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Annual Report

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ACRONYMS AND ABBREVIATIONS

ABL	Administrative Boundary Line
ACT	Analysis and Consulting Team
APS	Annual Program Statement
AR	Autonomous Republic
AVP	Associate Vice President
COP	Chief of Party
COR	Contracting Officer's Representative
CTC	Center for Training and Consultancy
DCOP	Deputy Chief of Party
FY	Fiscal Year
GITA	Georgia's Innovation and Technology Agency
GOG	Government of Georgia
EU	European Union
IESC	International Executive Service Corps
LOP	Life of Program
MEL	Monitoring, Evaluation, and Learning
NGO	Non-Governmental Organization
PfR	Pay for Results
PITT	Performance Indicator Tracking Table
PPP	Public-Private Partnership
PSEF	Private Sector Engagement Framework
RFA	Request for Application
SB	Small Business
TA	Technical Assistance
TVET	Technical and Vocational Education and Training
USAID	United States Agency for International Development

1. EXECUTIVE SUMMARY

1.1 Summary of Results to Date

During the five months covered by this Annual Report (May 3 to September 30, 2021), the United States Agency for International Development (USAID) Industry-led Skills Development Program focused on operational start-up, building foundational knowledge, activity and grant development, engagement of the private sector, outreach to education and training providers, and to representatives of the Government of Georgia (GOG). This work recognized that due to the impact of COVID-19, significant shifts have taken place in the economy and labor force that present new challenges and opportunities for demand-driven skills development in Georgia. This work was concentrated into two critical work-streams. The first work-stream covered the **operational start-up** of the Program, while the second work-stream covered the **technical activities and grants preparation**. Supporting both of these work-streams were the Program's **private sector engagement** and communications activities.

Operational Start-Up: IESC focused on establishing long-term operations while preparing for technical implementation and grants programs. During the first five months, the Program rapidly mobilized the Chief of Party (COP), Ms. Rosa Chiappe, the Deputy Chief of Party (DCOP), Mr. Saba Sarishvili, and filled key and non-key personnel positions. IESC established financial and operating systems including updating and renewing its registration in Georgia, reactivating its existing bank account, and developing the Program's Operations Manual and Finance and Accounting Manual. The Program established a permanent office in Tbilisi at 85 Z. Paliashvili St, Building #1, Second Floor which is currently operating at limited capacity under COVID-19 protocols. For full details on the Program start-up see *Section 5. Start-Up Activity Progress*.

Technical Activities and Grants Preparation: In parallel with the Operational Start-Up, the Program team engaged in the development and implementation of early foundational activities and deliverables. Key foundational technical activities included: the development of the Branding and Marking Plan, the Monitoring Evaluation and Learning (MEL) Plan, the Fiscal Year (FY) 2021 Work Plan, the FY2022 Work Plan, the Grants Manual, the Private Sector Engagement Framework (PSEF), the Private Sector Constraints Analysis, a Stakeholder Mapping, a Training Provider Assessment Tool, the Consulting Council Concept Paper, and the Inventory of Skills Development Training Programs. As part of the development of the Grants Manual and the FY2022 Work Plan, the Program has developed a detailed grants calendar that includes four grant schemes across the three Program components. For full details of the Technical Activities and Grants Preparation see *Section 6. Progress Against FY2021 Planned Activities*.

Direct Engagement with the Private Sector: An intensive and continuous process of direct engagement with the private sector and stakeholders has been supporting operational start-up, technical activities, and grants preparation. This engagement involves businesses, associations, education and training institutions, GOG (national and local), and other stakeholders. The Program's work is guided by the learnings and knowledge generated through these intensive initial five months of over 100 private sector and stakeholder meetings, allowing the team to better understand and evaluate businesses' strengths, constraints, and plans for growth. Throughout these engagements, the Program has made extra efforts to target and

engage large private sector companies and business associations who are potential grantees. In addition to gathering information, meetings have been used to present opportunities the Program provides to support private sector skills development efforts, exploring potential areas where grants could foster skills upgrading or new skills development required to enhance private sector competitiveness. A complete listing of meetings with the Private Sector and stakeholders can be found in *Annex B. Stakeholder Outreach* of this document.

During FY2021, the Program completed the following contractual deliverables.

Deliverable	Due Date	USAID Approval Date
Start-Up and Preliminary Work Plan	June 2, 2021	June 17, 2021
Branding and Marking Plan	June 2, 2021	June 11, 2021
FY2021 Annual Work Plan	July 2, 2021	July 22, 2021
MEL Plan	July 2, 2021	July 26, 2021
FY2021 Quarter 3 Progress Report	July 15, 2021	July 24, 2021
FY2022 Annual Work Plan	August 31, 2021	Undergoing revision
Grants Manual	August 31, 2021	Undergoing revision
Private Sector Engagement Framework	August 31, 2021	Undergoing revision
Weekly Updates	Weekly basis	N/A

In addition to the contractual deliverables listed above, the Program completed the following select milestones:

- The Program's launch event was held on August 4, 2021. During the event, the Program facilitated a high-level public-private dialogue where representatives of private sector companies, business associations, and the GOG presented their views on private sector models for skills development in Georgia, with active participation from the audience. This event was widely covered by the Georgian media and marked the start of the Program's communications campaign.
- The Program conducted a continuous series of virtual and in-person meetings with the private sector where the team built relationships, presented the Program's approach and generated interest in the upcoming grants programs.
- The Program conducted a Stakeholder Mapping exercise which mapped and analyzed the levels of interest and influence among potential skill development partners.
- The Program prepared an inventory of training programs including technical and vocational institutions to obtain a clearer picture of the current capacity to deliver demand-driven skill development programs at different levels.
- The Program developed the concept for a Consulting Council, a platform for advice and dialogue with business leaders engaged in skills development and interested in supporting the Program by providing insights from the private sector.
- The Program developed a Training Provider Assessment Tool to support the process of selecting and evaluating effective training provider partners, which will be especially critical in rural regions of Georgia.

- The Program held high-level presentations for public and private Technical Vocational Education Training (TVET) institutions to raise awareness of the opportunities the Program provides for them to partner with the private sector and business associations.
- The Program developed a catalog of private sector skills development models. This catalog outlines existing best practices and lessons learned to gauge partnerships, approaches and strategies towards developing a highly skilled labor force to enhance private sector competitiveness.
- The Program developed communications materials and brochures to inform and raise awareness of the grant opportunities offered by the Program.

1.2 Status of Performance Indicators

The USAID Industry-led Skills Development Program's key results for the Program year are summarized in this section. For the period covered by the FY2021 Annual Report, only one indicator had a defined target as shown below. The full performance indicator table can be found in *Annex C. FY2021 Performance Indicator Tracking Table*.

Indicator	Type	Unit of measurement	Disaggregation	Freq.	Year One Target	Year One Actual
Number of employers, associations/councils, and industry groups that have received outreach about innovative skills engagement practices	Custom Output	Number	Entity (employer, association, council, industry group)	Quarterly	30	183

2. PROGRAM PURPOSE

The purpose of the USAID Industry-led Skills Development Program is to partner with the private sector to produce industry-relevant human capacity that will contribute to high-value employment opportunities and increased economic competitiveness in Georgia. The Program achieves this by systematically engaging employers to equip Georgians with skills demanded in sectors with high growth potential and through the creation and replication of direct linkages between training programs and employment opportunities. Activities are organized into the three component-level objectives listed below:

Component 1: Incentivize private sector engagement in skills development.
Component 2: Establish skills training programs demanded by the private sector.
Component 3: Increase access to training opportunities for rural and priority populations.

Through the use of demand-driven funding mechanisms that work directly with the private sector to identify and scale innovative approaches to skills challenges and opportunities, and by keeping the targeted economic sectors and regions flexible over the Life of Program (LOP), the USAID Industry-led Skills Development Program can respond rapidly to emerging opportunities to get individuals trained and employed, and businesses productive and growing. Under

Component 1, the Program works directly with the private sector to pilot demand-driven initiatives that incentivize private sector engagement and investment in skills development programs. Under Component 2, the Program continues to work with the private sector and education and training providers to create and/or significantly improve formal training and certification opportunities demanded by employers, ideally with the collaboration of international partners to supply the country with the skilled labor force needed for sustainable economic growth. Under Component 3, the Program expands access to high quality training programs in rural areas and for critical priority populations outside of major urban areas. The Program also partners with employers and other stakeholders to raise awareness of skills development opportunities available in the country and promote behavioral change toward short-term training and new career opportunities.

This Annual Report is submitted in accordance with Section F.6. Reports and Deliverables, subsection "Annual and Quarterly Reports" of the USAID Industry-led Skills Development Program contract. The purpose of this document is to report the progress during FY2021, covering the five months from May 3, 2021 to September 30, 2021, against the FY2021 Work Plan that was approved by USAID on July 22, 2021.

IESC is the lead implementer of the USAID Industry-led Skills Development Program (Contract No. 72011421C00002). Under this Contract, IESC supports USAID/Georgia's Country Development and Cooperation Strategy (CDCS) for 2020-2025 through Development Objective 3: Inclusive High-Value Employment Opportunities Provided through Increased Economic Growth.

3. PRIVATE SECTOR ENGAGEMENT AND DIALOGUE

This section summarizes the Program's efforts during the reporting period towards fostering public-private dialogue and utilizing private sector engagement as required reporting for the Annual Report[1]. Specific engagement and dialogue activities are described in their respective activity descriptions in *Section 6 Progress Against FY2021 Planned Activities* below.

3.1 Utilizing Private Sector Engagement

During the initial five months of Program implementation, the Program undertook an intensive private sector engagement process utilizing stakeholder mapping, direct meetings with the private sector and stakeholders, desk research, a private sector constraints analysis, and developing the Private Sector Engagement Framework and the Consulting Council. These initiatives built a baseline understanding of the critical skills constraints the private sector faces and developed a foundation of relationships with the private sector.

First, the Program conducted a mapping of stakeholders and focused private sector engagement efforts on businesses and associations that represent large and growing sectors of the Georgian

[1] Section F.6 Reports and Deliverables, subsection "Annual and Quarterly Reports" of the USAID Industry-led Skills Development Program contract.

economy. The objective was to learn about the challenges businesses face related to finding the human talent needed for business growth and to better understand stakeholder perspectives on how to overcome the skills gap and boost competitiveness in their respective sectors. The Program met with over 100 businesses, associations, training providers, GOG officials and stakeholders, as well as over 70 technical and vocational institutions. The Program had working sessions with nine of the ten regional representatives to deepen its understanding of their strengths, weaknesses, and opportunities. These regional meetings enabled the Program to better grasp regional priorities and the regional governments' readiness to engage in the Program and contribute to developing training programs and upskilling their labor force.

Second, with the Analysis and Consulting Team (ACT) the Program identified key sectors, critical skill issues the private sector faces and pinpointed potential private sector engagement models that can address those constraints – ensuring needs are aligned with high-value jobs in high growth industries. Initial results found that the majority of companies surveyed do not engage in the skills development system either independently or through Public-Private Partnership (PPP) initiatives and they do not engage with training providers to address their skills needs; although important differences are observed between large, medium and small-sized companies. While most Georgian companies spoken to or surveyed do not have broad experience in skills development and/or cooperation with external training providers, they did report that they support participation in new approaches and new models of workforce development. This analysis will be updated annually.

