

CALL FOR PROPOSALS

The International Labour Organization is seeking a Service Provider to conduct a sectoral review study and to develop sector skills strategy in Eswatini

Deadline for applications: Monday 28 February 2022 midnight.

****Contracting will be with registered entities and not individuals****

Terms of References

Sectoral Review Study and Development of Sector Skills Strategy in Eswatini
within the framework of the Skills for Trade and Economic Diversification (STED)
Methodology

These Terms of Reference (1) provide background information on the Skills Initiative for Africa (SIFA) Skills Anticipation Project, (2) outline the framework for the assignment, (3) describe the specific inputs and outputs required from the service provider and (4) list the terms and condition of the assignment.

1. Background and Rationale

Eswatini's unemployment (33.3%) is more prevalent amongst the youth (45.7%) and affects females more than males (ILFS, 2021), in a country where 79.1% of the population is below the age of 35 years old (GoE, 2018). Confounding matters is under-employment of professionals in the economy and high levels of skills mismatches alongside limited labour market insights, suggesting that, at the present moment, the country does not have a full handle of its labour market policies and outcomes. There are no skills anticipation exercises and Government institutions responsible for skills identification and anticipation seldom meet to discuss whether or not available policies are yielding the desired outcomes. The labour market information system (LMIS), launched in Eswatini in 2019, is the key information system that countries use to provide reliable and accurate skills information to combat skills mismatches. The LMIS is a blanket term denoting the institutional arrangements and procedures that coordinate the collection, processing, storage, retrieval, and dissemination of labour market information (LMI). A closer look at the LMIS launched in Eswatini in 2019 reveals that priority was given on ensuring that the country has a functional LMIS IT system or software with little emphasis on the institutional arrangements and procedures that coordinate the collection, processing, storage, retrieval, and dissemination of LMI.

As a result, and given its shortcomings in its current configuration, the LMIS has a lot of gaps which causes weak coordination and management that need urgent policy action to eliminate.

The country uses a survey of establishments to identify and anticipate priority skills and match skills development to labour market skills needs. The survey produces a Scholarship Priority List that is used to fund and develop those skills that have been prioritised by industry. Eswatini also uses the Draft National Human Resource Development and Planning (NHRDP) Policy of 2016, which is currently under-review. Other strategies for matching skills development to labour market skills needs include the revised NDS (of 2016), the Strategic Roadmap, the National Capacity Building Framework, the Public Service Skills and Payroll Audit - which looks into public sector skills and market rates, takes skills inventory, and matches skills with where they are needed the most, and the ongoing national skills audit, to anticipate skills. Eswatini has also enacted the Agro-processing Strategy, the Fruits & Vegetables Strategy and the Meat and Meat Products Strategy to guide Emaswati on sectors prioritised for development while the Eswatini Investment Promotion Authority (EIPA) is charged with promoting investments, especially foreign investment into Eswatini in a bid to create jobs for Emaswati. The main committee responsible for skills needs anticipation and is mandated to discuss issues pertaining to training, localisation, and labour migration and advise the Minister of Labour and Social Security on issues pertaining to the localisation of senior positions is the Training, Localisation, and Labour Migration Committee established in 2019.

The tripartite representation of International Labour Organization (ILO) to which Eswatini is part, agrees that countries that have succeeded in linking skills to gains in productivity, employment and development have targeted skills development policy towards three main objectives:

- matching supply to current demand for skills;
- helping workers and enterprises adjust to change;
- building and sustaining competencies (1) for future labour market needs.

Such a strategy includes anticipating and delivering the skills that will be needed for future labour markets.

2. Skills for Trade and Economic Diversification (STED) – Sector Skills Anticipation Methodology

STED is a sector level methodology that assists in the identification of skill needs and in the formation of skills development policies that help countries become more competitive in the context of open markets, and in building or maintaining a sound and diversified economic structure. Applying the diagnostic part of the STED methodology typically involves a combination of research, policy analysis, social dialogue and collaboration between stakeholders, and policy formation. The research component involves both desk review and collection of relevant data, as well as consultations with national and sectoral stakeholders.

