Skills for Inclusive Growth Independent Review

Support Unit – Adviser Team and Facility Program (Sri Lanka)

Acknowledgements

Contents

Tables, Figures and Boxes

Abbreviations and Acronyms

ADB	Asian Development Bank
ACCIA	Ampara Chamber of Commerce Industry and Agriculture
AHC	Australian High Commission (of DFAT)
A$	Australian Dollars
DFAT	Department of Foreign Affairs and Trade (Australian Government)
ELTP	Employment Linked Training Program
EOP	Economic Opportunities for the Poor
EPTB	Eastern Province Tourism Bureau
FCCISL	Federation of Chambers of Commerce & Industry of Sri Lanka
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GESI	Gender Equality and Social Inclusion
GoSL	Government of Sri Lanka
ICT	Information and Communication Technology
ILO	International Labour Organization
IO	Intermediate Outcome (1-4)
LEED+	Local Empowerment through Economic Development program
LKR	Sri Lankan Rupees
MDF	Market Development Facility
MEL	Monitoring, Evaluation and Learning
MSDVT	Ministry of Skill Development and Vocational Training
MSME	Micro Small and Medium Enterprises
NGO	Non Government Organisation
NVQ	National Vocational Qualification
REACT	Recruitment, Employment and Careers in Tourism
S4IG	Skills for Inclusive Growth
SLSU	Sri Lanka Support Unit – Adviser Team and Facility Program (Sri Lanka)
SLTDA	Sri Lanka Tourism Development Authority
SLTPB	Sri Lanka Tourism Promotions Bureau
SSAP	Skills Strategy Action Plan
SSDP	Skills Sector Development Program
TVEC	Technical and Vocational Education Commission
TVET	Technical and Vocational Education andTraining
USAID	United States Agency for International Development
YMCA	Young Men's Christian Association

Executive Summary

The Sri Lankan economy has struggled to bridge the skills gap in the workforce, particularly across the micro small and medium sized enterprises (MSMEs) that many of the informal workers and marginalised communities rely upon. As a trusted partner, Australia has sought to positively support target sectors and value chains that offer the highest potential to increase the income and wealth of the poor, particularly women and people with disabilities. Tourism was identified as a sector with great opportunities, and where Australia has a depth of skills and expertise. Skills for Inclusive Growth (S4IG) is a four-year investment by the Department of Foreign Affairs and Trade (DFAT) as part of the Economic Opportunities for the Poor (EOP) portfolio, a seven-year (May 2015 – June 2022) A$36 million portfolio of programs.

S4IG is a skills development program that uses the tourism sector to explore and demonstrate successful models of change within skills providers in formal and informal enterprises across the four districts of Ampara, Batticaloa, Trincomalee and Polonnaruwa. The overall goal of S4IG is to increase the number of poor women and men who, as producers, workers and entrepreneurs, participate in and benefit from the expanding tourism industry in the four target districts, through skills and business development activities. S4IG has two End of Program Outcomes, which are that:

- the majority of micro, small and medium enterprises operated by participants in S4IG skills and business development programs improve their performance; and

- the majority of participants in S4IG skills and business development programs increase their incomes.

The purpose of this independent review is to assess and verify progress of the S4IG program, and make recommendations for any modifications of the next phase of programming. To that extent, the review team (Team Leader / Monitoring Evaluation Learning [MEL], Technical and Vocational Education and Training [TVET], Private Sector Development, and Gender Empowerment and Social Inclusion [GESI] Experts) undertook desktop research, in-country field mission, key informant interviews, and workshops.

Key findings

There is a strong level of evidence to suggest that S4IG has remained highly relevant to Australia's national interests, to the needs of priority groups within the development context, and in alignment with Government of Sri Lanka (GoSL) and other partners' priorities. S4IG is clearly aligned with the sub-national priorities and has built excellent relationships with the district governments and government agents. Despite the change in context, particularly within the national and sub-national political economy, S4IG has been resilient in its approach to adaptation. S4IG is contributing to the Ministry of Skill Development and Vocational Training's (MSDVT) national skills development reform agenda, particularly in priority areas such as flexible and more industry-led skills development approaches. Additionally, S4IG modality of engaging both public and private service providers is appropriate.

Overall, S4IG is on a positive trajectory and has been implemented very effectively. S4IG has been prototyping and piloting a range of new models, and while some have worked better than others, this is anticipated in an innovative program. S4IG has reached a large number of individuals, with a relatively high impact ratio. Green shoots of sustainability have been observed, giving confidence the program is working with the grain. And there is a strong positive reputation for both S4IG and Australian Aid.

S4IG has improved the coordination and planning of skills and business development at the district level across both the formal and informal economy; however, the engagement with the provincial government has been minimal due to a changing political economy. At the district level, the sector-specific Tourism Skills Strategy and Action Plans (SSAPs) were regarded as innovative by district planners. While there remains a reliance on S4IG support the SSAPs, their integration into District Master Plans bodes well for sustainability. At the national level, within MSDVT there is strong awareness of S4IG and an expressed wish to see S4IG approaches expanded in the future to other districts and sectors. S4IG is a member of the Steering Committee of the MSDVT Skills Sector Development Program (SSDP) supported by the Asian Development Bank, and other development partners also described close collaboration with S4IG.