Third, the Program has developed the Private Sector Engagement Framework (PSEF) to serve as a roadmap for effective engagement of the private sector and ensure their needs are at the center of programmatic solutions. The PSEF has been designed to align with the goals and objectives of the Program as well as USAID's mandate to work closely with the private sector. The PSEF puts the private sector in the driver's seat, defining the key principles and methods of engagement necessary to catalyze innovative approaches to skills development in Georgia. This means working hand-in-hand with the private sector to co-create and co-invest in solutions to critical skill constraints. Guided by this framework, the Program works directly with the private sector as a source of ideas, innovation, expertise, investment, and resources that will continue to yield growth and employment results long after Program support has ended.

Finally, the most critical aspect of engagement is direct employer involvement. To properly integrate private sector needs, the Program has been undertaking a continuous series of outreach and engagement meetings and events with two goals. The first goal is to foster a broader set of understandings and relationships with potential private sector partners and grantees; the second goal is to identify and partner with a select number of passionate and motivated business leaders to advise the Program. These leaders will constitute a Consulting Council and provide the Program with direct feedback and advice from the private sector's perspective. The Consulting Council will serve as an informal venue for knowledge sharing and direct advice, support collaboration with select business leaders, enable access to private sector networks, and be a flexible structure whose engagement with the Program evolves over time.

3.2 Fostering Public-Private Dialogue and Partnerships

The Program facilitates Public-Private Dialogue and Partnerships on two levels. The first level is through Program events and communications where the Program directly brings together the private sector with GOG representatives and other stakeholders, and the second level is through the Program's demand-driven grants program where the Program facilitates partnerships between employers and public sector training and other service providers. More information on the Program's events and communications in FY2021 can be found in *Section 9 Progress Related to Communications, Outreach, and Events.*

The majority of direct partnerships between the public and private sector stakeholders that the Program will facilitate have not started yet as they will come through the Program's demand-driven grant mechanisms. Through this mechanism, private sector partners are the ones identifying their critical skill needs and proposing market-driven partnerships. Through these grants, the Program will build sustainable partnerships to co-create and co-invest with the private sector and training providers to ensure that investments in skills are sustainable and lead to long-term growth. These grant-driven partnerships will begin in FY2022.

The Program pays special attention to partnerships in rural areas. With the scarcity of training providers and lack of inclusion practices in the regions, the Program needs to leverage all available public and private resources to ensure access to industry-relevant skills training programs and inclusion of priority populations. With this purpose, the Program team has begun to facilitate regional public-private dialogue. One of the discussion points with the regional and local government representatives has been to support private sector grant applicants by allocating fiscal infrastructure and leveraging resources from planned or ongoing educational initiatives, further extending resources previously accessible to municipalities, such as the Municipal Development Fund. Another PPP explored by the Program is a partnership with the State Employment Agency that can support private sector grant applicants with funded training, employability, and internship programs for youth and Persons with Disabilities (PWD).

4. CROSS-CUTTING CHALLENGES

This section highlights cross-cutting challenges that impacted Program implementation across all Components. Activity-level challenges are described in their respective activity descriptions in *Section 6 Progress Against FY2021 Planned Activities* below.

COVID-19 Pandemic Restrictions

Due to low vaccination rates and the early lift of some restrictions with the summer holidays, at the same time as the rapid spread of the Delta variant, Georgia endured a significant increase in COVID-19 infections during this reporting period. This situation forced the Program to reduce trips to regions and to postpone face-to-face meetings. Due to the low level of familiarity with virtual tools, virtual meetings with regional stakeholders were not as effective as those held in-person. The Program team will visit regions where only virtual meetings(s) have been held, in-person during FY2022.

Suspension of public transportation in Tbilisi due to high COVID-19 infection levels and the GOG decree to authorize only remote work prevented the Program team from conducting any in-person work for several weeks. All Program activities were moved to a virtual environment which was not the ideal format for Program start-up when the team is intensively engaging with the private sector and other stakeholders, and when it is critical to build an effective team dynamic as new staff come on board. Nevertheless, the Program team was able to collaborate effectively by using Microsoft Teams as their main communication channel. The Program put in place health and safety protocols once the Program office was able to open and a rotation schedule for in-person work was established to mitigate health risks. The Program team is continuously monitoring COVID-19 infection rates in Georgia and adjusts both activity and office protocols in accordance with GOG regulations, CDC guidance, and IESC health and safety policies.

5. START-UP ACTIVITY PROGRESS

5.1 Rapid Start-Up

During the start-up phase, IESC mobilized a full complement of home office and field-based resources to ensure that all necessary administrative, operational, and technical activities were launched efficiently with a goal of maximum productivity as soon as possible. On May 17, 2021, the COP, DCOP, and members of the IESC home office team joined the Mission Director, Regional Contracting Officer (CO), and other members of USAID/Georgia for a post-award meeting. The COP and DCOP and the rest of the technical team conducted additional meetings with partners and individuals to discuss technical implementation, the Program's launch event, and other key activities.

The IESC Start-Up Specialist and Program & Operations Associate traveled to the field during the first six weeks of the Program and focused on operational start-up, specifically establishing an office, recruiting for the unfilled Program positions, and establishing IESC's financial and operational processes and systems. In addition to these two specialist start-up assignments, the IESC home office Associate Vice President (AVP) for Workforce, Entrepreneurship, and Youth and the Senior Program Manager traveled to the field for three-week assignments in August 2021. They supported FY2022 work planning by facilitating co-creation discussions between the Program team and external partners, drafting technical and home office inputs into the Work Plan narrative, and supporting activity-level budgeting with the implementation team.

5.2 Onboarding of Long-Term Local Staff and Staffing Plan

The COP was mobilized within the first 30 days after the contract effective date, arriving in-country on May 30, 2021. Prior to mobilization, the COP began employment with IESC on May 17, 2021, and utilized the time prior to mobilization to complete a one-week remote COP orientation and on-boarding process with IESC home office personnel and to begin the development of technical deliverables. In total, six local staff members named in the proposal agreed to employment on the Program after they received notification of the award. Based on

their commitments and required notification periods for their prior employment, these staff members started with the Program in May and June.

The start-up team then began a competitive recruitment process for the unfilled positions, publicly posting job announcements on IESC's careers website and on jobs.ge. In addition, IESC sought approval to add a new Communications Coordinator position, which was not included in the original proposal or Program budget. The need for this position became apparent based on conversations with USAID about the expectations for communicating the Program's message and successes to stakeholders and the public. The Program's CO approved the addition of this position on June 10, 2021. The team also sought approval for the addition of the Training Development Technical Advisor position to provide strategic guidance, relationship building, and technical assistance under Component 2. The Program's CO approved the addition of this position on August 20, 2021.

By the end of this reporting period, 13 local staff members began their employment on the Program. The Training Development Team Lead was onboarded on October 4, 2021. The Program is working with subcontractor, Center for Training and Consultancy (CTC), to recruit the Curriculum Development Specialist under their subcontract.

Position	Name	Named in Proposal (Y/N)	Start Date
Finance and Administration Director	[redacted]	Y	5/17/2021
Communications Manager		Y	5/19/2021
Deputy Chief of Party (DCOP)		Y	5/24/2021
Grants Manager		Y	5/27/2021
Access and Inclusion Team Lead		Y	6/1/2021
Private Sector Engagement Team Lead		N	6/1/2021
MEL Director		Y	6/7/2021
Administrative Assistant		N	7/12/2021
Accountant		N	7/22/2021
Communications Coordinator		N	8/2/2021
MEL Coordinator		N	8/9/2021
Grants Coordinator		N	9/1/2021
Training Development Technical Advisor		N	9/13/2021
Training Development Team Lead		N	10/4/2021
Curriculum Development Specialist (CTC)		N	TBD

5.3 Operational Start-Up

Program Office

The home office Start-Up Specialist established a temporary office space in the Marriott Tbilisi. This temporary space was sufficient to accommodate the staff who began employment in the

first two months of the Program. The Program signed the office lease on June 23, 2021 and moved to a permanent office space on August 2, 2021. This space accommodates the full-time Program staff and provides sufficient space to host training and other events on the premises. During this period, the Finance & Administration Director and the Administrative Assistant identified vendors to set up the office space IT equipment, and furniture. Due to ongoing COVID-19 concerns, a rotation schedule for coming to the office in-person was established to minimize the daily number of staff in the space.

Registration and Bank Accounts

BLC law firm has been advising IESC since April 29, 2021, on the process to renew and update the organization's local registration in Georgia. The registration renewal was finalized on June 8, 2021. The reactivation of existing bank accounts with TBC bank was completed in July.

Policy and Procedures Manual Development and Staff Training

During this reporting period, the IESC home office team developed key guiding documents to support technical and operations-related activities in the field. These documents include an Operations Manual, which outlines administrative, procurement, and logistics procedures and policies; a Finance & Accounting Manual, which outlines procurement, purchase, and financial reporting procedures; and a Field Office Employee Manual, which outlines human resources policies. During the start-up trip, the Start-Up Specialist conducted trainings on these policies and procedures and on Ethics, Procurement, and Combating Trafficking in Persons for all staff.

Subcontract Management

During the reporting period, the start-up team liaised with local subcontractor CTC to refine their scope of work and review and finalize their subcontract, which was signed by the IESC home office and CTC on May 28, 2021. The team met with CTC to discuss the scope of work for the Curriculum Development Specialist position that will be hired under CTC's subcontract, and the Start-Up Specialist met with CTC's finance team to review the monthly invoicing process.

Client Engagement

Program senior leadership has established weekly meetings with the USAID Contracting Officer's Representative (COR) every Monday at USAID's request. These meetings cover both technical activity discussions and contract management. Notes are documented by the COP or her designee. In addition, the COP sends weekly updates to USAID by the end of each Monday.

6. PROGRESS AGAINST FY2021 PLANNED ACTIVITIES

6.1 Component 1: Incentivize private sector engagement in skills development

Component 1 technical activities during the first five months of the Program focused on initial private sector targeting and engagement, building the evidence base around the skill constraints businesses face, and launching the Component 1 grants scheme. This section details Component 1 activities, with each activity description using the following format: (a) Results and Updates, (b) Challenges, and (c) Next Steps.

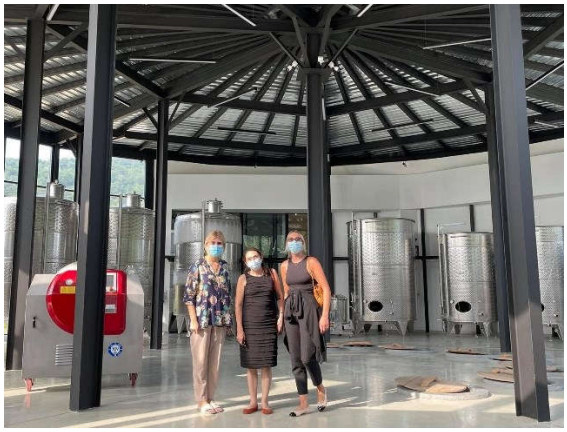


Photo 1. Program meeting with the Naberauli Wine Factory in Racha

Activity 1: Conduct Private Sector Engagement Constraints Analysis

Results and updates: To effectively target Program activities, ensure Program sustainably and effectively engage the private sector, ACT was tasked to undertake a Private Sector Engagement Constraints Analysis.

The Program and ACT developed ACT's SOW and the Private Sector Engagement Constraints Analysis outline was drafted and objectives, scale, regional scope, and timeline were agreed upon. The methodology for conducting the Analysis included a two-stage process of sector analysis and prioritization and a combination of primary and secondary research methods informed the sector prioritization. The ranking criteria were mostly quantitative with data coming from available secondary sources. The primary survey research targeted representatives of medium and large-sized businesses operating in ten priority sectors in five regions of Georgia along with other stakeholders including business associations. A total of 45 stakeholder meetings were conducted. Key stakeholders across relevant industries and priority sectors were cataloged and constraints to incentivizing companies to engage in skills upgrading were identified. Complete results of the Private Sector Constraints Analysis can be found in the stand-alone report developed by ACT. Selected findings are as follows.

