



OFFICIAL USE ONLY
IDA/R2018-0069/1

March 22, 2018

**Closing Date: Tuesday, April 10, 2018
at 6:00 p.m.**

FROM: Vice President and Corporate Secretary

Niger - Skills Development for Growth Project

Additional Financing

Project Paper

Attached is the Project Paper regarding a proposed additional grant to Niger for the Skills Development for Growth Project (IDA/R2018-0069), which is being processed on an absence-of-objection basis.

Distribution:

Executive Directors and Alternates
President
Bank Group Senior Management
Vice Presidents, Bank, IFC and MIGA
Directors and Department Heads, Bank, IFC and MIGA

This document has a restricted distribution and may be used by recipients only in the performance of their official duties. Its contents may not otherwise be disclosed without World Bank Group authorization.

Document of
The World Bank

FOR OFFICIAL USE ONLY

Report No: PAD2562

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON A

PROPOSED ADDITIONAL GRANT

IN THE AMOUNT OF SDR-34.4 MILLION
(US\$50 MILLION EQUIVALENT)

TO THE

REPUBLIC OF NIGER

FOR A

SKILLS DEVELOPMENT FOR GROWTH PROJECT

March 20, 2018

Education Global Practice
Africa Region

This document is being made publicly available prior to Board consideration. This does not imply a presumed outcome. This document may be updated following Board consideration and the updated document will be made publicly available in accordance with the Bank's policy on Access to Information.

CURRENCY EQUIVALENTS

(Exchange Rate Effective January 31, 2018)

Currency Unit = CFA Francs (CFAF)
 US\$1 = CFAF 527
 US\$1 = SDR 0.68628528

FISCAL YEAR

January 1 – December 31

ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
ANPE	National Employment Agency (<i>Agence Nationale pour l'Emploi</i>)
Bac Pro	Professional Baccalaureate (<i>Bac Professionnel</i>)
BEP	Certificate of Professional Studies (<i>Brevet d'Etudes Professionnelles</i>)
CAP	Certificate of Professional Aptitude (<i>Certificat d'Aptitude Professionnelle</i>)
CCIN	Chamber of Commerce and Industry of Niger (<i>Chambre de Commerce et d'Industrie du Niger</i>)
CET	Technical Education Middle School (<i>Collège d'Enseignement Technique</i>)
CFJA	Training Center for Young Farmers (<i>Centre de Formation des Jeunes Agriculteurs</i>)
CFM	Professional Training Center (<i>Centre de Formation aux Métiers</i>)
CFPP	Training Center for Professional Enhancement (<i>Centre de Formation et de Perfectionnement Professionnel</i>)
CFPT	Training Center for Technical and Professional Education (<i>Centre de Formation Professionnelle et Technique</i>)
COPA	Business Plan Competition (<i>Concours de Plan d'Affaires</i>)
CQP	Certificate of Professional Qualification (<i>Certificat de Qualification Professionnelle</i>)
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
FAFPA	Fund for Professional Development and Learning (<i>Fonds d'Appui à la Formation Professionnelle et à l'Apprentissage</i>)
FCV	Fragility, Conflict, and Violence
FM	Financial Management
FY	Fiscal Year
GDP	Gross Domestic Product
GRM	Grievance Redress Mechanism
HDI	Human Development Index
IDA	International Development Association
ISR	Implementation Status and Results Report

MFPE	Ministry of Professional Training and Employment (<i>Ministère de la Formation Professionnelle et de l'Emploi</i>)
M&E	Monitoring and Evaluation
PAD	Project Appraisal Document
PAIJ	Young Graduate Integration Program (<i>Programme d'Aide à l'Insertion Professionnelle des Jeunes</i>)
PCU	Project Coordination Unit
PDO	Project Development Objective
PIE	Project Implementation Entity
PMU	Project Management Unit
RF	Results Framework
RRA	Rapid Results Approach
SAA	Agricultural Training Center (<i>Sites d'Apprentissage Agricole</i>)
SCD	Systematic Country Diagnostic
SEC	Social and Environmental Clause
SFD	Decentralized Financial Systems (<i>Systèmes Financiers Décentralisés</i>)
SIFA	Integrated Agricultural Training Sites (<i>Sites Intégrés de Formation Agricole</i>)
SORT	Systematic Operations Risk-Rating Tool
TA	Technical Assistance
TVET	Technical and Vocational Education and Training

Regional Vice President:	Makhtar Diop
Country Director:	Soukeyna Kane
Senior Global Practice Director:	Jaime Saveedra Chanduvi
Country Manager:	Siaka Bakayoko
Practice Manager/Manager:	Meskerem Mulatu
Task Team Leader:	Adama Ouedraogo

NIGER
SKILLS DEVELOPMENT FOR GROWTH PROJECT
ADDITIONAL FINANCING

TABLE OF CONTENTS

	PAGE
Additional Financing Data Sheet	i
I. Introduction	1
II. Background and Rationale for Additional Financing	2
III. Proposed Changes	9
IV. Appraisal Summary	17
V. World Bank Grievance Redress	19
Annexes	
Annex 1. Revised Results Framework	20
Annex 2. Systematic Operations Risk-Rating Tool (SORT)	25
Annex 3. Detailed Project Description	28
Annex 4. Average Cost Per Beneficiary of Proposed Interventions	38
Annex 5: Revised Project Costs	39

ADDITIONAL FINANCING DATA SHEET

Niger

Niger Skills Development for Growth Project Additional Financing (P163467)

AFRICA

GED07

Basic Information – Parent									
Parent Project ID: P126049			Original EA Category: B - Partial Assessment						
Current Closing Date: 30-Nov-2019									
Basic Information – Additional Financing (AF)									
Project ID: P163467			Additional Financing Type Restructuring, Scale Up (from AUS):						
Regional Vice President: Makhtar Diop			Proposed EA Category: B-Partial Assessment						
Country Director: Soukeyna Kane			Expected Effectiveness Date: 28-Aug-2018						
Senior Global Practice Director: Jaime Saavedra Chanduvi			Expected Closing Date: 30-Nov-2022						
Practice Manager/Manager: Meskerem Mulatu			Report No: PAD2562						
Team Leader(s): Adama Ouedraogo, Pamela Mulet									
Borrower									
Organization Name		Contact		Title		Telephone		Email	
Ministry of Professional Training and Employment		Moussa Sido		Secretary General		+227 96888961		moussa1sido@gmail.com	
Project Financing Data - Parent (NIGER Skills Development for Growth Project-P126049) (in USD Million)									
Key Dates									
Project	Ln/Cr/TF	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date		
P126049	IDA-H8400	Effective	30-Apr-2013	07-Jun-2013	28-Oct-2013	30-Nov-2019	30-Nov-2019		
Disbursements (%)									
Project	Ln/Cr/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P126049	IDA-H8400	Effective	XDR	19.90	19.90	0.00	15.92	3.98	80.01

Project Financing Data - Additional Financing Niger Skills Development for Growth Project Additional Financing (P163467)(in USD Mi llion)				
<input type="checkbox"/>	Loan	<input type="checkbox"/>	Grant	<input checked="" type="checkbox"/> IDA Grant
<input type="checkbox"/>	Credit	<input type="checkbox"/>	Guarantee	<input type="checkbox"/> Other
Total Project Cost:	50.00	Total Bank Financing:	50.00	
Financing Gap:	0.00			
Financing Source – Additional Financing (AF)				Amount
IDA Grant				50.00
Total				50.00
Policy Waivers				
Does the project depart from the CAS in content or in other significant respects?				No
Explanation				
Does the project require any policy waiver(s)?				No
Explanation				
Team Composition				
Bank Staff				
Name	Role	Title	Specialization	Unit
Adama Ouedraogo	Team Leader (ADM Responsible)	Senior Education Specialist	Task Management	GED07
Pamela Mulet	Team Leader	Education Spec.	Education	GED07
Sylvain Auguste Rambeloson	Procurement Specialist (ADM Responsible)	Senior Procurement Specialist	Procurement	GGOPF
Josue Akre	Financial Management Specialist	Financial Management Specialist	Financial Management	GGOAW
Amina Debissa Denboba	Team Member	Consultant	Education	GED07
Andrianirina Michel Eric Ranjeva	Team Member	Finance Officer	Finance	WFACS
Astou Diaw-Ba	Team Member	Senior Program Assistant	Operations	AFCF1

Bintou Sogodogo	Team Member	Program Assistant	Operations	GED07
Bougadare Kone	Environmental Safeguards Specialist	Environmental Specialist	Environment	GEN07
Cheikh A. T. Sagna	Social Safeguards Specialist	Senior Social Development Specialist	Social Development	GSU01
Emeran Serge M. Menang Evouna	Team Member	Senior Environmental Specialist	Environment	GEN07
Felly Akiiki Kaboyo	Team Member	Operations Analyst	Operations	GED07
Julie Rieger	Counsel	Senior Counsel	Legal	LEGAM
Salimata Bessin Dera	Team Member	Team Assistant	Operations	AFMNE

Extended Team

Name	Title	Location
Ali Sanaa	Consultant	Tunisia

Locations

Country	First Administrative Division	Location	Planned	Actual	Comments
Niger	Zinder	Zinder	X		
Niger	Tahoua	Tahoua	X		
Niger	Maradi	Maradi	X		
Niger	Dosso	Dosso Region	X	X	
Niger	Diffa	Diffa	X		
Niger	Agadez	Agadez	X		
Niger	Tillaberi	Tillaberi Region	X		
Niger	Niamey	Niamey	X	X	

Institutional Data

Parent (NIGER Skills Development for Growth Project-P126049)

Practice Area (Lead)

Education

Contributing Practice Areas

Additional Financing Niger Skills Development for Growth Project Additional Financing (P163467)

Practice Area (Lead)

Education
Contributing Practice Areas
Agriculture
Consultants (Will be disclosed in the Monthly Operational Summary)
Consultants Required? Consultants will be required

I. Introduction

1. **This Project Paper seeks the approval of the Executive Directors for an Additional Financing (AF) Grant in the amount of US\$50 million from the International Development Association (IDA) to the Republic of Niger for the Skills Development for Growth Project (P126049).** The proposed AF (P163467) will finance the scaling up of successful activities supported under the original project and support new activities that will enhance the achievement of the Project Development Objective (PDO) which will remain unchanged. The PDO is to improve the effectiveness of formal technical and vocational training, short-term skills development, and apprenticeship programs in priority sectors. Furthermore, the AF will support institutional reforms of the technical and vocational education and training (TVET) sector, thus contributing to the achievement of the human capital objectives of the Government's new Economic and Social Development Plan (*Plan de Développement Economique et Social, 2017-2021*). The AF responds to a request from the Government of Niger received on June 28, 2017.

2. **The parent project responded to the Government's development priority to develop education and training programs that equip both in-school and out-of-school youth with the necessary skills to respond to the needs of priority economic sectors of Niger.** The parent project supports the provision of skills in key emerging sectors (civil works and construction, meat processing, leather, and tourism and hospitality) to improve youth employability, thereby contributing to accelerating growth and reducing unemployment and poverty through developing human capital. In doing so, the project supports (a) the development of value chains that aim to encourage increased private investments that would translate into job creation opportunities and (b) the establishment of demand-driven support to formal and informal training systems in economic sectors prioritized in the Government's development plans. In addition, the project complements ongoing operations—the Niger Support to Quality Education Project (P132405) and the Youth Employment and Productive Inclusion Project (P163157)—by designing mechanisms that can respond in the short term to emerging skills needs, while building a stronger skills base in the long run. Overall, all planned activities under the original project are well advanced. To date the project has been able to (a) improve the quality of technical and vocational education in the sector and (b) successfully support out-of-school youth through its dual apprenticeship program.