S4IG has supported a range of skills and business development programs, including for women and differently-abled people, across the formal and informal sector for MSMEs. Of the 377 enterprises supported, 117 have reported results with 77 improving income / employment generating 137 new jobs; however only 29 new enterprises have been developed by trainees. A significant partnership with the private sector has been S4IG's strong relationship with the Federation of Chambers of Commerce and Industry Sri Lanka (FCCISL), a national apex chamber including 30 regional and district chambers as its members that cover all of Sri Lanka. S4IG is aiming to leverage the resources, reach and footprint of the FCCISL and the District Chambers to upscale its private sector intervention going forward.

S4IG has implemented a range of strategies across each district that directly target improved employment outcomes and commensurate improvement in participant income levels. A high proportion of S4IG skill development activities have applied localised, flexible delivery of modularised workplace training. 2,507 people (911 women) have completed 3,247 S4IG facilitated skills development courses, of which 591 (278 women) reported an increase in income generating over LKR8 million (A$67,000) per month.

S4IG has strengthened tourism service delivery across the four districts through enhanced skills and business practices, being mindful where possible to operate within and contribute to the MSDVT TVET system reform currently underway. In practice, the REACT approach (Recruitment, Employment and Careers in Tourism) provides a working model for those implementing the Employment Linked Training Program (ELTP), however only 55 per cent of courses delivered through REACT are Technical and Vocational Education Commission accredited National Vocational Qualifications (NVQ) delivered by registered training providers. S4IG has adopted alternative strategies for qualification recognition and assessment which serve as models for MSDVT and ELTP implementers – these NVQ designated courses are delivered by private (57 per cent) and public (37 per cent) providers. The use of the phrase 'NVQ designated courses' reflects the fact that while courses may have been seen to be equivalent to NVQ levels they are not necessarily accredited.

Overall, S4IG has largely achieved the expected results on gender and social inclusion, having been able to attract women and differently-abled people into the programs in substantial numbers and having a positive impact on income and employment outcomes. The performance for people with disabilities is clustered around a few interventions, particularly those by YMCA that have had surprisingly strong success. The challenge of attracting women and differently-abled people to trainings is not to be understated, as the major barrier is culturally driven family shame and unwillingness to support a family member with a disability to be an active and equal member of society. As with many other aid programs globally, S4IG speaks of 'empowerment' without an articulated definition, and need to manage the transformative aspect early in the

program to avoid the potential for the program to Do Harm. Any interventions looking to enhance women's or differently-abled persons situation must spread their focus to gender roles and the roles of people of all ability in the community.

S4IG initially made adequate use of time and resources across the program, though significant improvements have resulted from the 2018 review leading to an operational restructure in 2019. The efficiency of the program has been improving despite burdensome operational processes in place. S4IG has a high level of staff localisation, though there has been turnover in some key positions, and there has been a heavy burden on DFAT project management staff to support strategic decision making.

The MEL performance management system was well developed and implemented, though areas for improvement include the use of some specific qualitative tools and a need to place greater emphasis on lessons learned and program improvement. The resourcing for MEL has been optimal, accounting for up to 15 per cent of the total budget including time of staff. High quality baseline data and robust performance information on activities, outputs and outcomes are routinely tracked. The MEL system underwent a review to improve the outcome-based reporting, and while new tools are only beginning to be implemented, further external capacity building and support is likely to be required. Reprioritising MEL resources to learning, program improvement, capturing indirect outcomes, and analysing value for money / cost effectiveness would provide useful information for the scaling of S4IG.

Benefits of S4IG's investments are likely to endure, particularly at the enterprise and individual level, with green shoots appearing of systemic changes in local systems and institutions. To strengthen the sustainability through local providers, emphasis on capacity building would benefit the program. Instances of sustainability include changes in attitudes at the national level towards flexible and demand-led TVET, and some ownership by District Governments in the planning and implementation of skills development for tourism. Moving forward, the emphasis on sustainability is going to be increasingly important.

Key recommendations

1. **This review recommends extending S4IG for a Phase 2, with some programmatic and contractual modifications.** DFAT to review head contract and consider a longer timeframe, such as five years with a 3+2 stop-go review clause. All recommendations could be initiated immediately for the full Phase 2.

2. **Review the program logic to clarify the investment decision making criteria, particularly in terms of tourism development initiatives.** A broader remit to include tourism and economic development activities, which may complement the skills development to generate demand for broader TVET services.

3. **Improve the quality and depth of activities across the existing four districts prior to expanding to new districts.** Concentrating across the tourism value chain on enterprises, individuals and models that show signs of substantive growth will be more cost effective. When scaling out to new districts, prioritise the pilots further developed (e.g. REACT and Basic Skills in tourism and beauty salon). Where scaling out to new districts, select based on GoSL tourist zones including tourist pathways to the existing four districts (i.e. Uwa Province, North Central Province).

