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INTERNATIONAL POLICY RESEARCH AND EVALUATION

REPORT

Evaluation of MCC's Vocational Education and Training Activity in Namibia: Findings from Analysis of the First Round of Qualitative Data

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ACKNOWLEDGMENTS

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ACRONYMS

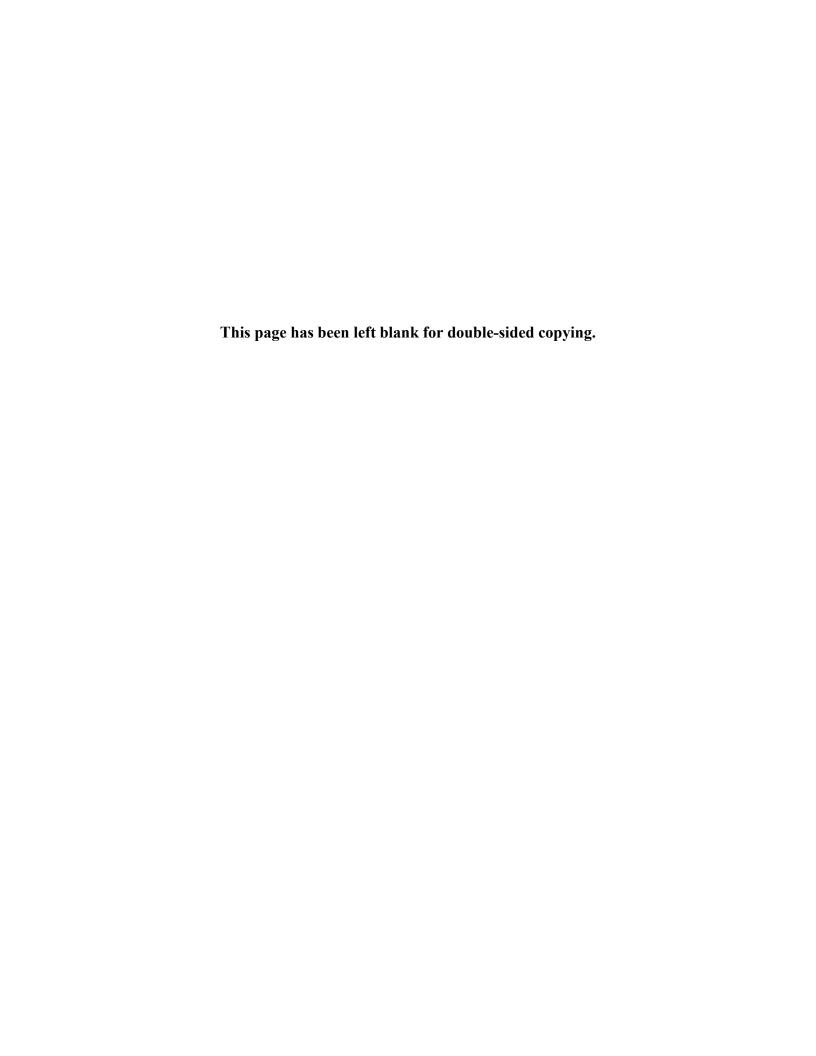|	
COSDEC	Community Skills and Development Center
COSDEF	Community Skills and Development Foundation
ISC	Industrial Skills Committee
LCDRS	Levy Collection, Distribution, and Reporting System
MCA-N	Millennium Challenge Account Namibia
MCC	Millennium Challenge Corporation
MRC	Multidisciplinary Research Centre at the University of Namibia
NAMCOL	Namibian College of Open Learning
NQA	Namibia Qualifications Authority
NSFAF	Namibia Student Financial Assistance Fund
NTA	Namibia Training Authority
NTF	National Training Fund
RPL	Recognition of Prior Learning
SME	Small and Medium Enterprise
VET	Vocational education and training
VTC	Vocational Training Centre
VTGF	Vocational Training Grant Fund

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To promote economic growth and reduce poverty in Namibia, the Millennium Challenge Corporation (MCC) signed a $304.5 million compact with the Government of the Republic of Namibia in 2009. The compact, which was formally completed in September 2014, included three projects: a tourism project, an agriculture project, and an education project. The vocational training activity, the subject of this report, was one of the key activities under the education project.

The vocational training activity focused on expanding the availability, quality, and relevance of vocational education and skills training in Namibia; it consisted of three subactivities: (1) a Vocational Training Grant Fund (VTGF), which funded competitive grants for training in high-priority vocational skills areas, a pilot of the Recognition of Prior Learning (RPL) program to certify the vocational skills of employees with work experience but no formal qualifications, a pilot of the employer-provided training grant, and the marketing of the vocational education and training (VET) levy; (2) technical assistance to establish a National Training Fund (NTF), intended to provide a sustainable source of funding for vocational training programs in Namibia through the imposition of a payroll levy on eligible employers; and (3) improvement of Namibia's network of Community Skills and Development Centers (COSDECs), which provide vocational training targeted to marginalized populations (especially out-of-school youth), through infrastructure construction, supply of new tools and equipment, and technical assistance.

MCC contracted with Mathematica Policy Research to conduct an evaluation of the vocational training activity, covering all three subactivities. The evaluation involves a mixed-methods approach that draws on both qualitative and quantitative data to explore how these subactivities were implemented and their effects on the target populations. The evaluation approach for the VTGF subactivity includes a rigorous impact evaluation, involving random assignment of applicants to the offer of VTGF-funded training, complemented by a qualitative implementation analysis. The evaluation approach for the NTF subactivity involves a performance evaluation through a qualitative implementation analysis. Finally, the overall evaluation approach for the COSDEC subactivity involves a qualitative implementation analysis, combined with a quantitative outcomes analysis for a cohort of trainees in the new and renovated COSDECs, which will be surveyed one year after training.

This report presents findings from the first round of qualitative data collection for the evaluation, which was conducted in the fourth quarter of 2014—shortly after the formal completion of the compact. The main objective of this report is to inform the evaluation by (1) answering some of the key research questions, especially those related to the implementation of the subactivities; and (2) laying the groundwork for future analyses that will be conducted to answer the remaining research questions, especially those related to the effects of the subactivities and their sustainability.

A. Research questions

Because the compact had been completed only recently, the first round of qualitative data collection was designed primarily to inform research questions related to implementation of the subactivities. However, we were also able to explore initial perceptions and expectations about

their longer-term effects. Table ES.1 provides a summary of the key research questions informed by this report.

Table ES.1. Research questions addressed in the first round of qualitative analysis

Subactivity	Research questions
VTGF subactivity	1. Was the VTGF subactivity implemented as planned?
	2. How were the VTGF grants managed?
	3. What were beneficiaries' perceptions of the VTGF grants?
	4. How did employers hire VTGF graduates, and what were their perceptions of the graduates?
	5. Were the RPL and employer-provided training pilots implemented as planned? How did employers' perceptions of and attitudes toward their RPL-certified employees change after they became certified? How did the perceptions of employees about their job security and mobility change?
NTF subactivity	1. Was the establishment of the NTF VET levy implemented as planned?
	2. How is the VET levy operating in practice compared to the specifications outlined in the regulatory framework?
	3. What are the stakeholder perceptions of sustainability of the VET levy?
COSDEC subactivity	1. Was the COSDEC subactivity implemented as planned?
	2. How did COSDEC training affect the employment outcomes of trainees?
	3. How were the new and renovated COSDECs managed?

VTGF = Vocational Training Grant Fund, RPL = Recognition of Prior Learning, VET = Vocational Education and Training, COSDEC = Community Skills and Development Center.

B. Data collection and analysis approach

Our analysis draws on qualitative data collected in October and November 2014 from a variety of sources through in-depth interviews, focus groups, observations, and reviews of documents provided by stakeholders. Mathematica developed the protocols for collecting the qualitative data, and MCC reviewed them. A research team from the Multidisciplinary Research Centre at the University of Namibia (MRC) conducted the interviews, focus groups, and observations, with oversight from Mathematica. The evaluation team members traveled to Namibia for training and piloting of protocols before the start of data collection. Interviews and focus groups were conducted in Windhoek, the capital, and in other sites across Namibia. In total, the MRC team completed 91 interviews and focus groups and one observation of an industrial skills committee (ISC) meeting. The data sources included in the first round of qualitative data collection are summarized in Table ES.2.

Table ES.2. Number of interviews and focus groups, by subactivity

Data source	VTGF subactivity	NTF subactivity	COSDEC subactivity
MCA-N	1	1	1
MCC Resident Country Mission	1[a]		
NTA	3	5	
GOPA Consultants	2	1	
Transtec			2
Trainee focus groups	4		5
Control group members	6		
RPL certificate recipients	6		
Training providers	12		
COSDEF			1
COSDECs			7
Employers	10	9	5
ISC members[b]		5	
Other stakeholders[c]		3	1

[a] The interview covered all subactivities but is only shown once in the table, as it was a single interview.

[b] The research team also conducted one observation of an ISC meeting.

[c] Included development partners (GIZ and USAID), a Ministry of Education official for the NTF subactivity, and the Chamber of Commerce for the COSDEC subactivity.

COSDEF = Community Skills and Development Foundation, COSDEC = Community Skills and Development Center, ISC = Industrial skills committee, MCA-N = Millennium Challenge Account Namibia, MCC = Millennium Challenge Corporation, NTA = Namibia Training Authority, RPL = Recognition of Prior Learning.

Using Atlas.ti, the MRC team coded data by employing high-level codes developed by the Mathematica evaluation team. Mathematica staff conducted additional coding and subsequent analysis of the data. We analyzed the coded data separately for each subactivity by triangulating information from multiple sources and identifying major themes that emerged from the data related to the various research questions. This analysis enabled us to develop a key set of qualitative findings that took into account similarities as well as differences in perspectives across different respondent groups, thus providing a comprehensive picture of the implementation of each subactivity and enabling us to address the key research questions.

C. VTGF subactivity: summary of findings

The VTGF subactivity provided training grants to training providers to fund scholarships for trainees in high-priority skill areas. Identification of training providers for VTGF training grants was intended to follow a framework in which the ISCs would determine the market demand for skills, after which the implementers (MCA-N and NTA) would solicit applications from training providers to meet the specific needs identified. The subactivity also funded a pilot of the RPL program, which certifies the vocational skills of experienced employees who do not have formal qualifications. The implementers worked with employers who agreed to participate in the pilot to identify the employees who would participate in the RPL program. Findings related to the remaining two components of the VTGF subactivity—piloting of the employer provided training and marketing efforts for the VET levy—are presented under the NTF subactivity as they were directly related to developing the NTF's levy collection and disbursement processes.

Our analysis of the VTGF subactivity focused primarily on the implementation of the training grants for training providers but also examined the RPL pilot. The key findings related to this subactivity were as follows.

1. The VTGF grants largely were implemented as planned, but the process for identifying market demand was unclear.

The training grant component of the subactivity largely was implemented as planned, although the small market for vocational training in Namibia made it challenging to identify sufficient providers to participate and to meet initial training targets. Although the VTGF training grants were intended to be targeted at high-priority skill areas determined by market demand in Namibia, the process to determine market demand was not as scientific as planned and has not yet produced rigorous guidelines for prioritizing skill areas. Also, the ISCs—the groups tasked with determining market demand—were not fully functioning for all industries during the compact period.

2. Additional components were added to the VTGF training grants during implementation to build training provider capacity and reduce dropouts among VTGF-funded trainees.

The first additional component was capacity-building grants for the training providers to improve infrastructure and equipment, and support instructor training. This was intended in part to benefit VTGF trainees, but more broadly to make longer-term changes by funding the expansion of providers' physical infrastructure (such as extra classrooms or workshops) and quality improvements, and enable them to meet the requirements for formal registration and accreditation. In addition, the capacity-building grant served as an incentive for training providers to participate in the VTGF pilot. The second additional component was a board and lodging allowance, which enabled applicants to increase attendance and reduce the number of dropouts among VTGF-funded trainees. Trainees and training providers alike agreed that it was an important addition to the basic training grants, although the sustainability of the allowances is of concern to NTA.

3. Trainees viewed the VTGF as a unique opportunity, and both trainees and employers were positive about trainees' labor market prospects.

Grant recipients were overwhelmingly grateful for the opportunity to further their education, and viewed the fully funded VTGF training as a unique opportunity in the Namibian context. Trainees felt the quality of the training they were receiving was high and they would be able to translate their experience into a positive labor market experience. The employers we interviewed had a very positive view of the training providers that received VTGF grants based on their previous experiences in recruiting graduates from these providers. Employers and training providers noted existing relationships through which they partner for job attachments or even direct hire of trainees, although it is unlikely that all VTGF-funded trainees will be able to be accommodated through these relationships.

4. The NTA gained valuable experience in managing grants through the VTGF.

The VTGF training grants were designed in part as a pilot for the funding of training under the NTF, which will be managed by NTA. Through the VTGF experience, the NTA was able to

improve its understanding of the costs of training, how to compare costs across providers and skill areas, and how to manage grants by setting and monitoring the progress of training providers toward concrete milestones. Some improvements to the VTGF management processes and templates were made over the course of implementation, and the NTA largely will be able to use these systems to award and manage grants under the NTF.

5. Participating employers and trainees viewed the RPL program positively.

All stakeholders viewed the RPL program positively, although it was too early at the time of our data collection to determine whether it had any substantive effects on trainees in the labor market. However, there was a challenge in recruiting employers to participate in the pilot, which could affect the continuation of the program under the NTF. Most of the new RPL certificate holders felt the certification increased their job security and mobility, and were grateful that the program was fully funded. However, during the brief span of time between the completion of certification and data collection, it appears there has not been a change in employers' perceptions of RPL recipients, and no wage raises were reported.

D. NTF subactivity: summary of findings

The NTF subactivity was intended to establish a fully operational national training fund managed by the NTA, which will serve as a sustainable source of funding for vocational training in high-priority skill areas in Namibia. Key components of the NTF subactivity included developing the regulations required for fully operationalizing the NTF, establishing the NTF council, and piloting all aspects of the VET levy. The VET levy requires eligible employers to contribute to the NTF through a payroll based vocational education and training levy; it disburses levy funds to levy paying employers for training carried out and to training providers to conduct vocational training in the high-priority skill areas the NTA identifies.

Our analysis of the NTF subactivity focused on the operationalization of the NTF, establishment of the levy collection, disbursement, and reporting IT system, staffing needed for operating the VET levy, the initial operations of the VET levy, the NTF's ability to measure and respond to the demand for skilled labor, and perceptions about the NTF's sustainability. The key findings related to this subactivity are as follows.

1. Delays in passing the required legislation to mandate the levy posed a major challenge to implementation.

The NTA was formally established in 2008, but additional legislation was required to mandate the VET levy so the NTF could be fully operationalized. The delay in cabinet approval of this legislation set the project back by more than a year and meant that the NTA had limited experience in operating the system when MCC-funded support under the compact ended. The final legislation was gazetted in January 2014 and mandated a levy on employers with an annual payroll of N$1 million or more at a rate of 1 percent of the payroll. The eligibility cutoff and payment rate were informed by extensive consultations between the NTA and employers and employer representative bodies.

2. NTA and GOPA worked effectively to mobilize the NTF council and pilot test the VET levy

GOPA consultants led the operationalization of the NTF, working closely with a small team from the NTA. The working relationship between GOPA and the NTA staff was strong, with a clear division of responsibilities. This enabled the two groups to work together effectively to mobilize the NTF Council, a body with broad stakeholder representation designed to advise the NTA on the NTF. Further, GOPA and the NTA successfully pilot tested the VET levy with a small number of employers. This pilot provided useful insights about the functioning of the system before it was fully rolled out. In particular, it enabled the testing of the IT system for employer registration and levy payments; the system was not as fully developed for levy distribution but still performed its basic functions adequately.

3. Early signs of registration and levy collection are encouraging, but effective enforcement of the levy is a possible concern.

The levy collection commenced on April 1, 2014 as planned, and about 2,200 employers had registered and paid the levy at the time of data collection. The NTA expects to meet the annual target of about N$250 million (approximately, US$20.3 million) for levy intake in the first year of levy collection. The mandating of the levy through legislation is an important incentive for employers' compliance. However, effective enforcement of registration by all eligible employers and accurate levy payment by registered employers are potential concerns. The NTA has plans to address levy enforcement by working with other agencies to build a database of eligible employers and by appointing compliance officers to verify declared payroll information.

4. A fully functioning levy distribution system has not been developed yet.

The distribution of levy funds is an important aspect of the levy system, but the NTF has not transitioned to a fully operational distribution system. As stated in the levy regulations, 50 percent of the levy funds will be allocated for employer-sponsored training grants to be reimbursed to the employers who paid the levy. However, at the time of data collection, the guidelines were still not clear on what kind of training provided by employers would be eligible for reimbursement. In addition, the system for submitting the request, along with evidence that trainings were conducted, was not fully functioning. Therefore, although reimbursement for employer-sponsored training is expected to begin in April 2015, there was still some work to be done to operationalize the system.

5. The NTF may face some barriers in using levy funds effectively.

There are a few potential barriers to effective utilization of resources available through the NTF at the time of data collection. These included difficulties in determining the key-priority skill areas in all of the industries, limited capacity of Namibian training providers to meet demand for training in high-priority areas, and continued staffing gaps at the NTA. Appropriately addressing these challenges will be important for facilitating productive use of levy funds, which could pave the way for continued support for the levy from key stakeholders—especially employers. The second round of qualitative data collection to be conducted in late 2015 will provide more information on the extent to which these barriers are being addressed.

E. COSDEC subactivity: summary of findings

The COSDEC subactivity was designed to improve the physical infrastructure of seven COSDECs, institutions that provide vocational training targeted to marginalized populations (especially out-of-school youth), through construction or renovation of the training facilities and provision of new tools and equipment. In four of the COSDECs the new facilities include small- and medium-enterprise (SME) units, which are designed to provide business development support for COSDEC trainees and community members to engage in income generating activities. Through a consultant, Transtec, the subactivity also provided technical assistance to the COSDECs and the Community Skills and Development Foundation (COSDEF), the umbrella body that supports the COSDECs, in a number of areas.

Our analysis of the COSDEC subactivity using the first round of qualitative data focused on the implementation of the subactivity and early evidence of changes in operations or perceptions of the COSDECs as a result of the subactivity. Our main findings were as follows.

1. **The construction and renovation of the COSDECs largely was implemented as designed.**

The construction of the new and renovated COSDECs largely proceeded as planned, despite delays to the time line and some implementation challenges. The challenges included continuing training activities when construction was underway and a missed opportunity to engage COSDEC managers at the design stage. All of the new and renovated COSDECs were operational by the end of the compact. SME support units were constructed as planned but were not fully operational at the time of our data collection. New and renovated COSDECs are bringing new-found respect to the institutions and new attention from trainees and employers.

2. **The retooling of COSDECs with new tools and equipment was not a success.**

Most stakeholders, including COSDEC managers, MCA-N, and trainees, reported that the new tools and equipment provided under the subactivity failed to meet their expectations. The tools were procured from a supplier who won the procurement based on the lowest price and provided tools of very low quality.

3. **Some aspects of technical assistance were delivered as designed and well received, but there is need for additional support related to training of instructors and marketing of COSDECs.**

Transtec's technical assistance to the COSDECs in management and budgeting, formal registration, and instructor training generally was viewed as valuable and having made a substantive change in COSDEC operations, despite reports of difficult working relationships among the relevant stakeholders (Transtec, the COSDEF, and COSDECs). However, the technical assistance provided was not sufficient to fully address the challenges in these areas, and further support is needed moving forward. COSDEC managers underscored the need for further investment in instructor training, as well-trained instructors are essential for a well-functioning COSDEC. Another area in which COSDECs appear to need further assistance is in marketing their new and renovated COSDECs to potential trainees and the wider community.

4.   Registration of the COSDECs with the NTA will be key to their financial sustainability and to enable "articulation" of graduates to higher training levels.

The financial sustainability of the COSDECs may hinge on their formal registration with the NTA. If the COSDECs are able to become registered, they will receive substantial additional financial support from NTA. Transtec's technical assistance helped COSDECs progress in the registration process, but most of them have not completed it. Meeting the requirements for registration and completing the burdensome registration process may therefore be an important priority for the COSDECs. Having the COSDECs registered and accredited (a related process) will also be important if Vocational Training Centres (VTCs), the main publicly-funded training institutions, are to recognize COSDEC qualifications. This could enable the "articulation" of COSDEC graduates to higher training levels at the VTCs.

