, but also for those who have lower level educational qualifications.

Table 4 Unemployment rate by level of education – 1990 to 2002

Year	Unemployment rate	No schooling	Grade 0-4	Grade 5-10	G.C.E. O/L	G.C.E.A/L & above
1990	15.9	3.3	5.1	17.2	23.9	29.4
1991	14.7	3.9	4.9	14.9	25.0	24.6
1992	14.6	3.0	4.7	15.9	22.2	22.4
1993	13.8	3.1	4.9	13.7	21.3	23.3
1994	13.1	2.6	5.0	13.0	19.6	23.7
1995	12.3	1.8	3.1	14.7	18.4	23.4
1996	11.3	2.8	3.2	12.2	16.5	19.2
1997	10.5	2.0	2.4	10.6	15.9	19.3
1998	9.2	1.0	2.4	9.0	13.7	17.5
1999	8.9	0.4	1.9	8.2	13.6	17.9
2000	7.6	1.2	1.0	7.5	11.3	14.9
2001	7.9	0.5	1.5	7.1	11.8	15.3
2002	8.8	1.0	2.0	7.9	13.3	16.8

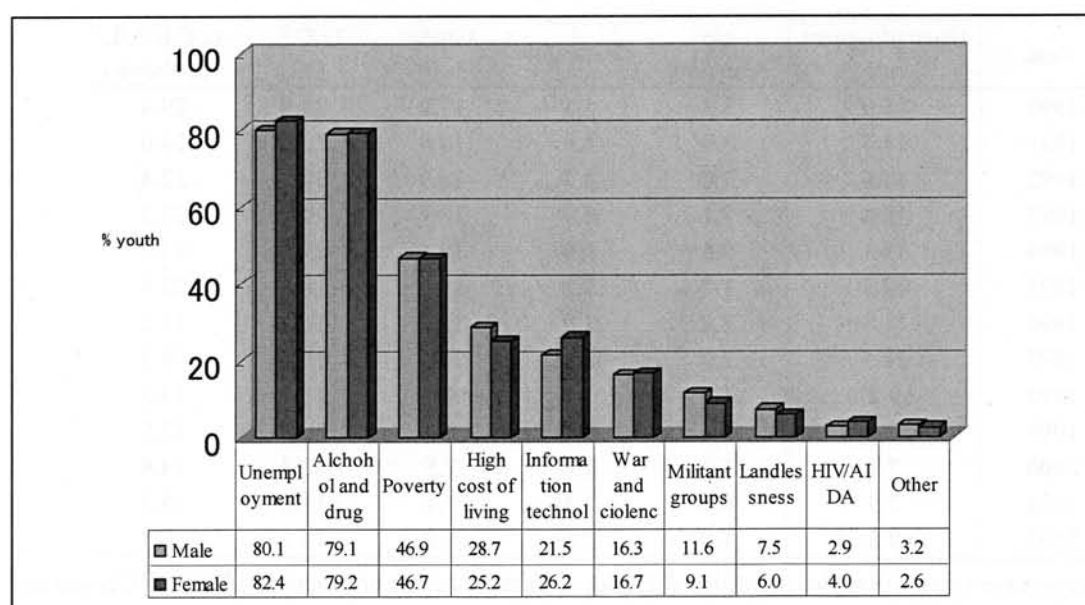
(Source: Employment and unemployment in Sri Lanka – Trends, Issues and options, Dep. of Census and Statistics, 2004)

Table 5 Percentage distribution of unemployment population by level of education

Year	Total	No schooling	Grade 0-4	Grade 5-10	G.C.E. O/L	G.C.E.A/L & above
1990	100.0	1.3	7.2	49.6	26.5	15.4
1991	100.0	1.9	7.1	45.7	30.3	15.0
1992	100.0	1.3	6.6	51.2	27.4	13.5
1993	100.0	1.3	7.0	44.9	28.7	18.0
1994	100.0	1.2	7.4	44.9	28.3	18.2
1995	100.0	0.8	4.7	47.1	29.1	18.4
1996	100.0	1.2	6.7	47.1	26.1	19.0
1997	100.0	0.8	4.9	44.7	28.2	21.4
1998	100.0	0.4	5.4	44.0	27.7	22.5
1999	100.0	0.2	4.2	41.9	29.2	24.5
2000	100.0	0.6	2.6	45.6	26.0	25.3
2001	100.0	0.2	3.3	40.7	27.3	28.4
2002	100.0	0.4	4.3	40.8	25.1	29.4

(Source: Employment and unemployment in Sri Lanka – Trends, Issues and options, Dep. of Census and Statistics, 2004)

As indicated above, youth unemployment has been a very serious issue in the last few decades in the country. Sri Lanka has had experience of riots and disturbances by the youths which were occurred from time to time mainly in 1980s. It was analyzed that one of the main reasons for these riots and disturbances was unrest and frustration among the youths due to unemployment and socio-economic gaps between the rich and the poor. A recent survey conducted by ILO and the University of Colombo shows that 80% of the youth surveyed (both male and female) find the unemployment as the most important issue among the youth (Figure 1).

Figure 1 : Percentage of youth by most important issues

(Source: School-to-work-transition of youth in Sri Lanka, ILO&IMCAP, 2004)

Unless urgent action is taken to plan and create employment opportunities for youth with different levels of education and skills, the country may face increasing levels of youth unrest and riots in the future.

2-2-2. Technical Education and training

As it is shown in the below table, Sri Lankan youths have very limited opportunities for higher education, especially university entrance. 342,000 students sit for G.C.E. O Level examinations and only 42% are qualified for G.C.E.A Level. Therefore, around 58% of the students who sit for O/L do not continue further study in formal education and enter the labour market. 187,000 students sit for G.C.E.A/L examinations and 56% are qualified to enter universities, however, only 13% of those who are qualified actually enrolled at university. Only 3% of those who sit their A Level examinations enrol at university. Therefore, around 97% of the students who sit A/L examinations do not continue further study in formal education and enter the labour market.

