

Summary of the Joint Terminal Evaluation

1. Outline of the Project	
Country: The Republic of the Union of Myanmar	Project Title: The Project of Myanmar-Japan Center for Human Resources Development
Issue/Sector: Private Sector Development	
Division in Charge: Industrial Development and Public Policy Department	Cooperation Scheme: Technical Cooperation Project
Period of Cooperation: (Record of Discussions [R/D] signed: January 31, 2013) October 15, 2013 – October 14, 2016 (three years)	Total Cost: JPY 450 million (as of the Joint Terminal Evaluation)
	Implementation Organizations: <ul style="list-style-type: none"> • Counterpart Organization: Ministry of Commerce • Implementing Organization: The Republic of the Union of Myanmar Federation Chambers of Commerce and Industry (UMFCCI)
Supporting Organizations in Japan: <ul style="list-style-type: none"> • Relo Panasonic Excel International Co., Ltd. • Japan Center Operation Support Commission 	
1-1. Background of the Project	
<p>The Government of the Republic of the Union of Myanmar (GOM) has recently accelerated its progress on the economic growth and the establishment of a stable and strong economy in line with the ASEAN⁴ Economic Community Blueprint 2025. For economic growth, human resources development in the private sector, especially in the business field, is crucial and needs to be enhanced for further development of the economic situation of Myanmar.</p> <p>Based on the request from GOM to the Government of Japan, the Japan International Cooperation Agency (JICA) and the Myanmar Ministry of Commerce agreed to implement the <i>Project of Myanmar-Japan Center for Human Resources Development</i> for the duration of three years with The Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) as a project implementing organization. The mission of the Myanmar-Japan Center (MJC) is to train core human resources in facilitating business developments through the implementation of business courses. With the aim to enhance the capacity of MJC staff and lecturers in order for them to effectively and efficiently serve the nation's human resources development needs and to strengthen the organization toward its sustainable management, the Project was commenced in October 2013.</p>	
1-2. Project Overview	
<p>The Project aims for MJC to become a human resources development center for training business personnel who play an important role in the economic development of Myanmar through an effective management and implementation of business training and the development of the sustainable management and functions of MJC.</p>	
(1) Overall Goal: Core human resources in industrial and commercial field in Myanmar is	

⁴ Association of Southeast Asian Nations

continuously trained at the MJC.

(2) **Project Purpose:** Sustainable mechanism and functions to train business personnel who play an important role of the development of Myanmar economy are established at MJC in UMFCCL.

(3) **Outputs:**

- 1) Effective management and implementation of business training is enhanced, which contributes to the development of core human resources in industrial and commercial enterprises in Myanmar.
- 2) Sustainable management mechanism and functions of MJC is established.

(4) **Inputs:**

Government of Japan (Total input: 540 million yen)

Japanese Experts: Long-term experts 3 persons (72.00MM⁵)

Short-term experts 15 persons (57.23 MM)

Training in Japan: 39 persons Provision of machinery, equipment, and materials

Operational Expenses: 73 million yen

Government of Myanmar

Assignment of C/Ps

Provision of facilities

Operational expenses

Others (Issuance of invitation letters and travel permit for JICA experts)

2. Overview of the Evaluation Team

Members	Mr. Hiroyuki Tomita	Leader	Director, Team 2, Private Sector Development Group, Industrial Development and Public Policy Department, JICA
	Ms. Emi Takahata	Cooperation Planning	Staff, Team 2, Private Sector Development Group, Industrial Development and Public Policy Department, JICA
	Mr. Nobuhisa Iwase	Evaluation Analysis	Partner, IMG Inc.

Evaluation Period:	February 7-20, 2016	Type of Evaluation:	Terminal Evaluation
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3. Evaluation Results

3-1. Achievements of the Project

The following are the achievement levels of Outputs and the Project Purpose, evaluated based on the assessment on the achievement levels of its indicators and the assessments by the Project's stakeholders (i.e. JICA experts, MJC staff, local lecturers, and former business course participants).

(1) Achievements of the Outputs

Output 1 (effective management and implementation of business training): Achieved

Output 1 is evaluated to have been achieved. MJC Business courses were designed based on the

⁵ Up to October 2016

needs survey results conducted in the beginning of the Project and have been conducted in accordance with the MJC annual implementation plan. Since the trial implementation of business courses started in December 2013, there have been steady increases in the number of business courses⁶ (25 in FY⁷2013, 71 in FY 2014 and 90 in FY 2015) and the number of business courses done by local lecturers (4 in FY 2014 and 15 in FY 2015). MJC seminars are implemented in a wider area (eight regional cities in 2015) than originally planned. MJC's capacity to manage and implement business courses has been enhanced through project activities and MJC staff is able to prepare the business course schedule, conduct monitoring and evaluation (M&E) on business courses, reflect M&E results to improve the business courses. The questionnaire/interview survey results indicate that business course participants are highly satisfied with MJC's business programs. The continuation of TOT of local lecturers through OJT and the periodic implementation of market needs survey for business training hold the key to further increase in the quality of business training.