The sector selection tool prioritized high-growth sectors of the Georgian economy with the capacity to contribute to high-value employment opportunities and increased economic competitiveness in Georgia. Ten priority sectors were identified: finance and insurance; health; wholesale and retail trade; motor vehicle repair; accommodation and food services; manufacturing; electricity, gas, steam and air conditioning supply; information and communication; transportation and storage; and agriculture, forestry and fishing. This sectoral prioritization will be used by the Program to guide the decision making and planning process, however, Program and grantee activities will not be limited to these ten sectors.

The Private Sector Constraints Analysis identified high-value skills shortages in these growth-oriented industries. Private sector representatives reported that one of their key constraints was both a lack of modern skills and qualifications among the available labor force, as well as a

shortage of practical and applied skills from recent graduates. Another significant challenge was the labor force's lack of motivation, according to the survey, recent graduates of vocational and technical institutions have high expectations about employment (quick promotion, high initial salary) that their actual experience, skill levels and qualifications don't justify.

The Analysis identified several important aspects that hold back the private sector from taking part in the skills development system: (1) lack of information about opportunities to engage in the skill development system; (2) lack of internal technical expertise to lead training process and (3) high perceived financial costs of skills development initiatives. Constraints faced by private companies were disaggregated according to two dimensions: constraints linked to independently engaging in skills development and constraints to collaborating with education and training institutions. In both cases, private companies lack awareness of the ways in which they could engage in skills development. They also lack the internal capacity to transfer knowledge to new employees. The additional burden of leading a formal training process within the company requires human and financial resources that many employers do not have access to. Digging deeper into these information gaps, another key finding of the report is that small and medium enterprises have the largest gap in understanding the critical role of the private sector in developing skills. Large businesses that were surveyed were much more ready to actively engage in skills development, as well as provide more resources to step in. Furthermore, insufficient flexibility of education and training providers further limits partnerships with businesses and is an obstacle that the private sector faces in taking the lead within the skills development system.

As a part of this process, a catalog of key stakeholders has been developed, including GOG entities, sectoral associations, international stakeholders, private sector umbrella organizations, and most importantly individual businesses from the ten priority sectors.

Challenges: COVID-19 restrictions coupled with the complexity of the analysis, extended the time needed to complete the research as meeting with respondents was more difficult. Additional time was also needed to restructure the analytical report to more explicitly focus on the private sector's needs for a qualified workforce and challenges associated with their engagement in the skills development system, as well as identify methods for engagement.

Next Steps: The information gathered has been used by the Program to guide the private sector engagement strategy, design activities, and develop the Program's PSEF. The information continues to be employed to inform the Program's grant schemes to ensure they are designed to respond to business constraints. The Private Sector Engagement Constraints Analysis is a live document and will be updated annually with new findings as additional observations are made throughout the Program. For instance, new priority sectors may emerge and evolving circumstances may affect current challenges and constraints faced by the private sector.

Activity II: Develop Private Sector Engagement Framework

Results and updates: The Program drafted and submitted the Private Sector Engagement Framework (PSEF). The PSEF was developed to serve as an overarching guide for the Program that ensures the private sector is the Program's core partner and an inextricable stakeholder in

all Program activities. The Framework defines the key principles and methods of engagement that the Program will utilize to catalyze demand-driven workforce and skills development in Georgia. The PSEF is a live document that will gradually be enriched with new methodologies or be adapted as circumstances change. This will ensure that the Program is able to identify potential issues as they emerge and support the best and most sustainable business solutions. Development of the PSEF was informed by the Private Sector Constraints Analysis and direct meetings with businesses and other stakeholders. To provide a foundation for effective engagement, the Program developed the following four Principles of Private Sector Engagement to guide the Program at every stage of activity design, implementation, and decision making: Engage early and often; Incentivize and value Private Sector Engagement throughout planning and programming; Expand the use of USAID's approaches and tools that unlock private sector potential; and, Build on the evidence of what works, and what does not, in private sector engagement. The PSEF has been submitted to USAID and is currently undergoing revisions.

Challenges: Private sector engagement in the skills development system is not customary in Georgia. There are few successful examples and where they do exist, they tend to be large enterprises with in-house training centers – a model that is hard for smaller businesses to emulate. Consequently, the PSEF's methodology reflects both best international practices and Georgian examples.

Next Steps: The PSEF is a live document. It will be enriched and further developed as the Program progresses and continues to engage with the private sector and other stakeholders. Currently, the approach and models create an effective foundation for engagement and coordination with the private sector. The framework is still undergoing final review prior to USAID approval and consequently may be further revised.

Activity III: Target and Engage Private Sector Partners

Results and updates: The Program initiated intensive and direct private sector outreach and engagement utilizing a standard methodology as follows.

Tool 1: Partner targeting

The Program actively identified and targeted potential private sector partners, including individual companies and business associations. The Program undertook partner targeting to ensure that the Program's marketing and engagement activities are as effective as possible by identifying companies and business associations with the willingness and capacity to co-design and co-invest in demand-driven solutions. Business targeting allowed the Program to be as cost and time effective as possible. When targeting, separate criteria were applied for private companies and business associations.

- Companies:
  - Scale, sector, and geography of operation – larger companies or groups of companies are given priority.
  - Potential for more value addition, production, and profitability growth if skilled workforce is in place.
  - Job opportunities, especially for priority populations.
  - Capacity to, or interest in, investing in business expansion.

- Forward and backward linkages along the value chain.
- Viable for future skills needs and international certification.

- Business Associations:
  - Sustainability – establishment and operation history, income generation scale and structure (membership fees vs grants). Priority is given to associations that are supported by a membership base, including interest and dedication of members to invest time in the association's work and pay membership fees.
  - Membership – number and profile of paying members.
  - Organizational structure, capacity, and leadership – management experience, existence of sectoral committees or other working structures, range of services offered to members, record of implemented projects/activities.
  - International affiliation – membership and participation in international associations.

Tool 2: Partner Generation

The Program undertook direct marketing to actively engage with and encourage the private sector to engage with the Program. Direct marketing helped the Program generate a pool of potential private sector partners who are interested in applying to the competitive grant schemes. Under this approach, the Program shared information about the opportunities and incentives offered to partners to invest in skill development – or to partner with skill development institutions.

During the reporting period, the Program directly engaged with more than 100 organizations, of which more than 50 represented the private sector including 38 private companies/employers, 1 investment fund, and 22 associations. The Program directly engaged with 18 GOG entities including regional governments and nearly 10 international organizations and donor-funded projects engaged in the skills development system; while the rest of the engagements were with education and training institutions.

Meetings with private sector companies and associations served to raise awareness about the Program and its opportunities while identifying potential partners for the various grant opportunities offered by the Program. Initial meetings were followed up with detailed consultations about technical issues to better orient potential applicants on engagement modalities. Meetings with central or local GOG representatives, partner USAID programs, training institutions, and community-based organizations were also critical for effective targeting and direct marketing work. For example, the Ministry of Economy and its agencies (Enterprise Georgia and Georgia's Innovation and Technology Agency (GITA)) have committed to giving the Program access to their partner companies and supporting communication. In addition, regional governments are expected to help reach out to regional businesses, and USAID programs can provide introductions to their partner companies and information on skill development initiatives that could be upscaled. The Program expects training providers to communicate the opportunities the Program offers to their private sector clients and develop partnership opportunities.

Challenges: Communication and coordination with private sector representatives has been challenging due to COVID-19 restrictions. Most of the meetings have been organized in Tbilisi

or online. The Program has tried to be as efficient in information dissemination as possible, triggering the interest of many organizations. Although private sector targeted messaging has been developed, communication and understanding of the Program and its grants scheme has been easier for companies with extensive experience in skills development initiatives than with companies who have not done skills programs before.

Next Steps: The Program will continue targeting private sector partners and will direct private sector engagements to rural areas once the pandemic allows. Grant schemes available in FY2022 will require constant communication and follow-up consultations with potential applicants to guide them through the process and ensure that their concepts are feasible. The focus for the next reporting period will be to target companies or investors that are initiating large projects and have not been covered by the Program in FY2021.

Photo 2. Meeting with the Banking Association of Georgia

<u>Activity IV:</u> Establish A Private Sector Consulting Council

Results and updates: To support private sector engagement, during the reporting period the Program identified mechanisms for coordination and communication with the private sector and determined that a Private Sector Consulting Council would best support sustainable private sector engagement. The Program developed a concept paper for implementing a Consulting Council, where the Program identifies and partners with a select number of passionate and motivated business leaders to advise the Program, providing direct feedback and the private sector's perspective. The Consulting Council will aim to serve as an informal venue for knowledge sharing and collaboration with business leaders, enabling access to private sector networks, and offering a flexible structure whose engagement with the Program will evolve over time. Employers know the issues, can best identify needs, and predict business trends. Having them directly advise the Program will result in more effective and efficient activities.

During the reporting period, the Program staff announced an Expression of Interest (EOI) for selecting the most suitable organization to host and facilitate the active engagement of private companies in skills development through the Consulting Council. Consequently, ten applications were received from various organizations and the selection of the best suitable organization will take place in FY2022.

Challenges: No challenges were observed.

Next Steps: The Program will select and contract the service provider, a business consulting company. The approach for forming the Consulting Council as an advisory body for the Program will be defined in a step-by-step manner and at least four Consulting Council meetings will be organized in FY2022.

Activity V: Design Solicitations and Criteria for Small Grant Request for Applications (RFA)

Results and updates: The first draft of the Component 1 RFA package was developed including the RFA, Application Form, and relevant annexes. The RFA package defines objectives for the solicitation and provides relevant instructions to applicants, helping them to develop and submit their grant applications in an appropriate format with the required information. The Component I grant scheme supports the design and piloting of initiatives aimed at incentivizing the private sector, such as individual companies (employers) and business associations to pilot and test private sector-led skills development programs. These programs may include:

- Piloting different mechanisms for employers, sectoral associations/councils, industry groups, and other private sector bodies to provide input into training curriculum design and delivery, including opening their own training centers.
- Developing partnerships between training providers and employers; incentivize employers, sectoral associations/councils, industry groups, and other private sector bodies to improve teachers' capacity at training institutions.
- Creating opportunities for training providers to provide instruction at employers' facilities.
- Engaging specialists from employers to deliver training modules.
- Increasing employer participation in career guidance system development; in organizing job-fairs and other activities to promote employment.
- Designing on-the-job learning modalities, including apprenticeships and internships.
- Increasing employer engagement in quality assurance/certification boards, sector skills councils.
- Targeted capacity building of sectoral/industry/professional associations to increase their participation in skills development.
- Designing digital or innovative solutions for increasing the quality of training courses.
- Developing educational resources.
- Elaborating schemes for future skills demand satisfaction.
- Attracting and incentivizing beneficiaries to get access to high quality skills training and employment opportunities using professional orientation services.
- Developing partnerships with internationally certified education providers.

The private sector engagement models presented in the grant applications may be considered for further upscaling to provide greater impact if they are successfully piloted under the given grant scheme. Merit review criteria were developed and integrated into the RFA including:

- Feasibility of design and approach.
- Impact on target group;

- Management and programmatic capacity;
- Sustainability/financial self-reliance;
- Past performance and organizational capacity; and
- Cost reasonableness.

