A SUCCESS STORY OF PUBLIC-PRIVATE PARTNERSHIP
PAKISTAN YOUTH LANDSCAPE

210M TOTAL POPULATION

65M 36% POPULATION BETWEEN 16 & 29 YRS

2M ENTERING WORKFORCE EVERY YEAR

YOUTH EDUCATION ATTAINMENT LEVELS

<table>
<thead>
<tr>
<th>Level</th>
<th>Attainment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>60%</td>
</tr>
<tr>
<td>Secondary</td>
<td>28%</td>
</tr>
<tr>
<td>Tertiary</td>
<td>12%</td>
</tr>
</tbody>
</table>
CHARACTERISTICS OF THE TRADITIONAL TVET SECTOR

- Limited to the public domain
- Institutes located in urban & semi-urban areas
- Emphasis on 1-3 years programmes
- Run by permanent Government employees
- Curricula developed by public sector
- All expenses paid by Government

THIS LEADS TO

- Skills training disconnected from industry needs
- Training partners unable to keep pace with technological changes
- Few training opportunities in rural areas
- Cost of training going up due to fixed overheads
- Government has to fund institutions regardless of utilization levels

SKILLS DEVELOPMENT: THE PSDF WAY
RATIONALE FOR SETTING UP A SKILLS DEVELOPMENT FUND

FCDO and Government of Punjab collaborated to set up the largest skills fund in Pakistan in 2010 as Section 42 company.

PSDF also exclusively manages World Bank’s skills training funding.

Reduce the cost of training by employing the most efficient training providers

Make skills training equally accessible to the youth from rural and urban areas

Engage industry to ensure the trainings are market relevant and demand driven

Deliver these objectives through an organization that can run efficiently
PSDF PURPOSE

We shape the future well-being of our poor and vulnerable youth by giving them access to skills training of the highest standard so they can find sustainable employment and income generating opportunities in Pakistan and beyond.
1. Sector & trade identification through research partnerships & market responsiveness

- Market research & Sector studies
- CERP strategic partnership
- Industry & Training partners feedback
- Placement service partners feedback

2. Competitive & transparent bidding process to ensure best training provider for each trade

- Public call-out for prequalification of training partner
- Combination of technical and financial evaluation
- 3rd party bid document management

3. 3rd party monitoring of training to ensure transparency, quality and delivery of trainings

- Real-time android app reporting from location
- 3rd party team of 80 carrying out monitoring
- Monitoring based on trainee profile, fit for the trade, attendance, teacher capability, resources, equipment

4. Placement service to connect graduates to employment opportunities

- Placement partner with deep industry linkages to support placements
- Complete preparation of the graduate for job interviews
- Market feedback on trades with the most demand to guide funds allocation

5. Result-based system that rewards completion and income generation outcomes

- 80% payment linked to contract-to-completion ratio
- Deductions on failing to meet attendance targets
- 20% payment on completion-to-employment ratio and verification over 3 months

Inform the skills programmes design and selection of TSPs

Results help make modifications to the programmes
UNIQUENESS OF PSDF OPERATING MODEL

Embedded Employment and Income Generation Outcomes
Every training partner contractually commits to employment results

<table>
<thead>
<tr>
<th>Training Partner</th>
<th>Minimum Employment Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal training institute</td>
<td>30%</td>
</tr>
<tr>
<td>Business</td>
<td>50%</td>
</tr>
<tr>
<td>Cost sharing partner</td>
<td>70%</td>
</tr>
<tr>
<td>Community based organizations</td>
<td>Contractually commit to income generation outcomes</td>
</tr>
</tbody>
</table>

Results Based Payments to Training Providers
PSDF pays its training providers 80% of contractual price based on the successful delivery of the key performance indicators

Key Performance Indictors:
- Contract to enrollment ratio
- Enrolment to completion ratio
- Completion to certification ratio
- Completion to verified income generation ratio (20% of the contract price)

Investment On Return Calculated for Every Training Programme
PSDF calculates Return on Social Investment (ROSI) for every programme it undertakes, and programme continuity is based on high ROSI and investment payback

ROSI
- Annualized income of PSDF graduates, post-employment verification and after deducting opportunity cost is considered proxy for PSDF income
- Total cost includes all direct and indirect costs associated with the execution of the training for each graduate
INTRODUCTION

Parwaaz - National Accelerator on Closing The Skills Gap in Pakistan launched in collaboration with World Economic Forum (WEF) with PSDF serving as its national secretariat. Parwaaz is guided by most influential public and private sector leaders, it is developing reskilling, upskilling and new skilling plans for the current and future workforce of Pakistan in 6 priority sectors.