The outcome of the STED diagnostic process is a sector skills strategy with concrete skill requirements and practical recommendations at policy, institutional, and enterprises level. The process involved in designing those recommendations contributes to raising awareness and

stimulating dialogue on skills development among key stakeholders within a sector. The main objectives of a STED diagnosis include enhancing exports and economic diversification, enabling more and better jobs, and assisting policy makers to ensure that firms find workers with the right skills, and workers acquire the skills needed to find productive employment.

3. The Call for Proposals

Against this background, the ILO wishes to procure the services of a Consultant to undertake an assignment in Eswatini within the framework of the ILO skills for trade and economic diversification methodology (STED).

4. Assignment Objective

The objective of this assignment is for the service provider to develop a skills strategy for a sector that will be agreed by key stakeholders. The development of the sector skills strategy will be based on the STED methodology and will follow a clearly defined approach outlined in these Terms of Reference.

The work of the Consultant will be guided by technical inputs from the ILO experts, and from the ILO international consultant. The Consultant will be expected to apply lessons from similar STED processes conducted in other countries.

5. Scope of Work

This work contributes directly to the Eswatini Draft National Human Resource Development and Planning (NHRDP) Policy of 2016, which is currently under-review. The assignment will be undertaken as a two stage process involving the following:-

5.1 Sectoral Review Study

Under this component, the Service Provider will be expected to undertake the following tasks

- i) In close collaboration with the National Task Team on Skills Anticipation, identify the appropriate sectoral scope, to delineate the activities which should be considered part of the sector for purposes of the sector survey, and to agree on areas of focus within the sector.
- ii) Conduct a Review Study of the targeted sector (or sub-sector) which should include desk research and consultations with key stakeholders and sector players and focus group discussions.

A key step early in this component will be to obtain agreement on which sector for the review and subsequent development of the sector skills strategy and on a common sector definition, and boundaries on the activities to be covered by the research and diagnostic work, and in the scope of the resulting skills strategy. In this regard, the following element should be considered in defining sector demarcations.

- Which products should be part of the target sector for the purposes of the work?
- Should the initiative focus deeply on skills strategies for a small number of product areas, or broadly on skills strategies that might benefit enterprises and workers in the wider sector
- Which products should be prioritised as the focus for the Sectoral Review Study? The intention is that the scope of the Sectoral Study Review should be drawn more widely than the final strategy document, to ensure that partners involved in the Rapid STED workshop have flexibility on the scope of the sector skills strategy.
- Which parts of the value chain should be covered in detail? (Perhaps only activities directly related to manufacturing; perhaps upstream activities such as farming, supply of inputs, or aggregation activities; and or downstream activities bridging between manufacturing activities and markets.) Should the skills needs of specific parts of the value chains be covered in detail or in a more general way?

These are choices that should be made based on the priorities and needs of the sector stakeholders, while also ensuring that the scope of the exercise is limited enough to do a good job within the available time and resources. It will be part of the role of the consultant to inform these choices, and to facilitate and discussions with national partners.

In addition to the core parts of the sector to be covered, the Sectoral Review Study should also comment more broadly on development and skills needs of other types of business in the sector and its value chains to the extent that they contribute to the core sector's success.

The sector review study will include the following components:

- i) Sector profile and trends within for context of the national economy
- ii) Analysis of the business environment, including analysis of regional and world market trends, their position in regional and world markets and drivers of change.
- iii) Analysis of the system and capacity for supply of the sector's skills needs along the entire value chain
- iv) Analysis of known business challenges, gaps in business capabilities and skills gaps based on the existing literature, on consultations with sector experts

Three main types of input on these themes are required from the study:

- i) A good qualitative discussion of the themes set out above.
- ii) Extensive analysis of available statistics as set out under Annex I the section "Statistics".
- iii) Text linking the statistics to the qualitative discussion.

