



1. Project Data :		Date Posted : 07/27/2000	
PROJ ID : P004309	OEDID: L3571	Appraisal	Actual
Project Name : Polytechnic Development Project	Project Costs (US\$M)	185	125.25
Country : Malaysia	Loan/Credit (US\$M)	107	75.72
Sector, Major Sect .: Higher Education, Education	Cofinancing (US\$M)	0	0
L/C Number: L3571			
	Board Approval (FY)		93
Partners involved : None	Closing Date	12/31/1999	12/31/1999
Prepared by :	Reviewed by :	Group Manager :	Group:
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2. Project Objectives and Components

a. Objectives

Improve polytechnic system through decentralization; expand training capacity; increase efficiency; and improve quality and availability of staff.

1. Strengthen implementation and management capacity of two Ministry of Education divisions (currently titled Development, Privatization and Supply Division, and Technical Education Department) .
2. Strengthen capacity of Ministry of Human Resources (MOHR) to operate and maintain the Human Resources Development Fund (HRDF).
3. Strengthen planning and research capacity of the National Vocational Training Council (NVTC).

b. Components

Through provision of civil works and equipment : capacity expansion for three polytechnics .

- Through technical assistance (TA), training and fellowships: policy reform; institutional strengthening; staff development; curriculum development; studies; establishment of Human Resources Development Fund (HRDF) and National Vocational Training Council (NVTC) .

c. Comments on Project Cost, Financing and Dates

Only 71% of loan was disbursed because of devaluation, and only 75% of counterpart funds because of 1998 budget cuts which reduced equipment procurement .

3. Achievement of Relevant Objectives :

- Exceeded quantitative targets with three new polytechnics built providing more than 13,000 additional full-time and 500 part-time places.
- Support structures established for more decentralized training system with a 25% increase in employer-sponsored training, cost-sharing, some cost-recovery through student fees; and a career guidance system intended to reduce dropout .
- Curriculum specifications and career guidance system introduced .
- About 1,000 staff trained locally and overseas . Training program continues with local funds .
- Three high quality studies incorporated in MOE polytechnic action plan .
- HRDF and NTVC established .

4. Significant Outcomes /Impacts:

- Introduction of a market-oriented training system.
- Establishment of new approach to staff development institutionalized when local training proved successful and more cost-efficient than overseas training .

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

Curriculum development not completed though significant TA was to be provided .

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	

7. Lessons of Broad Applicability :

ICR: A Performance Management Framework is critical to provide early and continuous assessment of both outcomes and impact on all stakeholders . This should include evaluations to measure the effect of investments in capacity building, improved training facilities, better trained staff, and the cost effectiveness of public sector training .

8. Audit Recommended? ☒ Yes ☐ No

Why? To identify factors leading to significant institutional developments in public -private training system.

9. Comments on Quality of ICR :

The ICR provides adequate evidence to support the ratings given . The borrower's review is candid about cost escalation factors for civil works and the inconsistency of Bank advice on project implementation rules and procedures during supervision .