SECTORS

Hospitality, Retail & Services
Information, Communication & Technology
Agriculture & Livestock
Financial Services
Textile & Light Engineering
Manufacturing

CO-CHAIRS

Mr. Irfan Wahab
CEO Telenor

Mr. Muhammad Aurangzeb
CEO & President Habib Bank Limited

Mr. Amir Paracha
CEO & Chairman Unilever Pakistan

Mr. Ghias Khan
CEO & President Engro Corporation

Mr. Shafqat Mahmood
Minister of Federal Education & Professional Training

Mr. Zulfiqar Bukhari
Special Assistant to the Prime Minister on Overseas Pakistanis & Human Resource Development
KNOWLEDGE CREATION

Developing Skilled Workforce For Pakistan’s Export Sector

Employment Opportunities For Pakistanis in the Gulf

Sector Skills Study – Cutlery & Surgical Instruments Manufacturing

Sector Skills Study – Food Processing

Sector Skills Study – Meat And Dairy Processing

EOW Case Study

Upskilling Punjab’s Fan Industry Cluster

Sector Skills Study – Footwear

Tracer Study of Skills for Job (SFJ) 2012 Trainees

Employer Surveys
PSDF GOVERNANCE POLICIES

01 Board Charter
02 Board Audit & Finance Committee (BAFC) Charter
03 Human Resource Committee (HRC) Charter
04 Nomination Committee Charter
05 Program Design & Procurement Committee (PDPC)
06 Whistleblowing Policy
07 Anti-Fraud, Bribery & Corruption Policy
08 Anti-Money Laundering & Counter Finance Terrorism Policy
09 Communication Policy
10 Health, Safety & Environment Policy
11 Code of Conduct
12 Conflict of Interest Policy
13 Capital Expenditure & Acquisition Policy
14 Related Party Transaction Policy
15 Audit, Risk & Compliance Charter
PSDF
PERFORMANCE & RESULTS
CLUSTER & SECTOR WISE TRAINING RESULTS

- GOLDEN INDUSTRIAL TRIANGLE: 9%
- NORTHERN BELT: 16%
- AGRI HEARTLAND: 8%
- GREATER LHE & FSD: 23%
- SOUTHERN BELT: 26%
- SOUTH WESTERN BELT: 11%
- EASTERN BELT: 7%

Total Trained: 311,000+ graduates

Men: 57%
Women: 43%

PSDF Performance 2016 – March 2020 (SDP & PSDP)
PSDF TRAINING ECOSYSTEM

600+ TRAINING SERVICE PROVIDERS

90% OF THE TRAINING SERVICE PROVIDERS IN THE ECOSYSTEM ARE FROM THE PRIVATE SECTOR

190+ Employers
TRAINING YOUTH IN MARKET RELEVANT TRADES

2,500+ Locations
TRAININGS IN ACROSS RURAL, SEMI URBAN AND URBAN PUNJAB

4,000+ NEW PRIVATE SECTOR JOBS CREATED IN TSP NETWORK
PSDF KEY RESULTS DELIVERED

450,000+
GRADUATES TRAINED
IN 250+ TRADES

PKR 21Bn
ANNUAL INCOME
GENERATED

40%
OF TRAINEES
ARE WOMEN
195,000+

67%
ENGAGED IN
INCOME GENERATION

100%
FUNDS UTILIZED

COST PER
TRAINEE IS
30%
LOWER THAN
PUBLIC SECTOR
**SDP – FCDO PROGRAMME TRACER RESULTS**

**Programme Description**
- PSDF responsible for completing 330,000 trainings until June 2021
- 40% trainings for women

### Labour Force Participation Rate (LFPR %)

<table>
<thead>
<tr>
<th></th>
<th>Before Training</th>
<th>After Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>46%</td>
<td>73%</td>
</tr>
</tbody>
</table>