3. **The AF will continue to support the Government of Niger to scale up activities already being implemented satisfactorily under all three components of the parent project.** The AF will have a particular focus on the agriculture and livestock sector, as identified by the Government's 3N Initiative: To Improve Food Security – Nigeriens Feeding Nigeriens (*Initiative 3 N – Les Nigeriens Nourissent les Nigeriens: Pour la Sécurité Alimentaire et Nutritionnelle et le Développement Agricole Durable*) of April 18, 2012, and other promising economic sectors (such as auto mechanics and construction machinery, metal construction, solar energy, carpentry, and air conditioning) as requested by the Government and in line with the National Employment Agency (*Agence nationale pour l'emploi, ANPE*) vision, employment market needs, and forecasts for the country. More specifically, the AF will introduce new activities to (a) expand project interventions in priority sectors such as agriculture and agribusiness, (b) provide start-up funds for young graduates who benefitted from the entrepreneurship training under Subcomponent 2.3 of the parent project and those who will receive similar entrepreneurship training through continued activities under the AF, and (c) improve quality of project interventions, including monitoring and evaluation (M&E) and communications for increased awareness of project activities. Annex 4

provides the average cost per beneficiary of the proposed skills training interventions. In all these proposed activities, the AF will promote girls' participation in the proposed activities and will highlight the need for the strong involvement of local communities and actors. An additional estimated 19,800 in- and out-of-school youth are expected to directly benefit from the new and scaled-up activities under the AF.

4. **The proposed AF will introduce the following changes to the parent project to adjust the project implementation time line and fully reflect new and scaled-up activities.** While there will be no changes to the PDO and components and subcomponents of the project, the Results Framework (RF) will be revised to reflect the new and scaled-up activities proposed to be financed by the AF. Key performance indicators and corresponding intermediate indicators will be added to adequately monitor the introduction of new activities. Project end targets will also be increased to reflect the scale-up of activities under the AF. Implementation arrangements and the approach to procurement and financial management (FM) will largely remain the same. As under the parent project, the AF will be administered by the current Project Coordination Unit (PCU) set up within the Ministry of Professional Training and Employment (*Ministère de la Formation Professionnelle et de l'Emploi*, MFPE). The original financing closing date will be extended by three years to align with the proposed closing date of the AF of November 30, 2022, and to allow sufficient time to carry out the new activities. The total duration of the overall project will be nine years—from 2013 to 2022.

II. Background and Rationale for Additional Financing

Country Context

5. **Niger is a large landlocked country with a territory of 1.27 million km² and a population of about 19 million people.** Even though its 1.27 million km² make it the largest country in West Africa, the combination of the distance from the sea and a largely desert terrain present tough constraint for economic development. The country remains relatively fragile and continues to be affected by adverse weather conditions and other topological factors, which represent real obstacles to its development (59.5 percent of its population lives below the poverty line). Not surprisingly, the vast majority of Niger's population (about 90 percent) are clustered in one-third of the territory—mainly in the southern and western regions of the country—to take advantage of the tropical climate and more amenable agroecological conditions in that part of the country. Instability in neighboring countries and in the Sudano-Sahelian strip affects the border areas (exposure to violent incidents, conflicts, and terrorism) and undermines the Government's development efforts.

6. **High population growth and a limited natural and human resource base undermines Niger's efforts to alleviate poverty.** Niger ranks 186th out of 187 countries on the United Nations Development Programme Human Development Index (HDI), with a gross domestic product (GDP) per capita of US\$978 in 2016 in Parity Purchasing Power terms—making it one of the lowest in the world. Niger's population is young with nearly half of the population under 15 years. Women make up 50.5 percent of the total population. Population growth rates in Niger are in excess of 3 percent per year: at the current growth rate, the population is expected to double by 2035 and reach 54 million by 2050. In view of this anticipated increase, the potential demand for social services in general, including education and the related increasing demand for education

inputs, will put significant pressure on Niger's education system in the coming years. In addition, with current demographic trends, more than 80 percent of the population will still live in rural areas by 2035. Hence, a very large share of the population will keep relying on agriculture for their livelihood and the economy will remain dependent on the sector as a source of growth.

7. Niger's economy is largely dominated by the agriculture sector, accounting for over 40 percent of national GDP and remaining the main source of livelihood for the population. About 80 percent of Niger's labor force is working in low skill agricultural activities, depending on rain-fed agriculture and livestock, and 80 percent of the workforce is employed in the informal sector which is characterized by low productivity, as well as uncertain and unregulated underemployment. Unemployment is particularly high in urban areas. While Niger's economy needs to grow faster and diversify itself, the agriculture and livestock sectors present a strategic entry point to support faster economic development and job creation. Within those sectors, there are several value chains which have strong economic potential and for which Niger has a proven comparative advantage. And importantly, Niger's private sector is small and mostly comprises micro and small enterprises. According to 2011 data, about 70 percent of Niger's economic activity takes place in the informal sector and almost 9 in 10 jobs are in the informal sector. This provides evidence that any economic strategy for Niger needs to support improvements in productivity in both the formal and informal sectors.

8. Significant skills shortages and mismatches remain a major constraint to development and employability. While jobs and skills need to grow in parallel and many constraints to job creation exist beyond the availability of relevant skills, anecdotal evidence suggests that the lack of skills is a major constraint to development and job creation and may become increasingly binding if the projected job creation associated with the planned investments in key growth sectors is realized. About 350,000 youth enter the job market annually, 90 percent of whom are without qualifications. Many job vacancies go unfilled forcing companies with the financial means to import labor either directly or through subcontractors. The investment climate data show most vacancies for semiskilled and skilled workers to be in the agriculture and livestock, construction and mining sectors. These vacancies which cannot be filled locally coexist with youth unemployment and/or inactivity (about 25 percent of youth ages 15 to 25 years are unemployed or inactive) and underemployment highlighting a strong job-skill mismatch. Additionally, skills are not only needed to 'fill' the existing or projected jobs, but can also help create new jobs through the development of micro, small, and medium enterprises, shown to have strong potential in the Niger context. Potential profitable business endeavors are not undertaken for lack of qualified local labor.

Sector Context

9. The acute dearth of skills in Niger is a reflection of the deficits in access to and quality and relevance of the education and training system, which can in turn be linked to the poverty and overall low levels of development of the country. The majority of Niger's predominantly young labor force is illiterate or has only completed some primary education. Less than 10 percent of the country's labor force has a secondary school certificate and only 1 percent a tertiary education degree. Despite some remarkable progress in access to education during the Millennium Development Goals era, Niger still has the lowest school enrollment rate in Sub-Saharan Africa, except for the Central African Republic, and cycle completion poses a major

challenge. The secondary gross enrollment rate is still one of the lowest in the region at only 13 percent compared to the Sub-Saharan Africa average of 36 percent. A combination of supply and demand constraints can explain this quantitative deficit. In addition, quality and relevance issues are pervasive at all education and training levels. Quality gaps in primary education are illustrated by very low learning outcomes, which contribute to low access and low learning outcomes at all other levels. The vast majority of out-of-school youth, ages 15 to 25, have at most completed primary education (about 70 percent have a primary education or less) drastically limiting their employability. Even those who continue in school face significant skills and employability challenges.

10. **Gender inequalities are stark.** In primary education for example, Niger faces challenges to increase access and completion among girls, particularly girls in rural areas. While the expansion of the primary education system and significant improvement in enrollment has resulted in higher enrollment of girls in primary education, large disparities still exist. In 2014, 53.6 percent of primary school age girls never attended school (Income and Expenditure Survey 2014). In 2011, the ratio of girls-to-boys enrollment in primary education was 83.7 percent and dropout rates were higher for girls (RESEN 2010).¹ Gender inequality in access to education is more pronounced as girls move up the education ladder and in rural areas than in urban areas. The problem is particularly serious among poor girls living in rural areas. Hence, the Government has placed the gender agenda front and center and has requested that the proposed project gives it focus.

11. **The lack of diversification and options at the post-primary education level constitute a key constraint.** Beyond persistently low learning outcomes, over 90 percent of secondary level students are enrolled in the general academic secondary stream (lower secondary [*collège*] and upper secondary [*lycée*]), with less than 10 percent in the TVET stream. The general secondary academic stream does not adequately prepare students for the needs of the labor market as it is too theoretical and disconnected from the workplace. Additionally, only about 29 percent of students managed to complete the final secondary exam (*baccalauréat*) pointing to huge internal inefficiencies.

12. **TVET, if improved, could effectively address youth employability in Niger.** TVET graduates earn significantly more than those who have only completed upper secondary school. They are also less likely to be unemployed (with an unemployment rate of less than 10 percent versus a rate of over 15 percent for upper secondary education graduates). However, the current TVET institutions are also facing many challenges. The formal TVET is characterized by outdated professional streams, curricula and teaching methods, overcrowded workshops, a weak system of governance, and inadequate funding. The courses offered within this system are very long in duration, emphasize theoretical knowledge, and provide limited exposure to the world of work (internships tend to be few and often short in duration; workshops are insufficient). Importantly, this system often focuses on a specific skill or job (for example, carpentry) without a broader picture of the jobs and skills required in the sector as a whole, including cross-cutting skills such as information technology, entrepreneurship, and communication skills. Finally, and this is

¹*Rapport d'Etat sur le Système Educatif National* (RESEN) 2010 is a Country Status Report for the education sector, prepared by the Government of Niger with support from the World Bank, which formed the basis for the preparation of the national Education Sector Plan.

possibly the most important constraint, there is an absence of qualified instructors. Because of low teacher qualifications and lack of equipment, TVET tracks do not prepare students adequately for the key emerging sectors in Niger.

13. **Formal education and training needs to be complemented by shorter-term skills training to respond to the pressing needs of emerging sectors.** About 80 percent of 15- to 25-year-olds are currently out of school with fewer than one-third of them having more than a primary education. Uneducated youth are either unemployed (about 20 percent) or employed in low productivity jobs in the informal sector. At the same time, the demand for skills is pressing. In the short to medium term, beyond tackling quality and relevance issues in the formal education and training sector to improve graduate employability and gradually provide the skills needed for its emerging sectors, Niger must also improve the employability and productivity of its current stock of out-of-school youth and find rapid ways to satisfy the needs of the emerging formal and informal sectors. Niger will, therefore, need to adopt a two-pronged strategy, which will need to include a strong emphasis on informal skills development to address the needs of mostly uneducated youth, while increasing the pace of training delivery.

14. The informal education offers very few attractive options to out-of-school youth who either would like to acquire some basic core and technical skills or complement their existing skill set. This is particularly the case for youth in urban areas with some education (some primary or having completed primary). The supply of non-formal education in Niger is mainly in the form of literacy centers concentrated predominantly in rural areas where over 80 percent of all existing centers are found. They are supplemented by many small-scale initiatives whose reach is limited because of their quasi-experimental nature. Apprenticeship programs are generally considered one of the few available skills development options for informal sector employees or out-of-school youth with limited education. The programs which exist in the private sector are, however, very heterogeneous in quality and limited in their number and impact.

15. Skills development needs to be much more flexible, with short courses coupled with on-the-job application of the learned skills rather than having the potential or actual workers completely exit from the jobs to train them over long periods of time. Also, most of the trainees do not have the basic education required to do longer-term formal skills training. Short-term training is more flexible and, in the context of Niger, more inclusive of those who are out of school and may be in the informal sectors because they cannot access formal TVET. At this stage of development, investing in informal short-term skills development and apprenticeship programs is a must for Niger to quickly respond to the skills needs.

Original Project Background and Performance

16. **The Niger Skills Development for Growth Project (financed by an IDA grant in the amount of SDR 19.9 million [US\$30 million equivalent]) was approved on April 30, 2013, and became effective on October 28, 2013.** The project development objective (PDO) is to improve the effectiveness of formal technical and vocational training, short-term skills development, and apprenticeship programs in priority sectors. The project has three components: Component 1: Improving the Effectiveness of Formal Training, Component 2: Strengthening Short

Term Skills Development and Apprenticeship Programs, and Component 3: Institutional Capacity Strengthening and Monitoring and Evaluation.

17. **The project responded to the Government's development priority to develop education and training programs that equip both in-school and out-of-school youth with the necessary skills to respond to the needs of priority economic sectors of Niger.** The project supports the provision of skills in key emerging sectors and youth employability, thereby contributing to accelerating growth and reducing unemployment and poverty through developing human capital. In doing so, the project supports (a) the development of value chains that aim to encourage increased private investments that would translate into job creation opportunities and (b) the establishment of demand-driven support to formal and informal training systems in economic sectors prioritized in the Government's development plans. In addition, the project complements ongoing operations by designing mechanisms that can respond in the short term to emerging skills needs, while building a stronger skills base in the long run. From an environmental and social safeguard standpoint, the parent project undertook a systematic screening of all its subprojects and complied with all the basic social and environmental clauses (SECs) outlined in the Environmental and Social Management Plan (ESMP) and embedded in the civil works contracts. Throughout its implementation process, the project was effectively supported by the national environmental agency (*Bureau d'Evaluation Environnementale et des Etudes d'Impact*) both in technical review of documents and monitoring safeguards compliance in the field. Moreover, issues related to gender dimensions, vulnerability and social inclusion, and citizen engagement were adequately factored in throughout the project implementation process. This is a very good practice that the new AF will be carrying on as it evolves into its implementation. To ensure effective implementation, the project is accompanied by adequate support for an effective M&E framework and institutional capacity strengthening.