F.   Future data collection and reporting plans

We plan to conduct a second round of qualitative data collection in the fourth quarter of 2015, which will enable us to gather evidence on the longer-term evolution of the interventions after the completion of the compact. The second round of qualitative data collection will focus primarily on outcomes of the NTF and COSDEC subactivities (the evaluation of the VTGF subactivity will focus largely on the labor market engagement of trainees, which will be informed by the quantitative VTGF impact evaluation).

We will present findings from the various qualitative and quantitative analyses in three reports, which will be organized by subactivity. A final report on the VTGF subactivity will present findings from the impact analysis along with a synthesis of findings from the analysis of the first round of qualitative data. We will prepare a separate report on the COSDEC subactivity to present findings from the quantitative outcomes analysis and the analysis of the second round of qualitative data; we also will summarize findings from the first round qualitative data analysis. Finally, a third report on the NTF subactivity will summarize the first round qualitative data analysis and present findings from the second round of qualitative data. These reports are expected to be completed during the third and fourth quarters of 2016.

I. INTRODUCTION

To promote economic growth and reduce poverty in Namibia, the Millennium Challenge Corporation (MCC) signed a $304.5 million compact with the Government of the Republic of Namibia in 2009. The compact, which was formally completed in September 2014, included three projects: a tourism project, an agriculture project, and an education project. The education project sought to address the shortage of skilled workers in Namibia and limitations in the education system's capacity to create a skilled workforce, which have been cited as some of the most serious constraints to Namibia's economic diversification and achievement of broad-based economic growth (U.S. Agency for International Development 2003; World Bank 2013). The project consisted of several activities that aimed to improve the quality of Namibia's workforce by enhancing the equity and effectiveness of basic, vocational, and tertiary education.

The vocational training activity was one of the key activities under the education project. It focused on expanding the availability, quality, and relevance of vocational education and skills training in Namibia, and consisted of three subactivities: (1) competitive grants for high-priority vocational skills programs offered by public and private training providers through the Vocational Training Grant Fund (VTGF); (2) technical assistance to establish a National Training Fund (NTF) intended to provide a sustainable source of funding for vocational training programs in Namibia; and (3) improvement of Namibia's network of Community Skills and Development Centers (COSDECs), which provide vocational training, targeting marginalized populations—primarily out-of-school youth but also including low-skilled adults.

MCC contracted with Mathematica Policy Research to conduct an evaluation of the vocational training activity covering all three subactivities. The evaluation involves a mixed-methods approach that draws on both qualitative and quantitative data to explore how these subactivities were implemented and their effects on the target populations.

This report presents findings from the first round of qualitative data collection for the evaluation, which was conducted in the fourth quarter of 2014 for all three subactivities—shortly after the formal completion of the compact. To provide context for the report, in the remainder of this chapter we describe the three subactivities, summarize the objectives of the report, and present a roadmap for the balance of the report.

A. The three subactivities of the vocational training activity

As mentioned above, the evaluation of MCC's vocational training activity in Namibia covers all three subactivities: the VTGF, NTF, and COSDEC subactivities. We briefly describe each of these below. (Mamun et al. (2014) describe these subactivities and their program logic in greater detail in the evaluation design report.)

1. VTGF subactivity

The VTGF subactivity was designed to provide funding for vocational skills programs in high-priority areas while the NTF was being set up, and has several components. The overall evaluation of this subactivity mainly focuses on the key component of awarding grants to training providers through a competitive bidding process. The VTGF solicited grant applications for conducting trainings in specific high-priority skills areas, which were intended to be

identified primarily by industry representative bodies known as industrial skills committees, or ISCs. Training providers that received VTGF grants used them to award scholarships to eligible disadvantaged applicants (defined as having an annual household income of less than N$250,000, or about US$20,500 at current exchange rates, after subtracting training costs for other household members who might be participating in training at the time). The scholarships, which covered tuition and included a subsistence allowance, were intended to increase access to training for these applicants. Training providers who were awarded these grants could also apply for an additional capacity-building grant, which they could use for a variety of purposes such as purchasing new tools and equipment or improving or expanding their infrastructure. VTGF grants were awarded throughout the compact period, with the first grants awarded in the fourth quarter of 2010 and the last grant awarded in the third quarter of 2014.

The remaining components of the VTGF were pilots of two other initiatives that will be fully implemented under the NTF after the compact and the marketing of the VET levy.[1] The first pilot was reimbursement of employers for the costs of employer-provided training under the NTF, in which employers register with the Namibia Training Authority (NTA), pay a levy, and submit training evidence for reimbursement (we describe the levy initiative in more detail under the NTF subactivity). The second pilot was the Recognition of Prior Learning (RPL) program, which helps people experienced in a certain vocational skills area but lacking formal training to compile a portfolio of evidence of their work experience and have their skills formally assessed and certified. The final component was the marketing of the VET levy, which provided funding to increase public awareness of the VET levy and improve stakeholder expectations, with the goal of increasing the likelihood of employer compliance. We describe findings related to this component under the NTF subactivity as it is more directly related to that subactivity.

2.   NTF subactivity

The NTF is a public fund created by the Vocational Education and Training (VET) Act of 2008 to provide a sustainable source of funding for vocational training in Namibia, with a focus on high-priority skills development. The NTA manages the NTF, which is being funded through a payroll based VET levy on participating firms. The compact funded a technical adviser (GOPA) to support establishing the NTF and piloting the VET levy.

The VET levy Regulations and Notice requires all employers in Namibia with a payroll above a certain threshold (N$1million) to register with the NTF and pay an annual payroll levy (1 percent). The levy rate and qualification threshold were determined after consultation with partners from industry, and have been formally approved by the government. The government intends for the funds raised through the VET levy to be disbursed as (1) competitive grants for training providers and RPL programs in key priority areas, as determined primarily by the industrial skills committees (ISCs), which were piloted in part under the VTGF; and (2) reimbursement for employer-sponsored training, which will require employers to submit evidence of training (also piloted under the VTGF). A third portion of the money collected from the levy will be allocated for the NTA administration of the VET levy. Implementation initially focused on establishing the NTF framework and related regulations, and piloting the training

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[1] The VET levy was referred to as the levy collection, distribution, and reporting system (LCDRS) in the evaluation design report (Mamun et al. 2014). We use "VET levy" throughout this report to avoid confusion with the IT systems related to the levy collection, disbursement, and reporting.

procurement system through the VTGF. Implementation of the full levy collection system began in April 2014, and full implementation of the disbursement system was expected to follow approximately a year later.

3. COSDEC subactivity

COSDECs are community-based institutions that provide basic levels of vocational training to clients from disadvantaged backgrounds—particularly out-of-school youth who lack access to the formal vocational training system—to improve their employment prospects. The courses offered are based on annual needs assessments in the entire catchment region that each COSDEC conducts through interviews and focus groups with employers, out-of-school youth, community leaders, and other stakeholders.

The compact funded the construction or renovation of seven COSDECs[2, 3] and the provision of new tools and equipment in the COSDECs. Four of the COSDECs[4] were designed to include small- and medium-enterprise (SME) units that provide physical workspace, subsidized materials, and other supports to enable trainees and community members to start their own small enterprises.[5] To complement these physical improvements, the compact funded a consultant (Transtec) to provide technical support to the Community Skills and Development Foundation (COSDEF), the umbrella body that supports the COSDECs, as well as to management of the COSDECs. The technical support for their management included support for the development of strategic plans, support for COSDECs to become registered institutions, improvements in financial management, and development of strategies to market the COSDECs in their catchment areas. It also included pedagogical training for COSDEC trainers, many of whom have vocational skills and industry experience but no formal pedagogical training.

B. Objectives of the report

Mathematica designed a mixed-methods evaluation to address the research questions for each subactivity that MCC and MCA-N developed (Mamun et al. 2014). In this report, we analyze data for all three subactivities from the first round of qualitative data collected in the fourth quarter of 2014. These data are intended to provide information on the implementation of

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[2] Technically, three of the COSDECs are new and four are renovated: the new centers are located in Swakopmund, Rundu, and Gobabis; the renovated centers are located in Opuwo, Ondangwa, Tsumeb, and Otjiwarongo. However, all seven sites already had a COSDEC; the only substantive difference between new construction and renovation is that the newly constructed sites will be in a different physical location in the same community (in most cases, the original site will be retained to further increase the physical capacity of the COSDEC).

[3] The only COSDEC in Namibia not included in the subactivity is the Benguela (Luderitz) COSDEC. It was excluded because the Community Skills and Development Foundation (COSDEF) did not own the land on which the COSDEC operated, which was a criterion for eligibility for infrastructure development. However, the Benguela COSDEC was included as one of the training providers receiving funding under the VTGF subactivity.

[4] The COSDECs in Swakopmund, Rundu, Ondangwa, and Tsumeb were designed to receive the SME units. COSDEF chose these sites based on their locations, the number of people involved in micro- and SME activities at each location, and the potential for growth of micro- and SME activities there.

[5] Although these are called SME units, their focus is on enabling trainees to use their skills to start small and micro-enterprises, not medium enterprises. Therefore, a better term for them might be "micro- and small-enterprise" (MSE) units.

the subactivities and perceptions of successes and challenges around the time of formal completion of the compact. A second round of qualitative data collection is planned in the fourth quarter of 2015; it will provide additional evidence on the operation and continuation of the subactivities during the post-compact period.
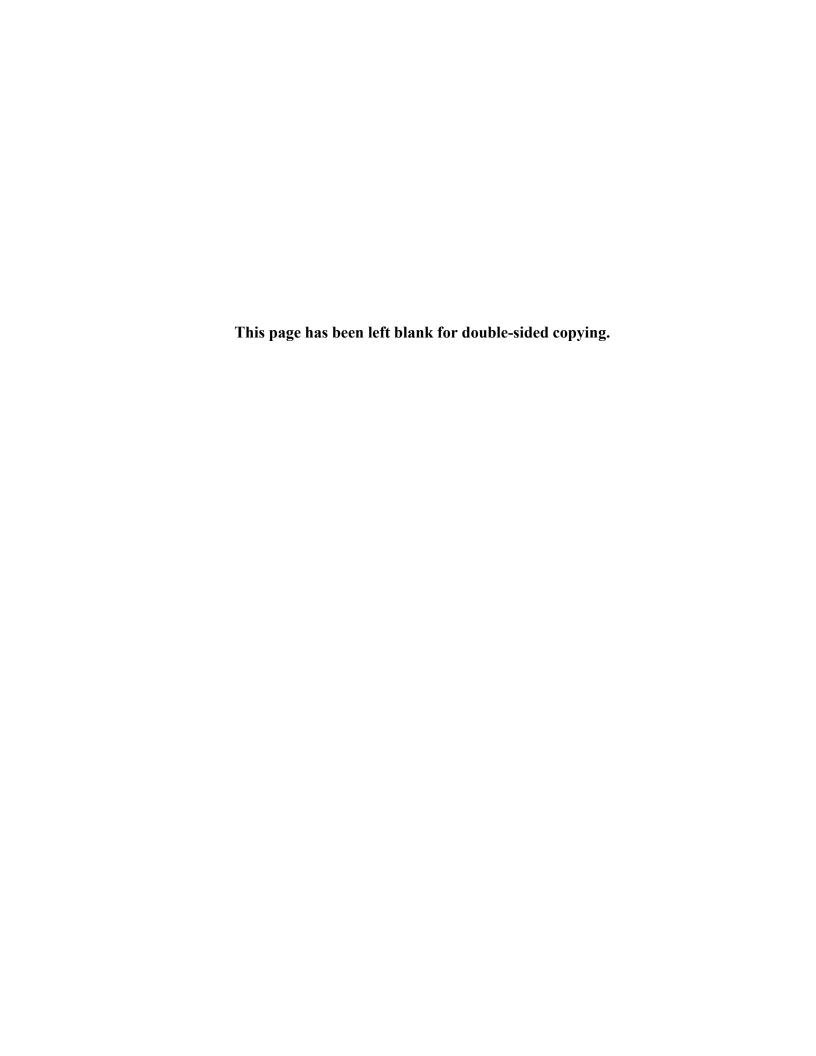
The main objective of this report is to inform the evaluation by (1) answering some of the key research questions, especially those related to the implementation of the subactivities; and (2) laying the groundwork for future analyses of qualitative and quantitative data that will answer the remaining research questions, especially related to the effects of the subactivities and their sustainability.

Below, we briefly review the evaluation design for each subactivity and describe more specifically how the overall evaluation will be informed by this first round of qualitative data analysis.

- **VTGF subactivity.** We are evaluating the scholarship component of the VTGF subactivity through a rigorous impact evaluation that involves randomly assigning applicants to receive or not receive the offer of a funded training slot. Quantitative data collected from applicants one year after training completion will enable us to determine impacts on labor market outcomes, an important objective of the evaluation. However, there are also several research questions related to implementation of the subactivity, which the first round of qualitative data analysis was designed to answer. Finally, we designed the first round of qualitative data collection to answer questions related to the RPL and employer-provided training pilots, which are not included in the impact evaluation. The findings from the analysis of qualitative data may also inform the interpretation of results from the planned quantitative impact analysis.

- **NTF subactivity.** We are evaluating the NTF subactivity through a qualitative performance evaluation that seeks to understand whether the NTF was established as planned, how the VET levy is operating in practice, and stakeholder perceptions of its future sustainability. Because we conducted the first round of qualitative data collection soon after the NTF was established, it will be used primarily to answer research questions related to NTF establishment. However, it may also provide some evidence about the initial operations of the VET levy and early perceptions of its sustainability. The first round of qualitative data analysis will also inform the second round of qualitative data collection and analysis.

- **COSDEC subactivity.** We are evaluating the COSDEC subactivity through a performance evaluation. This includes a qualitative implementation analysis, combined with a quantitative outcomes analysis, for a cohort of trainees in the new and renovated COSDECs who will be surveyed one year after training. The evaluation seeks to understand subactivity implementation, the trainees' labor market outcomes, and the influence of the subactivity on the management of the COSDECs. We intended the first round of qualitative data analysis primarily to explore the implementation of the subactivity and initial changes on COSDEC management. This approach will also help to interpret our findings on the labor market outcomes of trainees from the quantitative outcomes analysis.

C. Roadmap of the report

The remainder of this report is structured as follows. In Chapter II, we list the research questions we seek to address and describe the data we relied on for the analysis. The following chapters present our findings related to the VTGF subactivity (Chapter III), NTF subactivity (Chapter IV), and COSDEC subactivity (Chapter V). We conclude in Chapter VI with a summary of the implications of our findings for policy and practice, and our plans for future data collection and analysis.

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II. RESEARCH QUESTIONS, DATA, AND ANALYTIC APPROACH

In this chapter, we present the key research questions addressed in this report and describe the qualitative data collected in the first round of the data collection effort to address those questions. We also briefly discuss the analytic approach and some of the limitations of our analysis.

A. Research questions

The full set of research questions for each of the three subactivities included in the evaluation is described in the evaluation design report (Mamun et al. 2014) and will be answered using both qualitative and quantitative methods. To align with the focus of this report, Table II.1 provides a summary of the key research questions that the first round of qualitative data seeks to inform, arranged by subactivity. Because the subactivities had only recently been completed when the first round of data collection was conducted, we focus primarily on the research questions related to implementation, though we are also able to explore initial perceptions and expectations about their longer-term effects. More detailed lists of research questions related to each subactivity and addressed by the analysis of the first round of qualitative data are presented later in the report in the respective subactivity chapters.

Table II.1. Research questions addressed in the first round of qualitative analysis

Subactivity	Research questions
VTGF subactivity	1. Was the VTGF subactivity implemented as planned?
	2. How were the VTGF grants managed?
	3. What were beneficiaries' perceptions of the VTGF grants?
	4. How did employers hire VTGF graduates, and what were their perceptions of the graduates?
	5. Were the RPL and employer-provided training pilots implemented as planned? How did employers' perceptions of and attitudes toward their RPL-certified employees change after they became certified? How did the perceptions of employees about their job security and mobility change?
NTF subactivity	1. Was the establishment of the NTF and VET Levy implemented as planned?
	2. How are the NTF and VET levy operating in practice compared to the specifications outlined in the regulatory framework?
	3. What are the stakeholder perceptions of sustainability of the VET levy?
COSDEC subactivity	1. Was the COSDEC subactivity implemented as planned?
	2. How did COSDEC training affect the employment outcomes of trainees?
	3. How were the new and renovated COSDECs managed?

VTGF = Vocational Training Grant Fund, RPL = Recognition of Prior Learning, VET = Vocational Education and Training, COSDEC = Community Skills and Development Center.

B. Data

Our analysis draws on qualitative data collected from a variety of sources in October and November 2014 through in-depth interviews, focus groups, observations, and reviews of documents provided by stakeholders. A research team from the Multidisciplinary Research Centre at the University of Namibia (MRC) conducted the interviews, focus groups, and

observations under Mathematica's guidance. The team conducted interviews and focus groups in Windhoek (the capital) and other sites across Namibia. In total, the MRC team completed 91 interviews or focus groups and one ISC meeting observation, with support and oversight provided by MCC, the Millennium Challenge Account Namibia (MCA-N), and the Mathematica evaluation team.

1. Data sources

The data sources included in the first round of qualitative data collection were as follows (see Table II.2 for a summary):

- **Interviews with MCA-N and local MCC staff.** We conducted interviews with representatives from MCA-N and MCC's resident country mission regarding the implementation of all three subactivities and their perceptions of successes and challenges.

- **Interviews with NTA staff.** The team interviewed NTA staff for both the VTGF and NTF evaluations. For the VTGF evaluation, we focused on the NTA's management of VTGF grants and their experiences with the RPL and employer-provided training pilots. For the NTF evaluation, we focused on the establishment and initial implementation of the VET levy, the establishment and operations of ISCs, and the development of the NTA's capacity to manage the system. We identified the relevant NTA staff for interviews in close consultation with MCA-N.

Table II.2. Number of interviews and focus groups, by subactivity

Data source	VTGF subactivity	NTF subactivity	COSDEC subactivity
MCA-N	1	1	1
MCC Resident Country Mission	1[a]		
NTA	3	5	
GOPA	2	1	
Transtec			2
Trainee focus groups	4		5
Control group members	6		
RPL certificate recipients	6		
Training providers	12		
COSDEF			1
COSDECs			7
Employers	10	9	5
ISCs[b]		5	
Other stakeholders[c]		3	1

[a]Interview covered all subactivities, but is shown only once in the table, as it was a single interview.
[b]The team also conducted one observation of an ISC meeting.
[c]Included development partners (GIZ and the U.S. Agency for International Development, USAID) and a Ministry of Education official for the NTF subactivity, and the Chamber of Commerce for the COSDEC subactivity.
COSDEF = Community Skills and Development Foundation, COSDEC = Community Skills and Development Center, ISC = Industrial skills committee, MCA-N = Millennium Challenge Account Namibia, MCC = Millennium Challenge Corporation, NTA = Namibia Training Authority, RPL = Recognition of Prior Learning.

- **Interviews with technical consultant staff**
  - **GOPA.** We interviewed GOPA staff who provided technical assistance to the NTA as part of the VTGF subactivity (focusing on support for management of service-level agreements[6] with training providers and the RPL and employer-provided training pilots) and the NTF subactivity (focusing on support for establishing the VET levy).
  - **Transtec.** As part of the COSDEC evaluation, we interviewed the Transtec staff who provided capacity-building support to COSDEF and the COSDECs, such as management and budgeting assistance, training of trainers, and help with registration of COSDECs.

- **Interviews and focus groups with trainees and control group members (when relevant)**
  - **VTGF subactivity.** We gathered qualitative data from trainees and control group members for the VTGF evaluation. We conducted focus groups for VTGF-funded trainees at four training providers in which VTGF-funded training was still underway (a subset of those at which we conducted interviews with training provider staff, as described below). We also spoke individually with control group members from these training providers about similar topics to better understand the different experiences of trainees and control group members.[7] To identify respondents at each training provider, we used the baseline sample of treatment and control group members in the selected training providers, then selected the cases invited for the focus group discussion and the in-depth interviews to obtain a balance by gender, skill area of training, and ethnic group. We invited between 6 and 10 trainees in the treatment group for three of the focus groups and between 6 and 10 participated; in the fourth focus group we invited 20 trainees and 11 participated. In addition, we interviewed RPL recipients individually to inform the research question about the RPL pilot. We worked with the NTA to obtain a list of employers that participated in the RPL pilot and RPL certificate holders from each employer. We then selected three RPL employers and two RPL certificate holders from each employer for the RPL trainee interviews, with a balance by industry (tourism and hospitality) and gender.
  - **COSDEC subactivity.** For the COSDEC evaluation, we held five focus groups with COSDEC trainees at three of the COSDECs, two of which had SME units. We held separate focus groups with male and female trainees at two COSDECs and one co-ed focus group at the final COSDEC. All focus group participants were current COSDEC trainees, and we selected participants to reflect a mix of training skill areas. We invited between 6 and 10 COSDEC trainees for each of the focus groups, and between 6 and 8 of them participated.

