

Ex post evaluation – Sri Lanka

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Sector: Vocational training (CRS code: 11330)
Project: Vocational training in northern Sri Lanka (BMZ no. 2011 66 438)*
Implementing agency: Ministry of Skills Development and Vocational Training (MSDVT)



Ex post evaluation report: 2020

All figures in EUR million	Project (Planned)	Project (Actual)
Investment costs (total)	8.40	9.56
Counterpart contribution	1.00	1.00
Funding	7.40	8.56
of which BMZ budget funds	7.40	8.56

*) Random sample 2019

Summary: The “Vocational training in northern Sri Lanka” project aimed to support vocational education after the end of war by setting up and equipping a new vocational school, the Sri Lankan German Training Institute (SLGTI), in the Northern Province. Furthermore, smaller measures were designed to enable up to eight existing vocational schools in the region to train students in a way that would allow them to complete advanced training at the SLGTI. The Financial Cooperation (FC) project was part of a joint programme proposal with German Technical Cooperation (TC) and was carried out in close coordination with the parallel TC module.

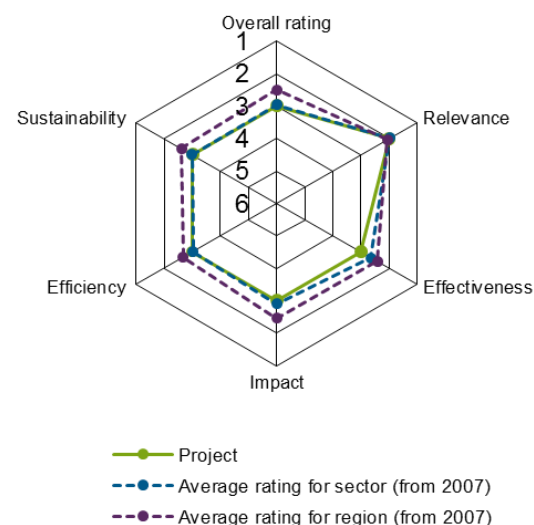
Objectives: The objective at impact level was to support the country’s economic development by providing workforce that is suitably trained for the labour market, and to contribute to securing peace. The goal of the FC measure (outcome) was to set up and equip a vocational school in northern Sri Lanka that offers high-quality education and training that would be in high demand among the target group.

Target group: The target group was male and female school leavers who wanted to complete a medium to advanced-level vocational training course, as well as unemployed people, underemployed people and/or young people at risk of unemployment from disadvantaged population groups affected by the war.

Overall rating: 3

Rationale: In view of the increasing need for specialists, including in the country’s Northern Province, and the persisting potential for socio-economic conflict, the project is highly relevant. The created infrastructure and equipment are in use, and student numbers have grown continuously in the three years of operation to date; there is, however, a lack of qualified teachers for the remote location. According to estimates, the majority of graduates to date have been able to find a job suited to their qualifications or are pursuing more advanced qualifications. Since an alumni network is still being developed, exact figures are not available. Cooperation with the business community still needs to be expanded. Securing the sustainability of the investment still requires external donor support for the near future.

Highlights: The dual objective of vocational training and stabilisation was incorporated particularly with the choice of location in the Northern Province and English as the language of teaching; however, this led to trade-offs in the fields of effectiveness (particularly difficulties in recruiting qualified teachers) and sustainability (challenge of coordinating with the implementing agency in Colombo).



Rating according to DAC criteria

Overall rating: 3

Ratings:

Relevance	2
Effectiveness	3
Efficiency	3
Impact	3
Sustainability	3

General conditions and classification of the project

For classifying the project, the Ceylon-German Technical Training Institute (CGTTI) is worth naming in particular. It was set up in Moratuwa (south of Colombo) in 1974 and received in-depth support for 15 years, with up to 10 German experts involved for certain periods of time. The “German Tech” is under the direct control of the ministry and enjoys a good reputation with a high number of applicants and an extremely low fluctuation rate for teaching staff. Thanks to the name (“German” appearing in the name of both institutes), the SLGTI benefits from the CGTTI’s good reputation; what is more, the CGTTI is providing the model for the current institutional realignment of the SLGTI towards more autonomy and flexibility for an industry-focused approach.