18. **The Skills Development for Growth Project has demonstrated early success and has made steady progress toward achieving its PDO and related outcomes. Moreover, the pace of implementation has been satisfactory.** In the most recent Implementation Status and Results Report (ISR), progress toward achievement of the PDO was rated Moderately Satisfactory from its previous rating of Satisfactory due to some capacity issues in the collection of data on time. This issue, however, is being addressed and it is likely that the rating will be upgraded in the coming six months based on progress made. Implementation progress continues to be rated Satisfactory. Since effectiveness, the project has made sound progress in the achievement of its objectives and implementation continues to progress well. This, despite some challenges related to the institutional instability created by the successive changes in ministers in charge of TVET—which has been led by three different ministers over the course of 18 months. While the disbursement rate is currently at 80 percent, there is notable improvement observed since the last quarter of fiscal year (FY) 2016 (going from 33 percent to 66 percent between FY16 and FY17). It is also expected that disbursements will continue on a strong upward trend and that the project's results indicators will be fully achieved by the end of the project in 2022.

19. **All planned activities under the parent project are well-advanced and the project has overall been able to (a) improve the quality of technical and vocational education in the sector**

and (b) successfully support out-of-school youth through its dual apprenticeship program. More specifically, the project has made satisfactory progress, including the following:

- (a) Enrollment of 3,068 apprentices, of whom 23 percent are women (against a 30 percent target), in dual apprenticeships against the end-of-project target of 3,000 by 2019; thereby exceeding the end-of-project target more than two years ahead of project closing. In addition, a cohort of 620 (of whom 48 percent are women) has completed their training in various domains of agriculture such as poultry, agri-food processing, and fish farming. Furthermore, 860 apprentices with limited education have benefited from literacy courses.
- (b) Participation of 2,613 tertiary and technical secondary graduates in internship/placement programs, who have connected with potential employers against an end of project target of 3,500.
- (c) Employment or self-employment of more than 405 youth who were placed in internship/placement programs. In addition, three beneficiary surveys have been completed which collected more comprehensive information on the apprenticeship, internship, and entrepreneurship training programs. The results have been made available in December 2017. The beneficiary survey conducted by the ANPE made it possible to gauge the level of youth employment rate: at the time of the survey, 70 percent of the surveyed beneficiaries (806 respondents) who entered the job market within six (6) months after the end of their internship were able to access employment.
- (d) Participation of 326 youth who have completed their training in various fields such as culinary studies, pastries, mechatronics and truck driving, maintenance of large engines and elevator repair, and irrigation technics. In addition, a group of 20 young people are enrolled in procurement training.
- (e) Participation of 2,968 youth in entrepreneurship training (of whom 1,201 are graduates of tertiary education and upper secondary technical and vocational training and 1,767 are out-of-school youth of whom 88 percent are women).

20. Because of the satisfactory progress observed under all components and subcomponents, the number of direct project beneficiaries has reached 7,736 people, thereby realizing 65 percent of the project's end target, more than two years ahead of the project closing date (May 2019). Annex 3 provides more detail on the project components and AF-funded activities.

Rationale for Additional Financing

21. **The proposed AF for Niger Skills Development for Growth Project is consistent with Bank Policy: Investment Project Financing under which IDA may provide AF for investment lending for scaling up the development effectiveness of a project that is performing well.** The progress toward achievement of the PDO has been Satisfactory until the recent downgrade to Moderately Satisfactory due to the unavailability of data related to graduate employment which has now been addressed and made available in December 2017. The implementation progress rating has remained Satisfactory throughout project life.

22. **The AF is fully aligned with the Country and the World Bank's agendas/priorities.** The proposed AF is meant to further strengthen key results achieved in the parent project subsequent to the growing pressures on the availability of sufficient and relevant skills, which poses a key constraint to the development and diversification of Niger's economy for higher growth and job creation. The project's objectives remain particularly relevant to the country

context, addressing the fragility, conflict, and violence (FCV) risk factors articulated in the recent Rapid Results Approach (RRA) findings for Niger and fully in line with the findings of the new Systematic Country Diagnostic (SCD) for Niger (2016), which underlines the need to address low levels of human capital and improve professional skills and competencies. The SCD underlines that, with 1.4 years of education on average, the level of education of Nigeriens is among the lowest in the world. Nearly 16 percent of the adult population has completed primary education and only 2.1 percent has completed secondary. Literacy rates are concomitantly low—14 percent of women and 42 percent of men are literate (2012 data)—as is the availability of skills in the economy. Investments in human capital are needed as the capacity to work is one of the main productive assets of poor people. Moreover, to serve the needs of a modernizing economy, it is equally critical that citizens are equipped with skills to contribute to the structural transformation necessary to achieve higher levels of income. The SCD further argues that, given the enormous needs, the areas in which investments in skills should be made need to be carefully defined. In line with the identified priority sectors, close collaboration with the Agriculture and Macroeconomics, Trade and Innovation Global Practices will ensure a synergic and effective design and implementation of the project, providing a direct link to emerging economic opportunities and job markets. The proposed AF will continue to contribute to the higher-level objectives of accelerating growth and reducing unemployment through developing human capital as highlighted in the Country Partnership Framework (2018-2022), thereby directly contributing to the World Bank Twin Goals of Reducing Poverty and Shared Prosperity.

23. Considering these, the proposed AF would allow scaling up the development effectiveness of the Skills Development for Growth Project in key economic sectors. The Government is unlikely to be in a position to sustain skills development interventions initially supported by the parent project solely with its own resources, given the many competing sectors and increased spending related to the security situation in the sub-region. Tackling the issue of youth employability is imperative for a country with such a large young population and a growing number of out-of-school and dropout youth. The AF would, therefore, have multiple beneficial effects, through continued and scaled skills development interventions, positively contributing to quality TVET and in support of the PDO. In addition, key institutional reforms would be supported under the AF to further strengthen the TVET sector.

24. Moreover, an AF, rather than a new operation, would represent an opportunity for scaling up and achieving additional results of a well-performing project. It would better consolidate and scale up the current activities, operational approach, and procedures and allow for continuity in the ongoing project.

III. Proposed Changes

Summary of Proposed Changes

Under the proposed AF, the following changes are introduced:

(I) Scale-up of successful activities undertaken in the parent project

- (a) Scale-up of (i) restructuring, rehabilitation, and expansion activities of select technical and professional education training centers, technical and vocational secondary schools, and agricultural training centers (*Sites d'Apprentissage Agricole*, SAAs), with a particular focus on emerging priority sectors such as agriculture and livestock, auto mechanics and construction machinery, metal construction, solar energy, carpentry, and air conditioning and (ii) support to the operationalization of reforms in the TVET sector, in particular the implementation modalities of the 2015 Law on Technical and Professional Education. Relatedly, key institutional improvements will be introduced under the AF. A new operational model will be implemented in the selected institutes benefitting from rehabilitation and expansion activities with the aim to effectively engage with the private sector. Training centers and *lycées* are required to establish an autonomy-based organizational model that allows real partnership with local productive sectors. The private sector will be engaged in the management of the centers, development of curricula, and the creation of units for youth placements or apprenticeships. This relationship will be formalized within the framework of a performance contract, which will be developed solely for this purpose, including the necessary process and impact monitoring mechanism for potential course correction. Pluri-annual performance contracts will be prepared, clearly indicating key institutional goals and internal and external performance targets to be met, including qualitative objectives related to the upgrading of training programs, in-service training of trainers, placements, and partnership with the private sector (under Subcomponent 1.1: Demand-Driven Approach to Formal Vocational Training).
- (b) Quality improvement and scale up of the internship and job counseling programs run by the ANPE, particularly aimed at young graduates, as defined by the new Young Graduate Integration Program (*Programme d'Aide à l'Insertion Professionnelle des Jeunes - PAIJ*) designed with support from the original financing and promulgated in 2016. Target beneficiaries will also be extended under the AF to allow young higher education and TVET graduates who have been unemployed for more than two years to benefit from the programs. In addition, the M&E system, established with support from the parent project, tracking graduates' internship experiences and post-internship outcomes will be strengthened (under Subcomponent 1.2: Improving the School-to-Work Transition).
- (c) Quality improvement and scale up of the dual apprenticeship program, with a tailored approach for both urban and rural professions: (i) the rural dual apprenticeship program will be delivered by newly established training structures, SAAs, which will offer targeted youth between the ages of 17 and 30 a four-month formal training combining theory and practice. The AF will finance the initial investment and operating costs of ten SAAs. Apprentices in rural areas will receive a stipend of CFAF 3,000 per month to cover any direct, indirect (transport costs), and opportunity costs (loss of income) generated by the apprenticeship and will be provided a meal on-site during the training days. (b) The dual apprenticeship program in urban professions will build on gaps identified during the implementation of the parent project and will focus on quality improvement, including quality of the complementary training for apprentices. Urban apprentices will benefit from a transport allowance of CFAF 15,000 per month (under Subcomponent 2.1: Expanding

Apprenticeships).

- (d) The AF will continue to support institutional strengthening and further enhance the M&E of the project both at the central and implementing agency levels. Capacity development activities will be introduced to strengthen the Fund for Professional Development and Learning (Fonds d'Appui à la Formation Professionnelle et à l'Apprentissage, FAFPA) and its related professional organizations to effectively establish all aspects of M&E, both at the technical level (that is, in prospecting and placing youth in training centers and placement firms and post-training monitoring of graduates) and administrative level (that is, ensuring that established performance contracts are executed) (under Component 3: Institutional Capacity Strengthening and Monitoring and Evaluation).

(II) New activities introduced in the additional financing

- (a) Introduction of new complementary follow-up activities. In addition to the expansion of the entrepreneurship training program implemented under the parent project, the AF will support the design, preparation, and implementation of a 'business plan' competition program, and will provide start-up funds for young graduates who benefitted from the entrepreneurship training under the parent project and those who will receive similar entrepreneurship training through continued activities under the AF. (under Subcomponent 2.3: Promoting Entrepreneurship Training).
- (b) Further support to the introduction of entrepreneurial training modules in educational curricula at various levels and streams.
- (c) Support to the recently created new ministry in charge of youth entrepreneurship. The AF will provide support to this new structure particularly to strengthen the definition of its strategies, coordination mechanisms, and M&E. Capacity-building activities will be included in Component 3.
- (d) Communications activities for increased awareness of project interventions.

(III) Additional changes introduced

While the AF will retain the same PDO and project components, the RF has been revised to (a) incorporate performance indicators to monitor progress on the additional new activities; (b) align the indicators with the revised project allocations to reflect the scale-up of activities; and (c) adjust some of the end targets and dates as needed to reflect the additional time for implementation/revised project closing date of November 30, 2022. The RF changes are further elaborated below.

In addition, a reallocation between disbursement categories is necessary to adequately align the remaining funding required to achieve the outstanding project activities under the parent project. The reallocation will allow for proposed project activities to be carried out as planned, without changes to the core activities and project targets. According to the Financing Agreement of the parent project, Category 3 (Refund of Preparation Advance) was allocated to exclusively finance activities of the PCU during the project preparation phase. During preparation, however, only XDR 549.62 was used from Category 3. Thus, in total, XDR 599,400 from Category 3 will be reallocated to Category 1.

Neither any unaudited interim financial reports nor any audit reports are overdue. In addition, no entity audits will be required under the AF and this requirement will also be dropped for the parent project.

Furthermore, a name change occurred, by Decree no 2015-565-PRN-MEP/T (October 26,2015), changing the Project Implementation Entity's (PIE) name from *Fonds d'Appui à la Formation Professionnelle Continue et à l'Apprentissage* to its current name Fund for Professional Development and Learning (*Fonds d'Appui à la Formation Professionnelle et à l'Apprentissage*, FAFPA), but otherwise the PIE has not changed in legal status, staffing, or mandate. FAFPA will continue to

implement Subcomponent 2.1 of the project. The name change will be reflected in an amendment to the original Financing Agreement and Project Agreement.

