<u>Minutes of the Third Meeting of National Steering Committee of Skills</u> <u>Strengthening for Industrial Value Enhancement (STRIVE) - World Bank assisted</u> held on 4th November 2019

The Third meeting of National Steering Committee (NSC) for STRIVE was held under the chairmanship of Sh. K. P. Krishnan, Secretary, Ministry of Skill Development & Entrepreneurship (MSDE) in the Conference Room, Kaushal Bhawan, New Delhi on 4th November 2019. The following subject items were discussed:

- 1. Action Taken on decision items post second NSC meeting
- 2. Brief on STRIVE Project
- 3. Critical milestones achieved till date on the STRIVE Project
- 4. Ongoing key activities
- 5. Critical challenges in available funding and fund flow to implementing agencies
- 6. NSC approval and deliberation on key activities
- 7. Other Miscellaneous Items

The list of participants of the meeting is enclosed as Annexure 1.

At the outset, DG (T)/AS, MSDE welcomed all the participants for being a part of the meeting. A round of introduction by the committee members followed. The subjectwise minutes of the meeting as per proceedings are detailed below:

1. Action Taken on decision items of 2nd NSC meeting

The committee was updated on the actions initiated/completed on the decisions taken during second NSC meeting held on 3^{rd} January 2019. The action taken report is enclosed at Annexure 2.

2. Brief on STRIVE Project

The committee was apprised about all the result areas of the STRIVE project and the six Disbursement Linked Indicators (DLIs) of the Project. Achievement of DLIs triggers World Bank disbursements to the STRIVE Project. DLIs reflect the critical reform areas the Government of India will address to improve access and labour market relevance of long-term training.

3. Critical milestones achieved till date

The Committee was apprised on the following key milestones achieved so far under the STRIVE Project:

- i. Operations manual for the project was approved on January 03, 2019
- ii. Performance Based Funding Agreement (MoU) agreement has been signed with the 31 state governments/ UTs. The PBFA signing with Union Territories of Andaman and Nicobar Islands, Lakshadweep, Daman & Diu, Dadar Nagar and Haveli, Jammu & Kashmir and Ladakh is pending. The

committee was apprised that a continuous follow-up is being done with these UTs for signing the PBFA.

- iii. The competitive selection of 300+ project ITIs has been completed and signing the Performance Based Grant Agreements (PBGA) with them is in process. Baseline collation for 314 ITI have been completed till date and 198 PBGA have been signed
- iv. The committee was informed that the NPIU is conducting regional workshops to provide handholding support to States, Principals of project ITIs, IMC Chairmen and Industry Clusters.. It was also highlighted that the 50% of the selected Private ITIs have been physically visited by NPIU to provide handholding support.
- v. 13 Industry clusters basis competitive selection across 7 states have been selected. MoUs have been signed with seven of these ICs till date. IAI plans have been approved by Maharashtra, Tamil Nadu, Telangana, Madhya Pradesh and Kerala. IAI plans are yet to be approved for Odisha and Gujarat
- vi. A total grant of more than INR 61.72 Crore have been disbursed. The committee was apprised that NPIU has exhausted the entire budgetary allocation for the STRIVE Project
- vii. The committee was informed that more than 100 stakeholders including trainers, representatives of trainers' associations, principals and officials of 16 states have been consulted to formulate the Draft Career progression plan
- viii. The procurement of agencies for conducting Gender Study and physical verification for Grading Phase II has been completed. The NPIU is extending support to the selected agencies and monitoring the progress of work being carried out by these agencies.
 - ix. Monitoring and handholding support is being provided to institutions imparting training on NSQF alignment(completed for more than 12,000 trainers).
 - x. The Terms of Reference (ToR) for WRAT and Independent Verification Agency (IVA) have ben prepared. The process of selection of IVA is under process.
- xi. The As-Is process for development of curriculum and content at CSTARI and NIMI respectively has been documented. Stakeholder consultations for revamping COPA and Cosmetology under STRIVE have also been held.
- xii. The dashboards for financial monitoring and monitoring of KPIs for STRIVE implementation agencies have been prepared and the same are been highlighted in the capacity building workshops.