Output 2 (establishment of a sustainable mechanism and functions of MJC): Mostly achieved

Output 2 is evaluated to have been mostly achieved. Through project activities, the Project has laid a solid foundation for MJC to be managed and function continuously. The MJC's Ten-Year-Financial Plan, which serves as its management policy and strategy, was developed and was endorsed by project stakeholders in the JCC meeting held in March 2014. The division of duties among MJC staff has been defined, and the rules and regulations for working conditions of MJC staff was also developed and put in force. Noting these achievements, when its expected roles and functions are taken into consideration, MJC is still at the fledgling stage and is fragile to be evaluated as a "sustainable" implementing body. One of the factors making the organizational to be fragile is that the number of official (permanent) staff is insufficient. The workload of MJC staff has become very heavy, due to the increase in activities, particularly in areas other than Yangon and the resignation of three staff members in October 2015. Although the organization's financial situation has improved, the financial sustainability depends on a steady flow of business course/seminar applicants; therefore, there is a need for MJC to continuously attract new applicants (customers) by expanding the target audience through offering more varieties of business courses in a strategic manner or offering business courses in other regions. It is also necessary to make continuous efforts to find and meet the changing needs of the target audience.

(2) Prospect of the Project Purpose being Achieved

Project Purpose (the development of a sustainable mechanism and functions to train business personnel in MJC) : Mostly achieved

The Project Purpose is evaluated to have been mostly achieved. On one hand, all indicators set for the Project Purpose has been achieved or mostly achieved, which indicate that the foundation for operating MJC has been established. Through the Project, the MJC annual activity plan and the Mid-term Strategic Plan have been developed. The numbers of business courses/seminars as well as the total number of participants to MJC activities have steadily increased resulting in the increase in the MJC's annual revenue, which greatly exceed the target (i.e. 60 million MMK/ year) in the last two years (75.5 million MMK in FY 2014 and 88.5 million MMK in FY 2015). Through TOT, mainly by OJT, the local

⁶ Including seminars

⁷ Japanese fiscal year: April - March

lecturers' capacity has greatly improved and the transition of teaching business courses and seminars from JICA experts to local lecturers has made a good progress. There is, however, a need to continuously secure a sufficient number of (prospective) local lecturers and establish the training mechanism of newly contracted local lecturers. Furthermore, for an effective operational management of MJC, there is a need to increase MJC's administration staff members and to strengthen the organizational implementation structure, which is currently excessively dependent on the Business Course Manager and the Chief Advisor (long-term JICA expert).

3-2. Summary of the Evaluation Result

(1) Relevance: High

The relevance of the Project is assessed as high. The Project is highly consistent with development policies of the Myanmar Government. The Myanmar Government has strengthened the national legal framework for the commercial and industrial sectors to facilitate the market-oriented economic reform through the introduction of various laws, including the Export Import Law, the Consumer Protection Law, the Competition Law, the Small and Medium Enterprise Law, the Myanmar Foreign Investment Law, and the Myanmar Special Economic Zone Law. The Project is satisfactorily consistent with the needs of Myanmar people. As the country moves towards a market-oriented economy and become more integrated into the regional and global economy, it has created needs to foster human resources in business fields, especially at the executive and the middle-management levels to modernize the business management and become competitive. The Project is in line with the Government of Japan's assistance policy for Myanmar, which sets the capacity building and development of a system to sustain economy and society as one of its three priority areas. Since the uniqueness of the Japanese-style management techniques lays in its practical applicability to businesses, Japan has comparative advantages in supporting the human resources development in the private sector that demands fast and concrete results. Moreover, JICA has accumulated its know-how and experiences in assisting operation of "Japan Center" projects in other ASEAN countries, such as Vietnam, Laos and Cambodia.

(2) Effectiveness: Relatively high

The effectiveness of the Project is assessed as relatively high. The Project Purpose ("Sustainable mechanism and functions to train business personnel who play an important role of the development of Myanmar economy are established at MJC in UMFCCI.") is envisaged to be mostly achieved by the end of the project period. The Project has conducted an extensive range of activities, including the capacity development of MJC managers, staff and local lecturers, the development of the MJC annual activity plan and the MJC Mid-term Strategic Plan (which contains the MJC's Ten-Year-Financial Plan), and the planning and implementation of business courses. As a result, three local lecturers are already able to implement MJC business courses by their own with a high level of satisfaction from course participants. The numbers of MJC business course participants have steadily increased over the project period, resulting in the steady increase in the MJC's annual revenue.