4. **Increase efforts to engage with national TVET systems particularly in terms of accelerating efforts for Technical and Vocational Education Commission accreditations and utilising public**

providers. S4IG to set an aspirational target of 50 per cent public provider provision of workplace training and assessment of NVQ accredited qualifications within SDF funding. And in collaboration with MSDVT and relevant agencies, establish and support the development of a comparable employability skills model, based on the Miani approach, with at least one public TVET provider in each district.

5. **Invest in modelling and communicating good practices of flexible delivery of skill development services.** S4IG can model the best practices, particularly with public sector training service providers. Systematically collecting and reporting case studies with primary data that provide qualitative insights into learning and demonstration (i.e. return on investment calculations, cost effectiveness analysis, contribution analysis via outcome harvesting) would support coordination, policy and planning.

6. **Further prototype new models and approaches in specific tourism sub-sectors.** Without being prescriptive, some low risk and potential high reward sub-sectors for S4IG to expand their engagement with include wellness tourism (linked to the National Export Strategy) and e-marketing (particularly supporting destination marketing).

7. **Provide directly or link with existing scholarship programs to target individual champions that can support the scaling of well-performing initiatives.** S4IG to identify individual champions, especially champions in the public training sector that clearly demonstrate models that generate the economic and political drivers for replication and roll-out across the four districts.

8. **Building on the existing tourism value chain support, expand the range of MSME business incubation modalities, particularly targeting interventions where there are public benefits.** Depending on what is possible within the S4IG contract, identify new business incubation support mechanisms (e.g. challenge funds, scholarships, grants) that also include wrap around services of technical assistance and upskilling. Co-contributions would continue to be expected. Greater cooperation with MDF in tourism market development and business support services is expected.

9. **Review the inclusion strategy and action plan to put empowerment and 'do no harm' at its core.** Clarify a truly inclusive approach and the concepts around empowerment through capacity building of the S4IG team and reviewing the data disaggregation in the MEL. S4IG can have better follow up of the participant experience over time to capture advancement, transformation and genuine empowerment. As part of the scaling, generate a business case and associated communications for inclusion targeted to employers.

10. **A light-touch restructure of the S4IG team, including representation at the national level while maintaining the district focus.** S4IG should establish a Colombo office for the team leader and administrative support, improving coordination and engagement with government, DFAT and other development partners. The deputy team leader would have day to day oversight of the operations in the four districts.

1   Introduction

The Sri Lankan economy has struggled to bridge the skills gap in the workforce, particularly across the micro small and medium sized enterprises (MSMEs) that many of the informal workers and marginalised communities rely upon. It has been acknowledged that to reduce this gap, significant improvements are required to access finance, productive markets, improved technology, and better coordinated, consistent and inclusive policy reform. As a trusted partner of the Government of Sri Lanka and the private sector, Australia has sought to positively support target sectors and value chains that offer the highest potential to increase the income and wealth of the poor, particularly women and people with disabilities. Tourism was identified as a sector with great opportunities, and where Australia has a depth of skills and expertise that may be beneficial. Australia works closely with the private sector and government to enable business by improving skills, technology, regulations and policies. Australia's investment in this area is channelled through two distinct activities: Market Development Facility (MDF) and the Skills for Inclusive Growth (S4IG) program, both of which are part of the broader Economic Opportunities for the Poor (EOP) portfolio.

EOP is a seven-year (May 2015 – June 2022), A$36 million portfolio of programs which aim to support economic growth that benefits all Sri Lankans and contributes to a prosperous and stable Sri Lanka that is inclusive and private sector-led. The EOP portfolio aims to support poor women and men to increase their incomes and access quality jobs and skills development services through participation in identified growth sectors of the Sri Lankan economy. The portfolio consists of three programs (MDF, S4IG and ILO's Local Empowerment through Economic Development program – LEED+) which are all at various stages of implementation. MDF and S4IG activities focus mainly on tourism and related services – MDF island wide and S4IG in the East and North Central – while LEED+ focuses on the fisheries and agriculture sectors in the Northern Province. EOP works in partnership with public and private sector organisations. This includes government agencies at sub-national and national levels, private businesses, business associations and community groups.

S4IG operates within this framework. It is a skills development program that uses the tourism sector to explore and demonstrate successful models of change within skills providers in formal and informal enterprises across the four districts of Ampara, Batticaloa, Trincomalee and Polonnaruwa.

S4IG is intended to be a demonstration project. With the World Bank and Asian Development Bank (ADB) both advising the GoSL on national TVET reform, DFAT concluded during the scoping and design phase of the program that it would be more strategic for the Australian aid program to invest in models of good practice that provide an evidence base for reform.

The **overall goal** of S4IG is to increase the numbers of poor women and men who, as producers, workers and entrepreneurs, participate in and benefit from the expanding tourism industry in the four target districts, through skills and business development activities.

S4IG has two **End of Program Outcomes**, which are that:

- the majority of micro, small and medium enterprises operated by participants in s4ig skills and business development programs improve their performance
- the majority of participants in S4IG skills and business development programs increase their incomes.