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[6] Training providers must sign service-level agreements committing themselves to certain milestones to receive each tranche of grant funds.

[7] To facilitate a rigorous impact evaluation, MCC and MCA-N required the VTGF grant-funded training providers to randomly assign applicants for each oversubscribed training either to a treatment group (that was offered the grant-funded training) or a control group (that was not offered the grant-funded training). We collected qualitative data from both treatment and control group members.

- **Training provider staff.** We interviewed training provider staff as part of both the VTGF and COSDEC subactivities.

  - **VTGF subactivity.** We interviewed heads or other key administrative staff of 12 participating training providers to capture their experiences with the VTGF grants. They were selected to provide variation by institution type (public and private), geographical location, and skill area of training.

  - **COSDEC subactivity.** We interviewed COSDEC center heads in all seven new and renovated COSDECs to understand the implementation of the subactivity, as well as the operations of the COSDECs and how they were changing. We also interviewed COSDEF staff to explore their interactions with Transtec and roles in supporting the new COSDECs.

- **Employers.** We conducted interviews with a different set of employers for each of the three subactivities.

  - **VTGF subactivity.** We interviewed employers of VTGF-funded trainees, which MCA-N identified through VTGF-recipient training providers, focusing on their hiring processes, existing relationships with providers, and the extent to which the skills of graduate trainees from the providers were meeting their needs. We also interviewed the employers of the RPL candidates to assess their perceptions of the RPL program.

  - **NTF subactivity.** We included interviews with employers who participated in the VET levy, focusing on their consultation as part of setting up the VET levy and their initial perceptions of the system. We also spoke with employers not yet participating in the VET levy to better understand their perceptions. We worked with MCA-N and the NTA to identify an illustrative sample of employers for the interviews.

  - **COSDEC subactivity.** We identified and interviewed employers in areas served by the COSDECs to gather information on their awareness and perceptions of the COSDECs.

- **Industrial Skills Committees.** ISCs play an important role in identifying key priority areas for training to inform the funding decisions of the NTF (some ISCs also identified key areas for the VTGF grants and RPL pilots). For this reason, we conducted interviews with ISC members and observed one ISC meeting to learn more about their input into the funding system and how the members of the ISC interact.

- **Other relevant stakeholders.** We also conducted interviews with several other key stakeholders. We interviewed development partners (GIZ and USAID), an education ministry official, and a representative from the Chamber of Commerce.

2. Data collection and analysis

Protocols for collecting the qualitative data were developed by Mathematica and reviewed by MCC and MCA-N.[8] As mentioned previously, data collection was conducted by the MRC team, which was hired by MCA-N and had oversight support from Mathematica. The evaluation

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[8] The data collection protocols are included in a separate volume as an Appendix to this report.

team members traveled to Namibia for training and piloting of protocols before the start of data collection.

Using Atlas.ti, the MRC team coded data by employing high-level codes developed by the Mathematica evaluation team. Mathematica staff conducted additional coding and subsequent analysis of the data. We analyzed the coded data separately for each subactivity by triangulating information from multiple sources and identifying major themes that emerged from the data related to the various research questions. This analysis enabled us to develop a key set of qualitative findings that took into account similarities as well as differences in perspectives across different respondent groups, providing a comprehensive picture of the implementation of each subactivity and enabling us to address the key research questions.

C. Limitations

This report provides valuable evidence to inform some of the key research questions, but the analysis has some limitations:

- **The evolution of the subactivities is still at an early stage.** The first round of qualitative data collection was conducted at the end of the compact, when implementation of the subactivities had only recently concluded. It was an optimal time to examine implementation (because implementation would be fresh in the minds of respondents) and the early experiences of operationalizing the systems and processes for some of the three subactivities' components. However, because of the timing of data collection, the data does not fully capture stakeholders' perceptions of the changes (or likely changes) associated with the subactivities. For example, the new COSDECs had only recently started trainings in the new facilities, and the VET levy was not fully operational. Stakeholders' perceptions of the changes instituted through the subactivities described in this report thus may evolve as the subactivities evolve and mature. Future rounds of data collection, including the second round of qualitative data and quantitative data for the VTGF and COSDEC evaluations, will be valuable in addressing this limitation.

- **Qualitative sample sizes are small and have more limited generalizability.** Qualitative data analysis typically involves information from a small sample of stakeholders who are not randomly chosen. While our study is relatively large for a qualitative study, our sample was purposively chosen and as a qualitative study, the results cannot be overly generalized. Even though we collected data from a variety of stakeholders capturing a range of perspectives, findings from the analysis may not be generalizable beyond the study sample. We have triangulated responses within and across stakeholders, but as can be expected, in some cases the responses were inconsistent, making it difficult to draw singular conclusions. Instead, our analysis focuses on comparing similar and disparate responses to understand the full scope of possible perceptions and experiences.

Despite these limitations, the first round of qualitative data is a rich data source that enables us to provide important insights about the implementation of and early experiences with the subactivities.

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III. FINDINGS ON VTGF IMPLEMENTATION

The Vocational Training Grant Fund (VTGF) subactivity provided training grants to training providers to fund scholarships for trainees in high-priority skill areas. Identification of training providers for VTGF training grants was intended to follow a framework in which the industrial skills committees (ISCs) would determine the market demand for skills, after which the implementers (MCA-N and NTA) would solicit applications from training providers to meet the specific needs identified. The subactivity also funded pilots of the Recognition of Prior Learning (RPL) program, which certifies the vocational skills of experienced employees who do not have formal qualifications, and of the mechanism through which employers will be reimbursed for training their employees under the National Training Fund (NTF). Finally, the subactivity funded the marketing of the VET levy to increase public awareness about the levy with the goal of increasing the likelihood of employer compliance (we describe findings related to this component under the NTF subactivity).The overall evaluation approach for this subactivity includes a rigorous impact evaluation involving random assignment of applicants to the offer of VTGF funding, complemented by a qualitative implementation analysis of the VTGF pilot, the RPL program, reimbursement of employer-sponsored training component, and the marketing of the VET levy.

The first round of qualitative analysis for the VTGF subactivity seeks to inform the following research questions:

1. Was the VTGF subactivity implemented as planned?

   a) How did actual implementation compare to planned implementation, and what were the reasons for any deviations from plans?

   b) What were the main challenges to implementation, and how were these addressed?

   c) How were training providers selected for VTGF grants?

      i. How was market demand determined?

Key findings from this chapter

- The training grant component of the VTGF subactivity was largely implemented as planned. However, the small market for vocational training in Namibia made it challenging to identify sufficient providers to meet initial training targets, and the process to determine market demand was not as scientific as planned.

- Capacity-building grants for training providers and a board and lodging allowance for all trainees were important additions to implementation of the training grants.

- Trainees viewed the VTGF as a unique opportunity in the Namibian context; both trainees and employers were positive about trainees' labor market prospects.

- The NTA gained valuable experience in managing grants through the VTGF and generally will be able to use the VTGF systems to award and manage grants under the NTF.

- The RPL program was viewed positively by participating employers and trainees alike. However, it was challenging to recruit employers to participate in the pilot, and too early to determine whether it had any substantive effects on trainees in the labor market.

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      ii. How did training providers determine which trainings to bid for, and what were their experiences with the bidding process?

      iii. How, if at all, did training providers adapt (for example, in the features of their trainings or placement of graduates) to win a VTGF grant? To what extent did VTGF competition move providers toward registration and accreditation?

      iv. How did training providers apply for capacity-building grants, and how were these grants allocated?

  d) How did training providers identify qualified trainees?

      i. How was the income threshold for VTGF applicants determined and how was it enforced in practice?

      ii. To what extent did the selection process target and reach intended beneficiaries?

      iii. What were the providers' perceptions of the trainee selection process?

  e) To what extent did the VTGF create additional training slots for participating providers, during the subactivity, and in the future?[9]

2. How were the VTGF grants managed?

  a) How well did processes and procedures for disbursing funds and reporting on milestones work?

  b) What kind of process changes have been made since the NTA started managing VTGF grants? Has the NTA transferred any of the VTGF processes to management of the NTF funding?

  c) To what extent has the VTGF experience sufficiently prepared the NTA to take on full responsibility for managing NTF grants?

3. What were beneficiaries' perceptions of the VTGF grants?

  a) How, and to what extent, did the VTGF expand training opportunities available to potential applicants?

  b) What were VTGF trainees' perceptions regarding the board and lodging allowance? Did they use it for its intended purpose? To what extent did it reduce dropouts from or increase attendance in training?

4. How did employers hire VTGF graduates, and what were their perceptions of the graduates?

  a) How do employers typically search for new workers and make hiring decisions? How did they come to hire VTGF graduates?

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[9] The creation of additional training slots that would not have existed in the absence of the VTGF subactivity—for example, through the development of new training programs, the addition of slots to existing trainings, or increasing the number of rounds of existing trainings offered—is referred to as "additionality."

b) Do the trade-specific technical skills and nontechnical skills of trainees meet employers' needs? What are the key skills gaps? Have employers had to retrain VTGF graduates or upgrade their skills after employment?

c) Overall, how satisfied are employers with the work performance of VTGF graduates?

5. Were the RPL and employer-provided training pilots implemented as planned? How did employers' perceptions of and attitudes toward their RPL-certified employees change after they became certified? How did the perceptions of employees about their job security and mobility change?

These five research questions focus primarily on understanding the implementation of the VTGF subactivity from different perspectives. To address these questions, our analysis examines the successes and challenges of implementation, the processes used to select training providers for VTGF grants, the process training providers used to identify qualified applicants, and the management of the grants (questions 1 and 2). We also examine trainees' experiences in applying to and participating in VTGF-funded training (question 3). Although questions related to labor market outcomes of VTGF-funded trainees will be answered largely through the impact evaluation once more time has elapsed, we also explore trainee expectations of their post-training labor market experience and employer perceptions of graduates from the VTGF-recipient training providers (question 4). In addition to the VTGF grants for training providers, our implementation analysis focuses on the RPL and employer-provided training pilots (question 5), which also were funded under the VTGF (although the employer-provided training pilot is more related to the NTF subactivity and is discussed in Chapter IV). To inform these research questions, the research team gathered data from the VTGF implementers (MCA-N and NTA)[10], participating training providers, employers, VTGF treatment and control group members, and RPL recipients and employers.

A. Implementation of VTGF grants

Most of our analysis of the VTGF subactivity focused on the grants awarded to training providers to fund training in high-priority skill areas—the largest component of the subactivity. Identification of training providers for VTGF training grants was intended to follow a framework in which the industrial skills committees (ISCs) would determine the market demand for skills, after which the implementers would solicit applications from training providers to meet the specific needs identified (that is, train a specific number of individuals in a specific field and at a specific level).[11] Training providers that applied for grants had to be registered by the NTA and accredited by the Namibia Qualifications Authority (NQA) to provide training in the specified field and at the specified level, or be in the process of meeting these requirements.[12] The

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[10] The initial VTGF grants were managed by MCA-N; subsequent grants were managed by the NTA (with support from MCA-N). In this chapter, we use the term "implementers" to refer to both MCA-N and NTA.

[11] Trainings in Namibia are classified into levels from 1 to 10, representing different levels of difficulty in learning and the application of knowledge and skills.

[12] The registration process is managed by the NTA; it includes such infrastructure requirements as sufficient physical space and appropriate tools. Accreditation is managed by the NQA; it includes similar (but not identical) requirements for registration as well as additional requirements, such as adequate management systems and trainer

selection of providers was intended to involve a competitive bidding process, in which the implementers would evaluate those who applied on their ability to conduct the trainings and their proposed costs.

Overall, we found that the VTGF training grants largely were implemented as planned, but faced some challenges related to determining market demand, meeting targets for the number of trainees, effectively targeting the funding toward needy trainees, and ensuring a timely procurement and grant disbursement process. The capacity-building grants for training providers and a board and lodging allowance for trainees were two important additions to the originally planned training grants that were introduced during implementation. From the trainees' perspectives, the VTGF funding appears to have provided a valuable opportunity, which they viewed as unique. It also provided an important opportunity for the NTA to learn about how to manage these types of grants, which will be implemented under the NTF.

1. **The VTGF grants largely were implemented as planned, but the process for identifying market demand was unclear, and additional grant components were added.**

Broadly speaking, the process for awarding VTGF grants to training providers unfolded as designed, in the sense that MCA-N and NTA solicited applications from providers to meet specific identified needs. However, an important challenge was the limited number of training providers in Namibia able to offer courses in the fields and levels targeted for training. Further, not all of these responded to the advertisements, usually because they had limited capacity for and interest in accommodating additional trainees or courses beyond their existing offerings. Thus, once they received the applications responding to the advertisements, MCA-N and NTA reached out directly to additional training providers that had not applied—but which MCA-N and NTA wanted to engage in the VTGF subactivity—to encourage them to participate. In total, 14 training providers participated in the VTGF training grants (although many of these received multiple grants for different courses at different times). Of the 10 training provider managers that discussed the identification process with us, 6 applied after the advertisement was posted and 4 were contacted by the implementers directly and encouraged to apply. This fact suggests that the process for awarding VTGF grants to training providers was less competitive than envisaged, due to the limited number of providers; rather than selecting grant recipients from a large number of applicants, the implementers had to actively seek out providers for participation.

The VTGF training grants were intended to target high-priority skill areas determined by market demand in Namibia. The groups tasked by MCA-N and NTA with determining market demand were the ISCs, which are groups of industry professionals that meet periodically to identify market needs (for more on the operations of the ISCs, see Chapter IV). However, not all ISCs were functional during the compact period, and the basis for the priority areas was the research done by the ISCs that were in operation at that time. The operating ISCs were the Hospitality and Tourism ISC and the Mining, Quarrying, Construction, Electricity, Gas, Water Supply and Sanitation ISCs. MCA-N and NTA were not able to articulate clearly how market

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qualifications. The NQA also accredits specific courses that accredited training providers offer, which must include defined competencies or "unit standards."

demand for the VTGF grants was determined in practice but, as one respondent close to the process put it, the process was not particularly "scientific."

Two additional components not initially planned were added to the VTGF training grants during implementation. The first was the capacity-building grants, under which training providers that were awarded VTGF training grants could put together a proposal for funding to increase their physical capacity and/or increase the quality of the trainings (for example, through equipment purchases). These grants were intended in part to benefit VTGF trainees, but more broadly to make longer-term changes at the training providers that received them in terms of their physical space and quality, and to enable them to meet the requirements for formal registration and accreditation. Some of the implementing staff we interviewed also suggested that the capacity-building grants served as an incentive for training providers to participate in the VTGF in the first place. The grants were viewed very positively by both the implementers and the training providers that received them (six of the 12 providers we interviewed reported receiving them). The providers used the funds for additional equipment and supplies, additional space, and to train their staff in more sophisticated instruction techniques.

The second additional component was the board and lodging allowance for applicants who received VTGF scholarships. The goal of the allowance was to reduce the number of dropouts and increase attendance for VTGF trainees, many of whom had to travel long distances or move from their previous place of residence into new accommodations to attend training. Many (non-VTGF funded) trainees who received funding from the Namibia Student Financial Assistance Fund (NSFAF)—a government loan/grant scheme that provides financial assistance to needy full-time students—received a monthly allowance for accommodation, meals, transportation, and so on. Because VTGF-funded trainees found that many of their peers attending the same institutions were benefitting from the financial assistance fund allowances, they expected (and in many cases needed) to receive similar allowances through the VTGF grant process. During the initial implementation, the allowance was available to needy VTGF recipients if they applied for it; the change extended it to all VTGF grant recipients. NTA respondents suggested that offering the allowance as part of funding for training in the high-priority skill areas through the NTF would impose significant resource burden and limit the number of individuals trained. However, experience from the VTGF pilot suggests that trainees are likely to expect the allowance, without which training attendance and completion rates may suffer.

2. Initial targets for the number of trainees funded and employed were not met, due to the limited availability of training slots and labor market opportunities for graduates.

At the start of the compact, MCA-N set a target of 5,838 individuals trained through the VTGF training grants, but this target was subsequently revised downward to 1,638. By the end of the compact, about 1,500 individuals had been trained—about 92 percent of the revised target.[13] The main reason for lowering the initial target for the number of trainees was that MCA-N struggled to identify enough training providers to train the desired number because such providers in Namibia are limited in number and in their ability to accommodate additional trainees (despite introduction of the capacity-building grants discussed above). The small roster

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[13] The initial target can be found in the early monitoring and evaluation plan (MCA-N 2011), and the revised target and final achievement can be found in the indicator tracking table (MCA-N 2014).

of training providers and the limited levels and skill areas in which they offer training may continue to pose a challenge to future procurement training for high-demand skill areas through the NTF, although initiatives such as the capacity-building grants may help to some extent.

It was also challenging for training providers to meet some of the targets in their service-level agreements, which specified the number of individuals trained and employed under the VTGF grants they were awarded. Specifically, providers struggled to meet their targets for the number of employed graduates, in large part because of the lack of employment opportunities in Namibia.[14] One promising practice that training providers highlighted is the inclusion of job attachments (internships) in training, since trainees who participated in these and performed well often turned them into full jobs. However, not all providers offer job attachments, and not all trainees at a given provider are offered one, so these practices will not necessarily translate into high employment rates for VTGF-funded graduates.

Finally, it was challenging to meet MCA-N's goal of diversifying the workforce and achieving a gender balance in specific fields. Some respondents noted that some positive patterns were emerging in gender balance, but none of the training providers articulated a specific plan to increase the number of women in male-dominated fields, and many held traditional views on the appropriate gender composition of their fields. The random selection of applicants for training also made it difficult to meet gender goals, since men and women were randomly assigned together from the pool of applicants for each training, rather than separately by gender. In particular, because the composition of the applicant pool tended to be skewed toward the gender traditionally participating in a given field, the random selection process resulted in a treatment group similarly skewed in composition.

3. **Training providers were able to accommodate the VTGF trainees in the short term, and the capacity-building grants may enable them to increase the number of slots in the future.**

One of the goals of the VTGF program was to increase the number of training slots available in the short term (through VTGF training grants) as well as in the longer term (largely through the capacity-building grants). In most cases, training providers that participated in the VTGF also conducted ongoing trainings for non-VTGF-funded trainees, and the VTGF trainees made up only a fraction of the overall number of trainees at a given training provider. This situation enabled providers to accommodate them in the short term by increasing class size or adding additional classes (for example, new courses or morning and afternoon classes of an existing course). Providers used some of the capacity-building grants to expand the number of slots by funding physical infrastructure (such as extra classrooms or workshops), equipment for new courses, and additional trainers. Some of these improvements also will enable providers to accommodate additional trainees in the future, even after the VTGF program is over.

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[14] These targets were to be reported by participating training providers. Some providers were able to meet their targets but still faced some of the challenges described here. There was also an overall subactivity-level target for the number of trainees employed—75 percent—although at the end of the compact, it was too early to assess whether this had been met.

4. The VTGF grants are moving training providers toward registration and accreditation, although the process is progressing slowly.

To be eligible for VTGF grants, training providers were required to show that they were, or were in the process of being, registered with the NTA and accredited by the NQA. Most of the providers we interviewed already were registered and accredited before the VTGF was introduced, but the remainder were still engaged in this process (in some cases, the training providers were accredited only up to level 2 and had to apply for level 3 accreditation). It was universally agreed that the registration and accreditation process was important. However, the requirements were burdensome for training providers to meet (both in terms of time to complete the paperwork and expenditure to meet the requirements), and the processes were slow; one barrier cited was the overlap in the extensive paperwork required for the two processes. Respondents from the implementers and providers agreed that the capacity-building grants were instrumental in preparing training providers for registration and accreditation because grants enabled them to meet some of the requirements (for example, regarding physical space and tools).