(3) Efficiency: High

The efficiency of the Project is assessed as high. In the Project, most inputs for implementing activities have been duly allocated as planned and used for the production of two outputs. The Project

has not only implemented originally planned activities set in PDM, but also carried out a broader range of activities to meet human resources development needs of the private sector in Myanmar, including the provision of one-day seminars, training in regional areas both for business community and for government officials, and the support for the establishment and utilization of business networks (e.g. MJC Upper Myanmar Alumni). The expansion of project activities have contributed to winning a greater support to the Project from project stakeholders and have resulted in additional inputs (e.g. training and office spaces in MRCCI and MOC in Mandalay and in other regional cities in upper Myanmar region) provided by the Myanmar side. The project implementation process was also enhanced by the use of the accumulated experiences and know-how on Japan Center projects inside JICA as well as good communication and collaboration with other Japan Centers in the ASEAN region. The factor that may have hampered the Project's efficiency is the instability of MJC. Three MJC staff resigned their positions in MJC in October 2015, resulting in under-staff and a large increase in workload for the remaining MJC staff.

(4) Impact: Relatively high

The impact of the Project is assessed as relatively high. The prospect of the Overall Goal (“Continuous training of core human resources in the industrial and commercial field in Myanmar.”) to be achieved within three to five years after the project completion is promising, judging from the assessment on the achievement level of its indicator and the observation by the Project's stakeholders. The number of MJC business course/seminar participants was 2,559 persons in FY 2014 and 3,200 persons in FY 2015, greatly exceeding the Overall Goal's indicator target (1,000 persons a year). In addition, MJC has been conducting joint seminars with external organizations, such as the Policy Research Institute (PRI) under the Japanese Ministry of Finance and the Sumitomo Mitsui Banking Corporation (SMBC), as well as various networking activities with Japanese business organizations, companies, and local governments in Japan, which will contribute to increasing the scale and quality of the achievement of the Overall Goal. The follow-up survey results on former business course/seminar participants confirmed positive impacts of the Project, notably the increase in company profits (75% of respondents) and the expansion of company (more than 50% of respondents) due to the expansion of the market, the effective networking and the improvement in teamwork. Furthermore, more than 80% of respondents reported that the knowledge acquired through MJC training helped their career. Following the recommendations by the Mid-term Review, MJC has accelerated to expand the range of activities based on the changing needs and the request for related activities, not only in Yangon but also in other regions, collaboration in holding seminars, and so forth. If the Project successfully continues implementing additional activities, it will bring about significant positive impacts of the Project for promoting human resources development in business field in Myanmar in the future. No negative impact was found by the time of the Joint Terminal Evaluation.

(5) Sustainability: Relatively high, but is still fragile

The sustainability of the Project is assessed as “relatively high, but is still fragile.” The institutional sustainability of the Project is deemed as high. Although there is an uncertainty for the policy change due to the scheduled change of the government in April 2016, there will not be a drastic change in the

policy support for the market-oriented economy reforms since the manifest by the new government stresses the importance of acceleration of transforming its economy into a market-oriented, liberalized economy through increased promotion efforts for foreign direct investments. The organizational and financial sustainability of the Project is deemed as a challenge with some tasks lying ahead. As discussed in “3-1. Achievements of the Project,” MJC has established a foundation for its operation; however, MJC is still a new organization that requires further organizational strengthening through measures to ensure a stable placement and further capacity development of human resources (i.e. managers and staff, and local lecturers.) While the foundation for securing sufficient financial resources has been made through the development of a long-term financial plan, the increase in savings to be used as a revolving fund and the start of the cost sharing from the revolving fund, there is a need to accept more participants for business courses, seminars and other relevant activities and to further diversify revenue sources. The technical sustainability of the Project is deemed relatively high. The training contents were applicable to businesses in Myanmar. The capacity development of MJC staff including local lecturers and the Business Course Manger has been in a good progress; however, for the increase in the technical sustainability of the Project, there is a need to increase MJC staff and train them.

3-3. Main Factors Promoting the Production of Effects

(1) Factor Concerning to Planning

- 1) Public-private partnership: By having both private and public sectors in the project implementation framework such as MOC and UMFCCI, the Project was able to efficiently implement activities utilizing both know-how and networks of the public and private sectors. The project design that placed importance on the public-private partnership made it easier for various external actors to cooperate and collaborate with MJC.

