

## Summary of Evaluation

1. Outline of the project		
Country: Kyrgyz Republic		Project title: IT human resource development (National IT Center) project
Issue/sector: Information and communications technology		Cooperation scheme: Technical cooperation project
Division in charge: Transportation and ICT Division 2, Transportation and ICT Group, Economic Infrastructure Department, JICA		Total cost: approx. 487,920,000 yen (as of evaluation)
Period of Cooperation	October 1, 2004 through March 31, 2005 (1 <sup>st</sup> phase) June 1, 2005 through May 31, 2008 (2 <sup>nd</sup> phase)	Partner Country's Implementing Organization: National IT Center (NITC)
		Supporting Organization in Japan: Ministry of Economy, Trade and Industry (METI)
		Other Related Cooperation Projects: <ul style="list-style-type: none"> <li>• “Management of IT training centers” Country-focused training (Fujitsu Learning Media Limited)</li> <li>• “Management of IT training, development of software” Country-focused training (IBM Japan)</li> <li>• “Network security” (Keio University)</li> </ul>
<p>1-1 Project Background</p> <p>The Kyrgyz Republic considers information technology (IT) as one of its most important industries, as it has fewer natural resources, such as oil, than its neighboring countries. However, it has a shortage of software development engineers and network engineers with a high level of expertise who are needed to lead the IT industry. Therefore, it has decided to establish a new national IT center, with the purpose of developing software and high-level IT human resources. In order to support the “development of high-level IT human resources” from among these issues, JICA has decided to implement a technical cooperation project, which aims mainly to develop the abilities of the staff at the National IT Center.</p> <p>This project is divided into two phases; the “first phase” started in October, 2004 and the “second phase” in June, 2005. While the first phase focused on laying a foundation which allows the National IT Center to accept technologies transferred from JICA, the second one</p>		

aimed at enabling the National IT Center to function properly as a training institute for high-level IT engineers.

## 1-2 Project Overview

### (1) Overall Goal

For the Kyrgyz Republic to have a pool of high-level IT human resources enough to meet the demand in its domestic IT market.

### (2) Project Purpose

For the National IT Center to be able to function properly as a training institute for high-level IT engineers, when the second phase has ended.

### (3) Output

#### 1<sup>st</sup> Phase

1. Establishing the management system of the project.
2. Establishing the process of technology transfer from JICA experts to Kyrgyz instructors.
3. Establishing the process to recruit students.
4. Staff members on the Kyrgyz side understand each application procedure required for JICA's technical cooperation.
5. Being able to understand technical development and changes in the market.
6. Improving the equipment.

#### 2<sup>nd</sup> Phase

1. C/Ps (counterparts) improve their skills.
2. Curriculums for the training courses are prepared properly and renewed each year.
3. Facilities and equipment necessary for the training are organized properly.
4. Training textbooks and subject manuals for instructors are organized properly.
5. Training courses are managed properly, maintaining a certain quality.
6. Third country training is implemented properly, maintaining a certain quality.

### (4) Input (as of evaluation)

#### Japan Side

Long-term experts dispatched: 1 person (operational coordination), approx. 487,920,000 yen

Short-term experts dispatched: 11 persons (28 dispatches in total), equipment provided approx. 94,380,000 yen

Trainees received: 12 persons, local cost approx. 7,810,000 yen

#### Kyrgyz Side

Counterparts deployed: 16 persons, local cost approx. 16,430,000 som (subsidies)