- 4. The committee was updated on the below mentioned ongoing activities under STRIVE Project:
 - a. <u>Question Bank Development and revamp of Employability Skills Module</u>- The process flow for creation of modular question bank, module on employability skills and checklist for question bank creation have been prepared in consultation with stakeholders.
 - b. <u>Reform Initiatives in Apprenticeship</u>- Modification of Apprenticeship syllabus is underway in order to reflect the current trends in industry. Amendments in guidelines for Basic Training Provider have been initiated to ensure ease of approval.
 - c. Committee was briefed that three clusters are dropped out of 10 selected Industry Clusters which were selected in the first NCEC meeting in March 2019. Second NCEC meeting was conducted in October 2019 to select additional clusters due to drop out reasons. Six additional clusters were selected by NCEC thus bringing the total number of clusters in pilot phase to 13.
 - d. <u>Convergence with SANKALP</u>- Discussions are underway with SANKALP team for probable areas of collaboration/convergence between both the projects. The committee suggested that NSDA (NCVET) needs to expedite the credit framework in order to ensure convergence of long- and shortterm skilling ecosystem. It was also suggested by the committee that more clarity between both the ecosystem would be ensured in the forthcoming vision document of MSDE.
 - e. <u>Policy Level Transformation to increase industry connect of ITIs</u>- The guidelines for Dual System of training, Flexi MoU etc. have been revamped and tie ups/ MoU with the industry have been initiated.
 - f. <u>STRIVE Funding Requirement Estimation</u>- A quarterly financial outlay till March 2021 for additional funding required to implement the project seamlessly have been prepared. The funding requirement for FY 2019-20 is INR 325.65 crores and for FY 2020-21 is INR 456.00 crores. Letters have also been written to Ministry of Finance for appropriate fund allocation in line with demand prepared.
 - g. <u>Capacity Building Workshops for all the States/UTs, ITIs and ICs</u>- Capacity building Workshops are being organized for all ITIs selected under STRIVE, state/UT officials and Industry clusters at different locations in batches for effective implementation of the project.
 - h. <u>Coordination with PSUs and private organizations for Apprentices and CSR</u> <u>funding</u>- Potential tie-ups with PSUs and private organizations are being explored in order to leverage their CSR funding and apprentices' vacancies
 - i. <u>Introduction of new short-term trades in DGT ecosystem</u>- Tie-ups with potential Sector Skills Councils are being explored in order to leverage their content and assessment capabilities

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- j. <u>Hiring of Independent Verification Agency</u>- The process of selecting Independent Verification Agency for STRIVE under revised process has been initiated
- k. <u>Grading Phase II</u>- Field verification by third party is ongoing for grading of ITIs. The grading score will be used as a criterion for selection of remaining ITIs in STRIVE and other DGT initiatives
- l. Draft updated PBFA circulated to Uttarakhand based on discussion with World Bank on 3rd October 2019 to remove overlap between the two World Bank funded projects STRIVE and UKWDP.

5. Critical challenges in available funding and fund flow to implementing agencies

- a. It was highlighted in the meeting that the project has been allocated INR 61.72 crores only. The unavailability of required funding is hindering the progress of implementation of the project by implementation agencies in state. An estimate of INR 325.65 crores for FY 2019-20 and INT 456.00 crores for FY 2020-21 for STRIVE has been shared with the Ministry.
- b. The committee was also apprised that there is on average delay of 6.7 months and counting (from the date of transfer by NPIU) in transfer of funds to the implementing agency. Detail is given in **Annexure 3**
- c. Some State Societies have received fund after an average delay of 4.4 months from the date of Sanction Order even after aggressive follow-up with the respective State treasury. Details on time taken to reach state society is give in **Annexure 3.** The committee recommended attachment of RDSDE to the State finance treasury in order to ensure rigorous follow-up to expedite the fund release to the State's society.
- 6. The committee empowered NPIU to take decisions and proceed on below activities and recommendation of National Level ITI Evaluation Committee (NLIEC) and National Cluster Evaluation Committee (NCEC):
 - a. Introduction of at least 1 Dual System of Training (DST) course in all the project ITIs. Additionally, ITIs to collaborate with Industry Clusters (ICs) present in their vicinity in order to increase the industry connect
 - b. Project ITIs to ensure availability of sufficient infrastructure and laboratory or workshop facilities for both short-term and long-term courses
 - c. Introduce atleast a new age courses such as IOT, Drone Technology, Solar Energy, Mechatronics etc. with assistance from funding received under the STRIVE project
 - d. If an ITI has proposed a short-term course, it should be minimum NSQF Level 4 or above with a minimum duration of 300hrs