(2) Factors Concerning to the Implementation Process

- 1) Team-building: In the Project, *hou-ren-so* (report-contact-consult/discuss) practices have been reinforced for team-building. This facilitated the improvement in the relationship among project team members and increased their understanding on the effectiveness of project activities. The project team was also staffed with managers and local lecturers who have overseas study experiences in Japan and MJC staff who have a keen interest in MJC’s functions as the base for cooperation and exchange between Myanmar and Japan and the center for developing core industrial human resources in industrial and commercial fields; their appreciation towards Japanese-style management and production methods and Japan in general and their high motivation for MJC work have contributed to building a strong project team.
- 2) Effective cooperation/collaboration with other organizations: MJC conducted several joint seminars with external organizations as a way to become a self-sustainable organization. The cooperation and collaboration have contributed to tightening the network between UMFCCI and Japanese business communities (e.g. KEIDANREN and KANKEIREN). It also contributed UMFCCI to have a greater appreciation toward benefits of working with MJC and to be more proactively involved in project activities.

- 3) Use of accumulated know-how in managing a Japan Center: The Project used the knowhow of and resources for operating a Japan Center that have been accumulated from previous Japan Center projects conducted by JICA (e.g. TOT of center staff, formats for monitoring financial indicators, and operational procedures). The Project was also able to use the network of Japan Centers to support a MJC alumni organization.
- 4) Increase in contributions by the Myanmar Side: Through project activities, a general understanding of MJC services' effectiveness and impacts have increased among project stakeholders. This has resulted in the increase in contributions by the Myanmar side (e.g. the provision of facility by the Mandalay Region Chamber of Commerce and Industry (MRCCI) and the MOC Mandalay Office.)
- 5) Word-of-mouth advertisement by Business Course Participants: The review/comments on the MJC business program by MJC business course/seminar participants through the social networking services (SNS) have contributed to the promotion and advertisement of the MJC business program.

3-4. Main Factors Inhibiting the Production of Effects

(1) Factor Concerning to Planning

- None

(2) Factors Concerning to the Implementation Process

- Under-staffing of MJC staff members

3-5. Conclusion

The Project has made a steady progress towards the achievements of both two Outputs and the Project Purpose, which are likely to be mostly achieved by the end of the project period. While not specifically indicated in the PDM, it should be noted that a variety of activities that contribute to the further achievement of the Overall Goal and the increase in the Project's impacts and sustainability have been conducted with joint efforts by the Myanmar and the Japanese sides. Synergy effects and the increase in the Project's effectiveness and impacts are expected, if MJC ensures its continuation of currently implementing activities. While MJC is expected to function as the center for developing "core industrial human resources" that corresponds to expanding and advancing market needs, in essence, it is still a new organization established in less than three years ago. At the time of the Joint Terminal Evaluation, the development stage of the organization can be categorized as in the "rapid takeoff stage". It will require more time for MJC to reach the "smooth cruising stage" and become a matured organization with a strong and stably operational capacity. Based on this understanding of MJC's operational and management situation, it is deemed that the Project's sustainability is relatively high at the time of the Joint Terminal Evaluation but the MJC has some vulnerability.

Major examples of the vulnerability are; (1) Mobilization of local lecturers to MJC business course continuously participating in the MJC activities, (2) Institutional framework of the MJC, in which the establishment of the current MJC solely depends on the R/D, and (3) Rapidly expanding expectation for the MJC activities by the Myanmar side.

Based on the above findings, the Joint Evaluation Team concludes that the Project should be extended for another year. In the extended period, the Project should continue implementing project activities for the expansion of/increase in the Project's impact and sustainability and take measures to develop and implement more detailed and integrated medium- to long-term strategy and implementation plan for the expansion of/increase in the MJC's medium- to long-term impact and sustainability.

3-6. Recommendations

(1) Establishment and enhancement of the function as a platform for business between Myanmar and Japan through the continuation of the current activities: It is recommended that the implementation of following activities be continued for the increase in the sustainability of the Project.

- 1) Collaboration with Japanese companies, local governments, etc. in Japan,
- 2) Enhancement of network by assisting the activities initiated by MJC alumni,
- 3) Inclusion of students and fresh graduates from universities that intend to start their businesses in the business courses,
- 4) Provision of services for Japanese companies and Myanmar companies that have business relations with the Japanese businesses,
- 5) Provision of seminars and trainings in the regions other than Yangon in accordance with their needs, and
- 6) Implementation of trial bookkeeping course.

(2) Consideration and co-planning of the future institutional framework of the MJC: It is recommended that the following key issues be discussed by relevant stakeholders for MJC's sustainable operations and its medium- to long-term plan formulation.

- 1) Institutional framework of the MJC including resource management (financial and personnel management),
- 2) Stable procurement and continuous capacity development of local lecturers,
- 3) Coverage of MJC activities including the issue of a satellite office and expansion of target beneficiaries,
- 4) Expansion and enhancement of networking activities, and
- 5) Enhancement of proactive networking with other Japan Centers in Southeast Asia.

3-7. Lesson Learned

- 1) Effectiveness of the "Public-Private Partnership" in project implementation