Technical and financial cooperation are closely linked and cannot be considered independently of one another, even though the project was not a formal cooperative programme.

Relevance

Given the increasing level of competition in regional and global markets, the technical expertise of local workers must be improved and vocational training institutions must be aligned with demand from industry. On the other hand, the quantity and quality of public vocational training options in Sri Lanka do not meet the requirements of the labour market and only a limited group of young people are able to participate in employment-oriented training programmes. Just 5.8% of school leavers transfer to vocational schools. At the time of the appraisal (2011), reconstruction had just begun in the northern and eastern regions, and small businesses were springing up in large numbers; in the area of Kilinochchi – the location of the SLGTI – plans were in place for an industrial park and several faculties of Jaffna University, some of which have since been built.

Sri Lanka’s economic centre is its capital city Colombo and the south-west region. The availability of qualified experts is hugely important to the economic development of the Northern Province, which contributes just 5% of Sri Lanka’s economic output and is home to the highest percentage of poor households¹. Unemployment is high, particularly among 15–24-year-olds (nationwide in 2017: men 14.7%, women as high as 23.6%). For individuals, vocational training and education presents the chance to enter the labour market, generate income, and thus escape poverty. Providing vocational training that is adapted to the labour market needs can contribute to reducing unemployment, promoting economic development and ultimately providing stability in a persistently fragile environment. The project’s impact relationships are therefore plausible.

The project region in the north of Sri Lanka with Kilinochchi as the site of the SLGTI was particularly affected by the civil war from 1983 to 2009 and served as a de-facto capital of the territories controlled by

¹ 2016: Northern Province (Kilinochchi District) – 6.3% (15%) poor households, Western Province (Colombo) – 1.2% (0.6%). Source: Economic and Social Statistics for Sri Lanka 2019.

the rebel organisation Liberation Tigers of Tamil Eelam (LTTE)². The conflict cost between 80,000 and 100,000 lives; the number of internally displaced persons from the Northern and Eastern Provinces is estimated at over 570,000. In addition to political, social and economic disintegration, the war also resulted in the widespread destruction of living space and infrastructure in the regions affected, including vocational training facilities. Even prior to the project appraisal in 2011, the Sri Lankan government had already declared the restoration and socio-economic re-integration of the groups affected by the war, also through vocational training, as its number one priority. Selecting Kilinochchi as the location of the SLGTI aimed to support this political objective.

The project was implemented in close cooperation with TC, which was preliminarily involved in the needs analysis and planning of the FC measure and has supported operations in all key areas of the SLGTI since its official opening in July 2016 (including by appointing an international expert as the school's director).

From today's perspective, the project is relevant for improving the quality and quantity of training and advancement options in the school's catchment area and for improving the employability and income opportunities of its graduates. It is also relevant to supporting the Sri Lankan government in its efforts to stabilise and rebuild former war zones and contribute to conflict prevention and peace promotion. The primary factor in conflict prevention was the selection of the site, supported by English as the teaching language, so as to ensure equal access to all groups of the population.

The project's relevance is rated as high overall.

Relevance rating: 2

Effectiveness

The goal of the FC measure (outcome) was to set up and equip a vocational school in northern Sri Lanka, that offers high-quality education and training that would be in high demand among the target group.

The achievement of the objective at outcome level will be measured by the following indicators:

Indicator	PA target value	Ex post evaluation
(1) Once the newly created capacities have been put into operation, they will be utilized to at least 90% of their capacity.	90%	2016/17 47.4% 2017/18 55.4% 2018/19 82.4%
(2) At least 80% pass their final exams	80%	Graduates from students enrolled in 2016/17: 82.5%
(3) At least 30% of the students graduating from the satellite centres receive further training at the SLGTI	30%	Estimated to be below 4%

In its 3 years of operation to date, the SLGTI has steadily been able to increase enrolments (576 students were enrolled on 21 courses in April 2019; the current total possible capacity is 760). The main limiting factor was and still is the difficult and still inadequate recruitment and retention of teachers at the SLGTI, a problem caused primarily by the remote location and the generally low level of salaries for teachers. From the 96 positions planned, only 63 have been filled so far, some of which on just a short-term contractual basis. The fluctuation rate over the operation phase is almost 50%. The rising number of students is opposed by a falling number of teachers. Another complicating factor is the frequent changes in personnel and responsibilities at the school's governing body, the National Apprentice and Industrial Training Authority (NAITA). The fact that capacity utilization now almost corresponds to the target, in spite of these

² Tamils constitute(d) the majority of the population in Kilinochchi at around 98% (Sinhalese roughly 1.2% – figures from 2012), while the Sinhalese are the majority ethnic group at national level at around 75% (Tamils roughly 15%).

negative factors, is down to the TC support, particularly the high level of commitment shown by the German TC school director.