Facilities provided

2. Overview of the Evaluation Team		
Members of the Evaluation Team	Team Leader: Mr. Hiroyuki IDE, JICA Senior Advisor, JICA Cooperation Planning: Mr. Tadao TAMUKAI, Transportation and ICT Group 3 (Social Infrastructure), Transport and ICT Team 2, JICA Evaluation Analysis: Mr. Atsushi TOKURA, IC Net Limited	
Period of Evaluation	February 17, 2008 through March 13, 2008	Type of Evaluation: Terminal
3. Overview of Evaluation Results		
3-1 Results of Evaluation		
<p>According to our understanding, this project is achieving its goal of “the National IT Center being able to function properly as a training institute for high-level IT engineers, when the second phase has ended.” Specifically, the project is achieving the following four indicators: ①The number of those who have completed the courses goes beyond that of the initial goal of 420 persons. ②Over 75 percent of the employers who sent trainees are satisfied with the improved abilities of those trainees who have completed the courses. ③Majority of the trainees are satisfied with the center. ④The center has the ability to be financially independent. The financial independence of the center, however, will be based on subsidies from the Kyrgyz government.</p>		
3-2 Summary of Evaluation Results		
(1) Relevance		
<p>The relevance of this project, which was considered high at the mid-term evaluation, is still high. The two policies formulated in 2002 for the promotion of IT in the Kyrgyz Republic, the “strategy related to information and communications technology for the development of the Kyrgyz Republic” and the “national development strategy 2007 – 2010,” have not changed. Thus, this project maintains its high relevance in terms of the Kyrgyz Republic's policies, as well as Japan's aid policies. The relevance of this project is high, with regard to the needs of its target group, both “potential IT engineers and IT engineers who are currently engaged in the IT business.” Furthermore, Japan has a technical advantage in the field of the development of IT human resources. However, the Kyrgyz government has become less enthusiastic about promoting IT than it used to be.</p>		
(2) Effectiveness		
<p>Similarly to the mid-term evaluation, the effectiveness of the project is relatively high at this moment, as long as the Kyrgyz government continues to pay subsidies required for the project to achieve its own goal. However, the project will become less effective, if our</p>		

counterparts leave their job or there is a remarkable brain drain from the Kyrgyz Republic.

### (3) Efficiency

We can say that the project has become more efficient since the mid-term evaluation, in light of the following two points. Firstly, the project has maintained a relatively high efficiency, because dispatch of Japanese experts, deployment of necessary counterparts and training for our counterparts in Japan were all carried out in a proper fashion. Secondly, the number of trainees has been steadily increasing. However, one issue is that the center has suffered from a low enrollment rate of a little more than 50 percent on average. If the center improves this low enrollment rate, it can possibly further increase its efficiency.

### (4) Impact

We have confirmed that there has been no negative impact, while positive impact has increased, in comparison with the mid-term evaluation. Since the number of trainees who completed the training has been on the rise each year, it is expected that the overall goal will be achieved. Because of this, the project is expected to have an impact on the management of the companies and organizations which the trainees who have completed the training belong to. Moreover, the output of this project contributes to the success of other projects. For instance, textbooks which were prepared for this project are used for the programs of IT human resource development in other countries.

### (5) Sustainability

Sustainability of this project has remained vulnerable since the mid-term evaluation. The center ensures its sustainability, by introducing a wide range of activities outside the framework of the project. As mentioned in "Indicator 4: The center has the ability to be financially independent," "Chapter 3: Overview of Evaluation Results" of this report, the center has also improved its financial sustainability. However, its organizational sustainability remains an issue. For example, there are no mid-term management and financial plans, while some of the instructors and staff lose their motivation, stay at the center for shorter hours and do not take part in staff meetings. In addition to these issues, there is a problem that the right to use the building of the National Science Academy will expire in May, 2009.

## 3-3 Factors promoting better sustainability and impact

### (1) Factors concerning Planning

In the early stage of the second phase, technology transfer could not be completely

executed, due to lack of time necessary for technology transfer. However, all our counterparts were able to acquire the necessary knowledge and skills, because they were enthusiastic about learning those skills. Furthermore, Japan Development Service Co., Ltd., a contractor to manage the project, implemented technology transfer activities in an efficient manner.

#### (2) Factors concerning the Implementation Process

Smooth technology transfer from the Japanese experts contributes to achieving successful results for the project goal.

### 3-4 Factors Inhibiting Better Sustainability and Impact

Issues faced by the project are as follows:

#### (1) Factors concerning Planning

- Lack of mid-term management and financial plans: Not only does the center fail to clarify its future direction or mission, but it does not have any mid-term management and financial plans.