Change in Implementing Agency	Yes [] No [X]
Change in Project's Development Objectives	Yes [] No [X]
Change in Results Framework	Yes [X] No []
Change in Safeguard Policies Triggered	Yes [X] No []
Change of EA category	Yes [] No [X]
Other Changes to Safeguards	Yes [] No [X]
Change in Legal Covenants	Yes [] No [X]
Change in Loan Closing Date(s)	Yes [X] No []
Cancellations Proposed	Yes [] No [X]
Change in Disbursement Arrangements	Yes [] No [X]
Reallocation between Disbursement Categories	Yes [X] No []
Change in Disbursement Estimates	Yes [X] No []
Change to Components and Cost	Yes [X] No []
Change in Institutional Arrangements	Yes [] No [X]
Change in Financial Management	Yes [] No [X]
Change in Procurement	Yes [] No [X]
Change in Implementation Schedule	Yes [] No [X]
Other Change(s)	Yes [] No [X]

Development Objective/Results

Project's Development Objectives

Original PDO

The PDO is to improve the effectiveness of formal technical and vocational training, short term skills development and apprenticeship programs in priority sectors.

Change in Results Framework

Explanation:

The Results Framework (RF) will be revised to reflect new and scaled-up activities proposed to be financed by the AF. The following modifications will be made to the RF:

At the PDO level. (a) One new indicator is added to monitor the new business plan competition program introduced under the AF as a follow-up activity to the entrepreneurship training (that is, the percentage of youth trained in entrepreneurship who are prizewinners of the business plan competition program) and (b) supplemental sub-indicators are added where appropriate to measure the impact of project interventions in the agriculture sector, which is a strategic focus area under the AF.

At the intermediate level. (a) One new indicator is added to monitor the newly introduced requalification program (that is, the number of trained youth unemployed for more than two years requalified as a result of project intervention) and (b) one indicator has already reached its planned target under the parent project (number of trainers in entrepreneurship programs trained as a result of project

intervention).

The annual/end targets and dates have also been adjusted, where appropriate, to reflect planned support under the proposed AF and the three-year extension in the project closing date. The total beneficiaries have been adjusted to reflect the additional number of youth who will benefit from the scaling-up of successful activities and the newly introduced activities. Targets have also been adjusted to reflect the additional number of beneficiaries under the AF.

Compliance

Change in Safeguard Policies Triggered	
---	--

Explanation:

The Physical Cultural Resources (OP/BP 4.11) safeguard policy is triggered because the small-scale civil construction activities under the project may result in the unearthing of physical cultural resources. As a precautionary measure, ‘chance finds procedures’ have been included in the Environmental and Social Management Framework (ESMF) and subsequent ESMPs that have been prepared and will be adequately embedded in civil works contracts terms of reference as SECs to be complied with.

Current and Proposed Safeguard Policies Triggered:	Current (from Current Parent Integrated Safeguard Data Sheet)	Proposed (from AF Integrated Safeguard Data Sheet)
Environmental Assessment (OP) (BP 4.01)	Yes	Yes
Natural Habitats (OP) (BP 4.04)	No	No
Forests (OP) (BP 4.36)	No	No
Pest Management (OP 4.09)	No	No
Physical Cultural Resources (OP) (BP 4.11)	No	Yes
Indigenous Peoples (OP) (BP 4.10)	No	No
Involuntary Resettlement (OP) (BP 4.12)	No	No
Safety of Dams (OP) (BP 4.37)	No	No
Projects on International Waterways (OP) (BP 7.50)	No	No
Projects in Disputed Areas (OP) (BP 7.60)	No	No

Covenants - Additional Financing (Niger Skills Development for Growth Project Additional Financing - P163467)

Source of Funds	Finance Agreement Reference	Description of Covenants	Date Due	Recurrent	Frequency	Action
				<input type="checkbox"/>		

Conditions

--

Source Of Fund	Name	Type			
IDAT	Additional Effectiveness Condition	Effectiveness			
Description of Condition					
The Subsidiary Agreement has been executed on behalf of the Recipient and the Project Implementing Entity.					
Source Of Fund	Name	Type			
IDAT	Additional Effectiveness Condition	Effectiveness			
Description of Condition					
The recipient has updated each of the Administrative, Accounting, and Financial Manual of Procedures for the project and the Project Implementation Manual, each in form and substance acceptable to the Association.					
Risk					
Risk Category	Rating (H, S, M, L)				
1. Political and Governance	Substantial				
2. Macroeconomic	Moderate				
3. Sector Strategies and Policies	Substantial				
4. Technical Design of Project or Program	Moderate				
5. Institutional Capacity for Implementation and Sustainability	Substantial				
6. Fiduciary	Substantial				
7. Environment and Social	Moderate				
8. Stakeholders	Moderate				
9. Other					
OVERALL	Substantial				
Finance					
Loan Closing Date - Additional Financing (Niger Skills Development for Growth Project Additional Financing - P163467)					
Source of Funds	Proposed Additional Financing Loan Closing Date				
International Development Association (IDA)	30-Nov-2022				
Loan Closing Date(s) - Parent (NIGER Skills Development for Growth Project - P126049)					
Explanation:					
A three-year extension of the closing date from November 30, 2019, to November 30, 2022, is requested to allow for sufficient time for utilization of the AF and alignment of the original project and AF closing dates.					
Ln/Cr/TF	Status	Original Closing Date	Current Closing Date	Proposed Closing Date	Previous Closing Date(s)

IDA-H8400	Effective	30-Nov-2019	30-Nov-2019	30-Nov-2022						
Change in Disbursement Estimates		(including all sources of Financing)								
Explanation:										
The change in disbursement estimates takes into account the scale-up of ongoing activities and new activities introduced under the proposed AF, and the original project's extended implementation time frame.										
Expected Disbursements (in US\$, millions) (including all Sources of Financing)										
Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Annual	1,363,719	1,929,356	3,615,147	5,157,175	9,370,388	2,150,834	7,000,000	20,000,000	19,000,000	9,362,110
Cumulative	1,363,719	3,293,075	6,908,222	12,065,397	21,435,785	23,586,619	30,586,619	50,586,619	69,586,619	78,948,729
Allocations - Additional Financing (Niger Skills Development for Growth Project Additional Financing - P163467)										
Source of Fund	Currency	Category of Expenditure	Allocation		Disbursement % (Type Total)					
			Proposed		Proposed					
IDAT	US\$	(1) Goods, works, non-consulting services, and consultants' services for Parts 1, 2.3 and 3 of the Project, including Training and Operating Costs	40,000,000.00		100%					
IDAT	US\$	(2) Goods, works, non-consulting services, and consultants' services for Part 2.1 of the Project, including Stipends and Training	10,000,000.00		100%					
		Total:	50,000,000.00							
Reallocation between Disbursement Categories										
Explanation:										
A reallocation between disbursement categories is necessary to adequately align the remaining funding required to achieve the outstanding project activities under the parent project. The reallocation will allow for proposed project activities to be carried out as planned, without changes to the core activities and project targets. According to the Financing Agreement of the parent project, Category 3 (Refund of Preparation Advance) was allocated to exclusively finance activities of the PCU during the project										

preparation phase. During preparation, however, only XDR 549,62 was used from Category 3. Thus, in total, XDR 599,400 from Category 3 will be reallocated to Category 1.

Ln/Cr/TF	Currency	Current Category of Expenditure	Allocation		Disbursement %(Type Total)	
			Current	Proposed	Current	Proposed
IDA-H8400	XDR	GD, WK, NCS, CS PT 1,2.3, 3 TR, OC	12,950,000.00	13,549,400.00	100.00	100.00
IDA-H8400		GD, WK, NCS, CS PT 2.1,2.2 STIP, TR	6,350,000.00	6,350,000.00	100.00	100.00
IDA-H8400		Project Preparation Facility refinancing	600,000.00	600.00	0.00	0.00
IDA-H8400		Designated Account	0.00	0.00	0.00	0.00
IDA-H8400		Designated Account	0.00	0.00	0.00	0.00
IDA-H8400		Designated Account	0.00	0.00	0.00	0.00
		Total:	19,900,000.00	19,900,000.00		
Components						
Change to Components and Cost						
Explanation:						
Under the proposed AF, the following changes are introduced:						
<p>Under Component 1, Subcomponent 1.1 (Demand-Driven Approach to Formal Vocational Training) will be scaled up to support the restructuring, rehabilitation, and expansion of select technical and professional education training centers, technical and vocational secondary schools, and SAAs, with a particular focus on emerging priority sectors such as agriculture and livestock, auto mechanics and construction machinery, metal construction, solar energy, carpentry, and air conditioning. Key institutions have been identified to be supported under the AF through extensive field visits and based on (a) the existence of premises already constructed, but requiring rehabilitation/readjustment to avoid new construction activities and (b) the absence of support from other development partners active in the area (such as Swiss Contact and LuxDev). These institutions are Training Centre for Technical and Professional Education (<i>Centre de formation professionnelle et technique</i>, CFPT) of Maradi; CFPT of Diffa; Training Center for Professional Enhancement (<i>Centre de formation et de perfectionnement professionnel</i>, CFPP) of Niamey; <i>Lycée agricole de Tera</i>; Training Center for Young Farmers (<i>Centre de formation des jeunes agriculteurs</i>, CFJA) of Keguel; CFJA of Bélindé; and a Regional Fashion Training Center to be established in Niamey. In addition, the AF will further support the operationalization of reforms in the TVET sector, in particular the implementation modalities of the 2015 Law on Technical and Professional Education.</p>						
<p>Also under Component 1, Subcomponent 1.2 (Improving the School-to-Work Transition), the internship and job counseling programs run by ANPE, particularly aimed at young graduates and designed with support from the original financing and promulgated in 2016, will be improved and scaled up. In addition, target beneficiaries will be extended to allow young higher education and the TVET graduates who have been unemployed for more than two years to benefit from the programs. The M&E</p>						

system, established with support from the parent project, tracking graduates' internship experiences and post-internship outcomes will also be strengthened.

Under Component 2, **Subcomponent 2.1 (Expanding Apprenticeships)** will be improved and scaled up. Specifically, the dual apprenticeship program will be implemented with a tailored approach for both urban and rural professions. The rural dual apprenticeship program will be delivered by newly established training entities named SAA which will offer targeted youth between the ages of 17 and 30 a four-month formal training combining theory and practice. The AF will finance the initial investment and operating costs of ten SAAs. Apprentices in rural areas will receive an allowance of CFAF 3,000 per month and will be provided a meal on-site during training days attended. The dual apprenticeship program in urban professions will build on gaps identified during the implementation of the parent project and will focus on quality improvement of the complementary training program for young apprentices. Urban apprentices will benefit from a transport allowance of CFAF 15,000 per month.

Also under Component 2, **Subcomponent 2.3 (Promoting Entrepreneurship Training)**, new complementary follow-up activities will be added. In addition to the expansion of the entrepreneurship training program implemented under the parent project, the AF will support the design, preparation, and implementation of a 'business plan' competition program, and will provide start-up funds for young graduates who benefitted from the entrepreneurship training under the parent project and those who will receive similar entrepreneurship training through continued activities under the AF. In addition, the AF will support the introduction of entrepreneurial training modules in educational curricula at various levels and streams. Finally, the subcomponent will take into account the newly created ministry in charge of youth entrepreneurship and will provide support to this new structure particularly to strengthen the definition of its strategies, coordination mechanisms, and M&E. Capacity-building activities will be included in Component 3.

Under **Component 3 (Institutional Capacity Strengthening and Monitoring and Evaluation)**, the AF will continue to support institutional strengthening and further enhance the M&E of the project both at the central and implementing agency levels. Capacity development activities will be introduced to strengthen FAFPA and its related professional organizations to effectively establish all aspects of M&E, both at the technical level (that is, in prospecting and placing youth in training centers and placement firms and post-training monitoring of graduates) and administrative level (that is, ensuring that established performance contracts are executed). Moreover, the AF will introduce communications activities for increased awareness of the project.