5. There were some delays in the VTGF procurement process and the disbursement of funds, but training providers viewed the disbursement process as fair and transparent.

The procurement process for VTGF grants was cumbersome and challenging for the implementers and training providers alike, largely because of the back-and-forth negotiations required. These negotiations stemmed partly from providers' inaccurate or incomplete estimates of training costs on initial applications for VTGF grants, but also from the NTA's difficulty in assessing whether proposed training costs were reasonable. Part of the challenge was in comparing training costs across different training fields. For example, training plumbers might require initial investments in tools not required for hospitality training, but the latter might use many more consumables because food must be purchased regularly for the cooking component. This disparity made it challenging to determine fair and equitable grant allocations to each training provider. Reportedly, negotiations between the implementers and training providers took between two and six months. Despite these challenges, the VTGF procurement process was beneficial in building the capacity of providers to put together detailed cost proposals—valuable knowledge when they bid for trainings under the NTF.

After completing their negotiations, the providers and implementers signed a service-level agreement, which set up a series of milestones associated with a payment schedule. Training providers subsequently were expected to produce regular progress reports, including specific milestones met, to receive each tranche of VTGF funds. The eight providers that discussed the processes and procedures around disbursement of funds and reporting to the implementers agreed that the process was clear and the implementers very supportive. The focus on milestones also received positive feedback. Training providers appreciated knowing what was expected; they found the milestones challenging (for example, not having enough time to complete the milestone, limited training provider capacity to meet the reporting requirements, difficulty in securing employment for trainees) but the requirements for each milestone clear. Several providers noted that the implementers were flexible when they needed to tweak certain milestones as they implemented the program, and appreciated that.

Implementers and training providers had contradictory views on the timeliness of the delivery of funds. Ideally, providers would submit paperwork documenting the milestones to MCA-N, MCA-N would deliver funds to NTA (for NTA-managed grants), and NTA then would disburse funds to the provider. Almost all of the training providers mentioned that the funds did not come as quickly as they should have after completion of a milestone, and several mentioned going "into the red" due to funding delays. MCA-N and NTA disagreed, but for different reasons. MCA-N noted that when payments were late, it was due to delayed receipt of milestone paperwork from the training provider. Additionally, MCA-N conceded that payments of funds for the capacity-building grants were seriously delayed, which could have been what respondents were discussing. The NTA reported that the funds came late from MCA-N, so NTA had to use its own resources to ensure timely payments to providers. It is important to emphasize that these procedural delays did not affect the provision of VTGF-funded training, but the timeliness of payments to providers may be an issue to improve upon when a similar funding mechanism is implemented under the NTF.

As mentioned earlier, the initial VTGF grants were managed entirely by MCA-N, but the NTA took over management of subsequent VTGF grants to reflect management of similar grants under the NTF. For this reason, we also asked respondents whether any changes were evident when NTA took over management of the VTGF funds, but few respondents mentioned any substantive changes. One did mention that the original service-level agreement was "too bureaucratic," so changes were made over time to streamline both the agreement and the procurement and tendering processes more generally. Respondents agreed that the NTA has learned a great deal about the grant procurement and management process through the VTGF pilot, which it will be able to apply to the NTF. In particular, the NTA was able to improve its understanding of the costs of training and how to compare them across providers and skill areas, and establish and modify over time the protocols and templates for managing grants to training providers.

6. **The trainee selection process generally was perceived as fair, but it is not clear that VTGF funding was targeted effectively at the neediest trainees.**

The VTGF impact evaluation involved random selection of VTGF funding recipients from a pool of eligible applicants for each VTGF-funded training when the number of applicants exceeded the number of available slots. Each training provider had a unique process to identify the pool of eligible applicants from those who applied to the advertisements for funding, but MCA-N also had guidelines to which providers adhered. Trainees had to have completed grade 10 and had to show that they fell below an annual household income threshold, set at N$250,000 (after subtracting training costs for any other household members who might be participating in training at the time). This income threshold was drawn from that used by the NSFAF.

Random selection of trainees from the group of eligible applicants was a new process for all training providers. Each had to modify its enrollment procedures to account for this process. Although some providers felt that the random selection was unfair (because some of the best-qualified applicants were not selected, whereas some of the least qualified were), most did not object to the process. Nine of the 12 training providers interviewed noted that the targeted trainees were at least a slight departure from the trainees they were accustomed to serving as to such characteristics as income, gender, or qualifications (such as high school grades) because of

the income cutoff and/or the random assignment procedure. On balance, they felt the entire application and selection process was clear to follow. Although they consistently reported that the selection process was slow, they also said they were well supported by MCA-N throughout the process.

One challenge to identifying eligible applicants was determining whether they fell below the specified household income threshold set by MCA-N. There was not a consistent approach used for this determination regarding the documents required; it was largely left up to training providers. Trainee focus group participants reported that they met this requirement by providing various documents—such as their parents' pay stubs, proof of unemployment, or death certificate—to the training provider. The providers felt they did a good job of following the income threshold requirement,[15] but the implementers were doubtful that the procedure effectively captured the neediest trainees.

Individuals who applied for the training covered by the VTGF grant (and subsequently were randomly assigned to either the treatment or control group) almost universally found the application and selection process to be clear and fair, and expressed a similar motivation for applying to VTGF-funded trainings. Almost all respondents reported that they applied to their specific program because it was the "only option" and learned about it because they, or someone they knew, saw an advertisement in the newspaper.[16] A handful of participants said they were particularly interested in the specific field for which they applied, but a large majority stated they selected their specific training course because it was free and the only option they saw. Participants reported the VTGF course to which they applied as the only option even though several training providers advertised for VTGF scholarships in the same newspapers, and many of these had multiple VTGF-funded course offerings. Since training providers do not operate on the same time line, and VTGF-funded courses were offered at different times of the year, these advertisements would not all have appeared at the same time. Thus, it appears that most potential trainees believed that the first advertisement they saw was their only chance to receive a VTGF grant, and they typically tended to apply for this opportunity, regardless of the field of training.

Consistent with this finding, control group participants that found alternative training programs often went into different fields than the one they tried to enter through the VTGF subactivity. One respondent was in a nursing program at the time of her interview, which was a significant departure from the electrical engineering training for which she originally applied. This example suggests that Namibian youth are open to a wide array of employment possibilities if the opportunity for training presents itself. However, it also suggests the possibility that youth are enrolling in training programs for fields in which they do not have a particular interest or aptitude, which might be reflected in poor future outcomes. With a broader menu of choices and better guidance, trainees could be better linked to an appropriate field.

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[15] Trainee reports in the VTGF baseline survey data suggests that about three-quarters of the trainees who received VTGF funding had annual household income of less than N$60,000, which is much lower than the N$250,000 threshold drawn for VTGF funding.

[16] There may have been other funding sources available for training that were not fully funded; thus, it is likely that respondents meant the "only fully-funded, free option."

7. **All stakeholders concurred that the board and lodging allowance was an important component of the VTGF grants, despite some challenges in administration and concerns about its sustainability.**

Training providers agreed that the board and lodging allowance was very helpful and that it decreased the number of dropouts and increased attendance. Only one training provider disagreed. This provider felt that the allowance was misused by trainees and "made them lazy" and less focused on the training program, echoing a view held by a minority of providers that viewed the full funding of the training as having had a negative effect, making trainees unappreciative and resulting in the recruitment of individuals who were "not serious" about getting skills. Nevertheless, most training providers were positive about the allowance and the VTGF training grants more generally.

Trainee focus group participants universally appreciated the allowance. They consistently reported that it was necessary for participation in the training and resulted in a decreased number of dropouts and increased attendance. Participants in one focus group were clear that, because of a long commute to training, "without the allowance we would not be able to make [it] to class." Although some disagreement existed, focus groups tended to agree that the allowance was sufficient to meet their needs, particularly given that the training itself was free.

A range of respondents, including the NTA, training providers, and trainee focus group participants, agreed that administration of the allowance was a challenge. The universal rollout of the allowance was not initially included in the VTGF plan, thus causing delays in implementation. One challenge in particular was that some trainees had to cover their own costs in hopes of getting reimbursed later, which may have undermined the goal of the allowance. NTA felt the allowance was difficult to manage, and two training providers specifically mentioned the administrative challenges, largely due to the last-minute introduction of this component. Trainee focus group participants suggested that they had experienced delays in receiving the allowance as well as differing implementation practices at different training providers. Specifically, there was variation across trainee focus groups as to whether the allowance had been received, and one focus group reported that the training provider furnished the allowance but reduced it by N$90 for every day a trainee was absent. One training provider confirmed that it used the allowance as an incentive: "There was a huge difference in attendance due to [the] allowance, which was issued based on attendance. It was an incentive for them."

Respondents at the NTA also had concerns about the sustainability of offering the allowance for training in the high-priority skill areas in the future. They fear that the cost would be significant and limit the number of individuals that could be trained with the funds from the levy. NTA staff will be working with the NSFAF, which is assessing the possibility of increasing the allocation to trainees to provide additional funds to cater for trainee accommodation and subsistence allowances.

8. **Trainees were pleased with the quality of the training and felt it improved their employment opportunities.**

To help inform the interpretation of our future analysis of trainee outcomes through the VTGF impact analysis, we asked trainees about their perceptions of the training and post-training plans. Trainee focus group participants generally agreed that skills gained at the trainings were

helpful and the training provider staff were competent. Several participants emphasized their pride at having participated in training and mentioned that their training experience gave them new-found confidence and a belief that they were employable. Participants in two focus groups mentioned that toolkits and materials in certain courses were a hurdle they faced in succeeding in their training program because the toolkits had to be purchased out of pocket (and were expensive) or a shortage of tools existed at the training provider.

Interviewers also asked trainee focus group participants about their perceptions of opportunities for employment and/or additional training upon completion of the VTGF-funded training program. Trainees overwhelmingly hoped to work upon completion of the program rather than continue with additional training. Most trainees wanted to work for a company but many also mentioned self-employment as an option once they earned their certificate. Those trainees who were open to additional training expressed concern that the level funded by the VTGF grant was not high enough to actually get a job, and that they might need to achieve higher levels of training.

9.   Employers were closely engaged with many VTGF-participating training providers.

We also asked employers, which were identified by the VTGF-funded training providers interviewed, about their perceptions of graduates from these providers. We were not able to ask about employers' hiring and perceptions of VTGF graduates specifically because the VTGF trainees at the training providers that we interviewed were still in training. In any case, employers would likely not be able to distinguish between VTGF-funded trainees and regular trainees from the same provider. We thus focused on asking about hiring and perceptions of graduates from the VTGF-receiving training providers more generally. Although it is not guaranteed that our findings will apply to the VTGF-funded trainees (for example, if they had different characteristics than typical trainees from these providers), this approach still is informative about their likely experiences with employers.

The employers interviewed had a very positive view of the training providers receiving VTGF grants. All employers noted being generally satisfied with staff hired from these providers. They also mentioned that employees hired from training providers have similar retention and promotion rates to staff that did not come from them.

We also asked employers about how graduates from these training providers are typically hired. Almost all employers reported that they worked with multiple providers to hire graduates, though many have a primary referral source. Five of the eight employers with which we spoke said they first take trainees on short-term job attachments before hiring them full time. This step offers an opportunity to trainees who need on-the-job experience and helps the employers select only those candidates they know can succeed in the workplace. Training providers and trainees agreed to varying degrees that providers are able to help trainees find work. Some providers claim to arrange jobs (or at least job attachments) for all trainees, whereas others partner with employers who offer a limited number of slots for only the top-performing trainees. About half of the employers noted that they communicate regularly with their partner training providers and mentioned that staff from the provider check in regularly to see what skills they need to bring to the new trainees, and to monitor the progress of the trainees on job attachments. Although the close relationship between employers and training providers is encouraging, it is unlikely that employers will be able to accommodate all VTGF graduates from a given provider and does not

necessarily guarantee that graduates will typically find employment. (Also, as mentioned earlier, training providers had trouble meeting the VTGF targets for the number of employed VTGF graduates.)

B. Implementation of the RPL pilot

The RPL program was designed to confirm pre-existing skills for Namibians who had spent years in a particular labor market without any certification of the skills they had gained through on-the-job experience. Employers identified employees for the RPL program, with the only official requirement being that employees have at least five years of work experience in the field for which they were gaining their certificate. A mentor introduced RPL candidates to the process by providing a roadmap, including assignments and assessments that must be completed to earn an RPL certificate, and served as the assessor for the program. An example of the type of assignment that RPL candidates completed is documentation of every skill acquired at each job they have held in their lives. An example of an assessment for a room service attendant might be for the mentor to observe the RPL candidate preparing a hotel room for a guest. The intent of the program was that if these employees could be certified, their job security and opportunities for higher-paying employment would increase. We interviewed several RPL recipients in the tourism and hospitality sector (the two sectors involved in the pilot) as well as their employers. Our analysis found that perceptions of the RPL program among the GOPA consultant, RPL recipients, and their employers were positive, although it is too early to determine whether the program will make a substantive difference to the recipients' labor market outcomes.

1. The RPL pilot was implemented successfully, but it was challenging to obtain the participation of employers.

Broadly speaking, the RPL program was implemented as planned, despite several challenges identified during implementation. The RPL pilot program planned to provide certification to 130 candidates in three occupations (tour guide, hospitality, and road construction), and the program achieved these targets (GOPA 2014a). However, the implementing entities faced three important challenges in implementing the pilot. First, there were some challenges related to the time line because finalizing the plan for implementation of the pilot took longer than expected. Second, it was difficult to find assessors to implement the pilot. Finally, it was challenging to obtain buy-in from employers contacted to participate in the pilot, possibly because there was no direct benefit to them if their employees achieved the RPL certification and because they were aware of a similar pilot that had been rolled out unsuccessfully two years previously. Employers' approval was needed for the employee to participate in the pilot. In most cases, employees had paperwork to fill out on the premises, which had the potential to cut into work time. Also, employers recognized that the employees earning the RPL certification do not gain any new skills but they may expect a raise or try to get a job elsewhere; consequently, they were apprehensive about their employees participating in the pilot. Eventually, buy-in was obtained from 15 employers that were strongly behind the program and happy to see long-time employees earn certification for their skills. Once these challenges were overcome, implementation went relatively smoothly. However, the reluctance of many employers to participate could be an important challenge for the program as it expands under the NTF. It also suggests that the employers who did participate were those that were very supportive of the concept, so it may not be surprising that they had positive perceptions of it.

2. The RPL pilot was viewed positively by participating recipients and employers, but it is too early to determine its effects on recipients.

Employers and RPL certificate holders reported consistently positive feedback regarding the RPL program. RPL certificate holders found the process to be straightforward and relatively easy, given that it consisted mostly of filing paperwork and being observed on the job rather than taking courses. The RPL mentor was based in the capital, Windhoek, and supported Windhoek-based employees on a regular basis (about monthly) as they worked toward their RPL certificates. Non-Windhoek-based employees received only one visit from the mentor after the start of the program, during which they were assessed on skills as part of their certification process. RPL graduates in Windhoek felt they learned a lot from the mentor, which made the process of filling out paperwork very smooth.

Interviewers asked RPL certificate holders whether their employers were reluctant to have them complete their RPL certificate during work time. Employees noted that they could acquire RPL certificates on the job if they stayed at work for slightly longer hours to complete the RPL paperwork, so generally this was not a problem. Most RPL certificate holders felt the certification increased their job security and mobility and were grateful that the program was fully funded. Views on whether the certification improved employers' perceptions of RPL recipients were mixed, although the majority of certificate holders and employers felt that employers' perceptions had not changed. No wage raises were reported after completion of certification, though neither employers nor employees seemed surprised by this fact. Because the RPL certificates were awarded only recently, it may take some time for any effects on perceptions of employees, job mobility and security, and wages to manifest themselves.

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IV. FINDINGS ON NTF IMPLEMENTATION

The intent of the National Training Fund (NTF) subactivity was to establish a fully operational national training fund managed by the Namibia Training Authority (NTA), which would serve as a sustainable source of funding for vocational training in high-priority skill areas in Namibia. Key components of the NTF subactivity included developing regulations required for fully operationalizing the NTF; establishing the NTF council; and piloting all aspects of the VET levy. The VET levy requires eligible employers to contribute to the NTF through a payroll levy; it disburses levy funds to employers to pay for their employees to be trained and to training providers to conduct vocational training in the high-priority skill areas identified by the NTA.[17] The evaluation approach for this subactivity involves a performance evaluation through a qualitative implementation analysis.

The first round of qualitative analysis for the NTF subactivity seeks to inform the following research questions:

1. Was the establishment of the VET levy implemented as planned?

    a) How did actual implementation compare to planned implementation, and what were the reasons for any deviations from plans?

    b) What were the main challenges to implementation, and how were these addressed?

Key findings from this chapter

- The additional legislation required to operationalize the NTF was gazetted in January 2014; it mandated a levy on employers with an annual payroll of N$1 million or more at a rate of 1 percent of the payroll.

- NTA and GOPA worked effectively to mobilize the NTF council and pilot test the LCDRS.

- The levy collection commenced on April 1, 2014 as planned; about 2,200 employers had registered and paid the levy at the time of data collection. NTA expects to meet the annual target for levy intake of about N$250 million (approximately US$20.3 million) in the first year of collection. However, effective enforcement of registration and accurate levy payment are possible concerns.

- A fully functioning levy distribution system has not been developed yet, even though reimbursement for employer-sponsored training is expected to begin in April 2015.

- Difficulty in determining the key priority skill areas in all of the industries, limited training provider capacity to meet demand for training in high-priority areas, and staffing gaps at NTA are some of the potential barriers to effective utilization of resources available through the NTF.

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[17] A third part of the levy money is used to administer the NTF.

    c) How was the transition from the pilot to the fully operational stage of the VET levy managed? What were the successes and challenges related to the transition? Was it functioning well when handed over to the NTA for management?

    d) What was the NTA's readiness to manage the NTF, and to what extent was this influenced by its involvement with the Vocational Training Grant Fund (VTGF)?

2. How is the VET levy operating in practice compared to the specifications outlined in the regulatory framework?

    a) What is the compliance rate?

    b) What enforcement mechanisms are in place?

    c) How does the NTF measure and respond to market demand for skills?

    d) What is the role of the private sector and civil society in the system?

    e) What are stakeholders' perceptions of the performance of the VET levy, and how and why have these changed over time?

    f) What are the ongoing successes and challenges?

3. What are the stakeholder perceptions of the sustainability of the VET levy?

    a) Is the system perceived to be financially sustainable?

    b) Is the system perceived to be sustainable in terms of organization and management?

These research questions focus on three important junctures in the evolution of the VET levy—the system's establishment, initial operations, and likely sustainability. The first question focuses on analyzing key implementation strengths and weaknesses during the establishment phase, including the critical transition from the pilot phase to full implementation. This largely was complete by the time of the data collection and will be the focus of our analysis. The second question explores the operations of the VET levy, focusing on the levy collection and distribution components. Because the data were collected just after the transition from the piloting phase, and levy distribution had not yet begun (though collection was underway), we will be able to provide only preliminary description of VET levy operations and perceptions of operations in the future. Similarly, in answering the third research question, we will be able to explore only early perceptions of long-term sustainability. The second round of qualitative data collection, planned for late 2015, will provide further valuable information on both operations and perceived sustainability. To inform the current research questions, the evaluation team collected data from the NTA, MCA-N, GOPA (the consultant that implemented the subactivity), employers eligible to participate in the system, ISC members (charged with identifying high-priority areas), and other key stakeholders.

A. Operationalization of the NTF

The NTF was formally established by the Vocational Education and Training (VET) Act of 2008, but additional legislation was required to mandate the payroll levy to operationalize the NTF. Our analysis suggests that a delay in passing this additional legislation was an important challenge to implementation, but GOPA and NTA worked together effectively to develop the

VET levy after it was passed. The mobilization of the NTF council was an important step in this process.