Detailed definitions per criterion given above are provided in the RFA.

Challenges: No major challenges were observed.

Next Steps: The Program will announce the first RFA in November 2021 and implement two grant cycles in FY2022.

Activity VI: Identify Potential TA Providers for Grants

Results and updates: In FY2021, the Program drafted an EOI for service providers to apply for selection and inclusion in a Technical Assistance (TA) provider pool. Specific criteria have been developed for finding the right individuals or organizations to support grant recipients. There already exists in Georgia a pool of individual experts and organizations that can provide services and support applicants in designing new training programs and improving existing training programs in Georgia. Selecting the most capable techcnial assistance organizations or individuals is a critical aspect of the successful implementation of grant-supported projects.

Challenges: No major challenges were observed in the process.

Next Steps: The next steps in this activity are to issue the EOI and develop a pool of TA providers to support the Program's grantees.

6.2 Component 2: Establish skills training programs demanded by the private sector

During the five month period in FY2021, Component 2 activities focused on engagement with training institutions and contributed to the Private Sector Engagement Constraints Analysis. Component 2 provided insights to employer-training provider partnership challenges and started building a foundational inventory of existing training programs and skills providers. The component also worked on developing the Component 2 grants scheme. This section details Component 2 activities, with each activity description using the following format: (a) Results and Updates, (b) Challenges, and (c) Next Steps.

Photo 3. Meeting with Shota Meskhia State Teaching University of Zugdidi VET Division Representatives

Activity I: Inventory of the Existing Skills Development Training Programs

Results and updates: The Program's subcontractor, CTC, developed an inventory of existing skills development programs. This inventory supports the Program's analysis of the availability of training resources being offered by public and private vocational training providers including the existing supply of skills development programs in the Georgian market. This inventory is part of the foundational knowledge the Program is building to facilitate effective partnerships between businesses and training providers.

The inventory identified 88 professional-standard and 133 vocational educational programs (Level III-V of national qualifications framework). It also identified 280 short-term (certified) programs of which there were re-training (71) and training (209) programs. A disaggregation of given training programs by public and private training providers was also conducted.

Challenges: No challenges were observed.

Next Steps: The next step for this activity is for the Program to maintain and continuously update the inventory of existing skills development training programs using the Program's internal resources.

Activity II: Conduct Public Awareness Events for Educational Institutions and Public Sector Stakeholders

Results and updates: Under this activity, the Program's subcontractor, CTC, conducted focus group meetings with training providers to present the Program and obtain feedback on the status of private sector engagement in skills development processes and better understand the challenges and opportunities from the training providers' perspective. A qualitative research methodology was applied to collect information from technical and vocational training providers and three consecutive focus groups were organized with the participation of 28 training institutions. The focus group meetings were built around three main research questions:

- How do vocational training institutions evaluate general trends of engagement of the private sector in vocational education and training?
- What particular challenges and constraints do they face while working with private sector actors at different stages of the vocational training program management cycle (planning, implementation, and evaluation)?
- Which particular interventions can be introduced to overcome these challenges from a state and institutional policy level?

The focus group discussions identified several constraints to the engagement of the private sector in the skills development process. Focus groups cited the private sector's low awareness of vocational education and the potential benefits for businesses to engage in different stages of the vocational training program management cycle. In addition, they pointed out that private sector actors generally have a skeptical attitude towards existing education and training institutions and the TVET system in Georgia. The lack of financial and other types of incentives to facilitate engagement and motivate the private sector was also highlighted as a barrier. The

focus groups discussed how labor market information systems are ineffective in helping training providers understand private sector needs which prevents matchmaking between education institutions and employers. Furthermore, the current rigidity of state strategies and the TVET program management cycle present bureaucratic barriers to cooperation, and educational institutions and private sector organizations lack a common language to effectively communicate about the process of TVET program management. During focus group discussions, training providers communicated that the private sector lacks specific technical knowledge and know-how to effectively implement essential functions necessary at different stages of vocational training program management.

Challenges: No critical technical challenges were observed.

Next Steps: The results and findings of the focus groups will be taken into the account by the Program while engaging the private sector in skills development and facilitating partnerships with training providers.

Photo 4. Program visit to Kutaisi International University

<u>Activity III:</u> Develop Component 2 Illustrative Grants Criteria

Results and updates: During FY2021 the Program developed the overall approach to the Component 2 grants scheme. Component 2's approach enables the Program to co-invest in models that have been tested and verified as effective and are ready to be expanded. Some of these models or partnerships will be tested in Component 1, but not all, as some will come directly from the private sector using already proven models.

The Program developed a package of component-specific illustrative criteria for grant applications that consists of three main criteria sets: Technical Quality; Organizational Capacity and Cost Reasonableness. The disaggregation of these three sets by sub-criteria is as follows.

Feasibility of design and approach
• Private sector engagement level and sustainability; demonstrated interest of the private sector in collaborating in skills training programs • Innovativeness • Meeting private sector demand for skills and supporting industry competitiveness; how employment opportunities for which the skills training is designed are prioritized; how private sector demand is quantified • High-value job creation potential; strong linkages between skills training programs and high-value employment growth • Consideration of future skills needs • Integration and upscaling of initiatives developed under Component 1 • Establishment of internationally-certified courses or courses of comparably high quality • Existence and effectiveness of training quality control mechanisms

• Replication potential • Pay for Results (PfR) model integration potential
Impact on Target Group
• Extent to which the proposed activity corresponds to the needs of employers and students • Degree to which the proposed activity will directly or indirectly stimulate other organizations, such as other employers, private sector bodies, or education institutions to replicate, develop, or implement activities supporting the objectives of the USAID Industry-led Skills Development Program • Projected growth of high-value employment opportunities for which the skills training is designed • Value of employment opportunities for which the skills training is designed
Management and Programmatic Capacity
• Evidence of the capability to undertake and accomplish the proposed activities. • Appraisal will be based principally on reference checks by the Program; background, qualifications, reputation, appropriateness, and skills of its key personnel; and the "track record," reputation, and achievements (including the development of self-sufficient, sustainable activities) of the organization involved.
Sustainability/Financial Self-Reliance
• Extent to which the funded activity will result in building and strengthening the capacity of grantee(s) and target groups and whether the activity itself is sustainable or will become sustainable by completion of the given grant project or as a result of upscaling. Solid evidence of sustainability must be presented.
Past Performance and Organizational Capacity
• Previous or ongoing experience implementing similar activities and/or work experience and positioning in the sector. This examines an applicant's track record, which is an important factor in assessing the capacity of the applicant to implement the activity. • Extent of current employment opportunities for high-value employment for which the skills training is designed
Cost Reasonableness
• Degree to which budgeting is clear and reasonable and reflects the best use of organizational and grant resources

Critical for larger grants under Component 2b *(Establish long-term skills training programs demanded by the private sector)* will be their benchmarking against internationally recognized competencies and qualifications that support the growth and competitiveness of key Georgian economic sectors.

Challenges: No challenges were observed.

Next Steps: The USAID Industry-led Skills Development Program will develop and announce an RFA for Component 2a *(Establish short-term skills training programs demanded by the private sector)* and an Annual Program Statement (APS) for Component 2b, considering a two-stage competitive process (concept paper and full proposal) to reduce entry barriers and thus generate a higher volume of candidates and approaches. The first RFA is to be announced in November 2021 and the second RFA in the summer of 2022. The APS will be announced in January 2022.

6.3 Component 3: Increase access to training opportunities for rural and priority populations

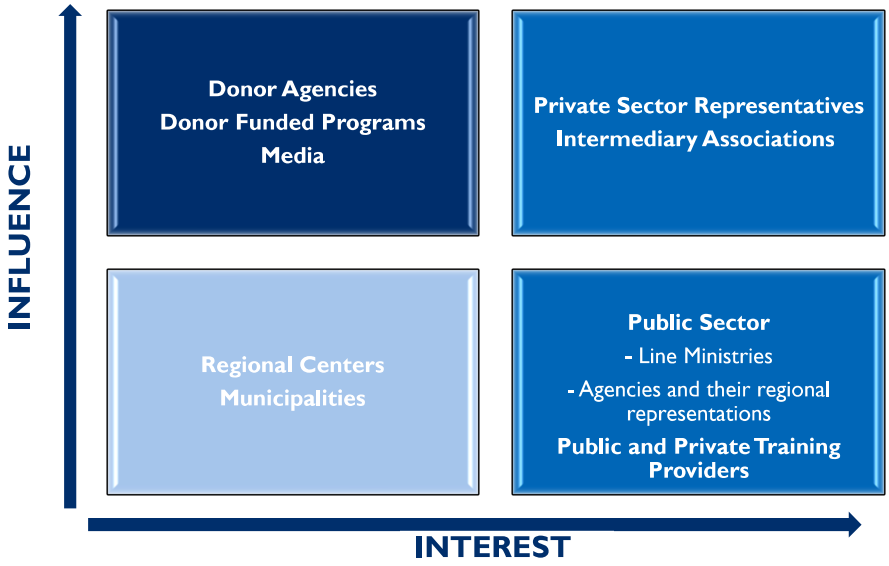
Component 3 targets rural areas and priority populations. During the five-month period in FY2021, Component 3 activities were undertaken in all regions to introduce the Program to key stakeholders and establish partnerships. Intensive consultations with regional stakeholders provided a comprehensive outlook of the challenges faced in the regions. The Program team has identified new private sector players with mature ideas to engage in skill development processes and systematize their efforts, such as Kudos Georgia, Fintech Association, Horeca Wizards, Swiss Capital, ORDUNET, Blauenstein, Simetria Group-Shovi Resort, and Ibercompany Group. This section details Component 3 activities, using the following format: (a) Results and Updates, (b) Challenges, and (c) Next Steps.

Activity I: Launch Comprehensive Stakeholder Mapping of Regions

Results and updates: A regional stakeholder map was developed that enabled the technical team to identify key Program partners; identify organizations that support the Program activities; record the perception of each stakeholder towards skill development; position stakeholders on the matrix based on their interest and influence levels; as well outline their geographic affiliation. The stakeholder map is accompanied by an excel worksheet, reflecting over 300 key actors, including 50 regional Private Sector actors, 30 Intermediary and Business Associations, 87 Educational Institutions, 33 central and regional Public Sector actors, 79 Media and News Agencies, and 54 regional Centers. Further details can be found in the full report.

During the mapping process stakeholders were segregated based on the following categories and then mapped by their level of influence and interest as follows:

- Private Sector: businesses operating in Georgia
- Intermediary Associations: business, sectoral and professional associations
- Education Institutions: public and private educational institutions implementing vocational education and training/retraining programs
- Public Sector: Ministries, Agencies, and representations at the regional and local levels
- Donor Agencies: International and donor organizations and their supported programs
- Media: Print and broadcast media at national and regional levels
- Centers: Centers with regional coverage, established through GOG and donor-supported programs



Challenges: CTC was assigned the initial stakeholder mapping, however, their report did not include all the required data. Hence, the Program team completed the stakeholder map based on the teams' intensive consultation process, extensive knowledge, and incorporating information from existing studies and data sources.

Next Steps: Building on the data obtained during the stakeholder mapping, the Program will develop a Stakeholder Engagement Plan to streamline interactions and define effective engagement and partnership strategies, especially at the regional level.

<u>Activity II:</u> Conduct Gender and Social Inclusion Analysis

Results and updates: A Gender and Social Inclusion Analysis was conducted by ACT within the framework of the larger Private Sector Engagement Constraints Analysis. The Gender and Social Inclusion Analysis examined the unique employability constraints and identified barriers to skill development opportunities for priority populations at the national and regional levels.