The program reports against the following **Intermediate Outcomes**:

- The coordination and planning of skills and business development at sub-national level in target areas is improved and gives equal weight to the skill development priorities of the informal economy as those of the formal economy.
- Micro, small and medium enterprises are established and developed by relevant participants in S4IG skills and business development programs, including women and people with a disability.
- Participants in S4IG skills and business development programs gain or improve their employment, including women and people with a disability.
- S4IG modelling and learning contributes to the strengthening of the national TVET system and quality standards.

This review plan is based on the terms of reference developed by the Australian High Commission with consultation of the Sri Lanka Support Unit. The general purpose of the review is to assess the program and provide recommendations that will guide DFAT's decisions on continuing to invest in a program supporting inclusive economic growth through skills development in Sri Lanka, for an additional phase of 4 -6 years. The focus of the review will be DFAT's S4IG program, implemented by Scope Global Pty Ltd. The management of the review will be led by the Sri Lanka Support Unit (SLSU).

Local food prepared by a fishing community in Batticaloa.

2   Scope and Methodology of the Review

The purpose of this independent review is to use a combination of desk review, stakeholder interviews and observations to:

- Assess and verify progress of the S4IG program against end of program outcomes.

- Make recommendations for any modifications for the next phase of programming. This may include recommendations for the change of scope, focus sector, management structure and/or geographic areas covered by the next phase of the program.

The primary audience of the review is the Australian High Commission, and specifically to inform decisions related to ongoing financing of S4IG and what a future investment may look like (based on changes to the status quo including which sectors). The S4IG team itself is also a primary audience in terms of program performance, learning and improvement.

The review team comprised an independent team leader (sourced from the SLSU with MEL expertise), a technical and vocational education and training (TVET) specialist, a private sector development specialist with extensive Sri Lankan experience, and a gender empowerment and social inclusion (GESI) adviser. Two AHC officers from Colombo Post participated throughout the review mission, along with a representative of the MSDVT.

A full review plan was developed and finalised in partnership with the AHC (See 10), including the questionnaire (**Error! Reference source not found.**). Below is an excerpt of the scope and methodology of the independent review.

2.1   Key review questions

Relevance

- To what extent are the objectives of S4IG still appropriate to Sri Lanka's the priorities of the Government of Sri Lanka?
- How well do the objectives align with DFATs policy direction, most notably the EOP framework and the (draft) Aid Investment Plan 2020–2025?[1]

Effectiveness

- To what extent has S4IG achieved its end of program outcomes: the majority of micro, small and medium enterprises operated by participants in S4IG skills and business development programs improve their performance, and the majority of participants in S4IG skills and business development programs increase their incomes?
- What key factors have contributed to the achievement (or non-achievement) of objectives?
- What unintended (positive and negative) outcomes occurred?
- To what extent and in what manner has the program approach of demonstration and piloting models for change been effective?
- Which stratification of beneficiaries (intended and unintended) have benefitted most/least from the program?
- How effective has S4IG been in partnering and collaborating with other DFAT investments, other donor and GoSL skills development programs?

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[1] This currently only exists as a draft Integrated Country Diagnostic. Other policies of interest from DFAT Canberra include the *Strategy for Australia's Aid Investments in Education 2015–2020* and
Skills for Prosperity in the Australian Aid Program – Investment Guidance Note (DFAT 2016)

- How effective has S4IG's communications and visibility strategy been?

Efficiency

- To what extent has the program demonstrated value for money in terms of economical, efficient, and cost-effective?
- To what extent have management arrangements put in place by the managing contractor Scope Global, contributed to the effective delivery of the program? This includes management arrangements in country and headquarters support for the program

GESI

- To what extent have strategies for gender and social inclusion within the program been effective?

Monitoring, evaluation and learning

- Have MEL approaches used in S4IG generated sufficient evidence to support program decision making, program performance reporting, and accountability of resource use?

Sustainability

- What examples of sustainability (i.e. enduring benefits) have been demonstrated?

Recommendations

- What recommendations can be made for improving S4IG going forward subject to further investments by DFAT?

2.2   Review methodology

A mixed method, realist and utilisation focused approach to the review was undertaken, taking into consideration that the investment is three years into a four-year contract (and that the first year was predominantly an inception phase of formative research with operations expanding in the second year).

Ratings throughout the report are based on the DFAT Final Aid Quality Check Ratings Matrix, using a scale of 1–6 (1–3 is rated as unsatisfactory, 4 is adequate, 5 is good, and 6 is very good). Evidence and professional judgement are provided to substantiate the rating. Strength of evidence throughout the report aims to be moderate to strong, triangulating multiple reliable sources wherever possible.