1.   Delays in passing the required legislation were a major challenge to implementation.

A precursor to establishment of the NTF/VET levy was getting additional legislation approved by the cabinet and passed by the national assembly. Implementing partners frequently mentioned the delays in passing the legislation as a major challenge to implementation. The delay in cabinet approval set the project back more than a year, and the final legislation was gazetted only in January 2014. One specific challenge of the delayed timeline was that it meant less time was available between the rollout of the VET levy and the end of the compact; the NTA thus had limited experience in operating the system when MCC-funded support ended. The process for the cabinet and legislative approval was slow not because of any fundamental policy debate about establishing the NTF, but rather because of the need to consult with stakeholders, a process seen as necessary to ensure buy-in and ultimate success. The process for accommodating stakeholder input was lengthy but it did not result in any fundamental changes to the legislation, rather, the wording of the regulations were fine tuned. A GOPA respondent agreed that the legislative delays were a challenge, noting that so many parties were participating that language would be parsed for many weeks.

The final legislation stipulated that it would be mandatory for employers with an annual payroll of N$1 million or more to pay the levy; the levy rate would be 1 percent of the annual payroll. It exempted a specific set of employers: the state, the regional councils, charitable organizations, public educational and not-for-profit institutions, and faith-based organizations. The legislation designated the NTA as the collection agency. It also stated that up to 50 percent of the levy funds would be allocated for employer training grants, 35 percent for training in key-priority areas, and up to 15 percent for collection and administrative expenses.

2.   GOPA consultants led the operationalization of the NTF and had a strong working relationship with the NTA.

Given the lack of capacity and staff at NTA, an external consultant was brought in very early in the process to help operationalize the NTF. GOPA—a development consulting firm with expertise in and experience with training funds and levy collection—was retained, and four consultants brought on board.[18] GOPA worked closely with a small group of NTA staff.

GOPA took a leadership role in operationalizing the NTF. Respondents agreed that the division of roles between GOPA and the NTA during this process was clear. When asked which components they worked on, a GOPA respondent said "practically everything"; more specifically, these components consisted of 46 deliverables assigned to GOPA by MCA-N. These deliverables were related to operationalizing the NTF council, developing the levy framework, piloting the VET levy, and building staff capacity at NTA (more details on these components are provided below). Respondents from both GOPA and the NTA agreed that their

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[18] The four consultants came on board in a staggered fashion. One had a major role, whereas the other three were brought in to support that role.

working relationship was strong and critical to the successful establishment of an operational NTF.

3. The NTF Council was mobilized to advise the NTA on the NTF, manage the funds raised, and ensure transparency and fairness.

The NTF Council (the council) was formally created by the VET Act of 2008 that established the NTF, although it had not yet been established in practice at the start of the GOPA consultancy. Its primary role is to advise the NTA on the NTF, including the framework for registering employers with the VET levy and the use of funds. The council is also meant to ensure the transparency and fairness of the system. Mobilization of the council was an important component of implementation once it became clear that NTA would have to manage levy funds without help from any other government entities or ministries. The NTA and GOPA assembled the council between 6 and 12 months after the launch of the NTF. The NTA respondents to whom we spoke felt that the council worked well in advising the NTA board during the establishment of the VET levy.

At the time of the interviews, the council had seven members, including one NTA board member and others not employed by the NTA, such as employers, financial managers, and representatives from the education sector. The council initially had five members, but two new members were added to provide additional stakeholder perspectives. In addition, a goal of adding these new members was to include women on the council; before their participation, the council consisted of men only.

B. Systems and staffing

For the NTF/VET levy to operate effectively, the appropriate systems and staff must be in place at the NTA. One important element is the levy collection, distribution, and reporting IT system (LCDRS) developed to manage the VET levy, including employer contributions and fund distribution. Our analysis suggests that this IT system is performing its basic functions well, although it fell short of what originally was envisaged. A shortage of staff at the NTA is an ongoing challenge to effective NTF operations; though this shortage is in the process of being addressed, there is a need to expedite the hiring process and also to further build the capacity of staff. Finally, the monitoring and evaluation framework that GOPA developed to track progress and performance at the NTA is facing some challenges in implementation because of a lack of dedicated monitoring and evaluation staff.

1. The development of the IT system (LCDRS) for the NTF was a major challenge, and the system was not as fully developed as originally envisaged.

One component of the initial design not fully implemented as envisaged was the IT system to manage the VET levy. The intent was to develop a comprehensive web-based system to enable employers to register for the levy, inform employers when payments were due and how much they owed, and process levy payments and disbursements. However, significant delays occurred in developing the system, and the system still was not fully built out by the end of the compact. This was largely because the initial international contractor did not focus on developing the financial management information systems, and subsequently when a local company was awarded the work by MCA-N, it was unable to deliver the full product within the agreed-upon budget. In addition, neither the NTA's IT department nor GOPA was in a position to give

sufficient input to system specifications; NTA lacked an IT manager at the time and had very limited capacity to contribute to the process, and some of the initial delays occurred before GOPA commenced its work with NTA. Ultimately, the IT system provided the employer registration and levy collection components but not a fully developed levy distribution component. Nevertheless, the NTA proceeded with implementation of the VET levy using this system.

Employers and NTA respondents agreed that the levy collection system was functioning at the time of the interviews. Some employers found the online registration to be straightforward, whereas others described it as somewhat challenging to use. NTA respondents mentioned problems with the IT system causing implementation delays. However, one respondent who oversaw the implementation of the subactivity said that the final web-based system was popular among employers despite the challenges, and was "one thing we can be very proud of."

2. NTA needs to hire more staff and engage them in further capacity building.

The NTA had to increase staff substantially after it was designated as the collection agent for the NTF (the Inland Revenue or Social Security Commission were considered as possible collection agents at the planning stage). However, staff vacancies are being filled at a slow pace. The NTA added three new managers in the months prior to data collection: a manager of levy collection, a manager of training advisory service, and a manager of fund administration and disbursement. However, a respondent from GOPA noted that the NTA needed to continue adding more staff. The organization also needs sufficient IT support staff with the right skills to support the IT infrastructure that backs the VET levy. At the time of data collection, only about half of the staff needed at different levels were in place at the NTA.

These organizational and management capacity constraints could limit the NTA's ability to act quickly on fully operationalizing the NTF. In addition to the need for additional staff, uncertainty exists at the highest level of leadership because the organization has been led for some time by an acting chief executive officer. Inadequate and uncertain staffing at the management and operational levels has hampered NTA's ability to move forward quickly on implementation issues, such as assessing levy compliance rates, monitoring the quality of employer-provided training, and ensuring that training providers are maintaining standards for various trainings. To manage the collection and distribution of levy funds successfully, NTA needs to fill its staffing gaps at all levels on an expedited basis.

Both GOPA and NTA respondents said they were aware that once GOPA's engagement was over, NTA needed to be self-sustaining. To facilitate achieving this goal, one of GOPA's activities was to provide capacity building for NTA staff related to managing the NTF/VET levy through formal training, workshops, and mentoring. However, NTA staff indicated that they still required further capacity building. One idea GOPA proposed was to send the NTA leadership team to South Africa or Botswana to see how those countries implement similar levies.

3. GOPA successfully developed a monitoring and evaluation framework, but a lack of dedicated monitoring and evaluation staff at the NTA is hampering its implementation.

GOPA was charged with supporting the development of a monitoring and evaluation framework, which is essential for sustainable operation of the NTF. The framework included an

indicator tracking table for tracking progress and performance toward specific indicators, and was aligned with the NTA's strategic plan. Developing this framework took a long time; it was finalized only about four months before our qualitative data collection. From the start, some miscommunication existed among MCA-N, NTA, and GOPA regarding what the monitoring and evaluation framework should include and how it should operate. This misunderstanding led to some duplicative work and delays. However, respondents agreed that the effort was worthwhile and the framework developed was useful. Though GOPA played a major role in developing the tool, both GOPA and NTA respondents agreed that at the time of the interviews the role of monitoring and evaluation rested fully with the NTA.

Although NTA had started to use the framework, it still was reporting some challenges. An NTA respondent said, "One of the challenges is that we don't have a monitoring and evaluation division ... it's not getting the prominence it should be getting and I think we are moving towards ensuring that there is [a] system [in] place, people to drive that, that is the biggest challenge [in] the monitoring and evaluation." Another NTA respondent agreed that one challenge of implementation was not having enough staff to properly conduct the monitoring and evaluation component of the oversight work, and that "the framework is there but there [is] still a lot that must be done."

C. Transition of the NTF/VET levy from the pilot to the fully operational stage

At the time of data collection, the NTF/VET levy had been operationalized after pilot testing and levy collection had started; we explored this rollout through the perceptions of employers and other stakeholders. We found that employers were consulted and engaged extensively, both during the development of the levy-related legislation and the initial operational phase of the system. Although the NTF had only recently started collecting the levy at the time of data collection, employers' registration and compliance was encouraging. Employers' perceptions of the VET levy were mixed, but having the levy enshrined in legislation was a strong motivating force for compliance.

1. The VET levy was pilot tested on a significantly delayed schedule but provided useful insights about the functioning of the system.

As summarized in GOPA's final report on the establishment of the NTF (GOPA 2014b), NTA and GOPA pilot tested the VET levy in 2012 and 2013 on the appropriateness and suitability of the system for implementation on a national basis. Because of the delays in the development of the related LCDRS IT system (as discussed earlier), the pilot testing also had to be postponed. Nevertheless, 22 companies participated in the pilot to test the levy collection and distribution processes. The testing process commenced with the participating employers paying a token levy into the NTF bank account. The IT system was tested by reconciling the amounts paid by the employers with both the amounts stated in the IT system and the amounts uploaded to the NTF bank account. As part of the VET levy, participating employers can apply for reimbursement of the costs for any employee training they sponsor, provided they submit documented evidence of training implementation. As part of the pilot, GOPA reported that it tested the IT system by uploading and processing the training plans and evidence of training implementation. Ultimately, the pilot allowed an opportunity to fine tune the system, even though some of the functions that were supposed to be completed electronically had to be done

manually. It provided a good insight into the types of issues to be expected in the national rollout of the VET levy.

2.   NTA made a strong effort to engage employers in the development of the NTF/VET levy and raise awareness when the levy collection system rolled out.

The NTA was committed to gaining buy-in from employers for their participation in the VET levy, and interviews with employers indicate they had some success. The NTA team reached out to employers at various stages of development of the system to begin a dialogue and market not only the public good that employers would be providing by paying the levy, but also the benefits they would receive in better-trained employees.

The NTA engaged employers and employer representative bodies in the levy legislation-writing process—an early effort to reach out and earn their trust and support. Feedback from these stakeholders contributed to an adjustment in the initially proposed levy rate (from 1.5 percent to 1 percent) and payroll threshold for participation in the VET levy (from N$350,000 and above to N$1,000,000 and above).

Upon implementing the VET levy, the NTA launched a "road show," speaking with employers about the levy and addressing their concerns. NTA respondents reported that the strong marketing campaign played a major role in the employer registration and compliance. Funding through the VTGF subactivity was used for advertising and meetings throughout the country to familiarize employers and other stakeholders with the VET levy and address their concerns. This effort also was important because of changes to the initially proposed levy rate and payroll threshold for participation in the VET levy. An NTA respondent said, "The road show was there to sensitize the employers that it was final and coming, and the gazette is out with what the final rate is, [and] the final rate is different from the initially proposed rate. The threshold for registration was lifted from the initial to the final number, so that was part of road show across the country—to alert the employers that this [is] what is going to happen."

3.   Early signs of registration and levy collection are encouraging, but effective enforcement of the levy is a possible concern.

Registration of businesses for the VET levy was progressing well at the time of data collection, and GOPA and NTA viewed it as a successful component of the NTF subactivity. To make the registration process convenient, NTA designed an online registration process (as part of the LCDRS) with which employers generally were satisfied. NTA staff were particularly proud of this effort, given that they had limited personnel and had not expected to be the collection agency for the NTF (and given some of the challenges in developing the IT system, as discussed below).

The transition of the levy collection system from the pilot to the fully operational stage worked relatively smoothly. The levy collection commenced on April 1, 2014, as planned, and at the time of data collection for the evaluation, about 2,200 employers had registered and paid the levy. NTA expects to meet the annual target for levy intake of about N$250 million (approximately US$20.3 million) in the first year of collection. Although most employers found the levy payment system easy and transparent, some appeared to have concerns about sharing their banking information through the online system. Respondents at NTA and GOPA noted that

the levy collection system has been working well because the operational procedures (including registration of employers, receipt of electronic payments, and distribution of invoices) were tested thoroughly during the pilot phase.

Two issues exist related to effective enforcement of the levy, which is essential for successful operation of the NTF. First, the NTA must determine whether all eligible employers are registered for the levy. Because a comprehensive database of employers is not available at the moment, NTA and GOPA respondents noted it was difficult to assess how many employers should register with NTA. Second, the NTA needs to monitor whether the registered employers are paying the correct amount of the levy. Although a vast majority of the employers that registered are paying the levy, the NTA has not yet conducted an assessment of the accuracy of the levy payment. Because the amount of the levy each employer pays depends critically on the size of the payroll the employer declares when it registers with the NTA, it is important to verify whether the reported payroll size is accurate. The employer may submit documentation (such as tax returns or audit reports) to substantiate the declared payroll size, but the NTA does not yet have a functioning system for verification of payroll information.

The NTA has plans to address these levy enforcement-related issues. It is working with other agencies to build a database of employers potentially eligible to pay the levy. Having such a database would allow NTA to assess what fraction of the population of all eligible employers has registered and work with the non-registered eligible employers to get them registered. In addition, at the time of data collection, NTA was planning to appoint compliance inspectors, who would be authorized to verify whether registered employers have declared the correct payroll information on their registration forms and ascertain whether they are paying the correct amount of the levy. However, a respondent from GOPA noted that compliance inspection should really be "the last straw" after exhausting all other options. He further explained that "There are payroll officers at companies that are working directly with [NTF to ensure they are paying] the correct amount, and that in itself is compliance." Implementing partners agree enforcement could be challenging, but that successful implementation will put public opinion on the NTA's side and compliance will follow.

4. A fully functioning levy disbursement system has not yet been developed.

The disbursement of levy funds is another important aspect of the levy system, and the NTF has not transitioned to a fully operational disbursement system. As stated in the levy regulations, 50 percent of the levy funds will be allocated for company-sponsored training grants, to be reimbursed to the employers who paid the levy. However, at the time of data collection, NTA, GOPA, and MCA-N respondents suggested that the guidelines still were not clear on what kind of training provided by employers would be eligible for reimbursement. In consultation with the NTA board and other stakeholders, NTA was trying to arrive at a definition of vocational training that accommodated training in the full range of professions eligible for reimbursement. In addition, at the time of data collection, the system for employers to submit the reimbursement request, along with evidence that trainings were conducted, was not yet fully functioning. Employers who paid the levy will be able to submit requests for reimbursement starting in April 2015. Thus, it might be quite challenging for NTA to establish clear guidelines about what constitutes training, make the reimbursement process functional, and then handle all of the reimbursement requests within a short period of time. The NTA/NTF has committed to

reimbursing employers for the employer provided trainings in as short a time period as possible; however, since the system is new, they acknowledged that the goal of reimbursement within a month of an employer's submitted request might be a challenge. Some of the employers with whom we spoke expressed concern that it was still not clear how they would be reimbursed for the money they paid to the NTF.

5. Early employer perceptions on the VET levy were mixed.

Employers learned of the VET levy through a public awareness campaign, which included radio announcements, advertisements in the newspapers, public meetings, and direct emails to employers, when possible. Employers had mixed views on whether the introduction of the VET levy was a positive development. Some were not optimistic that the NTA could manage the system or spend the money wisely, whereas others cited the proven success of similar systems in neighboring countries. About half of the employers were content to pay the levy, whereas the other half were doing so only because it was the law. Several of the ISC respondents we interviewed (who are representatives of employers in their respective industries) noted that employers are willing to pay the levy as long as the money is used well. However, one ISC respondent observed that quite a bit of confusion still exists regarding how employers can be reimbursed for training they conduct. Employers also generally seemed unaware of the details about being reimbursed.

GOPA and MCA-N respondents mentioned that, on balance, employers were happy with the NTF and the work the NTA had done up to the time of the interviews. A respondent from NTA noted the inconsistencies in the views of employers: "The employers see it very differently; the one says the levy is too little, you would not be able to achieve anything. The next would say the levy is too high, you are taking too much of our money; [there is a] vast difference between the views of employers."

D. NTA's ability to measure and respond to market demand for skills

The NTF was designed to fund training in key priority skill areas for the Namibian economy; effectively identifying and addressing gaps in these skill areas thus is critical to the success of the NTF. ISCs are the bodies primarily tasked with identifying high-priority areas; they comprise key representatives from industry. Our analysis found that some ISCs are working as planned to advise the NTA on high-priority skill areas and other training-related issues, whereas others are less active. Market demand for skills is likely to be based on both ISC-determined priorities (through industry knowledge, industry consultations, and special market studies) and government priorities. Respondents at NTA, GOPA, and MCA-N felt that the capacity of Namibian training providers to address gaps in the identified skill areas is a concern, and further support for capacity building, registration, and accreditation may be required.

1. ISC members represent a range of sectors and/or industries but are focused on a common goal of improving vocational skills in Namibia.

A total of 10 ISCs have been established. Some have been in place for several years, but others were established more recently. ISCs are classified by sector, although some include multiple sectors and/or industries (for example, a single ISC covers the construction, mining, quarrying, electricity, gas, and water industries). Each ISC can have up to 10 members, although all of the ISC members we interviewed said that their ISCs currently had fewer than 10 members

and were attempting to fill the remaining vacancies. Members serve for a three-year term, which is renewable once; they typically are experienced senior managers (in both the human resources and technical operations) active in their respective industry associations or one of the large firms that dominates their industry. After the NTA approaches industry associations or firms, these entities nominate individuals for ISC membership. Nominations subsequently are approved by both the current ISC members and the NTA, although several ISC members reported that the approval process for new members is very slow.

In seeking nominations for membership, the NTA attempts to ensure representativeness across all included sectors and industries, although this is not always possible. For example, large hotel chains have not been represented on the tourism and hospitality ISC to date, although the NTA currently is attempting to recruit new members from these hotel chains. In addition, ISCs can span multiple sectors and industries, but ISC members uniformly reported that interactions between members were focused on the needs of the sector/s as a whole, rather than promoting the interests of a specific industry within a sector. ISCs thus typically operate by achieving consensus among members. As one ISC member put it, "It's not about [a] contest [between sectors/industries], it's about getting the Namibian training to another level."

2. ISCs are supposed to meet quarterly, but not all ISCs are active; their role is to advise the NTA and goes beyond simply identifying high-priority training areas.

Although ISC meetings are supposed to take place on one afternoon each quarter (and members thus spend only a few days a year on ISC-related work), the discussions at the one meeting we observed were robust and productive. NTA representatives also attended this meeting, and the NTA provided secretarial support. Some of the ISCs are more active than others, and some of the more recently established ISCs are not yet meeting regularly, as prescribed.

Although identifying high-priority areas for training (focusing on the lowest skill areas, levels 1 to 5) is an important part of an ISC's role, ISC meetings also focus on other issues. In particular, there is a focus on discussing and approving "unit standards" for courses in certain skill areas,[19] as well as discussing other relevant developments at the NTA (such as the Recognition of Prior Learning (RPL) program and levy scheme). In the ISC meeting we observed, the committee not only produced a list of key priority areas for training, but also determined key priority areas for the development of new unit standards and put forth a resolution to encourage job attachments at an earlier stage of training.

ISCs act as advisors to the NTA; although they can make recommendations, final decisions on training priorities and other matters rest with the NTA itself. The relatively recent advent of the "technical committee," which consists of all ISC chairs, was consistently mentioned as important in increasing the engagement between the NTA and ISCs. The technical committee reviews recommendations from ISCs and advises the NTA board accordingly; it also communicates key proposals and decisions from the NTA to ISCs for feedback. This has helped ensure that the NTA considers the views of ISCs. ISCs feel that their input is valued and is making an important contribution to strategic decisions at the NTA. For example, one ISC

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[19] Unit standards are defined competencies that a course must cover to be accredited by the NQA.

member noted, "a couple of unit standards been drafted and accredited with NQA"; two other ISC members mentioned that their input has been especially helpful on implementing the RPL program.

3.   ISCs determine high-priority skill areas through insider knowledge, sector consultations, and ad hoc market studies, but the NTA also takes government priorities into account.