- e. National Level ITI Evaluation Committee (NLIEC) recommended following additional parameters for selection of private ITI in addition to existing ones i.e. composite score (Grading & ISP) of ITI:
 - (i) NCVT Enrolment of Trainee for ITI should be above 100 (2017-18)
 - (ii) Pass rate must be 50% and above (2017-18 basis hall-tickets generated)
 - (iii) Only one ITI from each society will be considered for selection in first phase of STRIVE project irrespective of final score/rank. Hence if multiple ISPs are received from the same society than the one having a higher composite score would be selected.
- f. The committee also empowered NLIEC to add/ remove any further condition during selection process of private ITIs
- g. It was decided by committee that the selection of remaining 87 clusters can be done in mix (hybrid) approach (nomination basis and competitive) on case to case basis in phases based on the readiness of states and responses from clusters. Committee also empowered NPIU to proceed making revisions in the STRIVE operational manual based on the learnings of pilot. Following revisions are approved:
 - i. States to receive IC applications (States to convene State Cluster Evaluation Committee to evaluate the applications). The SCEC qualified ICs will be recommended by the State Steering Committee to NPIU. The recommended ICs from states will be evaluated and approved by the National Evaluation Cluster Committee (An evaluation matrix is prepared, earlier there was only a discussion and no evaluation/marking was done by the National Evaluation Cluster Committee)
 - ii. Post the National Evaluation Cluster Committee approval, ICs will prepare the IAI proposal. States to convene State Cluster Evaluation Committee to evaluate the IAI proposal. The recommended IAI proposals will be approved by the State Steering Committee and will be ready for implementation (Earlier, approval of National Evaluation Cluster Committee was also needed, which has been done away with)
 - iii. Simplified and streamlined application forms and evaluation sheets based on learnings of pilot - Incorporated changes in Annexures 14, 15, 17, 18. A new Annexure has been created which is an evaluation matrix for National Evaluation Cluster Committee for screening of IC applications. The same will be updated in Operations Manual approved on 3rd January 2019. Annexure 4 captures sections and page numbers mentioned where changes have been carried out in the operational manual.

Necessary addendum for same will be issued by NPIU incorporating the above revisions in the operational manual.

7. Other Miscellaneous Items:

- a. The committee agreed that on a case to case basis NPD can decide ITI's Governance structure/ IMC committee composition on the condition that the ITI should be in a position to meet all its objectives and outcomes as laid down in the project
- b. The committee suggested DGT to write a letter to Mr. Sameer Kumar Khare (Additional Secretary, FB&ADB) or seek a meeting with him for the fund availability related issues of the STRIVE Project
- c. It was advised by the committee to share an official communication at Secretary and Minister level to their respective counterparts in Ministry of Finance to highlight the issue of fund availability.
- d. To overcome the problem of gender disparity, the committee recommended to introduce aspiring job roles in geographies facing gender imbalance in skilling.
- e. The committee suggested to hold a seminar/workshop with Ministry of Women and Child Development, NSDA, MSDE, States, NSDC, Ernst & Young team which conducted the study on draft gender study report. The committee recommended that going forward NPIU may consider to select one IC each from Jammu, Kashmir and Ladakh
- f. The committee approved the creation of separate budget head for STRIVE project and has requested NPIU to expedite the process
- g. The committee suggested that the NPIU to discuss with the World Bank on restructuring of the project including removal of IR indicator 4.2. The agreed changes thereafter to be reflected in modified CCEA note and revised financing agreement.
- h. It was discussed that the funds under Result Area 2 to be allocated for UTs of Ladakh and Jammu & Kashmir. The respective funding for the UTs is INR 2.30 crores and INR 8.50 crores for Ladakh and Jammu & Kashmir. The additional funding due to changes will be sourced from unallocated funds under Result Area 1. In the same context, it was also decided that one government ITI to be allocated to Ladakh from existing allocation of erstwhile Jammu & Kashmir state.
- i. The committee empowered NPD to hire additional consultants on need basis from KPMG PMC team for additional workstreams under the project. In addition, it was also discussed that additional manpower may be allocated to NPIU after training of newly recruited ISDS officer is over.
- j. The Principal Secretary, Govt of Tamilnadu raised the issue of purchase of sports material in ITI which was disallowed as the same is not eligible expenditure under STRIVE.