Current Component Name	Proposed Component Name	Current Cost (US\$, millions)	Proposed Cost (US\$, millions)	Action
Improving the Effectiveness of Formal Training	Improving the Effectiveness of Formal Training	11.40	39.40	Revised
Strengthening Short Term Skills Development and Apprenticeships Programs	Strengthening Short Term Skills Development and Apprenticeships Programs	12.50	25.50	Revised
Institutional Capacity Strengthening and Monitoring and Evaluation	Institutional Capacity Strengthening and Monitoring and Evaluation	6.10	13.10	Revised

	Contingency	0.00	2.00	New
	Total:	30.00	80.00	

IV. Appraisal Summary

Economic and Financial Analysis
<p>Explanation:</p> <p>The economic analysis conducted for the original project remains valid. The proposed AF is expected to contribute to improving the economic conditions of the population. The ongoing existing gap between demand and supply for skilled human resources reveals a great potential for this AF to increase productivity and growth in the targeted sectors. The main benefits from the project are increased employability due to the adaption of the training to labor market’s needs and increased earning capacity of the trained youth. Under the AF, project activities will be undertaken in Niger’s regions with high agricultural and livestock potential, which cover the main part of economy and where skill gaps are most constraining. Moreover, by increasing access to education, the project is expected to offset some of the household demand-side pressure on further education that stems from a growing population and expected improvements in primary enrollment and completion. The proposed AF is justified economically.</p>
Technical Analysis
<p>Explanation:</p> <p>The appraisal summary developed for the original project remains largely relevant. The project is grounded in a comprehensive sector analysis of post-basic education and training, of which the TVET forms an integral part. The World Bank 2011 report ‘Improving Education and Developing Skills for Economic Growth in Niger’ was discussed extensively with the Government and other stakeholders. The report highlights the existing quantitative and qualitative skills gaps in the country which form a key constraint to maintaining Niger’s announced growth figures. The report also undertakes a review of the demand for skills in different sectors and a diagnostic of the supply in both the formal and informal sector, and proposes solutions to make the skills development system more relevant to labor market needs. These include notably diversifying the TVET offerings with shorter and more diversified degrees, providing the TVET institutions with higher degree of autonomy, focusing more on the training of teachers and supporting dual apprenticeship programs. The proposed AF will continue to take on board many of these recommendations that remain relevant.</p>
Social Analysis
<p>Explanation:</p> <p>The AF project seeks to scale up the successful interventions of the parent project and as such it is expected to have positive social impacts through skills development to generate an improved labor force capable of meeting the needs of the agriculture industry. In addressing youth, the project will help promote their integration into the workforce with improved changes of earning higher wages. Including training in agriculture in rural areas will introduce improved technologies and farming systems which will contribute to increased agricultural production and productivity and therefore help increase living standards in the rural areas where the most vulnerable people in Niger live. The targeting of girls in the proposed training will improve the opportunities for a category of the population that is already very much marginalized in education especially in skills training.</p> <p>Like the parent project the AF project retains its social and environmental Category B rating. The social risks and impacts of the project are expected to be generally positive, moderate, and low in scale, mostly</p>

site-specific, and thus easily manageable. Because the AF project maintains the same PDO and components as the parent project no additional safeguards policies will be triggered, except from the Physical Cultural Resources (OP/BP 4.11) safeguard policy which is triggered due to the small-scale civil construction activities under the project that may result in the unearthing of physical cultural resources. However, because there will be new activities on sites not yet identified, an ESMF has been prepared by the borrower that includes a negative list that will ensure there will be no use of land that would make OP 4.12 applicable. Also, as a precautionary measure, ‘chance finds procedures’ have been included in the ESMF and subsequent ESMPs that have been prepared and will be adequately embedded in civil works contracts terms of reference as SECs to be complied with. The rating will, therefore, remain the same. The social safeguards implementation support missions in March 2017 had rated the project Moderately Satisfactory with a strong recommendation that a safeguards specialist be urgently recruited to work in the Project Management Unit (PMU). The last mission witnessed a lot of improvement and the rating was thus raised to Satisfactory, based on review of progress reports and project site visits. The PMU now has a qualified environmental and social safeguards specialist with proven experience with the World Bank’s operational safeguards policies, especially the implementation of the safeguards instruments. In addition, the World Bank’s social safeguards specialist will provide further technical guidance to the PMU through proactive regular implementation support missions and in-field technical capacity strengthening of the environmental and social safeguards specialists.

Environmental Analysis

Explanation:

As the AF is intended to support the scaling up of the successful parent project interventions and because its new related activities do not trigger any additional safeguard policy, it is expected that the adverse environmental and social risks and impacts of this AF will remain moderate and globally site specific and therefore easily manageable. Thus, the AF project classification remains a Category B operation.

In addition to rehabilitating/constructing new additional equipped classes in the selected TVET training centers that are already known, the AF will also establish ten SAAs to be made available by local municipalities (*communes*) on their own existing properties free of any claims and for which the exact sites are still unknown.

Given that the exact locations of some of the sites are already known and some others should be known only during project implementation, the AF has prepared both an ESMF for the unknown sites which includes a negative list that will ensure there will be no use of land that would make OP 4.12 applicable and for each known site, a stand-alone ESMP. The project ESMF and site-specific ESMPs all include basic SECs that will be systematically embedded in contractors’ contracts to ensure safeguard compliance.

Both the ESMF and respective site-specific ESMPs have been prepared in an amply consultative manner (inclusive of comprehensive sections on public consultation and participation, gender, and vulnerability/social inclusion of vulnerable and disadvantaged populations, a locally grounded grievance redress mechanism [GRM], and citizen engagement to ensure beneficiary ownership and accountability, and so on) highlighting lessons learned from the implementation of the parent project and innovative approaches worth exploring during the implementation of this AF (that is, the systematic social and environmental screening of subprojects, community awareness raising on HIV/AIDS- sexually transmitted infections, and so on), and have been publicly disclosed in-country and at the World Bank’s InfoShop. The Integrated Safeguard Data Sheet for the appraisal stage has also been updated to further highlight some of these lessons learned as well as, wherever deemed suitable, to reflect the environmental and social safeguards changes inherent to the Financing Agreement.

Risk

Explanation:

The overall risk associated with this project is assessed as Substantial. While project implementation continues to face moderate implementation risks, given the relatively inadequate institutional capacity, the PCU staff have acquired experience and skills, and have successfully implemented activities under the parent project. Moreover, both the Ministry of Secondary Education and the Ministry of Primary Education and National Languages have each hired a social and environmental specialist to ensure the project is in compliance. These two will be working closely with the World Bank safeguards specialists and technically supported to strengthen their capacity to better handle safeguards issues. The risks related to activities for which the AF is being requested are identified and described in the attached Systematic Operations Risk-Rating Tool (SORT) in annex 2, which are mostly in line with the rating of the parent project and its most recent ISR.

V. World Bank Grievance Redress

25. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

Annex 1: Revised Results Framework

NIGER: Skills Development for Growth Project Additional Financing (P163467)

Additional Financing

Project Development Objectives						
Original Project Development Objective - Parent:						
The project development objective is to improve the effectiveness of formal technical and vocational training, short term skills development and apprenticeship programs in priority sectors.						
Proposed Project Development Objective - Additional Financing (AF):						
Results						
Core sector indicators are considered: Yes				Results reporting level: Project Level		
Project Development Objective Indicators						
Status	Indicator Name	Unit of Measure		Baseline	Actual(Current)	End Target
Revised	1. Direct project beneficiaries	Number	Value	0.00	7,736.00	31,600.00
			Date	30-Apr-2013	19-May-2017	30-Nov-2022
		Comment	End target increased to reflect the additional direct beneficiaries under the AF and the end target date adjusted to reflect revised project closing date.			
Revised	<i>Of which percentage female</i>	Percentage	Value	0.00	43.00	50.00
		Sub Type				
		Supplemental				
Revised	2. Youth graduating in the TVET institutions supported by the project	Percentage	Value	0.00	0.00	65.00
			Date	30-Apr-2013	19-May-2017	30-Nov-2022

	in priority sectors (%) of which in the agriculture sector (%)		Comment	End target increased to reflect the AF focus in the agriculture sector and the end target date adjusted to reflect revised project closing date.		
Revised	<i>Percentage of graduating females</i>	Percentage Sub Type Supplemental	Value	0.00	0.00	30.00
New	<i>Youth graduating in the TVET institutions supported by the project in the agriculture sector</i>	Percentage Sub Type Supplemental	Value	0.00	0.00	65.00
Revised	3. Out of school youth who completed dual apprenticeship programs (of which in the agriculture sector) (%)	Percentage	Value	0.00	80.00	80.00
			Date	30-Apr-2013	19-May-2017	30-Nov-2022
Revised	<i>Of which percentage female</i>	Percentage Sub Type Supplemental	Value	0.00	30.00	40.00
New	<i>Percentage of youth who completed dual apprenticeship programs in the agriculture sector</i>	Percentage Sub Type Supplemental	Value	0.00	0.00	70.00
Revised	4. Short-term vocationally trained youth who are employed or self-employed (overall and by sector)	Percentage	Value	0.00	50.00	50.00
			Date	30-Apr-2013	15-Jun-2016	30-Nov-2022
			Comment	End target reduced to 50% as it was reviewed as over ambitious and the end target date adjusted to reflect revised project closing date.		

Revised	5. Number of beneficiaries trained in entrepreneurship	Number	Value	0.00	1,201.00	5,000.00
			Date	30-Apr-2013	19-May-2017	30-Nov-2022
			Comment	End target date adjusted to reflect revised project closing date.		
No Change	<i>Of which percentage female</i>	Percentage Sub Type Supplemental	Value	0.00	26.00	30.00
Intermediate Results Indicators						
Status	Indicator Name	Unit of Measure		Baseline	Actual(Current)	End Target
Component 1: Improving the Effectiveness of Formal Training						
Revised	1. Youth enrolled in the TVET institutions supported by the project in priority sectors (of which in the agriculture sector) (%)	Number	Value	0.00	0.00	8,300.00
			Date	30-Apr-2013	19-May-2017	30-Nov-2022
			Comment	End target increased to reflect scale up and end target date adjusted to reflect revised project closing date.		
Revised	<i>Of which percentage female</i>	Percentage Sub Type Supplemental	Value	0.00	0.00	30.00
New	<i>Youth enrolled in the TVET institutions supported by the project in the agriculture sector</i>	Percentage Sub Type Supplemental	Value	0.00	0.00	60.00
Revised	2. Trainers trained in the priority sectors as a result of project intervention	Number	Value	0.00	41.00	70.00
			Date	30-Apr-2013	19-May-2017	30-Nov-2022
			Comment	End target increased to reflect activity scale up and end target date adjusted to reflect revised project closing date.		
Revised	3. Tertiary and secondary technical graduates connected with potential	Number	Value	0.00	2,946.00	6,500.00
			Date	30-Apr-2013	19-May-2017	30-Nov-2022

	employers as a result of project intervention		Comment	End target increased to reflect activity scale up and end target date adjusted to reflect revised project closing date.		
New	4. Trained youth unemployed for more than two years requalified as a result of project intervention	Number	Value	0.00	0.00	800.00
			Date	30-Nov-2017		30-Nov-2022
			Comment	End target date added to reflect revised project closing date.		
Component 2: Strengthening Short Term Skills Development and Apprenticeship Programs						
Revised	5. Out of school youth enrolled in dual apprenticeship programs as a result of project intervention (of which in the agriculture sector) (%)	Number	Value	0.00	3,068.00	9,000.00
			Date	30-Apr-2013	19-May-2017	30-Nov-2022
			Comment	End target increased to reflect activity scale up and end target date adjusted to reflect revised project closing date.		
Revised	<i>Of which percentage female</i>	Percentage Sub Type Supplemental	Value	0.00	23.00	40.00
New	<i>Out of school youth enrolled in the dual apprenticeship programs in the agriculture sector</i>	Percentage Sub Type Supplemental	Value	0.00	0.00	50.00
Revised	6. Out of school youth completing on-demand technical training as a result of project intervention	Number	Value	0.00	326.00	1,500.00
			Date	30-Apr-2013	19-May-2017	30-Nov-2022
			Comment	End target date adjusted to reflect revised project closing date.		
New	7. Number of prizewinner youth in the business plan competition	Number	Value	0.00	0.00	300.00
			Date			30-Nov-2022
			Comment	New target added to reflect new activity introduced in the AF		
New	<i>Of which percentage female</i>	Percentage	Value	0.00		40.00
No Change	8. Number of trainers in	Number	Value	0.00	90.00	90.00

	entrepreneurship programs trained as a result of project intervention		Date	30-Apr-2013	19-May-2017	31-May-2019
			Comment	This indicator has already reached its target.		
Component 3: Institutional Capacity Strengthening and Monitoring and Evaluation						
Revised	9. Beneficiary surveys completed to support on-going training improvement	Yes/No	Value	No	Yes	Yes
			Date	30-Apr-2013	19-May-2017	30-Nov-2022
			Comment	End target date adjusted to reflect revised project closing date.		
Revised	10. Labor Market Observatory data collection	Yes/No	Value	No	No	Yes
			Date	30-Apr-2013	19-May-2017	30-Nov-2022
			Comment	End target date adjusted to reflect revised project closing date.		