ISCs determine high-priority areas through their own knowledge of the sector, consultations with industry, and market studies supported by the NTA. Most ISC members are themselves employers or employer representatives, and they consult with other employers and company executives. Although none of the employers we interviewed had heard of ISCs or knew how they determined market demand, these consultations may simply be taking place at a higher level (for example, with industry associations). If more information is needed, ISCs can request the NTA to commission market studies or conduct an analysis of existing data to provide the relevant information. These studies typically are conducted on an as-needed basis according to specific ISC needs, rather than in a more systematic way. Although we cannot assess the quality of these studies (for example, the extent to which industry surveys are representative) based on the qualitative data we collected, it is clear that ISCs valued the support of the NTA in conducting them.

The high-priority areas identified by ISCs feed into the broader sector skills plans for each sector that NTA has compiled, which examine not only high-priority needs but also the current skills available in the sector and the training market (some ISCs cover very diverse sectors and have multiple sector skills plans). The sector skills plans are intended to facilitate not only the identification of high-priority needs, but also the development of a plan to address them. For example, it might be determined that training providers do not currently provide trainings in specific skill areas, but that new equipment or the development of new unit standards could enable them to do so. About half of the sector skills plans have been developed recently; the others are expected to be completed during the current financial year.

In determining the allocation of funding for high-priority skill areas, the NTA plans to take into account information from the ISCs, sector skills plans, and other government priorities as outlined in the fourth National Development Plan. However, respondents were not entirely sure about how the allocations will be determined in practice. In the second round of qualitative data collection, we will be in a better position to explore how these allocations are being made.

Overall, difficulty in identifying the key priority areas in all of the industries could become a significant barrier to successful expansion of NTF-funded training. With the provision of at least 35 percent of the levy funds for training in key priority areas, determining these areas is an important prerequisite for NTA to optimally invest the levy funds for procuring training. Due to a lack of concrete recent data, and with not all of the ISCs functioning fully, the critical steps of determining high-priority areas for training and developing sector skills plans have not been completed for all industries and sectors. This lack may pose a significant challenge for NTA in ensuring timely and effective use of the levy funds.

4.   The limited capacity of training providers may be a challenge in addressing high-priority needs.

Respondents at the NTA, GOPA, and MCA-N mentioned that it may be challenging to address the identified needs for high-demand skill areas through the NTF because of a lack of training provider capacity in Namibia. Specifically, only a limited number of training providers are registered with NTA and accredited by NQA. Most of these providers offer traditional types of vocational training; their capacity to offer high-quality trainings in the key priority areas, and at the levels NTA would require, seems limited. A GOPA respondent suggested that "the lack of registered training providers [has] not improved since 2010, it is the same ones, nothing has happened and [there] is a long queue of [training providers] waiting to be registered." Several respondents mentioned that the registration process was cumbersome; streamlining this process (and the accreditation process) could facilitate more training providers entering the market.

Providing capacity-building grants to training providers may be critical in ensuring that the identified training needs can be met. The final legislation related to the NTF did not specify the possibility of allocating NTF funding for capacity-building grants to training providers. However, because the NTF receives funding from both the employer levy and directly from the government, there is likely to be a substantial amount of funding that remains unused in the short run.[20] Respondents from MCA-N, NTA, and GOPA suggested that NTA may need to consider allocating grants for building capacity at both existing and new training providers so they can diversify and expand the type of trainings they could offer. Engaging training providers from outside of Namibia (for instance, from South Africa) may also be necessary to meet the short-term need for delivering higher-level trainings in key priority areas.

E.   Perceptions of sustainability

Respondents were asked about three issues concerning sustainability: whether the NTF will be financially sustainable, sustainable in organization and management, and whether the employers will continue to pay the levy. Although it may be early to accurately predict the NTF's long-term viability, these initial perceptions may still be informative as to whether the NTF is on the right track (we will obtain further perceptions in the second round of qualitative data collection in late 2015). Most respondents perceived that the system was financially sustainable and believed that employers will pay the levy, but perceptions were more mixed regarding organizational sustainability.

1.   Most respondents agreed that employers would pay the levy and perceived the NTF to be financially sustainable.

Most employers and NTA staff we interviewed agreed that employers would pay the levy either because "they have to" or with the caveat that NTF needs to manage funds effectively and transparently so that employers can see the funds are being put to good use. Employers were the respondents most likely to say they will continue paying simply because it is the law, whereas other respondents believed that employers would contribute only if they perceived that the fund was well managed and being utilized effectively. One stakeholder summarized these feelings by

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[20] Although the relative amounts contributed to the NTF by the levy and direct government funding depend on compliance with the levy, the levy constitutes a relatively smaller portion of the overall funding.

saying, "Sustainability will still be impacted by the use of the funds. If those contributing don't see the impacts, or get the information, then it's simply not sustainable. It's important to maintain confidence in those who are investing in [NTF]. They must see the impacts."

The majority of respondents (including employers, NTA staff, and GOPA) also thought that the NTF was financially sustainable, although a small minority thought it was not, because it would fall short of the training goals and subsequently lose political support. Respondents cited positive early signs from the first round of levy collection as a good indicator that the system can continue to raise the expected funds from the employer levy. Another frequently cited reason for positive perceptions of financial sustainability was that other countries in the region, such as Botswana, have had success with a similar system. South Africa's success is more tempered, but respondents noted that lessons were learned to improve the system there, and that Namibia is a smaller country, so this type of system would be easier to manage. Finally, respondents noted that NTF's continued receipt of government funding in addition to levy contributions from employers increases the likelihood that it will remain financially viable.

2. Perceptions of the sustainability of the NTF in terms of organization and management were mixed.

The most typical response to the question of organizational sustainability was that the NTF will be sustained only if the right actors are in place, both in number of staff and staff capacity. A key challenge facing NTF is spending the money it has raised both effectively and transparently. Perhaps not surprisingly, all NTA respondents reported that a strong team was in place and they were prepared for the managerial challenge of the NTF. However, they acknowledged the most critical upcoming challenge would be to use the money wisely and show that the system is getting Namibian youth trained in those areas in which employers need workers. Other respondents had more mixed views on whether the NTA could effectively manage the NTF with its current staff, and whether the related staffing challenges would be addressed effectively in the near future. Respondents from the Ministry of Education, MCA-N, and GOPA were hopeful for the success of NTF but expressed only guarded optimism. Respondents from the other development partners (USAID and GIZ) stressed the importance of efficient and competent management of the funds.

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V. FINDINGS ON COSDEC IMPLEMENTATION

The Community Skills and Development Center (COSDEC) subactivity was designed to improve the physical infrastructure of seven COSDECs—Namibian institutions that provide vocational training targeted to marginalized populations, especially out-of-school youth—through construction or renovation of their training facilities and provision of new tools and equipment. In four of the COSDECs, the new facilities included small- and medium-enterprise (SME) units, which are designed to provide business development support to COSDEC trainees and other community members to engage in income generating activities. Through Transtec, a consultant, the subactivity also provided technical assistance to the COSDECs and the Community Skills and Development Foundation (COSDEF)—the umbrella body that supports the COSDECs—in a number of areas. The evaluation approach for this subactivity involves a qualitative implementation analysis, combined with a quantitative outcomes analysis for a cohort of trainees in the new or renovated COSDECs who will be surveyed one year after training.

Our analysis of the COSDEC subactivity seeks to inform the following research questions related to implementation and its expected effects:

1. Was the COSDEC subactivity implemented as planned?

    a) How did actual implementation compare to planned implementation, and what were the reasons for any deviations from plans?

    b) What were the main challenges to implementation, and how were these addressed?

Key findings from this chapter

- The construction of the new and renovated COSDECs largely proceeded as planned, despite some delays, and all of the COSDECs were operational by the end of the compact. SME support units were constructed as planned but were not yet fully operational at the time of data collection for this report.

- The retooling of COSDECs with new equipment was not a success. The tools were procured from a supplier who won the procurement based on the lowest price, but provided tools of very low quality that did not fulfill stakeholder expectations.

- Despite difficult working relationships among stakeholders, technical assistance given in management and budgeting, formal registration, and instructor training generally was viewed as valuable and having made a substantive change in COSDEC operations. Further support will be needed in moving forward, especially in instructor training and marketing the COSDECs.

- The COSDECs' financial sustainability could hinge on their ability to formally register with the NTA. Their registration and accreditation also will be important in enabling "articulation" of COSDEC graduates to higher training levels.

2. How did COSDEC training affect trainees' employment outcomes?

    a) What was the pattern of employment for trainees?

    b) What was the role of SME support in the effects of the trainings on self-employment?

3. How were the new and renovated COSDECs managed?

    a) What management practices were being applied, and were they likely to change in the future?

    b) Are the new COSDECs financially sustainable?

    c) Did COSDECs make progress toward adoption of unit standards and accreditation, and did this affect "articulation"?[21]

    The first research question seeks to better understand the implementation of the COSDEC subactivity, including both the construction/retooling and technical assistance components, which were completed right before collection of data for this report. The second research question focuses on the outcomes of trainees. Although it is too soon to answer these questions, because trainees had not yet graduated from the new COSDECs at the time of data collection, we were able to examine trainee perceptions of future employment and training opportunities, as well as the potential role of the SME unit. The third question focuses on management changes resulting from the technical assistance component of the subactivity, including the management practices implemented in the new COSDECs, other changes to operations made or planned (including progress toward formal registration and accreditation), and initial perceptions of financial sustainability. To inform these research questions, the research team spoke with a variety of stakeholders, including COSDEC managers, trainee focus groups, COSDEF leadership, MCA-N and Transtec staff, and employer representatives.

A. COSDEC construction, renovation, and retooling

    The two main components of infrastructure improvement under the COSDEC subactivity were the construction or renovation of the COSDECs and retooling them with new equipment. MCC funded the construction of new COSDECs when the existing COSDECs were in very poor condition, and the renovation of COSDECs in better condition. MCC also funded the supply of new tools and equipment—such as computers, work tools, and modern equipment for various types of training—to all of the new or renovated COSDECs. The COSDECs required new equipment both to accommodate the expected increase in the number of trainees and training courses accompanying the expanded physical space at the COSDECs, and because many of the existing tools were out of date and/or in poor condition. Our analysis of the qualitative data indicates that the construction and renovation of the COSDECs largely proceeded as planned, but significant implementation challenges arose related to the new tools and equipment.

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[21] "Articulation" is the idea that Vocational Training Centres (VTCs), the main government-funded training institutions in Namibia, will recognize COSDEC qualifications (which cover training levels 1 and 2) and enable COSDEC graduates to directly enter higher-level training courses at the VTCs.

1. The construction and renovation components of the COSDEC subactivity largely were implemented as designed, although use of the SME units had not yet begun.

The construction and renovation of the physical infrastructure in all seven COSDECs was implemented as designed. The only substantial change to this component was in the timeframe, with construction completed a few months after originally scheduled. All respondents, including MCA-N, the local Chamber of Commerce, COSDEC managers, and trainees strongly supported the investments made in the construction and renovation of the COSDECs, and several COSDEC managers expressed gratitude for this investment. Respondents agreed that the new buildings improved perceptions of the COSDECs among potential trainees, employers, and the community at large.

This infrastructure investment also included the construction of SME units in four of the COSDECs. These SME units are small buildings from which aspiring entrepreneurs, including both trainees and community members, can run a micro or small business (for example, a barber shop or cell phone repair shop) before moving into their own space off site once the business is up and running. The units are located within the COSDEC premises and are designed to provide business development support through a broad range of services to those starting up a business and lacking in capital. These include equipment and a workspace and/or office space, project-based entrepreneurship training based on national modules, mentoring and demand-driven advisory services, marketing support, assistance in networking with partners and professional organizations, guidance on accessing financial capital, and assistance in contract negotiations. These services are designed to be delivered in an integrated manner to successfully "incubate" new micro- and small enterprises and support and strengthen them once they are established, even off site. COSDEF respondents and COSDEC managers highlighted the importance of incubation as key to the success of the SME units. They explained that people should not simply be given access to an SME unit and told to start selling goods; rather, trainees should be taught budgeting, financial management, and other fundamentals of entrepreneurship before the COSDEC supports their work within an SME unit.

At the time of the qualitative data collection, construction of the SME units was complete or nearly complete but their utilization generally was still in the planning phase. One COSDEC was piloting the use of its SME unit, but most of the CODEC staff with whom we spoke had not yet begun utilizing SME units for their intended purpose. For example, one COSDEC was running a bricklaying course out of the SME unit while the effort to start the unit was still underway. Interviewees from two COSDECs mentioned that they had recently hired a coordinator who would lead the effort in the coming months to engage entrepreneurs and get them started in the SME units (ideally, SME units in each COSDEC are managed by a dedicated SME coordinator). We hope to learn more about the use of SMEs in a future round of data collection, when they have had more time to become operational.

2. Some implementation challenges arose, particularly in the retooling component of the COSDEC subactivity.

Managers of renovated COSDECs said that the greatest challenge in implementing the renovations was that they took place while training continued. In some cases, training had to be moved off site; even if it could continue on site, the construction activities sometimes led to poor

attendance (due to delays in training and an unpleasant learning environment), dropouts, and poor implementation of the training programs.

In addition, it appears that the design of the new facilities could have been improved by having MCA-N better engage the COSDECs directly at an early stage. A few COSDEC respondents commented that the design of the new COSDECs was not well thought out. For example, they were designed to provide shared workspace for activities that could not easily share space—for instance, welding and plumbing. Although the respondents were grateful for the improvements, they felt a COSDEC manager should have reviewed the design before construction began so that the final design addressed some of these more practical concerns. Respondents from MCA-N recognized this gap and anticipated that the COSDECs might raise such concerns. One respondent from MCA-N noted, "Some of the training centers might have issues regarding their buildings and in terms of the design. When we started, we didn't have inputs in from their side in terms of the design." This appears to have been an oversight in implementation; future interventions in the COSDECs might seek to engage them actively at all stages in the process, including the design stage.

Finally, respondents universally agreed that the retooling component of the subactivity was not a success and presented major challenges. First, tools arrived many months later than originally anticipated. The delays meant that planned training of trainers, and even trainings themselves, could focus only on the theory components of training because there were no tools with which to practice. Second, when the tools did arrive, many were in poor condition. The extent of the usability of the tools was not entirely clear at the time of the interviews, but the interview team observed piles of unworkable tools that either were damaged or so "used" that they no longer functioned. Six of seven COSDEC managers mentioned that the tools were inadequate, as did a respondent from MCA-N and one of the trainee focus groups. A respondent at MCA-N who was close to the tool procurement process suggested that it was a mistake to award the procurement to an overseas-based firm that was not well known and had no local presence, even though this firm offered the least costly option.

B. Technical assistance: Transtec's role

MCC's investments in the COSDECs went beyond building brick-and-mortar facilities; it also included funding for technical assistance. MCA-N hired Transtec as its consultant to deliver technical assistance related to management and budgeting, registration with the NTA, and instructor training. The project design was for Transtec to work with the COSDEF to provide technical assistance to the COSDECs. In practice, although delivery of some aspects of the technical assistance was well coordinated and well implemented, others lacked such coordination, and some stakeholders did not perceive them to be relevant in the Namibian context.

1. **Some aspects of technical assistance were delivered as designed and well received, but there is a need for additional support related to training of instructors and marketing of COSDECs.**

The most frequently cited support that Transtec provided was management assistance. An MCA-N respondent said this piece was added to the original technical assistance plan when the need for improved management to ensure the success of the new COSDECs became apparent.

Six of the seven COSDEC managers we interviewed expressed appreciation for help with budgeting and developing a strategic plan through the management assistance support. Although limited management capacity at the COSDECs made it challenging to carry out the strategic planning element, it was an important capacity-building exercise for the COSDECs. Two COSDEC managers noted that development and implementation of the strategic plan were challenging but the end result was worthwhile.

COSDEC managers also commented positively on support for their formal registration with the NTA as training providers (COSDECs traditionally have not been registered) but noted that it was still a work in progress.[22] One respondent noted that his COSDEC was registered; others said the work to become registered was continuing. Transtec, contracted to support the registration process as part of the technical assistance it provided, suggested that the NTA's lack of clarity regarding the exact requirements and documentation for registration was a challenge, although this aspect improved noticeably toward the end of the compact. In addition, a respondent close to the implementation process said that Transtec's technical assistance to COSDECs was not sufficient to establish a close relationship between the centers and the NTA, which is important not only for the registration process but also for continued NTA support. Nevertheless, COSDEC managers noted that becoming registered will increase dramatically the funding they received from the NTA; they expected the increased funding, together with the legitimacy provided by registration, to improve the outcomes of trainees.

COSDEC managers also mentioned technical assistance related to training of the COSDEC instructors as helpful for their professional development, although they saw a need for additional instructor training. This training was especially beneficial for instructors who joined the COSDECs immediately after completing their diploma without having done much (or any) practical work in the field. Transtec respondents reflected on instructor training as a specific success of their work. One Transtec respondent said "The training has been useful—not according to me but to the trainees. They got their new skills and they are applying them, but it takes some time for them to incorporate that into their day-to-day operations." However, other COSDEC managers indicated that the intensity of instructor training was not adequate to improve the quality of the training the COSDECs offered. They suggested that instructor training should have been a more focused component of the MCC's investments in the COSDECs from the beginning. This suggestion underscores the demand for additional training and emphasizes the fact that even after construction and retooling of the COSDECs, well-trained instructors are essential for a well-functioning center.

One area in which COSDECs did not receive adequate technical assistance was in marketing their new and renovated facilities to potential trainees and the wider community. Transtec was not responsible for this task directly, but both Transtec and COSDEF understood the need to support the COSDECs in this regard. COSDEF hired a separate marketing consultant, who traveled around the country aiding COSDECs with marketing, but COSDEC managers gave the

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[22] Transtec's contract included only support for registration of the COSDECs (with the NTA), rather than support for accreditation (with the NQA). However, because requirements for accreditation largely overlap with those for registration, the latter was intended also to move COSDECs toward accreditation. Registration requirements included demonstrating financial sustainability and suitable financial management systems, appropriate tools and equipment, sufficient instructor qualifications and experience, and a quality management system.

consultant's efforts negative reviews. COSDEC managers generally appreciated the help with marketing but felt they had too little support, largely because the single marketing consultant did not have the time or resources to individualize the advertising for each COSDEC.

2.   Multiple simultaneous activities, limited capacity at the COSDECs, and strained working relationships between stakeholders posed challenges to the implementation of technical assistance.

One implementation challenge may have been that the construction and technical assistance components were implemented simultaneously, placing high demands on participants in the subactivity. The COSDEC managers to whom we spoke did not seem to mind that construction and technical assistance overlapped, even saying that the activities complemented each other well. They acknowledged that this overlap was a challenge at times but said that it was well worth the outcome and they did not have any concerns about it. In contrast, respondents from MCA-N and Transtec seemed to agree that it may have been too demanding to implement so many activities simultaneously. A Transtec respondent observed, "Building new facilities and equipping the centers, including temporarily relocating the training, while also changing the organizational structure, the planning, budgeting, and management systems etc., all at one time, was a tremendous challenge. Perhaps it was too ambitious."

Some Transtec and COSDEF respondents reported that there were challenges in the relationships within and between their teams that were never fully resolved during the implementation period. In addition, COSDEF staff did not always have collegial relationships with staff at the COSDECs. The strained relationships appear to have been caused in large part by confusion regarding division of responsibility and to a lesser extent by personality conflicts. For some tasks, the parties involved were unclear about each organization's role. The COSDECs also felt such challenges, as center managers were unclear regarding which organization (COSDEF or Transtec) was meant to assist with which task; they reported sensing turf battles that made the technical assistance less effective.

Overall, staff at MCA-N who oversaw Transtec's work were happy to see some progress, but in the end felt that the latter's contributions were only partly successful. As one respondent from MCA-N put it, "Their approach didn't really reach, the existing capacity [at the COSDECs] was not sufficient, and to some extent they built capacity—but I still believe that it could have been done better. The COSDECs are functioning better than before, but they are not quite there yet." There were also some concerns about the relevance of some of Transtec's technical assistance. Two COSDEC managers noted that their staff never were entirely convinced that the approaches presented by Transtec (such as formulation of a strategic plan) would work in the Namibian context.

Transtec respondents recognized the limited impact of their work and noted how the timeframe and work plan needed to be adapted to conditions on the ground. Specifically, the limited capacity at the COSDECs made the delivery of technical assistance quite challenging and required more time and effort than originally envisaged. As a result, the consultants spent much more time directly interacting with the COSDECs than originally planned and had to adjust some of the content of the planned technical assistance, such as providing more intensive management technical assistance related to budgeting and strategic planning.