The study methodology was developed in close consultation with the Program team and is based on the review of official education and employment statistics. Focus group discussions and key informant interviews were conducted with private sector representatives, primary information was gathered from field experts (gender expert, Non-Governmental Organizations (NGOs) working on inclusion issues), and a review of relevant public reports. Constraints presented in the analysis reflect two main dimensions: (1) inclusion in the education and training market, and (2) inclusion in the labor market, and present the private sector's perspective on gender and social inclusion.

The Gender and Social Inclusion analysis explicitly showed that gender equality and inclusion issues are typically not recognized by businesses and need to be mainstreamed almost from scratch into programs. The study summarizes the private sector perspective on unique barriers

associated with equal access and inclusion with more details available in the full report. Key highlights are as follows:

- Employers are hesitant to introduce inclusive workplace strategies due to insufficient information and an overall low level of awareness.
- Employers link the introduction of an inclusive workplace with additional financial resources – incorrectly assuming that inclusion is expensive.
- As employers in rural areas struggle to find skilled workers, of any gender or ethnicity, they are not ready to introduce diversity programs for specific groups as they are worried it will hurt their overall ability to recruit skilled workers.
- The involvement of ethnic minorities is limited due to language barriers.
- As most employers do not have accessible infrastructure, they cannot currently engage people with disabilities in the training process nor employ them.

Challenges: Field research coincided with an increased number of COVID-19 cases and respective restrictions adopted by GOG. Thus, the process took a relatively long time and engaged fewer respondents than anticipated. Moreover, low awareness of the private sector on inclusion policies and processes affected the initial study methodology. To draw a comprehensive picture of the inclusion constraints, ACT, in consultation with the Program team, decided to engage sector-matter experts in focus group discussions.

Next Steps: The Program will prioritize work with private sector companies addressing gender and social inclusion issues which will require tailor-made approaches for increased engagement and equitable access to industry-relevant programs. This information will allow the Program to work with selected partners to refine their approaches for maximum impact on meaningful inclusion and employment of rural and priority populations.

<u>Activity III:</u> Establish Dialogue with Regional and Municipal GOG Stakeholders

Photo 5. Meeting with State Representative. Governor of Samegrelo-Zemo Svaneti Region, Giorgi Guguchia, and First Deputy Governor, Nino Vibliani

Results and updates: The Program team organized meetings with nine regional authorities (Mtskheta-Mtianeti, Imereti, Racha-Lechkhumi and Lower Svaneti, Samegrelo and Upper Svaneti, Shida Kartli, Kvemo Karli, Kakheti, Guria and Samtskhe-Javakheti) including priority regions with significant minority populations and regions along the Administrative Boundary Line (ABL) where the Program can target internally displaced people. The aim was to introduce the Program and its perspective for creating pathways between skills training programs and employment opportunities, especially for rural areas. Regional meetings enabled the Program to:

- Outline regional economic development priorities and sectors with high employability and growth potential rates.
- Define ongoing and planned regional and municipal programs supporting equitable access of priority populations to high-quality training.
- Obtain a list and contact information of regional private sector representatives.
- Conduct three online introductory meetings with 20 regional private sector actors and six educational institutions facilitated by the regional and local governments of Imereti, Kakheti and Racha Lechkhumi.
- Agree on partnership modality with regional and local government for broad outreach of the RFAs.

Challenges: Regional meetings coincided with rapidly increasing COVID-19 cases and an active pre-election campaign. Thus, it was not possible to organize field visits and conduct in-person meetings in all regions. The Program visited three regions, Imereti, Samegrelo – Upper Svaneti and Racha Kechkhumi – Lower Svaneti. For the other six regions (Mtskheta-Mtianeti, Shida Kartli, Kvemo Karli, Kakheti, Guria, and Samtskhe-Javakheti), meetings have been conducted through online platforms. The only remaining region to visit is the Adjara Autonomous Republic (AR). The technical team is working with the GOG to arrange meetings with the Ministry of Education, Culture and Sports and Ministry of Economy and Finance of the Adjara AR.

Next Steps: Information learned through these dialogues will support the Program to streamline investment under the grants schemes and achieve impact at scale for growth-oriented regional economic sectors. The Program will utilize regional and local government support to extend outreach. The Program plans to continue active engagement with regional stakeholders and conduct regional visits once the grant RFAs are announced.

Activity IV: Develop Catalog of Best Practice Model

Results and Updates: the initial Catalog of Best Practice Models for private sector engagement in workforce development has been developed as an illustrative tool stimulating the Program's core partner – the private sector – to co-create skills development solutions. The Catalog presents successful cases of private sector engagement in demand-driven workforce development with a particular focus on engagement benefits at the company and industry level. The methodology presented models that were identified through desk research and information obtained as a result of intensive meetings. The Catalog was developed through the cumulative efforts of the Program components and is synchronized with the Private Sector Engagement Framework. In particular, the Catalog follows two models of private sector engagement presented in the PSEF – independent engagement and partnership modalities, and is harmonized with the four pillars of engagement and embedded engagement areas.

Challenges: The lack of diversity among existing private sector engagement practices in Georgia, made it challenging to present specific examples covering all engagement areas. The Program will enrich the document with new models, successfully piloted and adopted as a result of the Programs' competitive cost-share grant schemes.

Next Steps: The Catalog of Best Practice Models will be broadly shared with private sector representatives to stimulate their engagement and co-invest in market-based solutions for workforce development.

Activity V: Develop Training Provider Assessment Tool

Results and updates: During FY2021, the Program developed the Training Provider Assessment Tool to assess the training providers' capacity to deliver private sector-driven programs at scale and identify existing best practice models of partnership. Results will be used to tailor approaches for facilitating partnerships between the private sector, training providers, and urban and rural educational institutions to identify and facilitate replication of industry-relevant skills training programs. The tool covers the three areas of inquiry:

- Organizational overview assesses the general capabilities of the organization to deliver the service.
- Private sector engagement examines experience and capacity to engage the private sector in developing, delivering, or assessing the training programs' quality and identify best practice models and existing private sector partnership types.
- The future perspectives component explores opportunities for improving existing or creating new skills development programs relevant to regional private sector requirements and identifying technical assistance needs.

To build partnerships and alliances with the private sector, the Program technical team conducted various in-person and group meetings. Specifically, three in-person meetings with regional training providers were held. Directors of the regional vocational education institutions engaged in five online meetings held with the regional and local government. The Program organized two sessions with public and private vocational education institutions, including 69 representatives of 49 institutions. Based on these discussions, the Program adjusted the Training Provider Assessment Tool by adding questions and updating content to ensure coherence with the available data.

Challenges: It is difficult to collect information from training providers that is comparable across sectors as training providers often lack the capacity and qualified staff to disaggregate information related to their training programs.

Next Steps: The Program will apply the Training Provider Assessment Tool with the applicants during the due diligence phase. The tool will also assist the Program to identify the training providers' technical assistance needs and provide tailor-made support.

Activity VI: Draft Component 3 RFA and Selection Criteria

Results and updates: During FY2021 the Program developed the overall approach to grants including component-specific targeting. Component 3 is a specific grant window targeted for rural areas and priority populations including ethnic minorities, youth, women, PWDs, and persons living in communities in close proximity to ABLs. Under Component 3, grants will help to replicate proven skill development programs in rural areas to improve access and employment for target populations.

The Program developed a package of component-specific illustrative criteria for grant applications that consists of three main criteria sets: Technical Quality; Organizational Capacity and Cost Reasonableness. The disaggregation of these three sets by sub-criteria is as follows.

Feasibility of design and approach
• Potential to increase employment and incomes for priority populations • Level of consideration of the experience and lessons learned through past and ongoing donor programs designed to target these populations • Level of affordability and equitable access for priority populations • Level of integration with initiatives developed under Component 1 and Component 2 to strengthen linkages between skills training programs and high-value employment opportunities • Potential and level of networking between rural and central skill providers, through facilitating professional cooperation, innovative ways of training delivery, online teaching, and student exchanges • Private sector engagement level and sustainability for the program to be replicated; potential for local businesses to engage • Meeting private sector demand for skills and supporting industry competitiveness; how employment opportunities for which the skills training is designed are prioritized; how private sector demand is quantified • High-value job creation potential; linkages between skills training programs and high-value employment growth • Pay for Results (PfR) model integration potential
Impact on Target Group
• Extent to which the proposed activity corresponds to the needs of the employers and students (priority populations) • Degree to which the proposed activity will directly or indirectly stimulate other organizations, such as other employers, private sector bodies, or education institutions to replicate, develop, or implement activities supporting the objectives of the USAID Industry-led Skills Development Program • Projected growth of high-value employment opportunities for which the skills training is designed • Value of employment opportunities for priority populations for which the skills training is designed
Management and Programmatic Capacity
• Appropriateness of the planned investment and respective segregation towards the proposed activities • Degree to which budgeting is clear and reflects the best use of organizational and grant resources • Relevance of the proposed cost-sharing with the established requirements. • PfR model integration potential
Sustainability/Financial Self-Reliance
• Extent to which the funded activity will result in building and strengthening the capacity of grantee(s) and target groups and whether the activity itself is sustainable or will become sustainable by completion of the given grant project or as a result of upscaling. Solid evidence of sustainability must be presented.
Past Performance and Organizational Capacity
• Previous or ongoing experience implementing similar activities and/or work experience and

positioning in the sector. This examines an applicant's track record, which is an important factor in assessing the capacity of the applicant to implement the activity. • Extent of current employment opportunities for high-value employment for which the skills training is designed
Cost Reasonableness
• Degree to which budgeting is clear and reasonable and reflects the best use of organizational and grant resources

Challenges: No challenges were observed.

Next Steps: The USAID Industry-led Skills Development Program will develop and announce an RFA for Component 3. A two-stage competitive process (concept paper and full proposal) will be used to reduce entry barriers and thus generate a higher volume of candidates and approaches. The first RFA is to be announced in November 2021 and the second RFA in the summer of 2022.

7. GRANTS PLANNING AND IMPLEMENTATION

The Program's demand-driven grants ensure that the private sector has the tools necessary to make investments in skills development and incentivize partnerships between the private sector and training providers. Central to the achievement of results is the Program's innovative approach to cost-share grants, incorporating PfR mechanisms that incentivize private sector-led investments in skills. Components 1, 2 and 3 include specific activities for their cost-share grant programs. This section describes grant activities accomplished by the grants team during the five months of FY2021.

Activity I: Grants Manual Developed

During this period, the USAID Industry-led Skills Development Program Grants Manual was developed and submitted to USAID for approval. The purpose of the Grants Manual is to provide the Program team with the operational approach, processes, and tools needed to initiate, implement, and close IESC grants, funded by USAID, to eligible Georgian organizations. The manual is supported by the USAID Industry-led Skills Development Program Grants Manual Annexes, which are a compilation of resources, such as grant templates, forms, checklists, and other resources required for grant development and implementation. Also, as part of the development of the Grants Manual, the Program has developed a detailed grants calendar that includes a detailed grant process timeline across the three Program components. After receiving feedback from USAID, the Program is revising the Grants Manual and Annexes and will complete and resubmit a revised version of the Grants Manual and Annexes to USAID.

