



1. Project Data:		Date Posted : 09/24/2003	
PROJ ID: P003635		Appraisal	Actual
Project Name: Vocational Education Reform Project	Project Costs (US\$M)	68.4	144.5
Country: China	Loan/Credit (US\$M)	30	30
Sector(s): Board: ED - Vocational training (85%), Tertiary education (9%), Sub-national government administration (6%)	Cofinancing (US\$M)		
L/C Number: C2898; L4063			
	Board Approval (FY)		97
Partners involved :	Closing Date	12/31/2002	12/31/2002
Prepared by :	Reviewed by :	Group Manager :	Group:
Helen Abadzi	Poonam Gupta	Alain A. Barbu	OEDST
2. Project Objectives and Components			
a. Objectives			
In support of labor market development, economic restructuring, and state-owned enterprise reform, the Vocational Education Reform Project would: (a) improve and increase the supply of skilled labor to meet labor market demands; (b) raise the quality and efficiency of the vocational education and training system; and (c) build up capacity for monitoring, evaluation and dissemination of pilot experiences and replication.			
b. Components			
The project, to be implemented in the Provinces of Guangdong, Jiangsu, Liaoning and Shandong and the municipality of Tianjin, would have the following components: (a) development of key schools for vocational education; (b) improvement of management and planning of vocational education; and (c) support of project management.			
c. Comments on Project Cost, Financing and Dates			
The project disbursed fully and was completed on deadline . The municipality of Tianjin was omitted and was replaced by Beijing, whose population, however, has more economic opportunities .			
3. Achievement of Relevant Objectives:			
The objectives were substantially achieved .			
- Increasing capacity - satisfactory; 80 (rather than 82) secondary schools were renovated and developed as models to upgrade the quality and efficiency of vocational education . The expected enrollment increases from 42,000 to 60,000 in full-time pre-employment courses were exceeded by far, and in 2002 enrollments were 202,290. Curricula were revised to be responsive to market needs, while teaching methods became more student -oriented. Average weekly teaching hours increased by 32%.			
- Raising quality - satisfactory; an extensive staff development program was carried out with the help of Singapore Nanyang Polytechnic. Training took place in Singapore for 82 specialist teachers (12 women) and 75 school principals (5 women). Domestic staff training and technical assistance was extensive .			
- Project management support - satisfactory. A panel of Chinese experts provided strong advisory support during implementation.			
4. Significant Outcomes/Impacts:			
The project pilot-tested improvements in the market responsiveness and quality of China's vocational and technical schools, and their capacity to produce well -trained workers in the skills sought by the market . The international technical assistance was deemed of good quality by participants . Provinces and municipalities were asked to take initiatives in determining participation and compliance in the project, and considerable initiative was given to the local level. Industrial advisory committees and school boards in each school have facilitated ties with the industry . The achievements of the schools have also had a spillover effect in non -project schools. The pilot-test is gradually expanding to non-project schools.			
At the end of the project, all schools had monitoring systems . About half the school expenses were covered by industry and tuition fees at the end of the project period (in comparison to almost 0% in the beginning). Students of project schools earned 8.6%-25% more at the end of the project period compared to students of non -project schools.			

5. Significant Shortcomings (including non-compliance with safeguard policies):

Unfavorable exchange rates during the project period significantly reduced the credit proceeds available to the project entities.

Monitoring data related to graduates' performance were not available in the ICR, and it is unclear whether the project collected them.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Satisfactory	
Institutional Dev .:	Substantial	Substantial	
Sustainability:	Likely	Likely	
Bank Performance:	Satisfactory	Satisfactory	
Borrower Perf .:	Satisfactory	Satisfactory	
Quality of ICR:		Satisfactory	

NOTE: ICR rating values flagged with '*' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

Reforms in vocational education curriculum, teacher training methods, and student assessment need to be firmly grounded in labor market needs.

- Successful project implementation with multiple provinces and other entities depends upon strong local capacity built with targeted assistance and on dedicated agencies adequately staffed by skilled personnel .

- Upfront emphasis on project outcomes and impact as well as frequent monitoring key performance indicators may be critical for a good project outcome, despite the tendency to attend to details during implementation .

8. Assessment Recommended? ☐ Yes ☒ No

9. Comments on Quality of ICR:

The ICR is satisfactory overall. However, even though schools reportedly collected information on graduates' labor market success, the information provided in the ICR was limited and could have been elaborated upon, e .g. regarding the job performance of graduates, the suitability of curricula, and the monitoring and evaluation mechanisms set up under the project (since capacity building for M&E was an explicit objective of the project).