5.2 Development of a Sector Skills Strategy

Under this component the Service Provider is expected to develop a skills strategy for the agreed sector. The development of the sector skills strategy done in a consultative and participatory manner through the following two steps:-

- i) Conduct a ***Rapid STED Foresight Workshop***
 - In collaboration with the Task Team, and with the support of ILO experts, the Service Provider will conduct a 2-days Rapid STED foresight workshop with key stakeholders and

sector players (including sector enterprises) with the view to present the results of the Sectoral Review Study.

- The Service Provider is expected to document the workshop proceedings, the diagnosis developed during the workshop and the conclusions and recommendations and incorporate them into the development of the skills strategy for the sector.

ii) **Develop Sector Skills Strategy Document:**

- The sector skills strategy will be developed based on key outcomes of the review study and on the sector visioning, diagnosis, conclusions, and recommendations agreed at the Rapid STED workshop and submit the draft strategy to ILO experts for technical review and to the National Task Team for stakeholder review. (*Annex ii of the TORs presents the outline of the Sector Skills Strategy*)
- Based on the feedback from the ILO experts' team and from the National Task Team, finalize the skills strategy, and support its official submission by the National Task Teams to relevant authorities.

Note: The sectorial study will be the key input to the Rapid-STED Foresight Workshop which will identify the skills needs of the sector, using the STED methodology. Information from the sector review study will be the basis for subsequent dialogue, and skills diagnosis in the foresight workshop.

The requirements for information and data set out in this Terms of Reference are the ideal, and it is recognized that not all will be available. The extended outline and template required as the first output should include an assessment of what can be achieved. The detailed information and data requirements will be finalized between the ILO and the consultant taking account of this assessment.

6. Expected Deliverables

6.1: Intermediate deliverable:

A sector review study prepared to the satisfaction of ILO technical experts and validated by the National Task Team

6.2: Final deliverable

A Sector skills Strategy with clearly defined capabilities and skills gaps and the strategies for addressing the identified gaps, prepared in line the guidelines and to the satisfaction of the ILO

7. Assignment Timeframe

The assignment is expected to commence on 15 March 2022 and shall conclude no later than 31 July 2022 after which this contract will expire. An all-inclusive lump sum consultancy fee shall be paid to the Consultant as follows:

- **First instalment of 20% of the fees** to cover the expenses needed to initiate the assignment, upon submission of a detailed work plan indicating the time frame for the planned activities and the structure of the review study

- **Second instalment of 20% of fees** upon submission of a Nation Task Team Validated sector review study
- **Third instalment of 20% of fees** after conducting the STED Foresight workshop, presenting the findings of the sector review study, and documenting the outcomes of the foresight workshop for input into the Skills Strategy
- **Last instalment of 40% of fees upon** submission of a finalized and validated Sector Skills Strategy.

8. Required Qualifications and Experience

The Service Provider must have the following qualifications and experience: -

- A University degree in economics/statistics or other equivalent qualification;
- Knowledge and understanding of the labour market information systems
- A basic understanding of the skills anticipation and skills development systems and its link to labour market information systems
- Documented experience of undertaking analytical research and preparing professional research reports.
- Ability to work with minimum supervision

9. Contract Administration

The Service Provider will work in close collaboration with designated ILO Officials, and will ultimately report to the Chief Technical Advisor of the SIFA-Skills Anticipation Project, Ms. Naomi Lintini, based in the ILO Office, Pretoria.

10. Bidding process

The ILO invites interested service providers to submit an expression of interest with a technical proposal of how they intend to undertake the assignment. The submission should include a financial proposal with a detailed breakdown of consultancy fees and related expenses. The proposal submissions should **reach the ILO no later than Monday 28 February 2022 midnight** and should be sent to the following emails below: -

Expressions of Interest (EoI) should include:

Technical proposal:

- a technical proposal (max. 10 pages) summarizing proposed approach and work plan.
- Updated curriculum vitae(s)
- evidence of similar work done and experience to undertake the assignment.

Financial proposal:

- Asking rate (fees) per workday and estimated number of workdays required to perform the assignment. Other logistical expenditures, if applicable, must be included in the budget breakdown. Workshops will be coordinated by the SIFA-Skills Anticipation Project, associated costs will be paid directly by the ILO to the service providers and should not be included in the financial proposal.