The process for the review team consisted of the following stages of work:
- briefing with DFAT team to scope the review
- desktop review of key documents, in advance during and after the field mission
- field mission of all advisers across 15 days, which included (0:
  - interviews with GoSL stakeholders including MSDVT representatives, Eastern Province Tourism Bureau representatives, and all government agents or AGAs in the four districts (eight meetings with over 20 participants at the national and district levels)
  - interviews with the private sector representatives including Chambers of Commerce and business associations (six associations in total)

- interviews with other development partners and projects (five meetings representing five donors and seven bilateral/multilateral projects)
- interviews and discussions with S4IG staff (four sessions)
- case studies with a sample of REACT, Basic Skills, and other beneficiary groups, S4IG partners, public and private training providers (21 in total)
- preliminary analysis and final agreement on approach and work plan
- in-country interviews and workshops with relevant stakeholders
- In-country workshop on ways forward with DFAT and S4IG
- final analysis, confirmation and report writing
- review report finalised with comments from DFAT
- DFAT management response.

3   Relevance: Very Good

There is a strong level of evidence to suggest that S4IG has remained highly relevant to Australia's national interests, to the needs of priority groups within the development context, and in alignment with GoSL and other partners' priorities. This has been achieved despite the many changes that has occurred within the political economy and the GoSL since the initial design stage.

S4IG and its desired outcomes remain closely aligned with the objectives identified in Sri Lanka through the Aid Investment Plan and the EOP Results Management Framework. This states the goals of contributing to economic growth that benefits all Sri Lankans and contributes to a prosperous and stable Sri Lanka. More specifically, this is expected to be implemented through investment in business ideas that have long term growth potential; provide effective skill development for growing industries; organise and enable producers to engage more effectively in the supply chains; and improve public-private coordination and drive growth for all Sri Lankans[2] (see section 4 [Effectiveness] for more details).

With regards to the alignment on DFAT's global policies and operational frameworks – which the Aid Investment Plan and EOP Results Management Framework also align with – **it was found that S4IG is a good example of private sector development alignment.** The Foreign Policy White Paper highlights the interest of the Australian Aid Program contributing to private sector-led growth and job-creation, which S4IG specifically is measuring through its key performance indicators and is aligned to the tourism sector more broadly[3]. As per DFAT's Private Sector Engagement in Australia's Aid Program's Operational Framework, the review team found that S4IG has built on DFAT's value proposition to the private sector (e.g. the provision of convening power as demonstrated in the SSAPs, gender lens as demonstrated through the analysis and aspirations of activities, and technical capabilities as demonstrated through the technical assistance provided post Easter bombings). Furthermore, S4IG built on the value propositions of what the private sector provides to development (e.g. networking through the Chambers of Commerce, innovation in the industry led skill development approaches, and market insights in new tourism service developments).

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[2] DFAT, Economic Opportunities for the Poor Results Management Framework, 2018, p.8.
[3] The National Policy Framework aims to increase tourism workers from 388,000 to one million. As per the Sri Lanka Tourism and Hospitality Workforce Competitiveness Roadmap 2018–23, 30,000 new employees per year are required though only 10,000 are graduating from hotel / tourism courses. Only 10 per cent of the workforce are women (54 per cent globally), highlighting the need for a gendered approach according the Institute of Policy Studies Sri Lanka.

S4IG is well aligned with the GoSL priorities at a national level, related to both skills' development and tourism development. Nationally, GoSL has announced 'Vistas of Prosperity and Splendour' including targets of seven million international visitors and US$10 billion foreign exchange by 2025.[4] While the level of visits seems unlikely – given the current global context (e.g. novel coronavirus), the current trends (2.33 million visitors in 2018) and the limited infrastructure for such a scale up – the private sector has backed the export target of US$10 billion (meeting with Hoteliers' Association) and the intent of the policy is clear. More recently, the Ministry of Tourism planned a cabinet submission on 18 February 2020 for a 'Tourism Sri Lanka' super agency to consolidate the Tourism Development Authority (SLTDA), Tourism Promotions Bureau (SLTPB) and the Conventions Bureau, a clear sign from the Tourism Development Minister Prasanna Ranatunga to promote the priority of tourism and to better align with the private sector.[5]

Box 1   One More Night One More Meal: Challenging the 'Seasons' of Eastern Tourism

The tourist season in eastern Sri Lanka is May to September. Right? Allegedly the historical context of this was driven predominantly by tourist operators from Colombo wanting to capitalise on the December to April period for the more popular southern and western provinces. Their messaging is so effective that on page 3 of the Lonely Planet, there is a map that clearly states 'May to September' in big red writing for the hill country, north and eastern provinces. However, on the ground the story is different – the review team had 28^0C sunny weather most days in *February!* There were religious festivals, animals to be seen on safari, and a raft of other things to explore. A caveat: the surf is not up and snorkelling is not optimal all year round.

The industry is keen to change these perceptions, which will require significant marketing and promotion efforts. The concept of 'one more night one more meal' is already taking foothold in places like Batticaloa, where data suggests it has the lowest tourist retention rates (an average of 1.7 nights per visitor only). There is a clear market failure requiring cooperation across the service providers and intervention from the Government – which has invested 200mLKR (A$1.6 million) in a range of initiatives including the Dutch Fort

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S4IG is clearly aligned with the sub-national priorities and has built excellent relationships with the District Governments and Government Agents as demonstrated in the meetings held with the review team in all four districts. It was clear that the administrations highlight tourism as a potential economic development pillar despite reportedly being only 2 per cent of district Gross Domestic Product. The participatory process for creating the Skills Strategy Action Plans (SSAPs) and their alignment with the District Development Plans was a further sign of the relevance of S4IG. Nowhere was this demonstrated better than in Trincomalee, where previously the District Development Plans had barely a mention of tourism, and now it has an entire chapter dedicated to it. The modality of bringing together the private and public sectors, such as the engagement of the FCCISL and District Chambers of Commerce into the development and skills planning process, has improved the efficacy of S4IG and alignment with partner priorities.