C. Experiences with and expectations of the new COSDECs

The COSDEC subactivity had just been completed and the first cohort of trainees at the newly renovated centers were still in training when we collected the data for this report, but respondents were able to speak to their initial experiences with and future expectations of the COSDECs. At the time of data collection, more than 1,100 trainees were enrolled in level 1 and 2 trainings at the seven COSDECs supported by the subactivity. These trainings started in July 2014 in such trades as office administration, plumbing and pipefitting, food preparation and serving, joinery and cabinet making, welding and fabrication, and clothing and textile production. Overall perceptions of the new COSDECs from a variety of stakeholders were very positive, and there were initial indications of increases in the types of training, number of trainees, and training quality. However, there was still some doubt as to whether COSDEC graduates would be able to "articulate" to higher levels of training, and whether COSDECs would be financially sustainable in the future.

1. **Trainees and COSDEC managers had positive perceptions of the new and renovated COSDECs, although limited materials and instructors pose an ongoing challenge.**

Our research team inquired about how trainees and managers perceived COSDECs and how they were being used at the time of the interviews. Trainees and COSDEC managers agreed that COSDECs were better known and more respected at the time of the interviews than they had been in previous years, suggesting that those perceptions would continue to permeate through the community. To give an idea of how far their COSDEC has come, one COSDEC manager said, "[Implementation has very much changed perceptions of COSDECs,] because of the appearance of the center itself. In the past, the COSDEC was like a dumping site, now the appearance is changing the mind of the community."

Trainees in focus groups shared how they heard about the COSDECs, their initial impressions, and how the COSDECs were being used at the time of the interviews. All focus group participants reported being from the surrounding villages, and they all had heard about the opportunity on the radio or from a relative or acquaintance. They were enticed because they did not want to "sit at home and do nothing" and the program seemed "very cheap." Before arriving, many trainees had little idea of what to expect. One example comes from a student who signed up for hospitality and recognized the word "hospital" in the name of the course, so she said, "I was thinking like maybe I am going to be a nurse or something, because hospitality you know. Only to see pots and spoons when I came. I was a little bit confused but later I was fine." Other trainees reported a similar lack of understanding as to the exact nature of the course in which they were enrolling, but all trainees who talked about satisfaction with the program said they were satisfied or very satisfied. One student noted how proud they were to be attending the renovated COSDEC, whereas before the renovation they would have "had the taxi drop [them] off around the corner, so people wouldn't know" they were attending the COSDEC.

Trainees routinely mentioned two main challenges they faced at the COSDECs. First, most trainees reported that their courses had insufficient materials available, particularly consumables, such as metal for metal working or cooking supplies for hospitality courses. The second challenge was a shortage of instructors, which meant that classes were overcrowded and often started late because instructors were busy teaching another course. Some said that the long delays and waiting reduced their motivation to attend regularly. Increasing the availability of

materials and instructors thus could be important to further improve the quality of training at the COSDECs in the future.

MCC expected that the new and renovated COSDECs would facilitate improvements in the gender balance of trainees in different trades. The new facilities offered a more accommodating environment for women (for example, having separate toilets for men and women). Also, relevant stakeholders, including COSDEC managers, were aware of MCC's interest in promoting greater gender balance. However, about half of the COSDEC managers we interviewed reported no change in the gender mix. The other half reported a slightly positive trend toward more women participating in traditionally male-dominated courses and more men in traditionally female-dominated courses. However, no COSDEC managers talked about any specific effort to try to affect the gender balance.

2. There were some increases in types of training, number of training slots, and training quality.

One goal of the COSDEC subactivity was to increase the quality and quantity of training available, both within existing training courses and with expanded course offerings. COSDEC managers were evenly divided as to whether they would add new course offerings, whereas MCA-N believed the COSDECs would do so in the coming year or two (allowing for the time they are likely to need for hiring instructors and developing curricula for new courses). All respondents were in agreement that the overall number of trainees being trained was increasing, but the timing of increases and the way COSDECs absorbed them varied across centers. Some COSDECs were able to add additional time slots for each course, whereas others were not, so their courses became full or overcrowded because they added slots by increasing class sizes.

COSDEF and Transtec respondents and one COSDEC manager compared training quality before and after the MCC investments, and agreed that training quality had improved. One respondent attributed the quality improvement to smaller class sizes and additional time slots added, another mentioned the improved facilities, and the third respondent mentioned the increased morale and skill among instructors and other staff, which led to quality improvements. Although the subactivity's provision of new and modern tools and equipment was intended to improve training quality, the implementation problems discussed above likely indicate that this mechanism for improved quality was not realized.

3. There are indications that COSDECs are being managed differently than in the past, but some of the changes are still underway.

Before the intervention, very few formal management procedures were in place at the COSDECs. The new management procedures introduced by the technical assistance component thus represented a significant change. Transtec needed to gain buy-in and build capacity, as COSDEC managers typically did not have a background in management and initially were not interested in overhauling the way they ran their COSDECs or implementing more rigorous procedures. A key component of the management changes involved Transtec's work with COSDEC managers to develop a performance management system, which included developing strategic plans. In addition, Transtec introduced a monitoring component that focused on issues such as what training materials were available and needed, what specific training programs a COSDEC was operating, and the details of that training (for example, number of trainees and

graduates). Two COSDEC managers mentioned that these changes are happening, albeit slowly, estimating that they would be fully operational by 2015.

Technical assistance also included a focus on financial management, accountability, and sustainability. COSDECs introduced centralized financial management systems, which increased their capacity to operate in a financially sustainable way. One major change was that COSDECs transformed their budgeting systems from line item to activity-based budgets (where the former approach doesn't distinguish between different types of activities and instead presents different types of costs covering all activities). This change was intended to make COSDEC financial management systems "business based" so they could account for profit and loss. Prior to the subactivity, financial accounting was limited to how much money COSDECs could bring in, rather than creating balanced budgets and monitoring profits and loss.

One particular challenge of the new management system was long-term planning. Managers struggled with developing long-term plans for their COSDECs (on a 5- or 10-year time line), but Transtec worked to support them as they developed these plans. The Transtec respondent mentioned that the new management practices are "leaps ahead" of where they were before the intervention. Several COSDEC managers agreed with this assessment, with one stating that "Now what Transtec did is that they came up with a strategic plan, and also objectives. And they helped us a lot, because it brought in a reporting structure, budgeting, they have taught us a lot of things. We did not even know how to budget; a lot of things, like management training, and also pedagogical skills."

Looking ahead, COSDEC managers note that they will be expected to take on a more substantive managerial role in the future. One COSDEC manager said, "Finance-wise they [COSDEF] want the [COSDEC] to take over and start managing our own finances and all that, and make sure we have everything in [the plan], and know how can we make the center grow. This is what they are trying to implement so that you manage your own finances, make your own income." Another COSDEC manager said, "We now have the financial set-up ready, the reporting structures [in place]. Instead of reporting to everyone, you have a route you follow when it comes to reporting." Another COSDEC manager disagreed, saying managers were not involved in managerial changes taking place, as "those are things that happen at the head office [COSDEF]." It appears that the changes in operational and financial management have not been adopted uniformly across all COSDECs. The COSDEF may need to devote special attention to centers that have fallen behind in this respect.

4. There is no consensus on whether "articulation" of COSDEC graduates to further training will take place, and in what time frame.

Articulation is the idea that upon completion of a COSDEC level 2 course, a candidate is adequately prepared for a level 3 course at a Vocational Training Centre (VTC).[23] Currently, COSDEC graduates typically have to repeat the level 1 and level 2 courses if admitted to a VTC because they do not recognize their COSDEC certificates.

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[23] VTCs are state-owned vocational education and training institutions that train up to diploma or technician level. There are seven VTCs in Namibia. Despite nominal entry requirement of grade 10 completion, due to space and resource constraints, most students are able to enroll in a VTC only after completing grade 12.

The research team asked respondents about preparedness for articulation now and in the future; responses were quite variable. Implementing partners agreed that articulation is "not there yet." Some felt that registration and accreditation would lead to articulation within a year, whereas others were doubtful that articulation would ever materialize. The lack of articulation upon renovation and retooling of COSDECs has been a particular frustration for MCA-N. One MCA-N respondent noted, "We have travelled around the country and the big thing coming out is that it was supposed to be if one student finished at COSDECs they were supposed to continue with the levels up to VTC and do more advanced levels without having to repeat the same things they did previously. I mean, that's two years of someone's young life you are wasting if you want them to come and repeat things."

Some COSDEC managers were more positive about articulation, with two of them noting that their center now "feels like a VTC" and that they are on the right track. Trainee focus group participants were even more positive, expressing confidence that they would be accepted to VTC level 3 courses upon completion of COSDEC courses (although this could reflect a lack of information about the true situation). If articulation does not materialize, there might be some backlash in the future about the quality of COSDEC training among trainees, parents, and other stakeholders.

5. Most respondents were positive that COSDECs would be able to maintain their new buildings and equipment, but perceptions of financial sustainability were mixed.

COSDEC managers mostly felt they would be able to maintain the structure, equipment, and tools of the COSDECs. Both COSDEC managers who spoke on funding the maintenance and operations of their COSDECs felt that their current funding stream from the government for these components would continue into the future. One MCA-N respondent concurred that managers should be able to physically maintain their COSDECs, observing that, "If you are teaching a building maintenance course, you should be able to maintain your building, and if you are teaching a woodworking course, you should not have any trouble maintaining sturdy tables and benches for your trainees."

Respondents did not address sustainability of management for the most part, but did address financial sustainability. COSDEC managers had varying degrees of confidence that the COSDECs will be financially sustainable moving forward—some were very optimistic and some very doubtful. A respondent from MCA-N noted that registration will be the financial "lifeline" for COSDECs, saying that as long as COSDECs become registered, the NTA can be a source of substantial financial resources.

VI. IMPLICATIONS AND TASKS AHEAD

As part of its education project in Namibia, MCC invested in expanding the availability and quality of vocational training. These investments comprised three subactivities: grants for high-priority vocational skills training through the VTGF, technical assistance to establish the NTF, and improvement of Namibia's network of COSDECs. Using qualitative evidence, this report has assessed the implementation of these three subactivities and discussed respondent perceptions of outcomes that might result from these investments.

As we discussed in the previous chapters, the core components for all three subactivities were implemented largely as planned. Under the VTGF subactivity, the training grant component provided new opportunities for youth to receive vocational training and seems to have provided the NTA with valuable experience for conducting similar grant programs funded through the NTF. Under the NTF subactivity, the levy collection system has been operationalized, and the early signs of employer registration and payment to the levy collection system are promising. Under the COSDEC subactivity, the construction and renovation of the targeted COSDECs have been completed, and several aspects of the technical assistance regarding improved operational and financial management were well received. However, there were areas in which implementation faced challenges and plans were modified to accommodate the conditions on the ground.

In this chapter, we discuss the implications of our findings for policy and practice. We also describe the data collection, analysis and reporting tasks ahead under the ongoing evaluation of the vocational training activity.

A. Implications for policy and practice

The findings presented in this report suggest several implications for ensuring the success of the subactivities in Namibia as they evolve after the compact and some lessons for implementing similar programs in other countries in the future. The main implications are as follows:

1. The limited number of training providers in Namibia, and the courses and levels at which they offer training, was a challenge in meeting VTGF training targets and will be an important ongoing challenge in addressing high-priority skill areas through the NTF. This challenge could be especially important if the high-priority areas include new skills and higher levels of skill not currently available from Namibian training providers (which might be the reason for their being high priority in the first place). Providing funds and support to training providers through capacity-building grants may be critical in increasing the number of providers and the skill areas and levels at which they are accredited to provide training.

2. Related to this implication, the registration and accreditation process for training providers is widely viewed as lengthy, cumbersome, and unnecessarily duplicative (since many of the requirements for registration and accreditation are similar). If these processes can be simplified and made more efficient, more training providers may be able to enter the vocational training market and/or increase their course offerings. This issue is also important for COSDECs, for which registration may be the key to financial sustainability, and accreditation the key to articulation of graduates to higher levels of training.

3. The ability of the NTA to "learn by doing" through its management of the VTGF grants was a critical part of the vocational training activity. Although this does not guarantee that the NTF will be successful, it does make it more likely that the process of awarding and managing grants will operate smoothly and effectively under the NTF. Specifically, the NTA will be able to use improved VTGF procedures and templates, and apply the lessons learned in evaluating the proposed costs of training to expedite the process of awarding grants.

4. It may remain challenging for NTA to identify high-priority skill areas in which funds from the NTF will be invested. In addition to ensuring that ISCs for all of the identified sectors are fully operational, the process for identifying the priority skill areas needs to be made clear and robust. Harmonizing information on workforce demand from the industry and other national-level data sources might be necessary. In addition, the NTA may want to consider using the training providers as a conduit of information about demand for skills as they interact with industry leaders and employers, and learn about evolving demand for workers in different skill areas.

5. Establishing a fully functioning levy distribution system is critical for gaining the continued support and confidence of employers in the NTF. The NTA, including the NTF council and the NTA board, needs to make a decision on what constitutes vocational training so that employer-sponsored training costs can be reimbursed. Since reimbursements for such training are expected to begin in April 2015, a functioning system through which employers could submit evidence of training easily and be reimbursed quickly needs to be in place soon. Absent such a system, employers' confidence about the entire NTF may erode, leading to longer-term challenges for the fund.

6. Quickly filling all vacancies at the NTA with qualified staff will be important for it to successfully carry out its mandated responsibilities. Adequate staffing is necessary for NTA to fully implement its assessments of compliance with levy payment and reimbursement requirements, procure training through the training providers, ensure they are maintaining training standards, and support the IT needs of the NTF/VET levy. In addition to hiring new staff, NTA may want to invest in capacity building for all staff through in-house training and possible collaborations with similar systems in neighboring countries.

7. Trainees may need additional financial support to maintain participation in training programs. A board and lodging allowance will likely be necessary, even though it may impose a burden on funding of training in high-priority skill areas through the NTF. If an allowance is offered, it should be included in the early planning phase rather than implemented later, which makes administration of the allowance more challenging. Ideally, this allowance should be targeted at disadvantaged trainees, but it may be challenging to develop a mechanism to effectively target the allowance (or funding more generally) at this group.

8. Youth in Namibia are eager for training but typically do not put a great deal of thought into the skill areas in which they are interested or for which they have an aptitude. Future funding could include a more coordinated outreach to match the skills and interests of trainees more appropriately with the intended training. Ideally, this matching would increase the quality of applicants, retention rates, and trainees' employment prospects by helping to ensure that trainees are actively identifying a course of study of interest to them.

9. The technical assistance component of the COSDEC subactivity could have been better tailored to the Namibian context and the initial capacity of the COSDECs. Further consultation with the COSDECs and COSDEF at the start of the subactivity might have facilitated such tailoring as well as improved the working relationship with the consultants (although some personality clashes may have been inevitable).

10. Similarly, for the future design of infrastructure development investments similar to the COSDEC subactivity, it would be useful to consider engaging some of the stakeholders on the ground at an early stage. Such engagement will allow these stakeholders to assess how the design fits in their context, create an opportunity to address any practical concerns early on, and possibly gain greater buy-in from stakeholders about the investments.

11. COSDECs will require additional technical support when moving forward in areas such as strategic planning, financial management, and registration. With the end of the compact, the COSDEF will play a critical role in providing this support. COSDECs may also need further material support to meet some of the requirements for registration, especially given the lack of success of the subactivity's retooling component. It is not clear where they will get this support, although the government and other development partners may play a role.

12. Two other factors are likely to be critical for the continued success of the COSDECs: recruiting and training instructors, and ensuring articulation of COSDEC graduates to higher levels of training. COSDEC managers and trainees noted that a shortage of instructors is a significant barrier to expanding the number of training courses and slots. In addition, even with improved physical infrastructure, trained instructors are critical for ensuring a high quality of training. The COSDEF may need to identify ways to support investments in recruiting, training, and retaining instructors for the COSDECs. Articulation is also an equally important factor; absent articulation, opportunities for COSDEC graduates to further their training may be limited.

B. Future plans for qualitative data collection

We plan to conduct a second round of qualitative data collection in the fourth quarter of 2015. As Table VI.1 shows, at this point, a substantial amount of time will have passed after the completion of the implementation of the three subactivities. Thus, the second round of data will enable us to gather evidence on the longer-term evolution of the interventions after the completion of the compact.

Table VI.1. Status of subactivities at the second round of qualitative data collection

Subactivity	Second Round (Q4, 2015)
VTGF subactivity	All VTGF-funded trainings completed at least one year earlier (up to three years earlier)
NTF subactivity	Levy collection system in place for about a year and a half; levy distribution and reporting system implemented about six months earlier
COSDEC subactivity	All new COSDECs fully operational for more than a year

The second round of qualitative data collection will focus primarily on outcomes of the NTF and COSDEC subactivities, and build on the information gathered in the first round. For the NTF subactivity, we will focus on examining the operations of the NTF after more time has passed, as well as obtaining updated perspectives from stakeholders on its expected sustainability. We also plan to collect data from a new cohort of RPL trainees to understand how the program is working in the post-pilot phase, which will be managed under the NTF. For the COSDEC subactivity, we will focus on understanding how the new COSDECs are operating and being managed after more time has elapsed since completion of implementation, as well as exploring trainees' labor market experiences (from the employer perspective) to complement the quantitative trainee outcomes analysis. We also plan to conduct focus groups with COSDEC trainees enrolled at the time of data collection to understand their experiences at the COSDECs more than a year after the new buildings and equipment were in place. With the completion of the VTGF-funded trainings included in the evaluation, the evaluation of the VTGF subactivity will focus largely on the labor market engagement of trainees, informed by the quantitative impact evaluation rather than further qualitative analysis. Table VI.2 shows the respondents we plan to interview during the second round of qualitative data collection.

Table VI.2. Stakeholders for second round of qualitative data collection

Data source	NTF evaluation	COSDEC evaluation
NTA	X	
RPL certificate recipients	X	
COSDEF		X
COSDECs		X
Focus groups with trainees		X
Employers	X	X
ISCs	X	
Other stakeholders[a]	X	

[a] May include development partners, ministry officials, COSDEC and NTF board members, NTF council members, and members of chambers of commerce.

NTA = Namibia Training Authority, RPL = Recognition of Prior Learning, COSDEF = Community Skills and Development Foundation, COSDEC = Community Skills and Development Center, ISC = Industrial skills committee.

C. Other analysis and reporting tasks ahead

As mentioned in Chapter I, the evaluation of the vocational training activity will include an impact analysis for the VTGF subactivity and an outcomes analysis for the COSDEC subactivity. In addition to informing several key research questions directly, the first and second rounds of qualitative data will provide valuable contextual information to inform these analyses. The first round of qualitative data on implementation of the various components of the VTGF subactivity may help us better understand findings from the quantitative VTGF impact analysis. We will conduct this impact analysis using data from a follow-up survey on trainee outcomes at 12 months following their completion of the training, which is expected to be completed at the end of 2015. The two rounds of the qualitative data collection on the COSDEC subactivity are also expected to help interpret findings from the quantitative COSDEC outcomes analysis. We

plan to conduct this analysis using data from a 12-month follow-up survey of COSDEC trainees to be administered during the fourth quarter of 2015 and third quarter of 2016.

We will present consolidated findings from all the qualitative and quantitative analyses in three reports, organized by subactivity. A final report on the VTGF subactivity will present findings from the impact analysis, along with a synthesis of findings from this analysis of the first round of qualitative data. We will prepare a separate report on the COSDEC subactivity to present findings from the outcomes analysis and the analysis of the second round of qualitative data; we will also summarize findings from the first round of qualitative data analysis. Finally, a third report on the NTF subactivity will summarize the first round of qualitative data analysis and present findings from the second round of qualitative data analysis. As indicated in Figure VI.1, these reports are expected to be completed during the third and fourth quarters of 2016.

Figure VI.1. Timeline for the evaluation

	2011		2012				2013				2014				2015				2016				2017			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
VTGF subactivity																										
Implementation			VF									VS		VE												
Quantitative data collection—baseline																										
Quantitative data collection—follow-up																										
Qualitative data collection																										
Reporting															RI	RB				RF						
NTF subactivity																										
Implementation												NL	NG			ND										
Qualitative data collection																										
Reporting															RI						RF					
COSDEC subactivity																										
Implementation											CM	CM	CE/CT	CE/CF	CF	CF	CF									
Quantitative data collection—follow-up													CR	CR												
Qualitative data collection																										
Reporting															RI	RM					RF					

(Vertical markers: END OF COMPACT at 2014 Q3/Q4; END OF CONTRACT at 2017 Q4)

Note: The figure shows only implementation that overlaps with evaluation activities; implementation started earlier in most cases.