The EoI (financial and technical proposals) must reach the ILO **no later than Monday 28 February 2022 midnight** and should be sent to the emails below:

Technical Proposal and Financial Proposal: sifa-skillsanticipation@ilo.org

Please Note:

- The ILO only contracts individuals or companies in its Suppliers Database. Interested individual bidders should submit at their earliest convenience a duly filled ILO Supplier forms. Click on this [Link](#) to access the supplier's forms. Once completed, filled in and signed suppliers forms should be submitted to sifa-skillsanticipation@ilo.org
the email subject : Supplier Registration Form
- Individuals consultants are also required to complete the B-SAFE Security Training Course <https://training.dss.un.org>. Once you complete the course, you will be awarded a certificate that should be submitted to: sifa-skillsanticipation@ilo.org

11. Special Terms and Conditions**Confidentiality Statement and Intellectual Property of Data**

All data and information received from the ILO and the stakeholders for the purpose of this assignment are to be treated confidentially and are only to be used in connection with the execution of these Terms of Reference. All intellectual property rights arising from the execution of these Terms of Reference are assigned to ILO according to the contract. The contents of written materials obtained and used in this contract may not be disclosed to any third parties without the express advance written authorization of the ILO.

Unsatisfactory or Incomplete Work

For the assignment, the ILO's Standard Rules and Procedure for External Collaborators and Service Contracts shall be applicable. In event that the service delivered is unsatisfactory or fails to conform to the conditions set out above, the ILO reserves the right, as appropriate to interrupt it, to request that it be corrected or modified, or to refuse to accept the service.

1. Overview

The structure outlined here is for general guidance and may be adapted in consultation with the ILO and in agreement with the National Task Team in Eswatini.

2. Sector definition

Quantitative profile of the sector with the above-mentioned three areas of focus (including trends and employment/occupational/qualifications data, based on statistics using the International Standard Industrial Classification (ISIC), whatever revisions available)

3. Qualitative profile of sector

- Brief description and diagrams of value chains in the selected Eswatini sectors
- Position of Eswatini in international and regional markets for the sectorial products taking account of international trade statistics, and in its own domestic market
- Sector's institutions and institutional context
- Evidence of comparative advantage – (What evidence is there that Ethiopia has advantages that will allow the volume and value of production/exports to grow?)
- Description of the main occupations in the sector (taking account of differences between major product areas), and linking them to an analysis of the main areas of functional activity in the sector. It should consider occupations at all levels from low skilled elementary occupations through skilled occupations, technician level occupations, professional occupations, and at all levels of management from supervisory management to senior levels. It should take account of all major business functions,

4. Business environment

- Scanning the business environment: Political, Economic, Social, Technological, Environmental, Legal (PESTEL) factors
- Main world, regional and national market trends relevant to the sector
- Position in world, regional and national markets
- Drivers of change

5. Policy Literature

- Main policy documents on sector (including sector-specific segments of wider policy documents) – key findings and recommendations, and key policy initiatives
- Existing literature on skills, management and productivity in the sector
- Literature on existing technical cooperation work in the sector, including descriptions of main interventions, and key findings and recommendations from published reports.
- The existing policy literature should be taken into account throughout the assignment.

6. Summarizing the analysis

Summary SWOT (strengths, weaknesses, opportunities, threats) analysis for sector based on above analysis).

7. Skills Supply Side

Description of existing TVET, university level and other provision of training and education targeted on the sector. This should focus both on initial education and training and on continuing education and training, including workplace and on-the-job training. It should cover what the main providers are; what courses they provide; what qualifications courses lead to; how courses are delivered (at institution, at outreach facility, at business premises etc.); course duration, target population etc. It should look at informal sources of supply, including uncertified training by businesses or master craftspeople, as well as at formal provision. To the extent that the sector is considered to encompass sector level activities, it should include training at all levels of the sector's value chain. It should consider curricula, skills standards, and qualifications, and well as the role of the qualifications system. This section should also address the geographic reach of courses, and the extent to which they are accessible to relevant populations.