Despite the change in context, particularly within the national and sub-national political economy, S4IG has been resilient in its approach to adaptation. There has been five Ministers and eight Secretaries in the Ministry of Tourism Development, and despite this, there is still a high level of awareness of S4IG when the review team met with various stakeholders. At the district level, of the four Government Agents, none had been in their post more than eight months during the field visit – indeed, one government

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[4], http://www.treasury.gov.lk/documents/10181/791429/FinalDovVer02+English.pdf/10e8fd3e-8b8d-452b-bb50-c2b053ea626c website accessed 2 March 2020:
[5] http://www.ft.lk/top-story/Govt-moots-new-model-for-tourism-s-way-forward/26-696013

agent that was interviewed was at his first day of work. While it appears that this has challenged the effectiveness and sustainability of some of the interventions (see intermediate outcomes 1 and 4 in particular), the relevance has remained strong.

The S4IG Political Economy Analysis[6] recommended the need for close monitoring of national and sub-national dynamics, to diversify the stakeholder buy-in particularly for prioritisation, investing in coordination mechanisms and credible conflict mitigation forums (these weren't observed). The review team believes three of four of these have been generally well implemented, aiding in the political relevance and resilience of the program. For example, S4IG was able to support the sector after the Easter bombings in 2019 (and at the time of writing the impact of novel coronavirus is just becoming apparent), at the micro level through support to individual enterprises and at the macro level through supporting policy responses. The program has been able to work with a variety of stakeholders in different ways, and both tourism and skills development as a priority has remained the focus despite individual changes.

S4IG is contributing to the MSDVT's national skills development reform agenda, particularly in priority areas such as flexible and more industry-led skills development approaches. The significant number of parties flagging their interest in the workplace-based training / on the job training approaches, and the number of industry associations accreditation, highlights S4IGs approach.

S4IG modality of engaging both public and private service providers is appropriate. However, S4IG is also challenged by public TVET providers who characteristically have an entrenched supply-driven approach, and cumbersome qualification and accreditation processes at the national level. While there has been a positive response to the use of private training providers (estimated 65 per cent of courses and 80 per cent of trainees), there remains a need for further public sector TVET providers to participate (see section 8).

4   Effectiveness: Good

Overall, S4IG is on a positive trajectory and has been implemented very effectively. The investment is only at the end of year three, while practically the first year included set-up and formative research so there has been two years of full implementation. Considering this, the intended outputs and outcomes have been met or exceeded plans across most of the portfolio, particularly taking into account skills development initiatives have a long-time horizon as envisaged in the S4IG design.

S4IG has been prototyping and piloting a range of new models, and while some have worked better than others, this is anticipated in an innovative program. S4IG has demonstrated a good level of informed risk-taking, trialling a large number of new models and projects with a balance of high-risk high-reward (e.g. Supreme Chef, World Surfing Championship, on-job training with differently-abled persons, etc.) and low-risk low / high-reward initiatives (e.g. master class on guest house improvement program, improving beauty therapy services, e-tourism training program, etc.). Resultantly, the quality of the initiatives has shown a great deal of variation, though generally things have improved over time as they refine their models and approaches.

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[6] The Asia Foundation, Skills for Inclusive Growth Political Economy Analysis, 2017.

The program has reached a large number of individuals, with a relatively high impact ratio. As will be demonstrated later in this section, there are some strong results in terms of number of training courses developed, the range of public and private training providers partnering with S4IG, the number of individuals and enterprises supported, and the impact in income and employment growth. The caveat however is that this program is not a service delivery program, and success will be measured not just in the number of people directly affected, but predominantly by the scaling and sustainability of the models developed.

Green shoots of sustainability have been observed, giving confidence the program is working with the grain. The S4IG approach is designed to stimulate a more flexible and responsive training market. There has been observed behaviour change in the GoSL and other stakeholders around flexible training approaches and industry engagement. S4IG has also had high level of brand awareness and recognition across key stakeholders in both tourism and skill development portfolios. And to a lesser extent, there has been the emergence of private service providers replicating the initiatives. All of these small yet substantial success stories bode well, particularly in terms of S4IG working with the grain to support major reforms that have had difficulties in being implemented by GoSL.

This section highlights the performance of the four intermediate outcomes (IO), including coordination and planning (IO1), MSME support (IO2), skills and business development (IO3) and strengthening TVET system (IO4).

4.1   Intermediate Outcome 1: Coordination and Planning

S4IG has improved the coordination and planning of skills and business development at the district level across both the formal and informal economy; however, the engagement with the provincial government has been minimal compared to what was envisaged in the design, due to a changing political economy.

