

Simplified Ex-Post Evaluation for Grant Aid Project

Evaluator, Affiliation	Junko Noguchi Foundation for Advanced Studies on International Development	Duration of Evaluation Study
Project Name	The Project for Improvement of Vocational Training in Ecuador	January 2010 – December 2010

I Project Outline

Country Name	Republic of Ecuador	
Project Period	November 2004-March 2006	
Implementing Agency	Servicio Ecuatoriano de Capacitación Profesional [Ecuadorian Professional Training Service] (SECAP)	
Project Cost	Grant Limit: 809 million yen	Actual Grant Amount: 808.89 million yen
Main Contractors	Mitsubishi Corporation	
Main Consultants	Japan Development Service Co., Ltd.	
Basic Design	“Basin Design Study on the Project for Improvement of Vocational Training in Ecuador,” Japan Development Service Co., Ltd., August 2004	
Related Projects (if any)	1. JICA, “Technical Cooperation Project for Improvement of Vocational Training in Ecuador,” JICA, “Technical Cooperation Project for Strengthening of the Occupational Training for the Vulnerable Sector” 2. JICA, “Japan Overseas Cooperation Volunteers to CEFIC, CERFIN, etc.”	
Project Background	In Ecuador, it was urgent to promote the development of national industries and diversify the industrial structure, which had been difficult due to a shortage of human resources. The Ecuadorian Government, in its “National Development Plan (2003-2007),” put priority on vocational training for poverty reduction, decrease of unemployment and increase of productivity. Quito, Cuenca, Ambato and Guayaquil are 4 major cities in Ecuador, where 84% of the small and medium enterprises are located. Thus, development of vocational training in these cities was regarded important.	
Project Objective	To procure necessary equipment and machinery at 6 major vocational training centers in order to provide skilled workers with the required level of professional ability.	
Output[s] (Japanese Side)	Procurement of equipment and machinery -Areas: Electrical/electronic, machine/metal, automobile mechanic, industrial sawing, etc. -Target centers: CERFIN, CFMQS, CEFIC, CEFIA, CCSFMG and CERFIL	

II Result of the Evaluation

Summary of the evaluation
<p>This Project aimed to strengthen the training courses at Ecuador’s major vocational training centers by procuring necessary equipment and machinery. Furthermore, the Project intended to develop human resources for the local industries and diversification of the industrial structure. At the same time, the “Technical Cooperation Project for Improvement of Vocational Training in Ecuador (2002-2007)” was implemented, and these two projects have generated synergetic effects. For example, the technical cooperation project had outputs such as training needs assessed, curriculum/material developed and instructors retrained. Based on these outputs, the necessary equipment and machinery were identified for this Project and have been fully utilized. The retrained instructors of different centers started communication to exchange information and skills for the curriculum revision and equipment maintenance. The Project’s effects are expected to continue.</p> <p>In light of the above, this Project is evaluated to be highly satisfactory.</p> <p><Constraints of the evaluation study> It should be noted that the Project’s achievement could not exactly be compared with the target objectives originally set at the Ex-Ante Evaluation because the method of counting the number of the courses has changed due to (i) the change of the duration of a training course and (ii) the integration of two courses to one course. However, this did not affect the evaluation analysis and results because complementary data and information were used.</p> <p><Recommendations to SECAP> The system for implementing training has been strengthened at the 6 target training centers*. By sharing the outputs produced at these centers (training needs assessment, curriculum/material development, and operation and maintenance of the equipment/machinery) with other SECAP training centers, the vocational training could be strengthened at the national level. To ensure this, it is recommended to utilize the retraining system of the instructors at the Industrial Training Center of the North Region (CERFIN) and also the network established among the retrained instructors.</p> <p>* The five target centers other than CERFIN are the Industrial Training Center of Cuenca (CEFIC), Industrial Training Center of Ambato (CEFIA), Industrial Training Center of the Coastal Region (CERFIL), Multiple Training Center of Quito Sur (CFMQS), and Center for Commerce/Services and Female Training (CCSFMG).</p>