The meeting ended with vote of thanks to Chair.



List of participants of the meeting held on 4th November 2019 at Conference Room, Kaushal Bhawan, New Delhi

•	Name of	Name of the Officer	Designation
10.	States/Department	Sh. K. P. Krishnan	Secretary
1	MSDE	Sh. Rajesh Aggarwal	Director
2	DGT, MSDE	SII. Rajesii Assai mat	General/Additional
			Secretary
	DCT HEDE	Ms. Juthika Patankar	Additional Secretary
3	DGT, MSDE	Smt. Vinita Aggarwal	Director General
4	NSDA	Sh. K C Gupta	Joint Secretary
5	MSDE	Deepti Shrivastav	Director SANKALP
6	MSDE	Sh. Sanjay Kumar	Director (Projects)
7	DGT, MSDE	Sh. Ishwar Singh	Director
8	DGT, MSDE	Sit. Isitival Sing.	(Apprenticeship)
Othor	r Ministries		D
9	MSME	Dr. RK Bharti	Deputy Director
	MSME	Anoop Kesarwani	Assistant Director
10	Representatives	· · · · ·	
	Tamil Nadu	Sh. Md. Nasimuddin	Principal Secretary
11	UP	Sh. Niraj Kumar	Additional Director
12	Odisha	Sh. Ajay Kumar Panda	Deputy Director
13	UP	Sh. A.K Pandey	Assistant Director
14 DGT	187-5-80		
		Sh. Ramesh Babu	Deputy Director
15	DGT, MSDE	Sh. Parveen Tyagi	Deputy Director
16	DGT, MSDE	Sh. V. V Sateesh Reddy	Training Officer
17	DGT, MSDE	Ms. Chitra	Training Officer
18	DGT, MSDE	Sh. Narayanan Ramaswamy	
19	PMC	Sh. Debabrata Ghosh	Director
20	PMC	Sh. Krishna Kant Jha	Team Lead
21	PMC	Sh. Ashish Katiyar	Team Member
22	PMC	Smt. Joyeeta Ghosh	Team Member
23	PMC	Sh. Parveen Manikpuri	Team Member
24	PMC	Sh. Hemant Chadha	Team Member
25	PMC	Sh. Remain Chauna	Team Member
26	PMC	Sh. Bijaya Sahu	Team Member
27	PMC	Sh. Mahaveer Agarwal	Team Member
28	PMC	Sh. Akshay Bhatia	Team Member
29	PMC	Sh. Krishna Singh	Team Member
30	PMC	Ms. Kawaljeet Kaur	Team Member
31	PMC	Sh. Mrityunjay Arya	Tean Member

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Annexure - 2

Action taken report on decisions taken during post NSC meeting on January 03, 2019:

S. No.	Agenda Item	Decision Taken	Action Taken
		In second NSC meeting	
1.	Market landscape study for optimization of batch size and available machineries	The committee suggested DGT to carry out a market landscape study to assess demand of popular trades and accordingly decide on batch size and optimal utilization of machineries in ITIs.	 A committee under the Chairmanship of Deputy Director General (T & E), DGT, MSDE was formed and committee deliberated on various issues pertaining to optimal utilization of machinery and equipment in capital intensive trades
2.	Collaboration between STRIVE and SANKALP project	The committee suggested a joint meeting of SANKALP and STRIVE implementing teams should be held to discuss potential areas of collaboration	 A joint review meeting was done between the STRIVE and SANKALP team in October 2019. It has been decided to explore the following: STRIVE ITI as nodal ITI for operation of District skilling committee Further talks are already ongoing on exploring synergies between STRIVE and SANKALP
		The committee decided to drop funds earmarked from VTIP (INR 200 crores) as such activities may be carried out from remaining funds. It was suggested that documentation work, if any for CCEA and Ministry, may be done in parallel.	 The same was discussed with Ministry and it was advised that a CCEA change note needs to be moved for dropping the said funds. Since DGT is already in talks with World Bank on restructuring of the STRIVE Project, hence all the CCEA note changes may be taken up together.