At the core of any sustainability strategy is the embedding of program approaches within government and private sector policy and planning processes. From the outset, despite frequent key government personnel changes and the unexpected dissolution of the Eastern Province Council early in S4IG implementation[7], the S4IG program has effectively engaged directly with key national, provincial and district level government agencies that focus on skills development and/or economic development, particularly in the tourism sector.

S4IG systematically undertook formative research to inform its on-going engagement with relevant agencies through activities including:

▪ A rapid assessment and response strategy which sought to identify the skills and employment issues in the tourism sector across the four districts of Polonnaruwa, Trincomalee, Batticaloa and Ampara; establish the basis for a skill development and employment strategy across the four districts; and identify skill development priorities for funding through the Skill Development Fund.

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[7] The nine provincial governments of Sri Lanka are the devolved intermediate level of government. Provinces have legislative power over a variety of matters including agriculture, education, health, housing, local government, planning, road transport and social services. The operational procedures for their functioning were provided by law, the Provincial Councils Act No. 42 of 1987. A controversial decision to upend the Provincial Councils was affected through the 13th Amendment to the Constitution. Provincial Councils remain dissolved to date, with the Supreme Court delivering a verdict on 3 September 2019 that provincial council elections cannot be held under the existing legal provisions, in response to the clarification which was sought by the President of Sri Lanka. Elections are due in eight out of Sri Lanka's nine provincial councils.

- Enterprise surveys (2017 and 2018) that, with an estimated sample of 26 per cent of the tourism chain related registered businesses, established a baseline for understanding the private sector and enterprise skill development practices across the 4 districts.

- The map of training providers for the tourism supply chain in four districts followed a survey of public and private, NGO and other training institutes falling under the direct service and support (indirect) service category of the tourism value chain. It found that most tourism related training was at or below NVQ III and a many of the providers lacked facilities and well-trained instructors.

- Political economy analysis of the four districts which was prepared to guide program strategic planning and implementation through a range of analyses including mapping national, district, and provincial governance arrangements, identifying key political formations and alliances, reviewing relevant government policies and plans, and providing an overview of business development and competitiveness.

The formative research provided the foundations for ongoing relationships with the district governments. These initial processes led to the collaborative development of the Skills Development Plan & Employment Strategy for the Tourism Sector in the Eastern Province and four District Tourism Skills Strategy Action Plans (SSAP). Launched by the MSDVT and Technical and Vocational Education Commission (TVEC) to support economic growth across the Eastern Province, the Skills Development Plan provides a five-year framework for better targeted skill development and employment to improve the match between supply and demand for skills and employment in the tourism sector. It specifically provides for the piloting and documentation of demonstration projects to promote inclusive economic growth.

The sector-specific tourism SSAPs were regarded as innovative by district planners, as up to that point district planning had been more broadly focused. Informed by S4IG research and sector policy initiatives, the SSAPs facilitated the development of agreed skill development and economic growth priorities by the respective District governments and industry associations. District Action Committees established through the SSAP development process have oversight of on-going coordination and implementation of their respective district action plans. The District Action Committees, chaired by the government agent in each district include government representation from MSDVT, Vocational Training Authority, National Apprenticeships and Industry Training Authority, Department of Technical Education and Training, and Women Development Officers together with private sector representation from chambers of commerce and hotel and tourism associations.

The role of chambers' of commerce is central to the developing and maintaining trustworthy partnerships, though their capacities varies substantially across the district. The Ampara Chamber of Commerce Industry and Agriculture (ACCIA) provides the best example (see Annex 5:   Case Studies

Case Study 1), as it is the most active and strongest among chambers in the four Districts. Batticaloa and Trincomalee Chambers are also positive contributors, though the Polonnaruwa Chamber appears the weakest and the least active. In terms of potential scaling, the regional chamber movement as a whole is extremely fragile and there are considerable disparities between them. Some chambers are relatively well-established and independent organisations, while others have been closed down or are running on very limited resources (often dependent on donor funding). This disparity has made S4IG's role vis-à-vis the four regional chambers challenging, particularly in terms of engaging their inputs; however, broadly they have been engaged in the district planning processes.

There remains a reliance on S4IG to facilitate and implement the SSAPs, though this varies across the four districts and their integration into district master plans bodes well for sustainability. Through the process of SSAP development and through on-going reporting to District Action Committees bi-monthly meetings, S4IG has facilitated engagement with local stakeholders and promoted better coordinated district level skill development and economic growth planning. At present, working with district government, S4IG is facilitating the merging of the SSAPs within each district's master plan (a three-year plan from which annual operating plans (budgets) are derived). To date, the district master plans had not incorporated the tourism industry. With the SSAPs integrated into the district master plans, oversight will fall to the District Coordinating Committee under the District Secretariat. This is a very good example, from a sustainability perspective, of program initiatives becoming embedded in the fabric of local government.