In looking at the skills supply side, it should describe sources of supply for each of the main occupations of the sector outlined earlier.

The focus groups undertaken for the study should include input from industry and training providers on the quality and relevance of graduates of TVET courses and of other training, interventions and should cover issues of curriculum, practical content, teaching methodologies and skills, certification processes, qualifications, testing and funding. This should pay attention both to technical skills and to core work skills.

It should put the sector specific skills supply issues addressed into the context of the wider characteristics and constraints on TVET and on other components of the skills development system.

Important Issues to consider on Statistics

Gathering and presentation of statistics should be approached to working with what is practicably available and focus on what is useful over systematically producing a pre-determined list of charts. It is understood that not all of what is listed here will be available, and that not all of it will be necessary for analysis in any specific sector. Alternative sources of data in addition to the official sources described here should be considered especially any that are regarded by sector partners as informative and credible.

Trade statistics are available from international sources, such as ITC Trade Map, in addition to national sources. In some cases, the degree of disaggregation available in statistics may not be ideal for our purpose, and we should respond to this in a practical way. Most countries share very detailed labour force survey (LFS) data with the ILO, so it may be possible to help if there is difficulty in

accessing data from national sources or if it is difficult to identify the limits of what is possible with data from an LFS.

1. General note on presentation of statistics in report

Statistics/data should be presented within a Microsoft Word format report in the form of tables and/or charts. As it is likely to be necessary to edit or reformat the tables/charts, it is important that they should be created as editable tables/charts within Microsoft Word. Images should not be used, as it would not be possible to edit or reformat them. It may be desirable to view or edit the data later, so it is important that the Word file should include the raw data – which should not only be referenced to a separate Excel file.

Each table and chart should be properly referenced, referring to the organization from which the data came, the specific publication, database or survey from which it came, the year when the data was published or sourced, and any additional information that may be relevant.

An Excel spreadsheet containing tabulations of all the data should also be provided, with clear references to data sources and to the tables and charts in the report that make use of the data.

2. International market statistics

Ideally 10-year time series –

- Main exports and imports of Eswatini
- Exports disaggregated by principal product category
- Exports disaggregated by destination markets (and by principal product category where this is helpful)
- More detailed disaggregation of export data where these would be informative, for example for key destination regions or for key products
- Imports disaggregated by country of origin (to illustrate import competition)
- Imports disaggregated by principal product category
- Imports into countries that are important export markets for the sector disaggregated by the competing countries that supply those exports
- Other regional and world market developments for current key sector exports, and potential sector exports
- Trade data on imports and exports of supply chain products such as industrial food processing machinery (HS 8438), and of other relevant goods that should be selected by the national consultant(s).

3. Industry Statistics

Ideally 10-year time series, for relevant ISIC categories, based on sources such as establishment survey results if available.

- Gross output
- Net output
- Gross value added
- Investment as share of output
- Employment

If statistics are available by type of enterprise (e.g. FDI versus domestically-owned, or industrial park versus non-industrial park, size) this would also be valued.

There may be other statistics that are applicable. These should be reflected to the extent that they illuminate the operation of the sector in ways likely to be relevant to skills needs.

4. Labour Market Statistics

Labour Force Survey – Employment Time Series and Profiling Occupations and Qualifications of Employees

Labour Force Surveys (LFS) are a key source of data for sector skills studies internationally. Sample sizes are likely to limit the level of resolution at which reliable estimates of employment for specific groups can be obtained from them. The national statistical office also conducts a range of other surveys that may provide an alternative source of data for which time series may be available. It will therefore be important both to make the best use of labour force survey data, and to also make good use of any data from other surveys that cover the same topics.