	Soft loan of INR 100 crore to private ITIs	The committee suggested a sub- committee to be formed for carrying out market assessment of the need of such funding to private ITIs. It was suggested that NSDC should be implementing the soft loan component in case there is a need of the same. Alternatively, the said funds may be used for expansion of PMKKs or may be utilized for other activities of STRIVE such as upgradation of CFIs. The sub-committee may consist of DG(T), Joint Secretary (MSDE), Director (Projects)-DGT and CEO- NSDC or his representative.		DGT conducted discussion with Private ITIs on the requirement of Soft Loan from DGT. It was communicated to DGT that ITIs have sufficient capacity to fund equipment and machinery of the ITIs, hence, they don't have requirement of soft-loan from DGT. Additionally, since the STRIVE is still to receive the STRIVE budgetary allocation, hence the decision in transferring the soft- loan funds may be taken up during CCEA note changes after recommendation of the sub- committee formed for the same.
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Annexure 3

Delay in fund flow to implementing agencies:

Result Area	Minimum Delay	Maximum Delay (including ongoing)	Average Delay
Result Area- 2	5 months	10 months	7.1 months
Result Area- 4	4 months	9 months	5.8 months



Time taken to reach State Societies (in months):



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Annexure 4: Changes in Operations Manual regarding Result Area 4

		eration manual for Result A	rea 4
		Proposed	
Section Definitions Xv	Existing	IC is defined as a Business Membership Organization (BMO) - an industry association formally registered as society/trust/Section 8 company and have the legal capacity to sign contracts on behalf of its members. The IC shall be responsible for submitting the IAI proposal to receive grant funding under the project.	Avoiding interpretation between cluster and industry association for the ease of stakeholders.
2.2.2.3 Page 14	 "establishment". Facilitating constitution of National Level ITI 	ofNationalLevelEvaluationCommittee(NLIEC)forevaluationofprivateITIsIClusterCommittee(NCEC)ofevaluationofevaluationofClusterCluster(IC)Application	stage snows that the approval process of IA plan is time consuming. Currently there are 11 stage and the objective is the state is evaluating is another evaluation a NCEC level would not be necessary. The would ensure that once the State Steering Committee approves it, the IA plan would be read for implementation
2.2.5	National Cluster Evaluatio	n National Cluste e Evaluation Committe	
Page 21	Committee (NCEC) will b		

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2.3.4.1 Page 30	The State Cluster Evaluation Committee headed by SAA shall comprise of representatives of SAMC, RDAT concerned, NSDC SEO of the State concerned, representative from SSDM and one industrialist from private sector (by submitting a disclaimer that he/she has no business relation with participating members of	scores. The State Cluster Evaluation Committee headed by SAA shall comprise of representatives of SAMC, RDSDE concerned, NSDC SEO of the State concerned, representative from SSDM and industrialists from private sector (by submitting a disclaimer that he/she has no business relation	Broadening participation of industry in SCEC composition which is currently limited to only one member
	The State Cluster Evaluation Committee headed by SAA shall comprise of representatives of SAMC, RDAT concerned, NSDC SEO of the State concerned, representative from SSDM and one industrialist from private	or to provide clarification to NSC on evaluation scores. The State Cluster Evaluation Committee headed by SAA shall comprise of representatives of SAMC, RDSDE concerned, NSDC SEO of the State concerned, representative from SSDM and industrialists from	Broadening participation of industry in SCEC composition which is currently limited to only one member
2.2.5.2 Page 21	NCEC will meet during eac phase of IC selection i.e for both Phase-1 (pilo phase) and Phase-2 although meetings may be convened, as and when directed by NPD to conduct evaluation of IC/IAI or to provide clarification to NSC	t selection i.e. for both Phase-1 (pilot phase Phase-2 and Phase 3 although meetings may be convened, as and when directed by NPD to conduct evaluation of IC	
2.2.5.2 Page 21	responsible for evaluation of IC Application and I Proposals under Resu Area-4 of STRIVE. • Evaluation of IAI Propose basis recommendation received from states under Result Area-4 of STRIVE	AI responsible for evaluation It of IC Application. al This bullet is bein	