Annex 2: Systematic Operations Risk-Rating Tool (SORT)

NIGER: Skills Development for Growth Project Additional Financing (P163467)

A. Risk Rating Summary Table

1. Table 2.1 summarizes the perceived risks for the proposed AF. While the rating takes into account the experience gained as part of implementation of the parent project as well as the strong commitment demonstrated by the Government of the Republic of Niger, the overall project risk is still rated Substantial. In general, the rating for each element is in line with the rating of the parent project and the most recent ISR, which was issued on June 10, 2017.

Table 2.1. SORT

Risk Category	Rating
1. Political and Governance	Substantial
2. Macroeconomic	Moderate
3. Sector Strategies and Policies	Substantial
4. Technical Design of Project or Program	Moderate
5. Institutional Capacity for Implementation and Sustainability	Substantial
6. Fiduciary	Substantial
7. Environment and Social	Moderate
8. Stakeholders	Moderate
OVERALL	Substantial

B. Overall Risk Rating Explanation

2. **Political and Governance.** Political and governance risks remain substantial for Niger. While Niger has returned to a democratically elected government since 2011, the political stabilization continues to be threatened by severe external shocks, including the security crises in the sub-region. As articulated in the latest RRA findings for Niger, the country faces a range of FCV risks: vulnerability to terrorist attacks and security risks coupled with limited governance mechanisms and fragile institutions. Close monitoring of project implementation, clear reporting arrangements, and third-party monitoring arrangements, as well as compliance with all security procedures will be ensured.

3. **Macroeconomic.** The macroeconomic environment in Niger is assessed at a moderate risk rating. The Government has been relatively successful in maintaining macroeconomic stability in the face of significant external shocks. While the Government appears to be able to continue this prudent management of the economy and master shocks, the high demographic growth coupled with limited opportunities and stressed institutions is an important risk factor that needs to be addressed. Yet the Government places high priority on education given that the security situation of the country is highly related to youth unemployment. Close policy dialogue will continue so that sector funding will at least be maintained at current levels.

4. **Sector strategies and policies and stakeholders.** The country has designed an education sector strategy for 2013–2020. This strategy was supported by all the stakeholders, including the donor community. The level of funding needed continues to be very high compared to the current capacity. Without donor support, it is unlikely that the country will have enough resources to meet the national targets. Consultations were held with all key stakeholders throughout the AF identification and preparation, and this will continue during and implementation. In addition, roles and responsibilities were clearly defined for implementing organizations.

5. **Technical design of project and institutional capacity for implementation and Sustainability.** Technical design of the project is assessed as Moderate risk. The proposed AF is based on clearly identified needs and priorities and is based on extensive lessons learned gained from the parent project. Institutional capacity for implementation risks is considered Substantial. The environmental and social risks are considered to be Moderate. Similar activities are already under implementation as part of the parent project and their impacts on the environment is Low, while on the social side they are judged to be positive.

6. **Fiduciary.** The implementation arrangements, including those for FM and procurement will largely remain the same under the AF. The role of the National Coordination Unit and the Regional Coordination Units at the national and regional levels will also be crucial within the context of an overall process aimed at consolidating well-proven practices in the areas of fiduciary management and procurement.

7. The PCU set up within the MFPE and FAFPA, the two project implementing agencies, continue to maintain acceptable FM and disbursement arrangements for the Skills Development for Growth Project, which are equally acceptable for the AF according to the requirements under OP/BP10.00. Neither any unaudited interim financial reports nor any audit reports are overdue. In addition, no entity audits will be required under the AF and this requirement will also be dropped for the parent project. The overall fiduciary risk for the original project is rated ‘Substantial’ mainly due to limited procurement and FM capacity in the public sector in Niger.

8. There are no major changes expected in the overall FM arrangements for the AF. The overall FM performance of the original project has been Satisfactory following the last FM supervision mission in January 2018.

9. The accounts of the AF would be kept in the existing TOMPRO accounting software used for the original financing activities. However, the accounting system needs to be calibrated to fit the AF needs. The two project implementing agencies are adequately staffed with experienced and qualified personnel for FM to continue to handle the workload of the project. For the AF there is no need to recruit additional FM staff. The PCU of MFPE and FAFPA already have an approved FM procedures manual, which will be followed under the AF.

10. Funds flow of AF will also follow the arrangements used in the original IDA Grant No.H8400t, whereby the World Bank will continue to transfer funds to the same Designated Account held at the Bank of Africa Niger. The funds will subsequently be transferred to the respective beneficiaries where they will be transferred directly to suppliers of goods and services. As in the original project, payments for larger contracts will be made through the Direct Payment disbursement method. Disbursements to the Designated Account will follow the statement of

expenditures-based mechanism where withdrawal applications will be submitted on a monthly basis.

11. No separate audit report would be required with respect to the AF, which will be added to the financial statements of the original IDA Grant with separate disclosures in the notes to the financial statements. A single audit opinion will be issued for the financial statements of the two project implementing agencies, PCU of MFPE and FAPFA, and the audits will be conducted based on International Standards on Auditing, by a firm acceptable to the Association. Such an audit report will be submitted to the World Bank on a yearly basis, along with the respective management letters within six months of the end of the fiscal year.

12. **Social and environmental safeguards.** The main purpose of the AF is to scale up what the parent project has been doing. It will only trigger one new safeguards policy, the Physical Cultural Resources (OP/BP 4.11) due to the small-scale civil construction activities under the project that may result in the unearthing of physical cultural resources. Building on the footprint of the parent project, this AF will scale up the footprint and outreach by establishing, in addition to the usual TVET centers, ten SAAs to be made available by local municipalities (*communes*) on their existing properties that are all free of any claim for which the exact sites locations remain. Based on the fact that few of the site locations have already been identified while the remaining ones will only be known during project implementation, the borrower had thus prepared, for each of the already known sites, a site-specific stand-alone ESMP and for all the remaining ones whose footprints will only be determined during project implementation an ESMF which includes a negative list, which will ensure that there will be no use of land that would make OP 4.12 applicable. Both the ESMF and respective site-specific ESMPs have been prepared in an amply consultative manner (that is, inclusive of comprehensive sections on public consultation and participation, gender and vulnerability/social inclusion of vulnerable and disadvantaged, a locally grounded GRM, and citizen engagement to ensure beneficiary ownership and accountability, and so on) highlighting lessons learned from the implementation of the parent project and innovative approaches worth exploring during the implementation of this AF (that is, the systematic social and environmental screening of subprojects, community awareness raising on HIV/AIDS-sexually transmitted infections, community consultation and engagement with special focus on gender and vulnerability, and so on), and have been publicly disclosed in-country and at the World Bank's InfoShop. The PCU will be responsible for all safeguards implementation, including those under Subcomponent 2.1 which the PIE is otherwise handling. Moreover, both the Ministry of Secondary Education and the Ministry of Primary Education and National Languages have each hired a social and environmental specialist to be working closely with the World Bank safeguards specialists who will help strengthen their technical capacity to better handle safeguards issues of the project. Regular World Bank implementation support missions will continue to include environmental and social development specialists to work with the borrower to ensure adequate technical support on social and environmental safeguards compliance and risks management.

Annex 3: Detailed Description of Modified or New Project Activities

NIGER: Skills Development for Growth Project Additional Financing (P163467)

1. The proposed AF is designed to continue to finance and scale up activities already being implemented satisfactorily under all three components of the parent project. The AF will have a particular focus on the agriculture and livestock sector, as identified by the Government's 3N Initiative: To Improve Food Security – Nigeriens Feeding Nigeriens (*Initiative 3 N – Les Nigeriens Nourissent les Nigeriens: Pour la Securite Alimentaire et Nutritionelle et le Developpement Agricole Durable*) of April 18, 2012 and other promising economic sectors (such as auto mechanics and construction machinery, metal construction, solar energy, carpentry, and air conditioning) as requested by the Government.

Component 1: Improving the Effectiveness of Formal Training (Original Financing US\$11.4million; AF US\$28 million; Total US\$39.4 million)

2. Component 1 of the parent project has two subcomponents focused on improving (a) the quality and relevance of TVET institutions and (b) the school-to-work transition. The AF is proposing the following changes to the original subcomponents, mainly to scale up and introduce new complementary activities.

Subcomponent 1.1: Demand-Driven Approach to Formal Vocational Training (Original Financing US\$9.8 million; AF US\$25.5 million; Total US\$35.3 million).

3. This subcomponent aims to improve the quality and relevance of TVET institutions in key sectors. In addition to the four key sectors supported under the parent project (civil works and construction, meat processing, leather, and hospitality), the AF will focus on emerging priority sectors for TVET institutions such as agriculture and livestock, auto mechanics and construction machinery, metal construction, solar energy, carpentry, and air conditioning. Particularly in the agriculture and livestock sector, promising value chains with high potential for demand for skilled and semi-skilled workers will be targeted in the respective regions. Skills training will be provided along the entire value chains from market gardening, to processing, preserving, and packaging of agricultural products, as well as agricultural machinery, irrigation techniques, beekeeping, and poultry farming (animal feed, animal health, breeding, and distribution).

4. The subcomponent will finance the restructuring, rehabilitation, and expansion of select technical and professional education training centers CFPT,² CFPP, CFJA, and *lycées professionnels* to deliver quality training for skilled and semi-skilled level *Brevet d'Etudes Professionnelles* (BEP), *Bac Professionnel* (Bac Pro), *Certificat d'Aptitude Professionnelle* (CAP), and *Certificat de Qualification Professionnelle* (CQP). To avoid spreading scarce resources and taking into account the existing huge demand for skills, the AF will focus on improving the efficiency of select training centers through increasing capacity, quality, and relevance, and directly responding to the specificities and needs of the local economy. The establishments have been pre-identified to enhance project implementation readiness, excluding those currently being supported by other development partners such as LuxDev, Swiss Contact,

² CFPTs are aimed at young graduates with *Brevet d'Etude du Premier Cycle* who have been admitted through a competitive examination for a two-year training leading to the BEP diploma.

l'Agence Française de Développement, and the Islamic Development Bank. In addition, select technical and vocational secondary schools and SAAs will be refurbished and upgraded to meet the skills needs in these strategic sectors and enhance productivity and integration of youth from various educational levels into agropastoral activities. The key targeted institutions, their characteristics, and planned activities are as follows.

5. The key institutions identified:

- (a) ***CFPT de Maradi***. This CFPT currently provides five BEP-level training schemes in metal construction, auto mechanics, carpentry, computer maintenance, and industrial electricity. However, while the center has a newly dedicated site of 1.8 ha, it is currently housed under a technical secondary school and its workshops are under-equipped. The AF will contribute to the establishment of the center in the new site and the introduction of short training courses in the field of agriculture and livestock (that is, market gardening, breeding, arboriculture, irrigation techniques, maintenance agricultural equipment, and solar energy).
- (b) ***CFPT de Diffa***. The AF will support the refurbishing of this center to allow the development of new training courses (CQP, CAP, and BEP levels) in agriculture and livestock sectors to respond to the needs of the Diffa region. Particularly, new training courses will be introduced in market gardening (bell peppers and other products), fish farming, water management and irrigation, maintenance of agricultural equipment, and conservation of agricultural production.
- (c) ***CFPP de Niamey***. The AF will support the restructuring of this center which currently provides training in seven technical fields. More specifically, the AF will finance (i) the development and establishment of a modern training scheme in mechanics/electronics, (ii) the upgrade of existing training courses in mechanics and automechanics, and (iii) the rehabilitation of workshops for subsidiary training courses such as maintenance and repair of construction machinery and electronics. In addition, the AF will provide support to improve the learning conditions for apprentices in complementary training programs and enhance their practical training through the rehabilitation of existing workshops which lack basic equipment.
- (d) ***Lycée agricole de Tera***. This professional secondary school is located in an area of high agricultural and livestock production between the borders of Burkina Faso and Mali. The planned restructuring of this institution fits well within the Government's ambition to make it a key regional flagship institution, particularly specialized in livestock (cattle, sheep, goats and poultry, beekeeping) and in the processing, packaging, and conservation of agricultural and livestock products. This professional school will provide training for an array of agricultural and livestock-related jobs, including (a) animal feed, animal health, artificial insemination (sheep, cattle, goats), processing and packaging of agricultural and livestock products (dairy and meat products and its derivatives); (b) fruits and vegetables preservation; (c) maintenance of agricultural equipment; (d) microbiology and microchemistry laboratories; and (e) agricultural production (10 ha), irrigated crops, and forages. The level of qualifications aimed will be CAP for skilled workers (*ouvriers qualifiés*) and Bac Pro

for technicians. Shorter training modules focused on local integration and short-term employability could also be envisioned. A ministerial order is currently being prepared to allow the CAP qualification level.