VF = end of first VTGF training; VS = start of last VTGF training; VE = end of last VTGF training;
NL = levy implementation begins; NG = GOPA staff leave; ND = levy distribution begins;
CM = moved to new buildings; CE = received equipment; CF= end of trainings included in follow-up survey; CT = Transtec staff leave; CR = recruit trainees for survey;
RI = implementation analysis report; RB = baseline report; RM = baseline memo; RF = follow-up report

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APPENDIX A

COMMENTS AND RESPONSES TO THE FIRST AND SECOND DRAFTS

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Evaluation of MCC's Vocational Education and Training Activity in Namibia: Findings and Analysis of the First Round of Qualitative Data
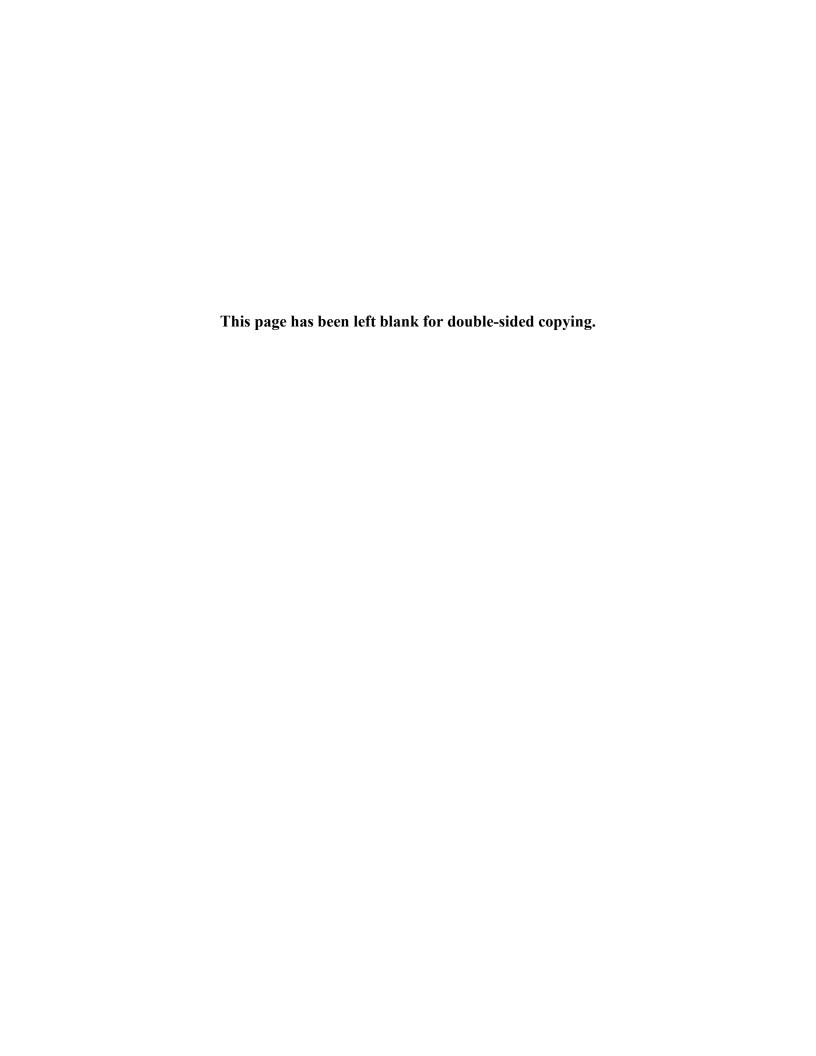
Comments and responses on the first draft.

5/18/15

COMMENTS	RESPONSES
General Comments	
Having reviewed the evaluation report, my view is that the findings fairly captured and presented the relevant changes that are emerging due to the MCC funded sub-activities.	Thank you.
I have read through the report and have not found any glaring inaccuracies. I am glad that the procurement of COSDEC tools is highlighted…I think the focus on RPL producing higher incomes is a bit over stated, although that would be a great outcome, for me RPL allows mobility, of which increased income is only one of many advantages.	Thank you. Duly noted. We did not say too much about income other than no changes were detected, so we have left the text as is, but will keep this in mind for round 2.
As a general comment, the report uses LCDRS when referring to the VET Levy. This change needs to be effected throughout the document. The LCDRS refers to the IT system that we use for the Levy Collection, Disbursement and Reporting.	Changes made.
Thank you for the draft report. Interesting and balanced in my view, and capturing the essentials. I do not have any comments.	Thank you.
When I sent my immediate comments, I forgot to mention a general aspect that I observed regarding the evaluation of the COSDEF/COSDEC Technical assistance. I think it is well known to the evaluation team that the consultant was contracted to meet certain delivery targets specified in the consultancy contract. While it is valuable to record the opinions of the various stakeholders, which are by nature very subjective, for the evaluation to be balanced, I believe it would have been important also to establish to what extent the TRANSTEC met the delivery targets specified in the ToRs and the contract of services.	Assessing performance of specific contractors is a monitoring task, which MCC and MCA-Namibia may have performed on their own. We didn't cover these monitoring issues in this report.
Specific Comments	
Page xi: The piloting of the employer training grant was part of the VTGF and is not mentioned. Furthermore, funds were made available, as part of the VTGF, for the marketing of the VET Levy. This is not mentioned.	Mention of both has been added. Although these components were funded through the VTGF subactivity, in this report we have organized findings related to them under the NTF subactivity because they are directly related to setting up the NTF's levy collection and disbursement processes.
Page xiii: It seems strange that only one person in COSDEF was interviewed as a number of allegations is made about personnel conflicts. Secondly, I think that it a mistake not to interview members of the COSDEF board, who have a major management and control role	Thank you. We hope not to assign responsibility for any conflicts, but only note their existence and the impact on the project based on the data collected. We will consider more participants from COSDEF and the COSDEF board in round 2.

COMMENTS	RESPONSES
Page xiv: The only concern with the boarding and lodging is its sustainability. The amount made available was N$ 750 per trainee per month. The NTA may not be in a position to continue supporting ever increasing number of trainees with boarding and lodging allowances.	Duly noted. We have added this concern to the text.
Page xvi: Guidelines providing details of the types of training eligible for the VET Levy have been developed and communicated to employers. An IT system has been developed to cater for the employer training grant claims. Claims for the employer grants are being received.	We have updated the text to reflect that this reflects the reality at the time of data collection. Your comments will be fully reflected in the Round 2 report.
Page xvi: All 10 Industry Skills Committees have finalized their sector skills plans which determine the sector needs. A consolidated plan is being developed.	Thank you for this update! This will be reflected in the Round 2 report.
Page xvi: The NTA staff structure is now over 85% populated. The NTF is 100% populated.	Thank you for this update! This will be reflected in the Round 2 report.
Page xvii: I think the formulation is misrepresenting the facts. What was consistently reported was the internal conflicts between the senior management staff within the COSDEF Head Office and the conflicts between specified members of the COSDEF Head Office management staff and the COSDEC Center Managers. Transtec and the Transtec consultants were not part of the conflicts, but merely observed them and reported on them.	We have changed the emphasis of this finding, but think it reflects the information collected.
Page 2: The LCDRS refers to an IT system used for levy collection, disbursement and reporting. I would suggest substituting LCDRS with 'VET Levy Regulations and Notice'	Change made.
Page 2: In addition to the two mentioned allocations, we may want to mention the allocation for the NTA administration of the VET Levy as well.	Duly noted and added.
Page 4: LCDRS in this context is not correct. Let's refer to the NTF or the VET Levy rather.	Change made.
Page 6: Where LCDRS features, let's substitute with NTF or VET Levy, unless we are referring to the IT system.	Changes made.
Page 8: As stated above, it is a major omission not to have interviewed members of the COSDEF Board of Trustees, as they have major management tasks and responsibilities	Thank you for this feedback. We will look into interviewing members of the COSDEF board for Round 2.
Page 15: Please note that the basis for the priority areas was the research done by the ISCs that were in operation at that stage. These were the Hospitality and Tourism ISC and the Mining, Quarrying, Construction, Electricity, Gas, Water Supply and Sanitation ISCs.	This information has been added.
Page 20: Please take note of the comment on sustainability of the boarding and lodging mentioned earlier. However, the NSFAF has been engaged and is working on increasing the allocation to trainees to perhaps provide additional funds to cater for trainee accommodation and subsistence allowances.	Duly noted. We revised the text to mention these points.
Page 28: do not want to change the content or sentiments raised by individuals, however, we need to be sensitive to and guard against pointing out individuals and their contributions or lack thereof in the process. I would say that the delays were primarily due to the consultations that were required to be carried out. These consultations were with a variety of stakeholders who all wanted to ensure that their contribution is accommodated. It was a necessary process to ensure buy-in.	Duly noted. The passage has been revised to address the comment.

COMMENTS	RESPONSES
Page 31: We need to change LCDRS to VET Levy in most instances in the document.	Changes made.
Page 33: Nowhere in the legislation does it highlight this requirement. There is a commitment from the NTA/NTF to pay the employers their employer training grants in as short a time period as possible. It is a new system and paying back within a month for all employers may be challenging.	We have made the change to reflect that this is not required.
Page 33: This has been addressed with the finalization of the criteria.	Thank you. This will be addressed in round 2.
Page 45: As stated above, the reported cooperation problems were mostly internal COSDEF/COSDEC conflicts which influenced the implementation. Bar minor differences in opinion about the implementation modalities for the various systems, there were no real conflicts between TRANSTEC consultants and the COSDEF/COSDEC staff.	We have edited the text to try to reflect that not all staff thought there were cooperation problems within and between Transtec and COSDEF.

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Evaluation of MCC's Vocational Education and Training Activity in Namibia: Findings and Analysis of the First Round of Qualitative Data

Comments and responses on the second draft.

8/7/15

Comment	MPR response
Page 21: Does MPR recall why Benguela was omitted from the COSDEC sub-activity?	We don't know why COSDEC Benguela was excluded from the COSDEC subactivity, but presumably they didn't need the infrastructure development.
Page 21: Does MPR know how the four were determined (and why all of the COSDECs didn't get these)?	Unfortunately, we don't have any information on either how the four COSDECs that received the SME units were determined, nor why all COSDECs didn't get a unit. Resource constraints may explain why all COSDECs didn't get it. We can try to reach out to former MCA-N staff if MCC thinks that would be appropriate.
Page 27: Why the difference in the approach?	We provided lists to the MRC team with a large number of trainees for each target training provider. One of the researchers leading the focus group discussions invited 20 participants, while the others invited 6-10. It's not clear why one researcher invited more participants.
Page 27: Why the difference in the approach to gender?	Our guidance to the MRC team was to conduct separate focus groups for male and female trainees; however, one of the researchers leading the focus groups decided to conduct a co-ed group. It's not clear why that one researcher made that decision.
Page 34: Did the data collection confirm that the trainings or slots the compact funded were "additional" to what was already planned?	Yes, respondents suggested that additional training slots were opened in the short-term because of the VTGF subactivity. For further discussion, see Section A.3 in Chapter III.
Page 34: Did this lack of competition have any implications for the quality of the providers and trainings funded?	There is not any interview data available to answer this question.
Page 34: Were all funded trainings associated with an active ISC?	Comparing the list of trainings funded by the VTGF subactivity with the list of operating ISCs suggests that there were funded trainings without an operating ISC (for example, office administration training, and auto mechanic training).
Page 35: Were these available to all training providers? Was it clear how to apply for them and how they were awarded?	We did not probe on awarding and distributing the capacity building grants during qualitative data collection, but our impression is that all training providers were aware of their existence.
Page 35: Was an increase in the actual cost of training another factor?	Increase in the actual cost of training was not identified by interview respondents as a factor for lowering the initial target for the number of trainees.
Page 36: Does this suggest a mismatch between the training that was procured and the actual market needs?	Mismatch between training and actual market needs was not identified by the respondents. Some of the training providers suggested that job opportunities may not exist in the area where the training provider is located, and they had to look all over the country to even find job attachments. Given the high level of unemployment in Namibia, competition for jobs can be steep even after receiving training in a field with market demand.

Comment	MPR response
Page 36: The baseline VTGF report mentions that 60% of that sample is women. How do we reconcile over half of the sample being women but training providers not meeting gender goals?	Male and female trainees were not distributed evenly across traditionally male-dominated and traditionally female-dominated fields. For example, there were relatively few female trainees in automotive or electrical trainings, and relatively few male trainees in office administration trainings.
Page 36: Was this an original objective or one that was added with the addition of the capacity-building grants?	We don't have information on when longer-term increase in the number of training slots was added as a goal, but judging by the fact that capacity building was added after the initial planning, we assume that it was not included as a goal originally.
Page 37: Any evidence this was connected to the intervention or did MCA target providers that were already engaged in the process?	We don't have any evidence in this regard. It is conceivable that some providers engaged in the registration and accreditation process when they realized that it would help with the funding opportunity.
Page 37: Why? How so?	Training provider, GOPA and MCC respondents suggested that the training providers found the milestones challenging for reasons such as not having enough time to complete the milestone, limited training provider capacity to meet the reporting requirements, difficulty in securing employment for trainees. We added these reasons in the text.
Page 38: Do we know how it compares to the income distribution in the country?	The average annual household income in Namibia was roughly N$275,000 in 2013 (multiplying per capita income of about N$58,400 in 2013 with the average household size of 4.7). Thus, the N$250,000 annual household income threshold for being eligible for VTGF funding was lower than the average annual household income.
Page 39: Just because there was an additional step providers has to go through before they could notify applicants of their acceptance?	Yes, because of the random assignment component.
Page 40: On a loan basis?	Yes. The Namibia Student Financial Assistance Fund is a government loan/grant scheme. After completion of studies, recipients are supposed to repay the principal and interest when they earn above a certain threshold.
Page 41: And believed their training would be sufficient?	Trainees didn't articulate that they have the skills necessary to get a job due to the training alone.
Page 41: Are they coming with the skills they need or do they require more training?	Employers mentioned offering additional training to employees but they didn't directly tie it to lack of skills of trainees from providers with which the employers interacted. As noted in the text, in general employers with relationships with training providers were satisfied with the trainees they received.
Page 42: What about getting the participation of employees? How did the ultimate number of employers and employees compare to the plans for this pilot?	The respondents didn't mention getting the participation of employees as a challenge. We added the following in the text to clarify the planned and actual number of employees for the RPL certification: "The RPL pilot program planned to provide certification to 130 candidates in three occupations (tour guide, hospitality, and road construction), and the program achieved these targets (GOPA 2014a)."

Comment	MPR response
Page 42: The role of employers in this process is unclear. Can MPR clarify this and whether employer participation might be an issue going forward?	We added the following in the text to address the comment: "Employers' approval was needed for the employee to participate in the pilot. In most cases, employees had paperwork to fill out on the premises, which had the potential to cut into work time. Also, employers recognized that the employees earning the RPL certification do not gain any new skills but they may expect a raise or try to get a job elsewhere; consequently, they were apprehensive about their employees participating in the pilot." The text already noted that the reluctance of many employers to participate could be an important challenge for the program going forward.
Page 42: Do we know why this program failed?	No, comments were just that it 'never got off the ground' and that it 'did not go well'.
Page 42: Was there any discussion of addressing the incongruence in mentoring across areas in the future?	No.
Page 48: Will these seats be reserved for women going forward?	This is not clear from the data we have; it was just noted that participation of women in the NTA council was important.
Page 49: Does NTA plan to pursue this?	NTA respondents didn't mention this, and the data collectors were not in a position to probe this as different interviewers were gathering data.
Page 50: Can MPR provide any detail here?	GOPA initially had a consultant develop a monitoring and evaluation (M&E) tool, which NTA and MCA-N were not happy with. NTA needed an M&E plan for their M&E division, which GOPA eventually developed. GOPA respondents accepted that they didn't have a clear understanding of what NTA needed, but once that was made clear, they developed the plan, which both GOPA and NTA respondents said would be a useful tool for NTA.
Page 50: Can we quantify this at all?	We do provide a specific number of employers registered in sub-section C.3 (about 2,200 employers registered at the time of data collection). Because this paragraph provides a summary for the section, we avoid getting into some of the details discussed later in the section.
Page 50: Were employers reimbursed as a part of the pilot? Did any of the questions about which trainings would be supported come up during the pilot?	Yes, disbursement of levy funds for employer provided training was piloted with 22 employers, but we don't have any information on which trainings were supported during the pilot.
Page 51: Is this part of the LCDRS or something separate?	The online registration process was part of the LCDRS; we revised the text to clarify this point.
Page 51: Where does this target come from if NTA doesn't know how many companies would qualify and what they should pay?	GOPA estimated this target using 2,100 employers who registered by June 2014 and by annualizing the amount of levy collected by then as the basis for the calculation.
Page 52: Will there be any penalty for not paying the appropriate amount or failing to register and pay anything at all?	Respondents and documents we reviewed suggest that there will be a penalty for not paying an appropriate amount or for not registering, but we don't have any information on what the penalty would be.
Page 53: Staggered terms?	We don't know if ISC members serve their three-year terms in staggered manner.

Comment	MPR response
Page 54: Any examples?	We added the following in the text to add some examples: For example, one ISC member noted, "a couple of unit standards been drafted and accredited with NQA"; two other ISC members mentioned that their input has been especially helpful on implementing the RPL program.
Page 55: Is it clear how NTF will function with respect to traditional funding mechanisms? For example will NTF seek additionality redefine how training is funded or something else?	As noted in the text, respondents were not entirely sure about how NTA will determine the allocations of funds from the NTF in practice. We will explore this in the second round of qualitative data collection.
Page 57: Did South Africa deal with any of the issues facing Namibia? Are there lessons to be learned there?	The respondents did not mention anything in this regard during the interviews.
Page 57: Was there any discussion of how success will be measured?	No, the respondents didn't mention any specific measure of success. But as discussed in the text, they seem to view that the management and disbursement of levy funds to employers and training providers transparently and efficiently would be important.
Page 61: Are the SMEs available to community members i.e. not just trainees? Is the training the COSDECs provide formal or more like a mentoring capacity?	We understand that the SME units will cater for young emerging entrepreneurs by providing entrepreneurship training and incubation facilities, but it's not clear to us if they would be open to supporting all community members (not just COSDEC trainees). We can reach out to the COSDEF or the former MCA-N staff if MCC thinks that would be appropriate.
Page 63: Was instructor turnover discussed as a challenge to retaining talent?	None of the COSDEC managers mentioned instructor turnover as a challenge.
Page 65: Was there any discussion of the employment prospects of trainees?	Respondents at MCA, COSDEF and COSDECs didn't discuss employment prospects for COSDEC trainees directly, but noted job attachment as an important factor. Given that the first round of qualitative data were collected when the first cohort of trainees were enrolled in the new and renovated COSDECs, we didn't focus on trainee employment; we will be able to explore trainees experience in this regard during second round of qualitative data collection.
Page 66: The prior centers didn't?	Apparently not, but we cannot confirm.
Page 67: I suggest adding a footnote to briefly explain what the VTCs are in the Namibian system.	We have added the following text in a footnote: "VTCs are state-owned vocational education and training institutions that train up to diploma or technician level. There are seven VTCs in Namibia. Despite nominal entry requirement of grade 10 completion, due to space and resource constraints, most students are able to enroll in a VTC only after completing grade 12"
Page 67: Was articulation part of the original plan for this sub-activity?	It is not clear to us if "articulation" was part of the original plan; we have heard about this from stakeholders since the beginning of our involvement with the evaluation.
Page 67: Can you clarify? Is this MOE COSDEF COSDEC managers?	"Implementing partners" here refers to respondents from MCA-N, COSDEF and COSDEC managers, without calling out any by name. The subsequent discussion mentions specific respondents.

Comment	MPR response
Page 68: Is there a plan for dealing with the subpar equipment?	We learnt from more recent communications with the COSDECs that some of the subpar equipment and tools were replaced by MCA-N in two COSDECs, but there were no replacements in the remaining COSDECs and they used their own tools. Because this information was not available from the first round of qualitative data, we are not incorporating it in this report.

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