Activity II: Development of Component 1 Grants RFA

The grants team worked closely with the Private Sector Engagement Team Lead to develop the draft version of the first RFA under Component 1. The procurement was designed to award around nine grants (calculated based on average grant size of USD [redacted]) under the first RFA, "Incentivizing Private Sector Engagement in Skills Development" to eligible Georgian organizations with the maximum award ceiling amount per recipient of USD [redacted]. The RFA will first be sent to USAID for approval and once approved will be publicized through a variety

of mechanisms including promotion through business associations, traditional advertising/ communications sources, and social media channels as soon as the RFA package is approved. The Communications Manager also worked with the grants team to ensure appropriate publicity and communication during informational sessions, which will be held in the two weeks following the first RFA announcement. No grants have yet been issued by the Program. Once the Program begins issuing grants, the Program will also report on the summary of grant activities, including, among other information, numbers of applications received, reviewed, awarded; progress in utilizing grants, and summary of grantee performance.

8. PROGRESS RELATED TO MONITORING, EVALUATION, AND LEARNING

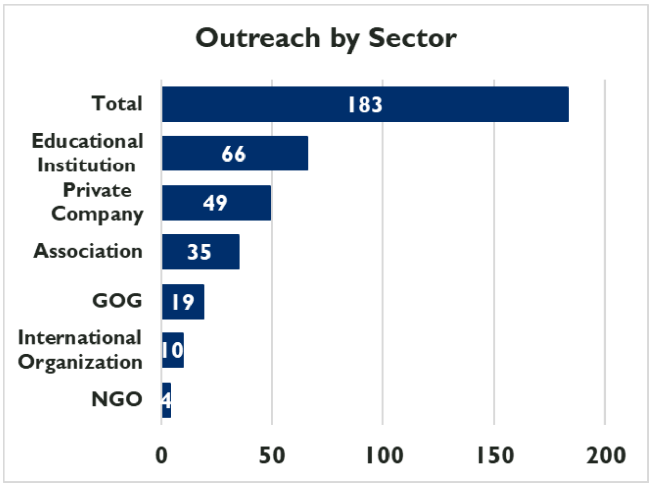
8.1 MEL Activities

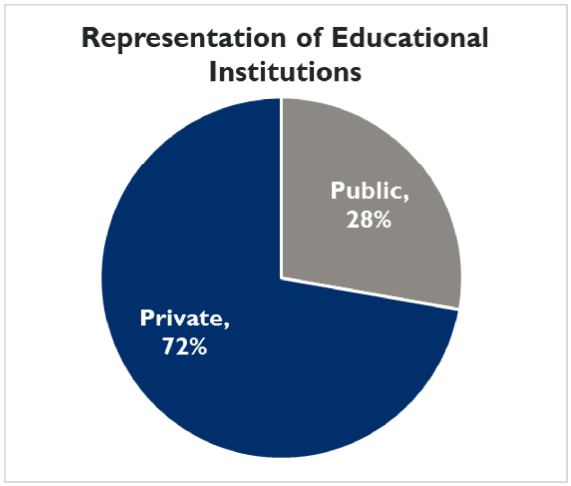
During this reporting period, the Program worked to accomplish all MEL deliverables in compliance with the Program contract and FY2021 Work Plan. In particular, the following tasks were performed:

- Development of the Program's MEL Plan;
- Establishment of the Performance Indicator Tracking Table (PITT);
- Delivery of MEL procedures and processes workshop to the Program technical team;
- Development of performance data collection forms;
- Collection of FY2021 performance data.

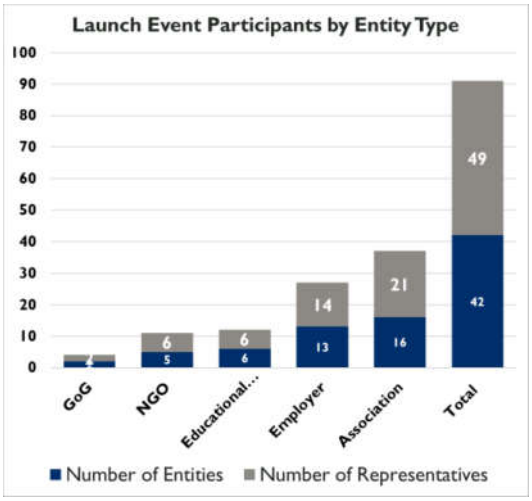
In FY2021, the Program with USAID revised and finalized the Program's performance indicators. The IESC home office MEL Director and the Program MEL Director worked to develop the MEL Plan, which was submitted to USAID on July 2, 2021. The Program's MEL plan was approved on July 26, 2021. The MEL Plan presents performance indicators that measure each expected result of the Program. It also describes the processes that will be used to implement proper MEL, as well as those that will help IESC integrate lessons and adapt implementation throughout the LOP. Each indicator has a unique Performance Indicator Reference Sheet (PIRS) that provides the indicator definition and data collection summary. Indicators are also tracked internally through a PITT and included in an Indicator Summary Table with accompanying baselines and targets.

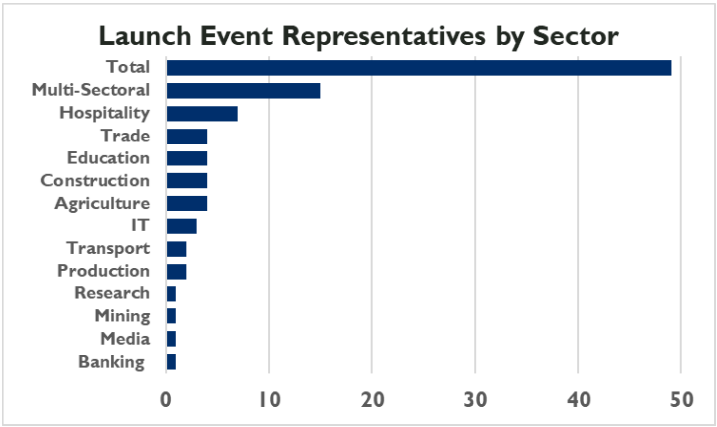
The USAID Industry-led Skills Development Program's results against performance indicators are summarized in *Annex C. FY2021 Performance Indicator Tracking Table*. The Program had only one defined indicator target for FY2021, specifically, Indicator 12: *Number of employers, associations/councils, and industry groups that have received outreach about innovative skills engagement practices.* The Program's target for FY2021 was 30 entities. The Program surpassed this target and was able to reach and engage 183 entities, surpassing the target by 610 percent and achieving its LOP target by 83 percent. A breakdown of entities reached by sector can be found in the graphic below.





As a standalone activity, the Program launch event organized on August 4, 2021, served as an important instrument to bring together many key partners and potential beneficiaries. The event allowed the Program to reach 42 entities and 49 representatives in total, contributing to Performance Indicator 12: *Number of employers, associations/councils, and industry groups that have received outreach about innovative skills engagement practices*. Sixty-one percent of organizations that participated were represented by men, while 39 percent were represented by women. Select details on the launch event can be found below.





Baseline Data Collection

For grant recipients in FY2021, the Program has developed the following baseline data collection protocol. Every grant recipient entity has explicit requirements for the provision of baseline monitoring and evaluation data which will be aggregated and analyzed by the Program MEL team at regular intervals until the end of the grant process. For newly established companies, the value of all indicators will be zero. For others, the baseline value will be established after each new pool of beneficiaries is identified. The Program's MEL team in collaboration with an external service provider will survey all grantees at the initial stage to collect baseline data on relevant indicators as well as complementary data for the Cost Benefit

Analyses. This will enable the Program to measure changes at the organization level and evaluate the success of specific grants over a certain period of time.

Initial beneficiary surveys will be used to establish a baseline and annual values to monitor changes in beneficiary outcomes, including changes to student enrollment rates and program certifications, among others. The MEL team will engage a local consulting firm to design and conduct baseline surveys with grantees on a rolling basis. The Program will also conduct census-based surveys of all grant recipient organizations. To ensure responsiveness and high data quality, the Program will include Memoranda of Understanding (MOUs)/Terms of Cooperation (ToCs) or grant awards and technical assistance agreements with the requirement that grantees regularly share data, including performance against targets relevant to the Program MEL Plan and grantee-specific milestones.

Digital MEL Database and Monitoring System

During FY2021, the Program researched solutions for obtaining all required monitoring data in compliance with the MEL Plan within one platform, and designed a scope of work for a consultant to design the MEL database and monitoring system. In FY2022, the Program MEL team plans to introduce digital solutions across monitoring and evaluation procedures to improve the efficiency and quality of data collection throughout the LOP. The selected MEL system will be tailored to the Program's local circumstances and USAID/Georgia data quality requirements.

The digital MEL platform will allow the Program MEL team to establish and maintain timely, reliable, and verifiable data flows from grantees to the field office, from field office to home office, and finally to the USAID/Georgia Mission. In addition to MEL purposes, the Program MEL team anticipates using this tool as a learning platform to ensure the accountability and accurate reporting of grantees and establish live communications with them, which will also support program management to pause and reflect during regular exercises.

Apart from this digital database, the MEL team together with the IESC home office has explored additional opportunities of other cost-effective digital tools for improving the Program's overall data management procedures, such as Alchemer Enterprise Online Survey Tools www.alchemer.com. This tool gathers feedback from the beneficiaries and target groups and facilitates the development and learning for all stakeholders. For MEL purposes, Alchemer stands out as the most effective, efficient, and easy to use tool to generate feedback, with unlimited surveys (various types of questions), advanced reports, filtering data, email, and phone support, etc. Preliminary analyses and the potential for using this tool will be shared during the MEL workshop planned to take place in Q1 of FY2022.

8.2 Indicator Tracking Table

The Performance Indicator Summary Table below includes the full set of performance indicators tracked by the Program. All 21 Program indicators link to IR 3.2: Competitiveness of Key Sectors Increased under the USAID/Georgia CDCS DO 3: Inclusive, High-Value Employment Opportunities Provided through Increased Economic Growth. An expanded version of the table can be found in *Annex C. FY2021 Performance Indicator Tracking Table*.