Those who quit further study in formal education after sitting for O/L and A/L generally do not have any vocational skills and therefore need vocational training and technical education. Hence, the total number who may need this education is around 330,000 (342,000 – 12,000). Currently, there are opportunities for vocational training and technical education for around 70,000 youths annually. Therefore, it is generalized that the opportunity for vocational training and technical education for school leavers is far from sufficient, and around 260,000 youths annually get into the labour market without any vocational skills. This is one of the reasons for high rate of unemployment in this age group.

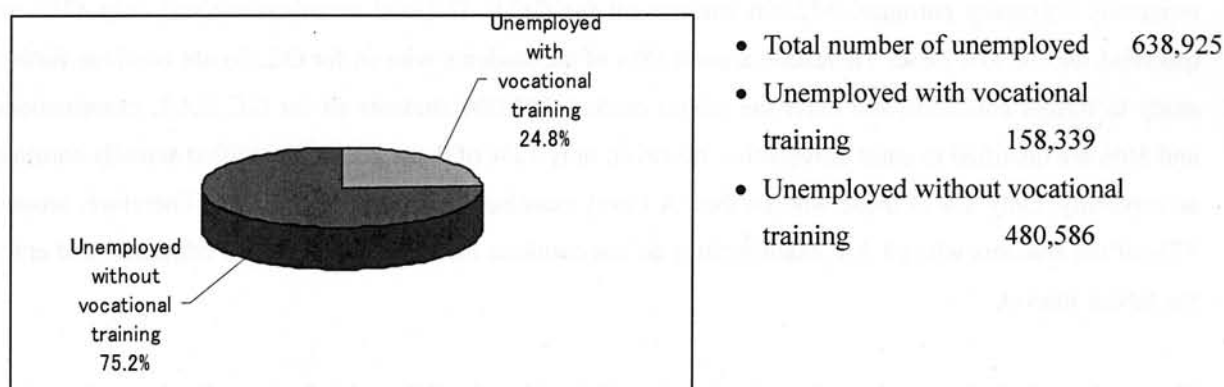
Table 6 Coverage of entire target groups for technical education and training 2002

① Number of sitting for the first time for G.C.E.O/L	342,000
② % of qualifying for GCE A/L among the above □	142,403(42%)
③ % of disqualifying for GCE A/L among the above □	199,912(58.4%)
④ Number of sitting for the first time for G.C.E.A/L	187,000
⑤ % of qualifying to enter Universities among the above □	56%
⑥ New admissions to Universities	12,000
⑦ % of admissions among the eligible	13%
⑧ % of admissions among the above □	6.4%
⑨ Opportunities for vocational training/technical education in the public sector	70,000
⑩ Number who has no opportunity for vocational training/ technical education among the target group (who had sat for G.C.E.O/L)	260,000

(Source: The Decade of reawakening and Prosperous Future, Ministry of Skills Development Vocational & Technical Education, 2005, and Employment and unemployment in Sri Lanka – Trends, Issues and options, Dep. of Census and Statistics, 2004)

The figures below illustrate that there are a number of unemployed amongst those who have had vocational trainings. The percentage of unemployed people who have undergone some form of vocational training is 24.8%. This indicates that not only quantity, but also quality of the vocational training, may be a reason for unemployment.

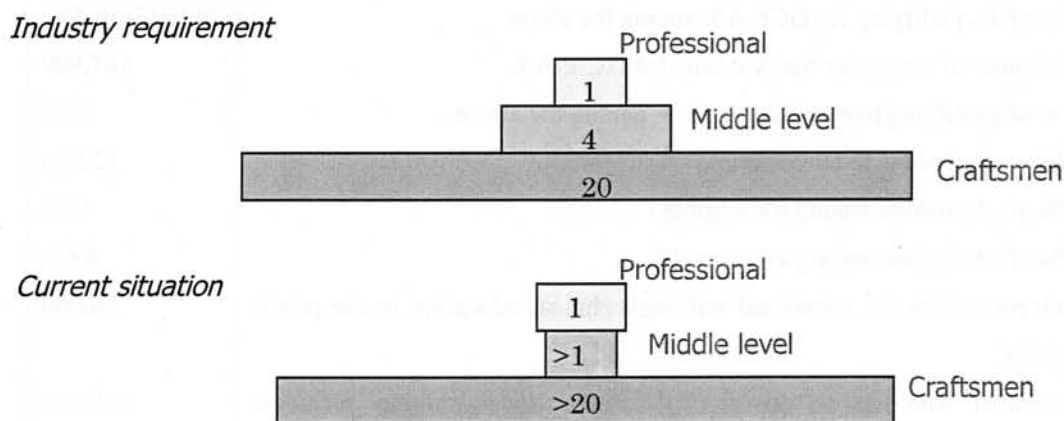
Figure 2 :Vocational training and Unemployment – 2000/2001



(Source: Labour Market Information, TVEC, volume 01/04 – June 2004)

The Ministry analysed the current situation of human resources, and identified a gap in the current situation and suggested what is demanded by engineering industry. Industry needs 4 middle level technicians and 20 craftsmen who work with a professional who has degree or above. However, at the moment, there are less than one middle level technician and less than 20 craftsmen for each professional. This shows the strong need to increase the number of courses and sitting capacity of the centres of the TVET for middle level technicians.

Figure 3: Engineering industry requirement and current situation of the human resources



(Source: Ministry of Skills Development, Vocational and technical Education, 2004)