### Employment Rate (%)

<table>
<thead>
<tr>
<th></th>
<th>Before Training</th>
<th>After Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>39%</td>
<td>67%</td>
</tr>
</tbody>
</table>

### Income Effects

<table>
<thead>
<tr>
<th></th>
<th>Before Training</th>
<th>After Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall (PKR)</td>
<td>11,600</td>
<td>14,800</td>
</tr>
</tbody>
</table>

Source: Fame Consulting - Results from 4,438 trainees and 106 employers through interviews
PSDF
PSDP – WORLD BANK ASSISTED PROGRAMME TRACER RESULTS
**Labour Force Participation Rate (LFPR %)**

<table>
<thead>
<tr>
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<th>After Training</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overall</strong></td>
<td>44%</td>
<td>82%</td>
</tr>
</tbody>
</table>

**Employment Rate (%)**

<table>
<thead>
<tr>
<th></th>
<th>Before Training</th>
<th>After Training</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overall</strong></td>
<td>63%</td>
<td>70%</td>
</tr>
</tbody>
</table>

**Gender**

<table>
<thead>
<tr>
<th></th>
<th>Before Training</th>
<th>After Training</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Female</strong></td>
<td>35%</td>
<td>59%</td>
</tr>
<tr>
<td><strong>Male</strong></td>
<td>47%</td>
<td>87%</td>
</tr>
</tbody>
</table>

**Income Effects**

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<tr>
<td><strong>Overall (PKR)</strong></td>
<td>12,000</td>
<td>16,500</td>
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**Gender (PKR)**

<table>
<thead>
<tr>
<th></th>
<th>Before Training</th>
<th>After Training</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Female</strong></td>
<td>5,500</td>
<td>7,500</td>
</tr>
<tr>
<td><strong>Male</strong></td>
<td>12,000</td>
<td>18,000</td>
</tr>
</tbody>
</table>

Source: PwC - Results of detailed interviews from 1,023 trainees, 35 employers and 37 TSPs
INTERNATIONAL PLACEMENT PROGRAMMES CURRENTLY SERVING

97 Trainees Shortlisted by Rotana
Under the trades of Chefs, Waiters and Housekeepers

60%
Success rate achieved by Rotana on interview-to-selection : highest ever achieved

70%
Enrollment-to-graduation rate

98%
Retention rate post 6 months employment
PSDF COST-SHARING PARTNERSHIP RESULTS 2019-20

- 11,400+ Graduates
- 2,800+ Female graduates
- 8,600+ Male graduates
- 30 Cost-sharing partners

SAMPLE INDUSTRY COST-SHARING PARTNERS

- Rs. 447 MILLION
  Contribution by industry
PSDF-UNICEF COLLABORATION
INCOME GENERATION PROGRAM FOR OUT-OF-SCHOOL YOUNG PEOPLE

Objectives of Collaboration

To enable and provide access to out-of-school young people in Pakistan to enroll in accelerated learning integrated with skills training and employment opportunities

1. Accelerated Learning
   
   Provide young people outside the formal education system with the opportunity to enroll in Accelerated Learning.

2. Skills Training
   
   Equip Accelerated Learning graduates with age-appropriate Skills Training including entrepreneurial skills to enhance access to non-hazardous income generational opportunities.

3. Employment Linkage
   
   Link Accelerated Learning & Skills Training graduates to the Labour Market.
PSDF-UNICEF COLLABORATION
INCOME GENERATION PROGRAM FOR OUT-OF-SCHOOL YOUNG PEOPLE

Education-skills-income generation journey for different age brackets

Age Timeline

10 years 11 years 12 years 13 years 14 years 15 years 16 years 17 years 18 years 19 years

ALP Primary

Option 1: Continue Middle Level ALP
Option 2: Transition to Mainstream secondary education
Skills training suitable for 14+ years

Option 1: Continue Middle Level ALP
Option 2: Transition to Mainstream secondary education
Skills training suitable for 16+ years
Employment & Self employment appropriate for 16+

ALP Primary + Skills Training
Skills training suitable for 18+ years
Full time employment or self-employment