- (e) ***CFJA de Kéguel***. This SAA is located in the region of Maradi with strong agricultural potential. The existing site (60 ha in total) has basic infrastructure built, including classrooms, workshops, stables, teacher and student dormitories, as well as a refectory and a kitchen. The training center will be revitalized to provide quality training for skilled workers in the agricultural and livestock sectors (at CAP, CQP, BEP, and Bac Pro levels), with a particular emphasis on processing, conservation and packaging of agricultural products (dairy and meat products and derivatives, cereals, and fruit and vegetables). The center will also provide training for microbiology and microchemistry laboratory technicians, as well as short courses in breeding, market gardening, and arboriculture. The AF will finance the provision of equipment, curriculum development, training of trainers and managers, and landscaping. To increase youth employability, the center will give priority to the recruitment of the youth from farming families in the surrounding region.
- (f) ***CFJA de Bélindé***. This SAA is located in Dosso, a region with high potential for agricultural production and livestock. The AF will focus on upgrading this center to set up short training courses at the CQP and CAP levels in the fields of agriculture and livestock, with complementary post-training support. The AF will finance the rehabilitation of existing facilities (classrooms, workshops, cowsheds, and student and teacher dormitories), the acquisition of training equipment, and the training of trainers.
- (g) ***Centre régional de formation dans les métiers de la mode***. This fashion training center is planned to be established in Niamey within a public-private partnership framework. The Government is expected to provide the land and participate in the financing of the construction of the center (estimated Government Investment amounts to CFAF 250 million). In its planned configuration, the center will have a capacity to enroll 600 trainees in three main fashion training streams. A needs assessment and feasibility study is currently under way to iron out details in terms of anticipated skills level, training content, equipment needs, teacher training, and technical assistance (TA) needs. Based on the outcomes of the study, the AF will finance select cost items to operationalize the training center. The promoter of the regional center will have to comply with a performance-based contract agreed with the ministry in charge clearly indicating the expected results. A public-private partnership management model will also be adopted in agreement between the two parties.

6. **Target beneficiaries.** A total number of 6,500 out-of-school unemployed youth will benefit from this subcomponent and, given the focus of the AF on the agriculture sector, girls' participation is expected to increase significantly. Close to 2,000 out-of-school unemployed youth will be trained in urban professions (such as mechanics/electronics, plumbing, and so on) and 4,500 will be trained in rural agriculture-related fields in training centers and through other agricultural education initiatives.

7. **Planned consultations and feasibility and needs assessment studies.** To further identify the training fields to be adopted in these institutions and the appropriate qualification levels to be targeted, the AF will support robust consultations with local authorities, farmers' organizations, and other key stakeholders and partners. This planned consultation process will effectively prepare all key stakeholders for a potential strong engagement in the management of the restructured institutions within a new partnership framework. Moreover, the different elements of the institutional and physical upgrade will be sequenced to ensure maximum impact. Feasibility and needs assessment studies will be conducted ahead of the restructuring of these institutions to provide—for each identified institution—a detailed description of (a) relevant fields of training to be considered; (b) physical expansion/rehabilitation needs of classrooms, workshops, laboratories, application areas, administrative rooms, and so on; (c) pedagogical materials and equipment needs relevant to the training offered; (d) a comprehensive training program for trainers and managers; and (e) the development of relevant training modules. Findings from these studies will be validated with key national and local stakeholders. Upon validation, the AF will finance all identified needs, as well as architectural and design studies as appropriate.

8. **Institutional improvements.** Building on the Law on Technical and Professional Education—which aims at ensuring the management autonomy of the technical institutes and the key principle of partnership with the private sector—key institutional improvements will be introduced under the AF. A new operational model will be implemented in the selected institutes with the aim to effectively engage with the private sector. The selected institutes will have a new legal status and will be governed by boards (*Conseils d'établissement*), where professional organizations and representatives of the relevant sectors will be fully represented. These boards will have the overall management responsibility of the centers, as well as the design and implementation of the training provided. The new 'legal status' will determine the composition and prerogatives of these boards.

9. Training centers and *lycées* are required to establish an autonomy-based organizational model that allows real partnership with local productive sectors. The centers will have a wide range of responsibilities in their respective regions in the design and implementation of initial training and apprenticeship programs, including information, orientation and selection of beneficiary youth, organization of shift schedules, certification, and post-training follow-up. The private sector will be engaged in the management of the centers, development of curricula, and the creation of units for youth placements or apprenticeships. This relationship will be formalized within the framework of a performance contract, which will be developed solely for this purpose. Pluri-annual performance contracts will be prepared, clearly indicating key institutional goals and internal and external performance targets to be met, including qualitative objectives related to the upgrading of training programs, in-service training of trainers, placements, and partnership with the private sector. Based on the expected results from the pluri-annual performance contracts, particularly with regard to the number of beneficiary youth enrolled in the institutions, the project will support the operating costs and other related costs of these institutions during the project's lifetime. The project's support will be degressive to prepare for the national budget to cover these operating costs.

10. This subcomponent will further support the operationalization of reforms in the TVET sector, in particular the implementation modalities of the 2015 Law on Technical and Professional Education. The existing formal vocational training and apprenticeship programs are generally

disconnected from the needs of local economies, and therefore are ineffective. Training institutes are established without links to the existing firms and operate in a vacuum. Thus, these training institutes need to adopt a more efficient governance model based on strong engagement with relevant economic sectors and related professional organizations at various levels. Building on efforts made under the parent project—which included such an approach in the restructuring of the three targeted institutions and commissioned a study to design a new governance and operational model for the TVET institutions—the project will extend this approach to the entire TVET sector and support its implementation in the selected institutes/centers. Yet, the operationalization of such reforms requires amendments in the legal and regulatory framework of the TVET sector. The AF will, therefore, continue to support the ongoing legal and regulatory reforms related to this new framework adopted by the 2015 Law, including the pre-consultation process with all education sector stakeholders and the private sector launched under the parent project. The key areas covered include (a) TVET delivery modalities, programs, gateways, and certification; (b) apprenticeship delivery modalities, continued education, information, and professional orientation; (c) assessment and professional certification, (d) organization, governance, and management of TVET institutions; and (e) financing of TVET. This phase will precede the actual implementation of the new models in the selected centers.

11. The issue of finance is of crucial importance. It is critical to identify and adopt sustainable solutions to the challenges faced by TVET institutions in mobilizing adequate resources enabling their proper functioning. The AF will potentially support the reform of the TVET financing system to put in place the relevant mechanism to manage the apprenticeship tax.

Subcomponent 1.2: Improving the School-to-Work Transition (Original Financing US\$1.6 million; AF US\$2.5 million; Total US\$4.1 million)

12. This subcomponent aims to strengthen the transition from formal education and training to the labor market by supporting job counselling and internships for technical secondary and tertiary graduates. The AF will continue to support youth employability by improving the quality of the internship and job counseling programs run by ANPE, which is particularly aimed at young graduates, as defined by the new system—the PAIJ—designed with support from the original financing and promulgated in 2016. ANPE has significantly improved its performance with the support provided by the parent project

13. This subcomponent will target firms in promising sectors that could offer post-internship recruitment opportunities to youth facing major difficulties entering the labor market. As under the parent project, the internship program is for six months with a possibility of extension for a similar duration. The internship program will be co-financed in equal parts by the AF and ANPE leaving the hiring firms with the possibility of providing supplementary allowances to the interns.

14. **Target beneficiaries.** The AF will support a total number of 3,000 interns during the AF project period. Based on lessons learned from the implementation of the parent project, target beneficiaries will be extended to allow young higher education and TVET graduates who have been unemployed for more than two years to benefit from a new retooling program. This expansion will be a collaborative effort between ANPE and FAFPA.

15. **Key activities.** Based on ANPE data on existing unfilled jobs and records of young unemployed graduates (*chomeurs de longue duree*), ANPE in collaboration with FAFPA will work with the targeted youth to requalify/retrain them for existing jobs. The requalification training will be carried out by private or public training providers based on specific agreements with the potential hiring employment sectors. ANPE will monitor the requalification training delivery to ensure quality and further support requalified youth with the search for employment opportunities. A total of 800 unemployed youth will be admitted to the requalification training program for a maximum of 12 months. This activity will contribute to the development of on-demand training programs as described in Subcomponent 2.2 and is fully in line with the new prerogatives entrusted to ANPE through the 2016 decree establishing the PAIJ.

16. ANPE has significantly improved its performance with the support provided by the parent project. To further improve efficiency, the AF will support the development of information, advisory, and orientation services within ANPE agencies. Such services were piloted at ANPE agency in Niamey which showed positive results. The objective is to provide youth seeking employment opportunities with access to relevant information on training and apprenticeship opportunities, establishment of independent activities, and related modalities and procedures. The AF will finance a TA for the establishment of advisory services units and staff training.

17. The AF will also strengthen the M&E system, established with support from the parent project, eliciting graduates' internship experiences, with a focus on tracking post-internship outcomes. While an initial beneficiary survey is currently under way to collect more comprehensive information on employment, the AF will also finance additional beneficiary surveys to track post-internship outcomes. The enhanced M&E system is expected to provide timely data about beneficiary youth six months after the internship program. An international TA that was provided succeeded to reinforce the institutional capacities of ANPE, which resulted in increased effectiveness at the decentralized levels throughout the country and in the improvement of the quality of the internship program. Finally, a successful software has been developed, under the parent project, to monitor the internship program. The AF will support its enhancement to encompass the employment topic under this program, as well as staff training at national and local levels.

Component 2: Strengthening Short Term Skills Development and Apprenticeship Programs (Original Financing US\$ 12.5 million; AF US\$13 million; Total US\$25.5 million)

18. This component aims to help Niger address the demand for skills in the economic sectors with the highest growth and employment potential and improve youth employability by supporting short-term skills development and apprenticeship programs. Component 2 of the parent project has three subcomponents focused on (a) expanding apprenticeships, (b) developing short-term on-demand training programs, and (c) promoting entrepreneurship training. The AF is proposing the changes to the original subcomponents, mainly to scale up and introduce new complementary activities.

Subcomponent 2.1: Expanding Apprenticeships (Original Financing US\$4.9 million; AF US\$10 million; Total US\$14.9 million)

19. This subcomponent aims to expand dual apprenticeship programs in priority sectors. The AF will focus on expanding the dual apprenticeship program implemented under the parent project, with a focus on improving the quality of the apprenticeship program in both urban and rural professions and post-training tracking of beneficiary youth. The AF will also support the improvement of the technical skills of master apprentices (*maitres artisans*) and their ability to deliver quality training to apprentices.

20. **Target beneficiaries.** The parent project enrolled more than 4,000 youth, including 1,000 in rural areas, which exceeded the parent project's end target. The AF will target a total of 6,000 out-of-school youth, including 3,000 in rural areas (50 percent of whom will be girls). Young apprentices will also benefit from literacy courses before apprenticeship placements.