In early 2017, the SLGTI was officially registered with the Tertiary and Vocational Education Commission (TVEC) and by April 2019 it had a total of 18 courses accredited at various levels. The courses are in automotive technology, mechanical engineering, electro-technology, construction engineering, food technology, and information and communication technology. The latter of these courses was not in the original plans, but was added following the high demand for this training course. Women make up 24% of students, a rate that is likely to be higher than the national average even though it was not possible to collect any reliable data in this regard. The construction of separate male and female accommodation also contributed to increasing access to vocational training for both genders.

The TC's promotion of developing and implementing employment-oriented, cooperative training options is worth mentioning in particular. The cooperative vocational training approach is equivalent to Germany's dual training concept. In cooperation with businesses, trainees become familiar with operating structures and the tasks involved in the job in question, while the SLGTI assumes responsibility for organisation and processing and for the teaching of theory and pedagogical support. The first cooperative training programmes are being implemented with a large company in the clothing and textile industry. The company has established itself as one of the world's most well-respected solutions providers. The production facilities for the cooperative training course are located in direct proximity to the SLGTI.

The facilities financed by the FC for the various training courses broadly operate on an almost daily basis. A few pieces of equipment are not used because they did not meet the curriculum's requirements, even upon delivery. Furthermore, for budgeting reasons, FC funds were only able to provide basic equipment for the individual training segments. The recommendation made to the implementing agency during the final review in 2017 to provide funds for fully equipping the school has yet to be implemented. The additional purchases required for the respective curricula were not made until September 2019 and required the help of a private donor. With the support of TC, teachers take part in training measures on how to properly operate, maintain and use the facilities from both a technical and educational perspective.

In addition to the SLGTI, smaller rehabilitation and equipment measures were carried out at a total of eight smaller vocational schools in the region around Kilinochchi (so-called satellite centres) that offer training courses up to level 3 in the 7-stage national qualification framework (National Vocational Qualifications – NVQs) and primarily teach craftsmanship skills. While these measures did indeed contribute to improving the quality of operations in the training centres, they did not – as originally intended – make a significant contribution to recruiting applicants for advanced training courses at the SLGTI. The management team at the SLGTI named the following primary causes for this: graduates from the satellite centres want to go into employment straight away or prefer to train while working, an option not yet offered by the SLGTI. The second primary reason is that the SLGTI teaches in English and graduates from the satellite centres would have to receive further training in English first to meet the entry requirements. Most of the lessons at the vocational schools take place in the location's main language (Sinhalese or Tamil), which essentially excludes young people from other population groups.

The SLGTI uses specific measures to recruit applicants from across the country and from all ethnic groups. Having English as the teaching language makes sense from two perspectives: (i) it opens up access without discriminating against certain groups, and (ii) it is necessary in view of the jobs, particularly those at a higher level.

While the percentage of women on certain courses regarded as socially acceptable (e.g. care for the elderly) is relatively high, the overall participation of women on the labour market is low. For instance, women only make up around 35% of the population in employment and are more than twice as likely to be affected by unemployment than men. In addition to family-related reasons and cultural barriers, the inadequate learning conditions and poor conditions on the labour market are responsible for this imbalance. Vocational schools are difficult to reach for many women and are not always regarded as safe locations in many respects. These aspects were taken into account when building the SLGTI, for example by creating separate living areas. As a result, the SLGTI has been able to achieve a 24% rate of female trainees.

In summary, it can be ascertained that the FC financing for the SLGTI (workshops, classrooms and halls of residence) and the provision of functional equipment and facilities made a significant contribution to

rectifying the quantitative limitations. However, deficits in the area of staffing (vacancies, high level of fluctuation, lack of qualifications of teachers) have a limiting effect; unfortunately, it was not possible to achieve the target of reaching 90% capacity. In view of the investments in the satellite centres, the goal of providing graduates with advanced training at the SLGTI could not be achieved.