#	Indicators	Frequency of Data Collection	Year 1 Target	Year 1 Result	Year 1 perfomance %	Year 2 Target	Year 2 Result	Year 3 Target	Year 3 Result	Year 4 Target	Year 4 Result	Year 5 Target	Year 5 Result	Life of Program Target	Life of Project Result
DO 3: Inclusive High-Value Employment Opportunities Provided Through Increased Economic Growth															
Intermediate Result 3.2 : Competitiveness of key sectors increased															
1	Number of jobs created	Annual	0	-		0	-	150	-	150	-	200	-	500	
2	Value of investment facilitated in target sectors	Annual	$ -	-		$ 100,000	-	$ 3,608,750	-	$ 3,002,500	-	$ 281,250	-	$ 6,992,500	
3	Percent of individuals who complete USG-assisted workforce development programs	Annual	0	-		25% (10/40)	-	30% (970/3,270)	-	33% (1,590/4,850)	-	36% (2,230/6,200)	-	77% (4,800/6,200)	
4	Percent of individuals with new employment following participation in USG-assisted workforce development	Annual	0	-		0%	-	8% (78/980)	-	8% (127/1,590)	-	8% (178/2,230)	-	8% (384/4,800)	
5	Percent of individuals with better employment following participation in USG-assisted workforce development	Annual	0	-		0%	-	72% (706/980)	-	72% (1,145/1,590)	-	72% (1,606/2,230)	-	72% (3,456/4,800)	
6	Number of businesses that have established long-term partnerships with training providers	Qtly.	0	-		1	-	12	-	12	-	5	-	30	
7	Number of authorized training slots in USG-supported	Annual	0	-		0	-	460	-	770	-	1,000	-	1,000	
8	Number of certified courses with international recognition in at least one foreign country	Annual	0	-		0	-	5	-	4	-	2	-	11	
9	Number of teaching staff who upgraded their technical and teaching skills following USG-supported programs	Semi-annual	0	-		0	-	45	-	60	-	60	-	165	
10	Number of innovations supported through USG assistance with demonstrated uptake by the public and/or private	Annual	0	-		0	-	2	-	1	-	1	-	4	
11	Share of individuals from rural areas and ethnic minority	Semi-annual	0%			30%	-	30%	-	35%	-	35%	-	35%	
12	Number of employers, associations/councils, and industry groups that have received outreach about innovative skills	Qtly.	30	183	610%	50	-	50	-	50	-	40	-	220	
13	Number of employers, associations/councils, and industry groups demonstrating improved/innovative skills training	Semi-annual	0	-		2	-	6	-	7	-	7	-	22	
14	Number of new (short-term) programs established with employers' participation and accepting students for training	Semi-annual	0	-		2	-	6	-	8	-	4	-	20	
15	Number of individuals enrolled in (short-term) training	Qtly.	0	-		40	-	1,980	-	2,880	-	3,600	-	3,600	
16	Number of improved or new (long-term) programs established with employers' participation and accepting	Semi-annual	0	-		0	-	13	-	16	-	6	-	35	
17	Number of individuals enrolled (long-term)	Qtly.	0	-		0	-	1,290	-	1,970	-	2,600	-	2,600	
18	Number of programs established with employers' participation and accepting students in rural areas	Semi-annual	0	-		1	-	7	-	7	-	5	-	20	
19	Number of individuals enrolled in rural areas	Semi-annual	0	-		20	-	950	-	1,130	-	1,500	-	1,500	
Cross-cutting															
20	Percentage of female participants in USG-assisted programs designed to increase access to productive	Semi-annual	0%	-		45%	-	45%	-	45%	-	45%	-	45%	
21	Percentage of participants who are youth (15-29) in USG-assisted programs designed to increase access to productive economic resources	Semi-annual	0%	-		55%	-	55%	-	55%	-	55%	-	55%	

8.3 Additional Contractual Reporting

In addition to the Program's performance indicators represented in the indicator tracking table, there are further reporting requirements defined in the USAID Industry-led Skills Development Program contract and not specifically addressed elsewhere in this report. These are reporting requirements are detailed below.

Summary and analyses of students trained in new or improved programs, disaggregated by gender, region, and type of program. The Program has not yet begun to undertake any direct activities with students or training institutions, nor have any grant-funded programs begun. Once these commence the Program will report on this indicator.

Summary of instances (i.e., numbers and areas of focus) when the contractor has collaborated with other USG or donor-funded (e.g., USAID, EU, WB, UNDP) activities. During the Program's intense initial engagement phase, discussions regarding potential areas of collaboration have been held with a number of relevant USAID and other donor-funded programs. A full list of organizations can be found in *Annex B. Stakeholder Outreach*.

For prime contractors who are not small business (SB) concerns, their utilization of SB concerns as subcontractors, including efforts in achieving SB participation goals. The Program did not utilize any SBs as subcontractors during the reporting period.

9. PROGRESS RELATED TO COMMUNICATIONS, OUTREACH, AND EVENTS

Throughout FY2021, The Program's communications objectives were focused on building the Program's country image and raising awareness and understanding of the Program across its target audiences, especially the private sector. As such, the Communications team focused its efforts on the expansion of information channels for reaching a broader pool of audiences while communicating its development impact. With this in mind, the Program designed its communications tools to maximize awareness of the Program objectives, and Program visibility utilizing the information channels identified as the best news sources by private sector partners.

As a starting point, the Program's Communications team developed a detailed Branding and Marking Plan, which defines how the Program will be described and communicated to beneficiaries and host-country citizens. The Branding and Marking plan was approved by USAID on June 11, 2021, and outlines the events and materials the Program will use to deliver the message that the assistance is from the American people. The marking plan defines the public communications, commodities, Program materials, and other items that will visibly bear or be marked with the USAID identity. The Program will request approval for any exceptions to marking. The Branding and Marking Plan identifies the primary audience for Program publicity as the Georgian public, including private sector leaders, policy makers, opinion leaders, the media, youth, and improved employment seekers. The Program developed communications strategies and developed content to engage with business associations, sector councils, skills provider and

education institutions, private enterprises, and GOG agencies focused on skills development and employment services. The main message for the Program's communication and host country engagement is that private sector engagement in skills development will reduce the skills mismatch in the Georgian labor market and support high-value employment; and that highly skilled employees will boost firm productivity and competitiveness.

With this in mind, the Program developed communication tools that served as important performance reporting mechanisms. The Program continuously delivered its messages through a variety of communications tools, including, first of all, the Program launch event accompanied by an intensive media outreach campaign, the Program's social media platform, meetings, promotional and corporate identity materials. These tools were specific to each target group nationwide or within a respective region.

Public Events, Meetings: On August 4, 2021, the Program team held an official launch event for the USAID Industry-led Skills Development Program with over 70 attendees, in line with GOG COVID-19 regulations. The event included the USAID Mission Director, Deputy Minister of Science and Education, employers and business sector associations, and a number of prominent Georgian media stations. The launch event included a panel on "Private Sector Engagement Models for Skills Development – Challenges and Opportunities" with representatives of private sector companies, business associations, the Program's Private Sector Engagement Team Lead, and the Deputy Minister of Education and Science.

Photo 6. Program Launch Event at Stamba Hotel in Tbilisi on August 4, 2021

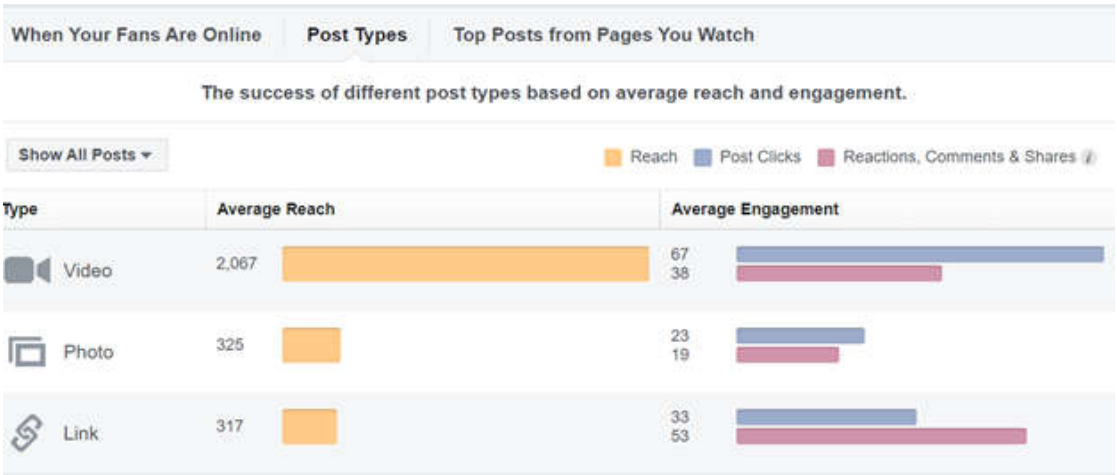
In parallel, the Program hosted over 100 meetings with public and private sector entities, donors and training institutions. Meetings were held both virtually and in person.

Photo 7. Meeting with Asian Development Bank

Photo 8. Meeting with the Imereti Governor's Office

Social Media Platform: In today's current environment, social media platforms have become the main source of information surpassing print and other digital media platforms. Further, the pandemic has acted as a catalyst to the ever-increasing rise in social media adoption. The Program responded to this new reality where more and more people are relying on Facebook to stay up to date and made a decision to launch the USAID Industry-led Skills Development Program Facebook Page in parallel with the Program launch event. Throughout the reporting period, the Program Facebook page has been actively promoting the Program and publicizing its current initiatives and announcements to partners and the Georgian public. To make social media responses and engagement better, the Communication team regularly reviewed and analyzed Facebook's built-in analytics that provided a snapshot of the Program page's performance, particularly focusing on different core areas including page likes; post reach; engagement, and others.

Average Post Reach/Engagement August 2021 through September 2021: The Reach Graph below shows the number of people the Program's posts reached and the positive engagement that helps the page reach more people. As seen from the graph below, people continue to gravitate toward visual content because videos, pictures, and graphics are often easier to absorb and share. Based on the below analytics and with more Facebook users than ever using mobile devices to scan their news feeds, visual posts will be increasingly important for sharing the Program's social media campaign announcements, stories, and impact.



At the same time, in the upcoming months, the Program will have more tangible opportunities to roll out an aggressive social media strategy to increase total page likes and connect and bond with larger target audiences in meaningful ways.

One-pagers, Fact Sheets, PowerPoint Presentations, Corporate Identity materials: In FY2021, the Program developed print and electronic one-pagers and PowerPoint presentations. These documents communicate the essence of the work the Program is providing through information on Program objectives, components, and anticipated outcomes for all target audiences. In addition, the Program developed corporate identity materials to increase Program visibility, authenticity, and distinctiveness. The Program's communication messages adhere to USAID's branding and marking requirements and ensure that beneficiaries are aware of the assistance provided by USAID in collaboration with the GOG.

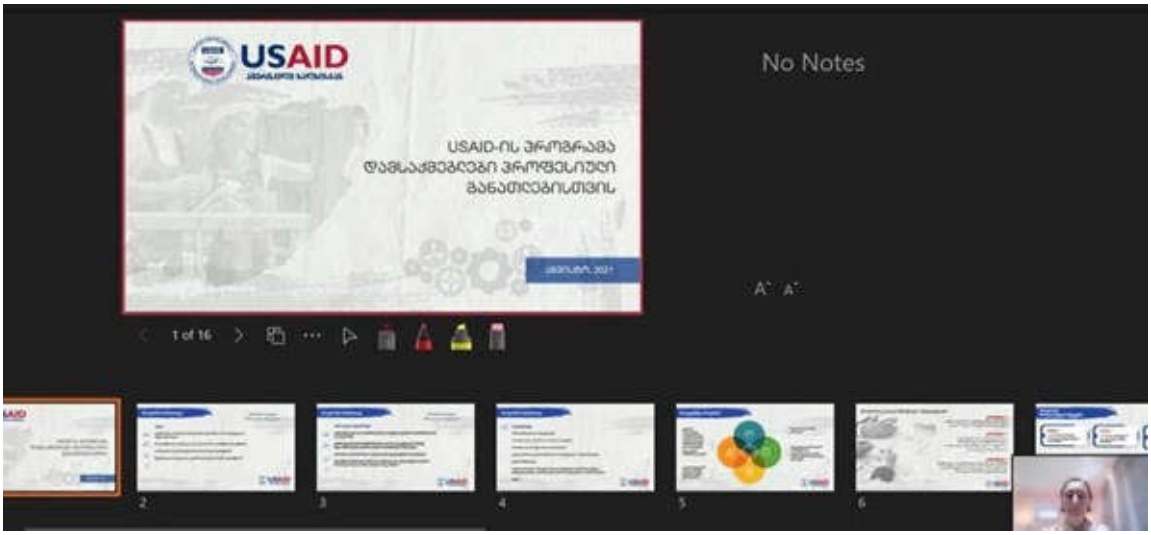


Photo 9. Program one-pager, banner and PowerPoint presentation

Media coverage: Generating news stories is a cost-effective means for the Program to communicate key messages about its work. During the Program initiation phase, the Communication team sought to penetrate broadcast, print and online media. The media channels include central and regional TV and radio stations, business-related print and online media, and English language publications. As an example, the launch event was broadly

publicized through central television channels – Euronews Georgia, Formula, Rustavi 2, TV Priveli, Imedi, Public Broadcaster, Maestro; Interpressnews, other online media, and English language publications such as The Messenger and Georgia Today. The meetings with regional public and private sector entities were publicized through both local radio channels and partner organizations' websites/social media platforms.