Key types of data ideally required (within the limitations of what is feasible) are:

- Employment in the sector (from enterprise surveys or from labour force or household surveys)
- Sector employment disaggregated by sex of employees
- Percentage share of employment in the sector by occupation at 1-digit ISCO level (usually an extraction from unpublished Labour Force Survey data undertaken by national statistical office, or by technical team using LFS data files held by ILO STATISTICS)
- Percentage share of employment by occupation at 1-digit ISCO level disaggregated by sex
- Trend in employment change by 1-digit ISCO occupation
- Age composition of employment by 1-digit ISCO and sex
- List of principle occupations at detailed level (2, 3 or 4-digit ISCO) with percentage share of employment
- Wage/earnings data and its change compared to the national average
- Data on nature of employment relationship, such as full time versus part time, and permanent versus temporary or seasonal

5. Map of Existing Actions on Skills for the Sector

The report should list and describe existing actions on skills for the sector by government, industry, providers of education and training and development partners.

6. Skills Supply Data

There should be an effort to estimate, even if imprecisely, the supply of trained workers from training in companies and from informal provision.

Data on courses leading to relevant qualifications is wanted, ideally with a time series on both on the flow of graduates and the stock of trainees/students.

This should cover the main parts of the education and training system that service the sector, including initial education and training, education and training for the unemployed, and continuing education and training. It should cover TVET, apprenticeship and higher education levels, and should be analysed by subject area and level of qualification. Where feasible, it should also be analysed by sex.

If there is a lack of existing statistics on the supply of graduates from relevant formal courses, a small survey of the most relevant courses could be considered. The following are types of data that would ideally be collected.

7. Labour Market Evidence

There should be an assessment of labour market evidence on the match between the demand for skills and the supply of skills at all levels for the sector. This could take account of factors such as for example: labour turnover; trends in pay; vacancies; evidence on satisfaction of employers and of employees; or employment of key workers recruited from other countries.

8. Skills Demand Forecasting

There should be a basic model of skills demand produced that can later be modified based on feedback from the workshop discussions. This should aim to project the value of future output and exports, and to project future employment based on this and on a view on future labour productivity. This should be disaggregated by occupation based on evidence on the occupational composition of employment. Annual demand for skills arising from growth in employment by occupation should be estimated based on this. An endeavour should be made to also estimate annual demand arising from the need to replace workers who leave employment in the sector within the limits of available data.

Annex II: Structure of Sector Skills Strategy

The sector skills strategy is anticipated to be 20-25 pages long and to summarize the results, the analysis, and strategizing undertaken through sectoral review study and in the Rapid STED Workshop, into a consolidated form as a concise skills strategy for the sector.

The proposed structure for the sector skills strategy is the following:

1. Introduction:

- i. The need for a sector skills strategy
- ii. Sector definition and scope
- iii. Sector skills strategy aims and scope

2. Short profile and situation analysis for the sector and subsectors

- i. Economic and workforce profile
- ii. Drivers of change, enablers and key major trends and their likely impact on employment.

3. Profile of major occupations and key skills in the sector (includes occupational map with major skills areas for each)

4. The supply of skills:

- i. Key institutions, formal programs and qualifications relevant to the sector
- ii. Enrolments and completion data for relevant courses by region and providers if available
- iii. Work Based Learning (nature and scope), and other informal and non-formal sources of skills supply (vendors, different line ministries, civil society etc)

5. Supply side challenges and constraints:

- i. National skills policy and strategy
- ii. Governance and stakeholder coordination
- iii. Funding
- iv. Relevance of curriculum and qualifications
- v. Delivery and assessment practices
- vi. Access to training
- vii. Industry-institute linkages and support for workplace learning

6. Sector Vision for the future, in both qualitative and quantitative terms

7. Gaps in sectors capabilities and inventory of skills (at different occupational levels) needed to achieve the sector vision.

- i) What skills are needed and at what level

8. Recommendations (short term, medium term, and long term) on strategies to meet priority skills needs and gaps

- i) What skills development and supply strategies are needed
- ii) Who should deliver them?

9. Recommendations on meeting system-level priorities for the sector:

- i) national skills policy and strategy
- ii) governance and stakeholder coordination
- iii) delivery and assessment practices
- iv) access to training
- v) industry-institute linkages and support for workplace learning

10. What to do Next: Responsibilities of actors, implementation plan (short and midterm plan)

The strategy will aim to be a national document defining the skills needed for sector growth and will aim to inform development of support requirements towards skills needs of the sector.