Effectiveness rating: 3

Efficiency

The average investment costs per student at the SLGTI amount to roughly EUR 10,000; this appears appropriate given the fact that the figure includes accommodation for teaching staff and trainees. The average construction costs of EUR 420 per m² also appear appropriate and at the lower end of the spectrum. The average costs and the financing for training and educational equipment amounted to roughly EUR 2,000 per student; due to the financing framework, only inadequate basic equipment could be purchased with these funds.

The quality of the construction work at the SLGTI has been rated as outstanding in terms of design and execution on a number of occasions. The campus offers an excellent environment for learning. The use of space is sensible (administration, conference room, classrooms, workshops, canteen, sleeping quarters, etc.) with sufficient space for any adjustments or extensions by the users. A high level of production efficiency can be confirmed with regard to the creation of the SLGTI buildings.

In terms of allocation efficiency, from today's perspective too many measures were implemented with the available financing framework (EUR 9.6 million) and a more focused approach should have been taken. Ultimately, the inadequate equipment for practical training presented a significant limiting factor. A lower number of training courses would have permitted a more generous allocation per course, even though none of the supported courses appear obsolete from the current perspective. Equally, the investments in the satellite centres (around EUR 1 million) for the limited financing volume were too much of an additional burden from today's perspective.

Efficiency rating: 3

Impact

The impact-level objective was to support the country's economic development by providing workforce that is suitably trained for the labour market and to contribute to securing peace. The target achievement was to be measured using the following indicators (no indicators were assigned to the dual objective of promoting peace):

Indicator	PA target value	Ex post evaluation
(1) At least 70% of SLGTI graduates find productive independent or dependent employment appropriate to training within 6 months.	70%	Achieved according to estimated values (alumni network under development)

Since there is no regular monitoring system for this indicator yet and an alumni network is still under development, estimates are only possible at this point based on the first year of graduates. According to these estimates, over 85% of graduates from the highest level of training available (NVQ 5) had found a position suited to their qualifications after 6 months; for graduates from level 4 courses, roughly 50% had found employment and 50% intended to take part in further training (level 5).

Due to the selection of a location in the Northern Province, which still accounts for only 5% of the country's economic output and which is slow in attracting larger businesses, the capacity of businesses to absorb graduates from the SLGTI is still limited. However, as the example of the textile company shows, a positive trend is clearly identifiable. This is supported by the SLGTI management's push to promote the development of demand- and employment-oriented cooperative training courses. There is also significant evidence that there are good opportunities on the market for SLGTI graduates, albeit in other regions of

Sri Lanka or abroad in some cases. Furthermore, studies conducted by TC showed that the satisfaction of companies involved in the training has risen from 37% to 75% over the past four years.

With its location in Kilinochchi in the former conflict region, the project contributed to the reintegration of internally displaced persons and, with the promotion of employment and economic development, contributed to securing peace in the north of the country. Insufficient integration in the labour market and a lack of professional prospects remain a dangerous mixture for dissatisfied young men. Furthermore, religious intolerance since the end of the civil war has led to violent attacks on religious minorities such as Muslims and Christians. Given that the SLGTI is open to all ethnic groups in equal measure by offering English as the language of teaching, and that Tamils make up 70% of students (Sinhalese 7%, Muslims 23%), an integrative effect can be assumed.

The education sector plays an important role in the conflict transformation and reconciliation process. Disadvantages in the competition for privileged schools, universities and teaching positions are not only perceived as a threat to the individual's career opportunities, but also as discrimination against the group in question. Segregation in the school system in line with students' ethnic, linguistic and religious background has yet to be overcome. For instance, students from different backgrounds rarely have the opportunity to study together. The location of Kilinochchi and English as the teaching language at the SLGTI contribute – in addition to other factors and measures – to the context-specific promotion of education and conflict transformation. However, the dual objectives are not explicitly reflected in the monitoring system.

Overall, the impact is rated satisfactory, since while the effects have yet to come fully to fruition, there is a clear positive trend; furthermore, trade-offs related to the current contribution to economic development are balanced out by the contribution to conflict transformation and peacekeeping.