- Lack of promotional activities: In order to function properly as a training institute, it is necessary that the center get involved in promotional activities and increase the number of trainees.

#### (2) Factors concerning the Implementation Process

The project director does not play his/her role to the full extent: The incumbent director has neither visited the center nor attended the joint coordinating committee held at the terminal evaluation. Today, the project manager takes on the responsibilities to manage the project, which becomes too heavy a burden for the manager.

### 3-5 Conclusion

The project goal is being achieved through smooth technology transfer. The project maintains a relatively high effectiveness and efficiency, along with its high relevancy. Also, no negative impact has been seen. However, there remain a couple of issues in its sustainability, especially in terms of its organization and human resources.

In the light of all of these, we can conclude that technology transfer has been successfully executed. However, this success cannot be considered as being a robust one. There are some possibilities that our counterparts might leave their job because their paychecks are less than those of IT companies and they fear that Japan will cease its technology transfer in the future. If that happens, the results of the project will disappear. In addition, if the IT center can neither receive support from relevant organizations nor secure government subsidies and facilities, it will go into a deadlock immediately.

The terminal evaluation team thinks that the project requires continued funding from the Kyrgyz government to strengthen the management foundation of the center and JICA's continued support for a new expanding business field including software development, in order to ensure the results and enhance its sustainability.

### 3-6 Recommendations (Specific measures, suggestions and advice for this project)

#### < Establishing a mid-term vision >

- The Kyrgyz government and the center should establish the center's missions and goals. As the center has no future direction, there are concerns about the future among staff members.
- With such missions in mind, the center should consider expanding the business into a new field, aiming to cement the center's management foundation. If the center succeeds in expanding the Kyrgyz Republic's IT industry itself, there will be an increase in demand for IT training, which will bring more income to the center.
- The center should come up with mid-term management and financial plans, taking into account its missions, goals and a new business field.
- The center should start discussions with the National Science Academy right now, in order to extend the lease period of the facilities.

#### < Reinforcing the organization >

- The **Kyrgyz government** should make sure of the role of the project director.
- The center should hire (or develop) staff who are responsible for promotional activities immediately. Promotional activities do not refer only to posting advertisements in the mass media. It might be a good idea to increase the number of trainees, by approaching companies and universities and building partnerships with them. Promoting the center to Kazakhstan would be worthy of consideration.
- It is necessary that the center enhance communications between staff members. All staff members should participate in the staff meeting which is held every Monday.

#### < Others >

- It is necessary for the Kyrgyz government and the center to improve their third-country training. They should make sure of the target field of the training and rearrange the levels of the training participants, considering that there was a wide gap in the number of participants who successfully completed the training courses held last year between the participating countries.

3-7 Lessons Learned (Matters that can be used as a reference to find/create, implement and manage other similar projects that were taken from this project)

< Support for management >

When you establish a new organization like the IT center of this project, it is indispensable to provide support for not only the technical aspect but also for managing an organization. Although short-term experts were dispatched to provide support for management in 2007, support for the same field should have been provided in the early stage of the project.

< Financial Independence >

Since the IT center is a national training institute, it is not required to be financially independent like a private company. However, some of the persons concerned expressed their hope for the center's independence. How much you want to be independent would largely change your project plan. Therefore, it is necessary to create a consensus among those concerned, at the beginning of the project.

< Flexible arrangements of the courses >

As the IT market in the Kyrgyz Republic had not been fully developed, it was difficult to predict the training needs. When you provide training not only in the IT business but also any other business whose market is underdeveloped, it is necessary to arrange your courses in a way that is flexible enough to adapt to changes in demand, rather than sticking to your project plan.

3-8 Follow-up Situation

In "Chapter 6: Future direction of the project" of this report, we raise the three types of cooperation that are expected to be needed in the future: ①improving the ability to manage marketing activities of the IT center, ②promoting cooperation to develop the IT service industry and ③improving the ability to develop software.