<p>1 Relevance</p>
<p>(1) Relevance to the Development Plan of Ecuador In the “National Development Plan (2002-2003)” vocational training and human resource development were listed as priority issues, and the successive plan for 2005-2007 likewise aimed to improve the productivity of the domestic industries and develop the vocational capabilities. In the “National Development Plan (2007-2010),” these issues continue to be priorities, identifying the modernization of SECAP and vocational training of the vulnerable, including women, as the national strategies.</p> <p>(2) Relevance to the Development Needs of Ecuador In Ecuador, the petroleum and industry sectors account for 12% of GDP. These are easily affected by the change of the international oil price and so it was urgent to develop alternative industries and human resources. However, SECAP, which was the only vocational training center in the industrial sector, had needed to upgrade the instructors and equipment/machineries to satisfy the demand from the industrial sectors.</p> <p>(3) Relevance to Japan’s ODA Policy In the policy consultations held in 1999 and 2005, “poverty reduction,” “environmental conservation” and “disaster prevention” were discussed as priority areas for assistance. Among these areas, “poverty reduction” includes the development of key industries (industrial human resource development and vocational training for the vulnerable).</p> <p>This project has been highly relevant to the country’s development plan, development needs, as well as Japan’s ODA policy; therefore, its relevance is high.</p>
<p>2 Efficiency</p>
<p>(1) Project Outputs There was a small change in specification and quantity of some equipment at the time of the re-bid. This was because the freight increase compared to the expected due to a doubling of the oil price. Also, because the Ecuadorian government procured part of the equipment, the Japanese share was reduced. However, this change didn’t affect the training quality much, and therefore the outputs were generally appropriate.</p> <p>(2) Project Period (Project Inputs) It took 16 months to complete the Project, slightly longer than planned (123% of the planned). As the Project had two bids, the shipment was delayed.</p> <p>(3) Project Cost (Project Inputs) The actual cost was 808 million yen, lower than planned (809 million).</p> <p>Although the project cost was lower than planned, the project period was longer than planned; therefore, efficiency of the project is fair.</p>
<p>3 Effectiveness / Impact</p>
<p>(1) Quantitative Effects The 6 target training centers including CERFIN had the following achievement in 2009—(i) 444 “up-grading courses” for employed workers, (ii) 77 “specialized training courses” as pre-service training, and (iii) 8 “professional training courses” as pre-service training in industrial sewing. The total number of courses was 529 compared to the planned target of 781. The reasons why the objective wasn’t achieved are that the duration of an “up-grading course” was extended after 2007, and that two “specialized training courses” were integrated into one course. In these two courses, however, the number of trainees has increased since the year when the courses decreased (5,836 trainees to 6,184 for the “up-grading course;” 1,284 trainees to 1,451 for the “specialized training courses”), and so it can be said that the training scale has expanded. As for the “professional training course” the number of trainees has been almost stable.</p> <p>(2) Impacts (Impacts on the natural environment, Land Acquisition and Resettlement, and Unintended Positive/Negative Impacts) Cases were reported where new technologies were applied and the factory was automated at the organizations to which the trainees belong. Furthermore, the Chamber of Commerce and the trainees’ organizations are satisfied with the training contents, expressing that “the quality of the product has improved,” “the productivity has increased,” etc. There have also been training impacts at the individual level; The employment rate of those who completed the courses at CERFIN increased from 67% (2007) to 90% (as of May 2010). At CFMQS, the employment rate of the female trainees improved from 84% (2007) to 99% (as of May 2010).</p> <p>(3) Synergetic Effects with the Technical Cooperation Project This Project and the technical cooperation project have generated synergetic effects as follows. The instructors retrained by the technical cooperation project have given retraining to the other instructors at the centers targeted by this Project, and monitored their performance. In addition, the curriculum and material developed at CERFIN has been utilized at other 5 centers. When the necessary equipments and machineries were selected for this Project, the experts dispatched to the Technical Cooperation Project gave useful advice which lead to the smooth training implementation.</p> <p>This project has largely achieved its objectives; therefore, its effectiveness is high.</p>
<p>4 Sustainability</p>

(1) Structural Aspects of Operation Maintenance

At the 6 centers, the number of instructors has been slightly increasing or stable in quantity, and they have been retrained. At each center, the staff is assigned for training needs assessment, follow-up of the trainees, revision of the curriculum/material, and employment assistance. Regarding the equipment procured by the Project, the instructors and storage personal are responsible for the operation and maintenance. In the area of the industrial sewing, the external technicians are in charge of equipment maintenance.

(2) Technical Aspects of Operation Maintenance

The instructors of the 6 target centers visit each other to share their knowledge and skills regarding equipment operation and maintenance. The operation manual is available to all the staff at every center. To those who didn't receive the training when the equipment was installed, the same training was repeated (12 training opportunities as of February 2010).

(3) Financial Aspects of Operation Maintenance

The budget of SECAP drastically increased in 2007 and since that year has still been slightly increasing. In 2010, the budget for the operation and maintenance of the equipment is self-evaluated as "sufficient" at the 5 centers (CEFIA, CCSFMG, CFQMS, CEFIC and CERFIL). At CERFIN, it is "not sufficient" and is now requesting additional funds to SECAP.

(4) Current Status of Operation Maintenance

The major equipment procured is inspected regularly at each center. At CFMQS, CEFIA and CCSFMG almost all the equipment is functioning without a history of breakdown. At CERFIN, CEFIC and CERFIL, some equipment is under repair, but most is functioning.

No major problems have been observed in the operation and maintenance system; therefore, sustainability of the project effect is high.