Photo 10. Deputy Minister of Education and Science, Tamar Kitiashvili, at the Program Launch Event

Photo 11. Euronews Coverage of Program Launch Event by Executive Director of the Business Association of Georgia, Levan Vepkhavadze

The Messenger

USAID Officially Launches New Program to Engage Private Sector in Developing the Skills of Local Workforce, Reducing Unemployment

Photo 12. The Messenger Coverage about the Program Launch

Photo 13. Program Component 3 Lead on Radio Atinati

Website: In FY2021, the Program together with the IESC home office developed a special USAID Industry-led Skills Development Program page within the IESC website (USAID Industry-led Skills Development Program - IESC) to broadly publicize the grants opportunities that the Program offers as well as to make Program activities accessible to a wider audience of interested stakeholders. As such, the platform will be actively used for transparent communication by supplying reliable and accurate information about calls for sub-awards, identified grantees, Program highlights, and other relevant information.

10. ENVIRONMENTAL IMPACT AND MITIGATION

The Program will systematically ensure that the impacts of its proposed activities on environmental and natural resources are fully analyzed and will work to mitigate any adverse impact. This includes preparing an Environmental Review Checklist (ERC) and an Environmental Mitigation and Monitoring Plan (EMMP) for any activity that has the potential to result in significant adverse environmental, health, and/or safety impacts, to the COR for approval prior to implementation of the activity. No activites in the reporting period had the potential to result in significant adverse environmental, health, and/or safety impacts.

As such, during this reporting period, the Program began planning for grantee environmental management and monitoring. The Program is in the process of developing a scope of work and identifying environmental mitigation consultants to work with the Program to assess the impact of grant activities and work with grantees where necessary on mitigation plans. The quarterly reports will include environmental management and monitoring data, including implementation and effectiveness of mitigation measures, as required per section F.6 Reports and Deliverables, Annual and Quarterly Reports of the contract.

ANNEX B. STAKEHOLDER OUTREACH

The following table lists the direct engagements and meetings the Program has held during the reporting period.

No.	Name of the Organization	Organization Type
1	Ministry of Education	GOG
2	Enterprise Georgia	GOG
3	Economic Security Program	USAID Program
4	EVEX -Medical corporation	Private company
5	Distributors' Association	Association
6	BK Construction	Private company
7	Partnership fund	GOG
8	Maritime Transport Agency	GOG
9	USAID Agriculture program	USAID Program
10	Humana Resources Management Professionals Association (HRPA) and Institutional and Capacity Development Center (ICDC)	Association
11	USDA Safety and Quality Investment in Livestock (SQIL)	USAID Program
12	Transford LLC	Private company
13	Chamber of Commerce	Association
14	European Union Delegation	International organization
15	UN Food and Agriculture Organization (FAO)	International organization
16	Caucasus International University	Educational Institution
17	Swiss Development Corporation (SDC)	International organization
18	Georgian Industrial Group	Private company
19	Georgian Tourism Association	Association
20	Administration of the Government of Georgia	GOG
21	Liberty Bank	Private company
22	IT Association	Association
23	Open University	Education Institution
24	Le Roche	Private company
25	Economic governance program	USAID Program
26	Ministry of Labor	GOG
27	Free University	Education institution
28	Education and Training International (ETI) Georgia	Private company
29	Adjara Group	Private company
30	Mtskheta-Mtianeti Governor	GOG
31	APM Terminals	Private company
32	Shida Kartli Governor	GOG
33	Kvemo Kartli Governor	GOG
34	Business Association of Georgia	Association
35	PricewaterhouseCoopers (PwC) Georgia	International auditing and

		consulting company
36	Employers Association	Association
37	Fintech Association	Association
38	State Employment Agency	GOG
39	American Chamber of Commerce (AmCham)	Association
40	Caucasus University	Education institution
41	Kakheti Governor	GOG
42	Samtskhe Javakheti Governor	GOG
43	Row Management	Private company
44	Aversi; Neurological Hospital	Private company
45	Engineering Monitoring Group LTD	Private company
46	Racha-Lechkhumi Governor	GOG
47	College Erqvani	Education institution
48	Naberauli Wine Factory	Private company
49	Imereti Governor	GOG
50	College Iberia	Education institution
51	Kutaisi International University	Education institution
52	MK Consulting	Private company
53	Ibercompany Group	Private company
54	Institutional and Capacity Development Center (ICDC)	Association
55	Chiatura Multifunctional Center	Association
56	Mountain Guides Association	Association
57	Horeca Wizards	Private company
58	Exactpro	Private company
59	Georgian Farmers' Association	Association
60	Georgian Restaurateurs Association	Association
61	LETO Boutique Hotel Zugdidi	Private company
62	Shota Meskhia State Teaching University of Zugdidi	Education Institution
63	Association Atinati	Association
64	ORDUNET – Internet provider company	Private company
65	Governor of Samegrelo Zemo Svaneti region	GOG
66	Nutsge	Private company
67	Meeting with 70 public and private education institutions	Education institution
68	Infrastructure Association	Association
69	Ferrero Rocher	Private company
70	UNDP program “Fostering Regional and Local Development in Georgia”	International organization
71	Georgian Women Business Association	Association
72	Ministry of Economy and Sustainable Development	GOG
73	Georgia’s Innovation and Technology Agency (GITA)	GOG
74	Swiss Capital	Private company
75	Tianety	Private company
76	Adigeni LLC	Private company
77	Lokal	Private company

78	Comm- School	Training Center
79	Energo Pro Georgia	Private company
80	Retco	Private company
81	HR Hub	Private company
82	Hotels Association	Association
83	Wood Processing Association	Association
84	TBC Bank	Private company (Bank)
85	Georgia Logistics Association	Association
86	Engineer Monitoring Group	Private company
87	Gulf Georgia	Private company
88	European Business Association (EBA)	Association
89	Sakcable	Private company
90	Knauf	Private company
91	Blauenstein	Private company
92	The Crossroads	Private company
93	Business and Technology University (BTU)	Private company (University)
94	Bank of Georgia	Private company (Bank)
95	Swiss Agricultural School Caucasus	Education institution
96	Governor of the Guria region	GOG
97	Tegeta Academy	Private Education Institution
98	Gazelle Finance	Investment Fund
99	Banking Association of Georgia	Association
100	Socar Georgia Petroleum	Private company
101	United Nations (UN) Women	International organization
102	MadLearner Consulting	Private Company
103	Kutaisi Public College Iberia	Education institution
104	Veterans' Union	Union
105	Department.ge	Private Company
106	Hotel Management Association	Association
107	Junior Achievement Georgia	Non-profit organization

Note: Select meetings included more than one organization.

ANNEX C. FY2021 PERFORMANCE INDICATOR TRACKING TABLE

#	Indicators	Frequency of Data Collection	Y1 Target	Y1 Result	Y1 performance %	Y2 Target	Y2 Result	Y3 Target	Y3 Result	Y4 Target	Y4 Result	Y5 Target	Y5 Result	LOP Target	LOP Result
DO 3: Inclusive High-Value Employment Opportunities Provided Through Increased Economic Growth															
Intermediate Result 3.2 : Competitiveness of key sectors increased															
1	Number of jobs created	Annual	0	-		0	-	150	-	150	-	200	-	500	
2	Value of investment facilitated in target sectors	Annual	$ -	-		$100,000	-	$3,608,750	-	$3,002,500	-	$281,250	-	$6,992,500	
3	Percent of individuals who complete USG-assisted workforce development programs	Annual	0	-		25% (10/40)	-	30% (970/3,270)	-	33% (1,590/4,850)	-	36% (2,230/6,200)	-	77% (4,800/6,200)	
4	Percent of individuals with new employment following participation in USG-assisted workforce development programs	Annual	0	-		0%	-	8% (78/980)	-	8% (127/1,590)	-	8% (178/2,230)	-	8% (384/4,800)	
5	Percent of individuals with better employment following participation in USG-assisted workforce development programs	Annual	0	-		0%	-	72% (706/980)	-	72% (1,145/1,590)	-	72% (1,606/2,230)	-	72% (3,456/4,800)	
6	Number of businesses that have established long-term partnerships with training providers	Qtly.	0	-		1	-	12	-	12	-	5	-	30	

#	Indicators	Frequency of Data Collection	Y1 Target	Y1 Result	Y1 performance %	Y2 Target	Y2 Result	Y3 Target	Y3 Result	Y4 Target	Y4 Result	Y5 Target	Y5 Result	LOP Target	LOP Result
7	Number of authorized training slots in USG-supported training programs	Annual	0	-		0	-	460	-	770	-	1,000	-	1,000	
8	Number of certified courses with international recognition in at least one foreign country	Annual	0	-		0	-	5	-	4	-	2	-	11	
9	Number of teaching staff who upgraded their technical and teaching skills following USG-supported programs	Semi-annual	0	-		0	-	45	-	60	-	60	-	165	
10	Number of innovations supported through USG assistance with demonstrated uptake by the public and/or private sector	Annual	0	-		0	-	2	-	1	-	1	-	4	
11	Share of individuals from rural areas and ethnic minority population trained	Semi-annual	0%			30%	-	30%	-	35%	-	35%	-	35%	
12	Number of employers, associations/councils, and industry groups that have received outreach about innovative skills engagement practices	Qtly.	30	183	610%	50	-	50	-	50	-	40	-	220	
13	Number of employers, associations/councils, and industry groups demonstrating improved/innovative	Semi-annual	0	-		2	-	6	-	7	-	7	-	22	

#	Indicators	Frequency of Data Collection	Y1 Target	Y1 Result	Y1 performance %	Y2 Target	Y2 Result	Y3 Target	Y3 Result	Y4 Target	Y4 Result	Y5 Target	Y5 Result	LOP Target	LOP Result
	skills training engagement practices														
14	Number of new (short-term) programs established with employers' participation and accepting students for training	Semi-annual	0	-		2	-	6	-	8	-	4	-	20	
15	Number of individuals enrolled in (short-term) training	Qtly.	0	-		40	-	1,980	-	2,880	-	3,600	-	3,600	
16	Number of improved or new (long-term) programs established with employers' participation and accepting students	Semi-annual	0	-		0	-	13	-	16	-	6	-	35	
17	Number of individuals enrolled (long-term)	Qtly.	0	-		0	-	1,290	-	1,970	-	2,600	-	2,600	
18	Number of programs established with employers' participation and accepting students in rural areas	Semi-annual	0	-		1	-	7	-	7	-	5	-	20	
19	Number of individuals enrolled in rural areas	Semi-annual	0	-		20	-	950	-	1,130	-	1,500	-	1,500	
Cross-cutting															
20	Percentage of female participants in USG-assisted programs designed to increase access	Semi-annual	0%	-		45%	-	45%	-	45%	-	45%	-	45%	

#	Indicators	Frequency of Data Collection	Y1 Target	Y1 Result	Y1 performance %	Y2 Target	Y2 Result	Y3 Target	Y3 Result	Y4 Target	Y4 Result	Y5 Target	Y5 Result	LOP Target	LOP Result
	to productive economic resources														
21	Percentage of participants who are youth (15-29) in USG-assisted programs designed to increase access to productive economic resources	Semi-annual	0%	-		55%	-	55%	-	55%	-	55%	-	55%	