Impact rating: 3

Sustainability

The sustainable operation of the SLGTI is currently not ensured due to a strained staffing and budget situation. The remote project location makes it difficult to recruit qualified staff and retain them at the SLGTI. With a 30% vacancy rate and a fluctuation rate of over 50%, sustainable operation is almost impossible. Another element making this more difficult is the fact that the implementing agency NAITA permits very little flexibility in terms of wage supplements and the raising of additional income. In 2019, the situation was exacerbated further because the SLGTI was allocated a much lower budget than the previous year due to administrative errors by the implementing agency. This meant that operating costs could not be covered at the time of the evaluation, and energy bills could not be paid for example. As part of the preparations for a new project (construction and equipping of a vocational school in Matara in the south of the country), the German representatives (Federal Ministry for Economic Cooperation and Development, BMZ) approached the Sri Lankan government with the request that the SLGTI (and the new vocational school to be constructed in Matara) be put under the direct control of the Ministry for Education with a broadly independent status, similar to the CGTTI, which had become a flagship and reference project (see General conditions). The Ministry for Education approved this request and the implementation process was started (introduction of a corresponding draft bill to cabinet). An advanced stage of implementing a joint governance and management structure for the three "German Techs" is currently in progress with the support of TC, which will be active in the education sector for a further three years as part of a new project.

Ongoing personnel support, particularly the appointment of the school directorship under the TC project, is especially important for sustainable operation. Since the current school director is going into retirement in early 2020, finding an adequate successor is crucial for future operations. The long-term support (>10 years) has also permitted the CGTTI to develop into a successful reference project.

Although the project's sustainability had not been secured by the evaluation in 2019, it can be assumed that the planned legal restructuring will be achieved with suitable support from the German government and incorporated into operations with support from TC. The first steps for this have already been implemented by the new government in Sri Lanka. Support is also provided as a result of the preparations for a new FC project (vocational school in Matara), the implementation of which will be made subject to the successful restructuring.

Sustainability rating: 3

Notes on the methods used to evaluate project success (project rating)

Projects (and programmes) are evaluated on a six-point scale, the criteria being **relevance, effectiveness, efficiency** and **overarching developmental impact**. The ratings are also used to arrive at a **final assessment** of a project's overall developmental efficacy. The scale is as follows:

Level 1	Very good result that clearly exceeds expectations
Level 2	Good result, fully in line with expectations and without any significant shortcomings
Level 3	Satisfactory result – project falls short of expectations but the positive results dominate
Level 4	Unsatisfactory result – significantly below expectations, with negative results dominating despite discernible positive results
Level 5	Clearly inadequate result – despite some positive partial results, the negative results clearly dominate
Level 6	The project has no impact or the situation has actually deteriorated

Rating levels 1-3 denote a positive assessment or successful project while rating levels 4-6 denote a negative assessment.

Sustainability is evaluated according to the following four-point scale:

Sustainability level 1 (very good sustainability): The developmental efficacy of the project (positive to date) is very likely to continue undiminished or even increase.

Sustainability level 2 (good sustainability): The developmental efficacy of the project (positive to date) is very likely to decline only minimally but remain positive overall. (This is what can normally be expected).

Sustainability level 3 (satisfactory sustainability): The developmental efficacy of the project (positive to date) is very likely to decline significantly but remain positive overall. This rating is also assigned if the sustainability of a project is considered inadequate up to the time of the ex post evaluation but is very likely to evolve positively so that the project will ultimately achieve positive developmental efficacy.

Sustainability level 4 (inadequate sustainability): The developmental efficacy of the project is inadequate up to the time of the ex post evaluation and is very unlikely to improve. This rating is also assigned if the sustainability that has been positively evaluated to date is very likely to deteriorate severely and no longer meet the level 3 criteria.

The **overall rating** on the six-point scale is compiled from a weighting of all five individual criteria as appropriate to the project in question. Rating levels 1-3 of the overall rating denote a "successful" project while rating levels 4-6 denote an "unsuccessful" project. It should be noted that a project can generally be considered developmentally "successful" only if the achievement of the project objective ("effectiveness"), the impact on the overall objective ("overarching developmental impact") and the sustainability are rated at least "satisfactory" (level 3).