Graduates will be directed to mainstream education post completion of ALP
PSDF TRAINING PROGRAMMES

- Specialised training for underprivileged youth focusing on Transgenders, Non-muslim and People with Special Needs
- Trainings for individuals keen on Self employment and entrepreneurship
- Customized trainings for women generating Self and Formal employment
- All hybrid, digital, online and e-learning trainings
- All trainings targeting agriculture and livestock
- Covers all other vocational trainings
**WOMEN FOCUSED PROGRAMMES**  
**SKILLS FOR MARKET LINKAGES (SFML)**

**Objectives of SFML**

- Provision of demand-driven trainings to rural women in the garment sector
- Training includes training on core technical skills, business skills and project work
- Establish market linkages with product buyers
- Provision of micro-finance for establishing new businesses
- Train in business skills to empower women to become entrepreneurs

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**Classroom Training**  
(4 Months)  
Classroom training on core skills

**Hands-on Training**  
(2 Months)  
- Catalogue preparation  
- Business development  
- Marketing & entrepreneurial skills training

**Market Linkages**  
(6 Months)  
Assignment completion based upon market demand

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**Achievements and Results**

- **70%**  
  Graduates entered the sustainability phase (6 months post training completion)

- **2,100+**  
  Orders completed by trainees in the 6 months market linkage period

- **PKR 6,000/Month**  
  Average income of graduates
ENTERPRENUERSHIP PROGRAMMES
ENTERPRENUERSHIP ON WHEELS (EOW)

Objectives of EOW

Ecosystem approach to address entrepreneurship with Uber and Apna Bank to provide market linkages and access to finance

Classroom Training (2 Weeks)
Classroom training on road ethics, anti-harassment, road signs

Practical Training (6 Weeks)
- Driving skills
- Basic mechanical skills

Market Linkages (6 Weeks)
- Provision of microfinance
- Join Uber platform

Achievements and Results

92% Students
Successfully completed training

100% Graduates
Received their drivers’ license

78% Trainees
Successfully on boarded to Uber

SKILLS DEVELOPMENT: THE PSDF WAY
SOCIALY MARGINLIZED PROGRAMMES
PILOT FOR TRANSGENDERS

Objectives of Transgender Training Programme

- To enact social change and equip the ignored segment of transgenders with necessary skills in market relevant trades
- To help them obtain hands-on working experience
- Give access to income generation opportunities

Classroom Training
(4 Weeks)

Classroom training on road ethics, core skills of makeup and soft skills

Practical Training
(8 Weeks)

- Makeup
- Hair styling
- Beauty aesthetics

Achievements and Results

100% Students
Successfully completed training

90% Transgenders
Found employment or started their business

Interest Free Loans
Aukhuwat and Seed out to offer interest free loans to graduates
DIGITAL COURSES
AMAZON VA TRAINING PROGRAMME

Objectives of AMAZON VA Training Programme

A high demand and growth skills training for women to provide freelancing services to the growing global e-commerce industry

Classroom Training
(8 Weeks)
Online training on customer service, inventory management, order processing

Employment Bootcamp
(4 Weeks)
Hands on experience of a real time work environment

Achievements and Results

23 Districts
Geographical spread of first 50 trainees

PKR 60,000/Month (USD 361)
Average income of graduates
SNAPSHOT OF PSDF ONLINE COURSES

SKILLS DEVELOPMENT: THE PSDF WAY
**Objectives of WTLM**

Improve income generation of rural women through productivity improvements in milk and meat by training them in overall livestock value change management.

**Classroom Training**
(1 Weeks)
Homebased livestock management techniques

**Practical Demonstrations**
(5 Weeks)
Milking, deworming and artificial insemination

**Achievements and Results**

**Collective Bargaining**
Increased the opportunity for fair uniform pricing across all groups rather than the variable/lower pricing practices observed earlier.

**AI BREEDING**
Post training 62% trainees started breeding through AI practices.

**20% INCREASE**
In income through industry linkages.
DIGITAL SYSTEMS DEPLOYED BY PSDF

HUNAR Call Center

E-Tendering Portal

Invoice Processing System

Placement Service Portal
THANK YOU