2.3.4.2 Page 31	SCEC will meet during each phase of IC selection i.e. for both Phase-1 and Phase- 2, although meetings may
3.4.3 Page 73- 74	 Industry Cluster (IC) must be registered either as a 'society' under relevant Societies Registration Act or trust or an organization under Section 8 Company and have the legal capacity to sign Tripartite Agreements/contracts on behalf of its members Industry Cluster (IC) must be an industry association formally registered either as a 'society' under relevant Societies Registration Act or trust or an organization under Section 8 Company and have the legal capacity to sign Tripartite Agreements/contracts on behalf of its members
	MinimumNumberof enterprises consenting to participate with IC for implementing IAI grantNo changeIAI grantmustbe20 irrespective of the size of the cluster.No change
	seats available for IAI implementation in the cluster as per the Minimum 50% of the IAI is largely

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	Apprenticeship Act/Norms must be 40.	participating member should be from MSM category (as per MSM definition of Govt. o India)	E capacitate SMEs fo engaging apprentice f however currently i was not explicitly defined under eligibility. Added to encourage SME sector for engaging
3.4.4 Figure 6	Selection process for ICs: Earlier NCEC evaluation was	Selection process for	apprentices. Learning from pilot
Page 74	necessary for IAI plan	ICs: This figure has been modified to show that with SSC approval IAI plan is deemed approved and ready for implementation	stage shows that the approval process of IAI plan is time consuming and since the state is evaluating it another
Page 76	State Cluster Evaluation Committee and recommended by SSC will be evaluated by National Cluster Evaluation Committee (as detailed in section 2.2.5) constituted by NPIU		Same as above
	vi. National Cluster Evaluation Committee will scrutinize all the IAI proposals as recommended by SSC and the same shall be approved by NSC. Once approved by NSC, the selection decision will be communicated to ICs through SAMC. The SAMC shall in turn also intimate	Γο be deleted	Same as above

	to RDATs, SSDM, National Skill Development Mission (NSDM), and SEO, NSDC for monitoring the IAI implementation.	The State Cluster	Same as above
349	The State Cluster Evaluation Committee to evaluate the IAI proposals submitted by ICs. The SAMC/State Apprenticeship Advisor /State Steering Committee shall forward the shortlisted applications along with their assessment and recommendations to NCEC at DGT/NPIU	Evaluation Committee to evaluate the IAI proposals submitted by ICs. The SAMC/State Apprenticeship Advisor/State Steering Committee shall then approve the IAI plan	Same as above
3.4.9 Page 84	Notification of approval by the NSC to ICs through the States concerned.	the States concerned.	
6.2 SAMC	ToR for SAMC is under development and final version would be shared with states	States to refer SAMC guidelines issued by DGT	separately prepared and shared by DGT with states
Annexure 5 Page 216	recommended/nominated	Notification of a National Cluster Evaluation Committee comprising of representatives of DGT which may include DG/DDG/Director Apprenticeship Training, Three Representatives one each from NSDC, RDSDE and MSME and one representative of Industry. It shall be notified by the DGT/NPIU. The Nationa Cluster Evaluation Committee will scrutinize all the IC application recommended/nominated	
Annexure	by States/UTs. Convene National Cluste	e Evaluation Committee	e
5 Page 216	L'utuation		g

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	convening of meetings	recommended by States. NPIU to coordinate with	
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RDATs to be edited as RDSDEs.

Accordingly, changes will be made in the FAQ section of the OM