21. **Dual apprenticeship program in rural agriculture-related fields.** The program is designed to enable youth to acquire basic technical skills in agriculture related fields. Building on lessons learned from the implementation of the parent project, the rural apprenticeship program will be developed in close consultation with local authorities and farmers' organizations to ensure that it responds to the skills needs and the specificities of the targeted regions in agricultural production and livestock and related activities such as processing and transformation of agricultural products, maintenance and repair of equipment, machinery, irrigation and water management techniques, motor pumps, solar panels, and craftsmanship. The program will be delivered by newly established training structures SAA³ which build on the training delivery model through *Sites Intégrés de Formation Agricole* (SIFA) piloted in the regions of Dosso and Maradi by Swiss Contact. SAAs will offer targeted youth between the ages of 17 and 30 a four- to six-month formal training combining theory and practice. The training will be delivered by endogenous trainers and will be followed by personalized and tailored practical exercises for a duration of four months in the family farms to evaluate the qualifications level of the youth and facilitate their integration.

22. **Key activities.** The AF will finance the establishment and equipment of agricultural apprenticeship sites in the regions with high agricultural potential, available lands provided by the municipalities (*communes*) and with access to water. The pre-identified regions are Tahoua, Tillabéry, Zinder, Diffa, and Agadez. The formal technical training will be preceded by literacy courses, the duration and organization of which needs to be determined. The AF will finance the investment costs of ten SAAs and the operating costs. The ten SAAs will train 1,000 youth per year, or 3,000 youth totally over the project life, of whom at least 50 percent will be girls/women. The physical locations for the establishment of the SAAs and the training paths will be decided with the relevant regional authorities and farmers' organizations. The management of SAAs will be entrusted to local municipalities (*communes*) and farmers' organizations under delegated project management agreements with FAFPA. Apprentices in rural areas will receive an allowance of CFAF 3,000 per month and will be provided a meal on-site during training days attended.

³ SAA means luck or opportunity in the national language, Zarma.

23. The apprenticeship program provided by SAAs should lead to the establishment of beneficiaries on their own account in family farms. The existing credit and semi-credit funds, as well as the World Bank's Youth Employment Project, which is under preparation, could potentially support individual and/or joint venture initiatives to create productive activities.

24. **Dual apprenticeship program in urban professions.** Building on lessons learned from the implementation of the dual apprenticeship program under the parent project, particularly in terms of training quality, the AF will support the improvement of the complementary enhancement training for apprentices and 'master-apprentices'. The complementary technological and theoretical training intended to supplement the knowledge acquired in workshops and companies was mainly organized in training centers (such as CFPT, CET, and *Centre de Formation aux Métiers*), most of which did not have the necessary prerequisites to accommodate young apprentices in acceptable conditions (lack of manual and textbooks, inadequate equipment, and trainers not prepared for apprenticeships). The AF will support training centers engaged in the implementation of the apprenticeship program through the provision of the necessary conditions to enroll young apprentices. The needs assessments of these centers will be conducted before providing the AF.

25. **Key activities.** Taking into account the gaps identified during the implementation of the initial project, the AF will finance (a) the development of the remaining training manuals to be adapted to the qualification levels of youth enrolled in the apprenticeship program; (b) the development of manuals and guides for trainers; (c) the training of trainers engaged in the centers in the use of manuals and technical and pedagogical follow-up of youth placed in firms, (d) the development of modules for the enhancement of master trainers (e) establishment of adequate learning environments within the centers, (f) provision of complementary facilities/equipment to the centers, and (g) the refurbishing of centers, excluding those established on borrowed land. The duration of the apprenticeship program in urban areas will be modeled according to the training fields and will be between 6 and 24 months. Urban apprentices will benefit from a transport allowance of CFAF 15,000 per month and will be complemented by monetary incentives to master-apprentices and workshop owners in the amount of CFAF 50,000 per year per apprentice.

26. **Institutional strengthening and capacity building of FAFPA.** Support will be provided to strengthen the implementation capacities of FAFPA and its related professional organizations, notably in terms of prospecting, placing, and monitoring beneficiary youth in training centers and placement firms. Special attention will be given to FAFPA's M&E system. The technical and pedagogical inspectors of the MFPE, who may be involved in this activity, will also benefit from a specific training. To build a sustainable apprenticeship framework, the AF will build on the efforts made under the parent project in developing and implementing a legal and regulatory framework for dual quality apprenticeship programs. This new framework will focus on (a) establishing consultation and steering mechanisms to effectively engage professional organizations; (b) putting in place the organizational model for training entities involved in the implementation of apprenticeships; (c) defining the certification process for the apprenticeship program, in line with other existing types of certifications; (d) establishing program implementation procedures and tools, as well as the modalities for effective M&E; and (e) the different financing mechanisms for apprenticeship that can sustain the apprenticeship schemes and propose, accordingly, financing arrangements compatible with the reform of the Apprenticeship Tax in progress.

Subcomponent 2.2: Developing Short-Term On-Demand Training Programs (Original Financing US\$4.7 million; AF US\$0; Total US\$4.7 million).

27. The objective of this subcomponent is to support short-term skills development by developing an on-demand training program. There is no change envisioned and this subcomponent will not be supported under the AF.

Subcomponent 2.3: Promoting Entrepreneurship Training (Original Financing US\$2.9 million; AF US\$3 million; Total US\$5.9 million).

28. This subcomponent aims to support short-term skills development for Niger's youth by promoting entrepreneurship training. Building on results achieved under the parent project and in close collaboration with the World Bank-supported Youth Employment Project, the AF will expand the entrepreneurship training, with complementary follow-up activities that would benefit youth. More specifically, the AF will support the design, preparation, and implementation of a 'business plan' competition program.

29. **Target beneficiaries.** A total of 3,000 higher education and TVET graduates will be targeted under the subcomponent. Among the targeted 3000 participants, 500 will be selected to further benefit from support to deepen and finalize their business plans and participate in a business plan competition (*Concours de Plan d'Affaires*, COPA) that will reward best performers. A total of 300 business plans (that is, 10 percent of participants) will be awarded in two editions during the duration of the project and 40 percent of prizewinners are expected to be girls. Out-of-school youth will eventually be supported by the Youth Employment Project currently under preparation.

30. **Key activities.** The best business plans will be selected through a transparent and competitive process. Commissions at the regional level will establish an initial first list of potential beneficiaries and the final selection will be proposed by a jury set up for this purpose and validated by the COPA management committee, including representatives from the Ministry of Youth Entrepreneurship (*Ministere de l'Entrepreneuriat des Jeunes*) and Niger's Chamber of Commerce and Industry (*Chambre de commerce et d'industrie du Niger – CCIN*). The winners will receive capped contributions of US\$5,000, which will be used to finance equipment, inputs, and initial investment/capital as defined by the business plans and/or to provide a personal contribution to access AF from banks or microfinance institutions. In addition, the AF will finance technical follow-up activities to ensure that newly established businesses reach their full potential and a tracer survey to track progress made by these beneficiaries. An operational manual for the business plan competition will be developed in advance.

31. The microfinance market in Niger is in a promising development process. The creation of a new regulatory agency for the microfinance sector and the adoption of a new law on the regulation of decentralized financial systems (*systèmes financiers décentralisés*, SFD) in January 2010, include key requirements that aim to professionalize microfinance through strengthening the regulatory framework, improving monitoring, and facilitating ongoing efforts of the professional association of SFDs. In addition, the recent technological boom has led to new products and services such as electronic transfers and payments, making it easier for people living in remote areas to access financial services. This is an encouraging development that would possibly allow the proposed entrepreneurship intervention to be sustainable in the future.

32. The AF will further support the introduction of entrepreneurial training modules in educational curricula at various levels and streams.

33. The implementation of this subcomponent will also take into account the recent creation of a new ministry in charge of youth entrepreneurship. The AF will provide specific support to this new structure particularly on the definition of its strategies, coordination mechanisms, and M&E to improve its performance. Capacity-building activities will be included in Component 3.

Component 3: Institutional Capacity Strengthening and Monitoring and Evaluation (Original Financing US\$6.1 million; AF US\$7million; Total US\$13.1 million).

34. The main objective of this component is to support institutional strengthening and the M&E of the project. The AF will continue to support and strengthen (a) the coordination and implementation activities of the PCU, (b) the development of strategies and policy reforms in the TVET sector through the execution of targeted analytical studies, (c) the improvement of operational capacities of the MFPE and implementing structures, particularly at the regional level, including the effective establishment of performance contracts, (d) beneficiary surveys and activities aimed at improving employment promotion and knowledge of existing employment opportunities and related qualifications, and (e) communication with youth and other central and regional partners. In addition, this subcomponent will provide TA to harmonize the operationalization of the new Law on Technical and Professional Training across the array of thematic areas covered, both during the preparation stage and at the start of implementation. Furthermore, the M&E system will be further enhanced both at the central and implementing agency levels. Moreover, this component will introduce capacity development activities to strengthen FAFPA to effectively establish all aspects of M&E, both at the administrative and technical levels (that is, ensuring that established performance contracts are executed) and to reinforce post-training monitoring of graduates. The technical capacity of project implementing partners, including the project Steering Committee will be enhanced, both at the central and decentralized levels.

35. Finally, the AF will support communications activities for increased awareness of project activities. Targeted information campaigns will be carried out to inform key stakeholders about project activities. In addition to increasing overall awareness, communication campaigns targeting eligible youth will be used as a mechanism to recruit youth applicants into programs, particularly girls, using appropriate media (including radio and television). Communication and information dissemination campaigns will increase awareness of the project activities and enable better understanding of employment data among youth and other key stakeholders to facilitate decision making among policymakers and the general population.

Annex 4: Average Cost Per Beneficiary of Proposed Interventions

NIGER: Skills Development for Growth Project Additional Financing (P163467)

Table 4.1. AF Interventions and Their Estimated Cost Per Beneficiary

Interventions	Estimate Cost Per Beneficiary (in CFAF, million)	Estimate Cost Equivalence ^a (US\$)
1. Formal TVET	3.10 ^b	5,880.03
2. Short-term on-demand training		
<i>2.1 Short-term on-demand training abroad</i>	16.00	30,253.00
<i>2.2 Short-term on-demand training in-country</i>	1.70	3,214.00
<i>2.3 Short-term on-demand training (in-country and abroad combined)</i>	2.10	3,970.00
3. Dual Apprenticeship		
<i>a. Apprenticeship in the agriculture sector (rural)</i>	0.215	407.00
<i>b. Apprenticeship in urban professions (urban)</i>	0.816	1,543.00
4. Entrepreneurship		
<i>a. Entrepreneurship training for higher education and TVET graduates</i>	0.241	456.00
<i>b. Entrepreneurship training for out-of-school youth</i>	0.073	138.00

Note: a. Client Connection's U.S. dollar exchange rate for January 25, 2018, is used for this conversion.

b. The unit cost per beneficiary is calculated based on (a) 1,800 beneficiaries expected to be enrolled in the three TVET institutions restructured under the parent project and (b) the investments made and under way for the restructuring of the three institutions (design studies, architectural studies, training of trainers, and of heads of institutions, including equipment, curricula development, and development of management model).

Annex 5: Revised Project Cost

NIGER: Skills Development for Growth Project Additional Financing (P163467)

Table 5.1. AF Activities and Their Estimated Costs

Components/subcomponents/activities	Type of Activity	Additional Cost (US\$, million)
1. Improving the Effectiveness of Formal Training		28
<i>1.1 Demand-Driven Approach to Formal Vocational Training</i>	Scale up	25.5
<i>1.2 Improving the School-to-Work Transition</i>	Scale up	2.5
2. Strengthening Short Term Skills Development and Apprenticeship Programs		13
<i>2.1 Expanding Apprenticeships</i>	Scale up	10
<i>2.2 Developing Short-Term On-Demand Training Programs</i>	No change	0
<i>2.3 Promoting Entrepreneurship Training</i>	Scale up/quality improvement	3
3. Institutional Capacity Strengthening and Monitoring and Evaluation		7
<i>3.1 Institutional Capacity Strengthening</i>	Scale up	4
<i>3.2 Monitoring and Evaluation</i>	Scale up/quality improvement	3
Contingency		2
TOTAL		50.0

Table 5.2. Project Cost by Component (US\$)

Component	Original Cost	AF	Revised Cost
1. Improving the Effectiveness of Formal Training	11.4	28.0	39.4
2. Strengthening Short Term Skills Development and Apprenticeship Programs	12.5	13.0	25.5
3. Institutional Capacity Strengthening and Monitoring and Evaluation	6.1	7.0	13.1
Contingency	0.0	2.0	2.0
TOTAL	30.0	50.0	80.0