Box 2 Gateway to the East: An Absence of Destination Marketing in the Eastern Provinces

A theme that emerged throughout the review was a distinct lack of destination marketing for the Eastern Province. EPTB has provided some contributions (see above), though the main point of contention is an absence of the SLTPB's marketing in the region. Raheem, a guesthouse owner and president of the Arugam Bay Hoteliers Association, questioned why more resources hadn't been invested into marketing this hotspot. Similarly, the Trincomalee Government Agent noted that the resource allocation from SLTPB and SLTDA had been left wanting. Indeed, while financial transparency is limited, anecdotally the resources from SLTPB (which is derived from levies across the industry) are largely invested in international trade fairs. A recent campaign for Sri Lanka had been developed, though was cancelled due to the Easter bombings.

The 'Gateway to the East' initiative within S4IG focuses on filling this gap, providing foundational efforts to promote the emerging tourism industry of the East. One of the greatest challenges is the lack of social media presence, driven predominantly by a lack of

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Another good example, although confusing because of the common nomenclature, is the assistance provided by S4IG in response to a request from the MSDVT Additional Secretary to reinvigorate the MSDVT District Coordinating Committees. Traditionally the MSDVT District Coordinating Committees were comprised of all the public training providers in a district but were not functioning well, not meeting, and not identifying local opportunities for skills development or guiding government budget allocation to address industry needs or government development plans. New terms of reference for the MSDVT District Coordinating Committees drafted by S4IG have now been adopted in three of the four districts. Under the new terms of reference, the MSDVT District Coordinating Committees are chaired by the district government agent and now include representation from private training providers and industry associations. To date Polonnaruwa has not adopted the new terms of reference but instead opted for the establishment of a separate tourism committee.

At the provincial level, S4IG has collaborated with the Eastern Province Tourism Bureau (EPTB) to develop the Eastern Province Tourism Strategic Action Plan which serves as the road map for tourism development in the Eastern Province. The strategic plan sets development priorities and establishes a base for funding proposals to the provincial council which in 2018 allocated LKR50 million including LKR20 million for destination marketing and tourism development support. By the end of 2019 the EPTB had produced a comprehensive full coloured destination marketing booklet and developed a new website (www.visiteastsrilanka.lk) which includes a series of high-quality promotional videos. The partnership with EPTB is a good opportunity particularly in relation to destination marketing, though the resources and capacity are quite limited in terms of ongoing sustainability.

At the national level, within senior levels of the MSDVT there is strong awareness of S4IG program activities and an expressed wish to see S4IG

A faded EPTB billboard near Kumana National Park that once marketed the destination.

A beautiful sunset in Trincomalee during the 'off' season.

approaches expanded in the future to other districts and sectors, e.g. Information and Communications Technology (ICT). In addition, the MSDVT Secretary is a member of the S4IG Strategic Advisory Group. While there is strong appreciation of S4IG at senior levels of the MSDVT, there remains a view that there is room for greater coordination in the future. Areas that could be improved include greater levels of advocacy and cooperation with public sector agencies (National Apprenticeship and Industry Training Authority, Vocational Training Authority and public providers in particular) in the roll out of the national NVQ system.

S4IG is a member of the Steering Committee of the MSDVT Skills Sector Development Program (SSDP) supported by the Asian Development Bank. Examples of close interaction between SSDP and S4IG were provided by senior manager including clear appreciation of S4IG demand led processes vis à vis the ADB's 'more supply driven approaches' and the positive feedback from S4IG beneficiaries.

Other development partners (USAID, World Bank and GIZ) also described close collaboration with S4IG in areas such as S4IG teaching and learning resources being shared with the USAID You Lead Project and a GIZ support program for cooks in Batticaloa. The cross-over with the World Bank has been more at the national tourism policy level with the SLTDA.

4.2   Intermediate Outcome 2: MSME Support

S4IG has supported a range of skills and business development programs, including for women and differently-abled people, across the formal and informal sector for MSMEs. This includes:

1. The Workplace Based Basic Skills Development Project in collaboration with the Federation of Chambers of Commerce and Industry of Sri Lanka (FCCISL) engages relevant Chambers in the four districts to select hospitality enterprises and provide workplace basic skills development, business coaching and mentoring services. The training modules are drawn from the NVQ qualifications system and international sources. Assessment is undertaken by industry assessors three times during the training and those who meet the requirements receive a FCCISL endorsed certificate as evidence of the trainees' achievement.

2. The Guest House Improvement Program Master Class focuses on owners / managers as the primary source of improved guest house and homestay performance. The approach combines business development coaching and mentoring for owner / managers with formalised skills training that includes employees as well. Commencing with a collaboratively developed business improvement plan which identifies performance improvement objectives and associated skill requirements, owner / managers and employees are supported to improve business practices and service delivery.

3. The Improving Beauty Therapy Service in the Tourism and Hospitality Industry Project has combined business development services for salon owners and formal training to NVQ4 level for staff to meet industry standards.

4. The Capacity Building Industry Associations project has recently commenced, offering coaching for enterprise improvement, basic skills for workforce development, and advocacy support.

377 enterprises supported

117 enterprises reported results

77 enterprises improved income or employment

137 new jobs representing 92.4 full-time equivalent
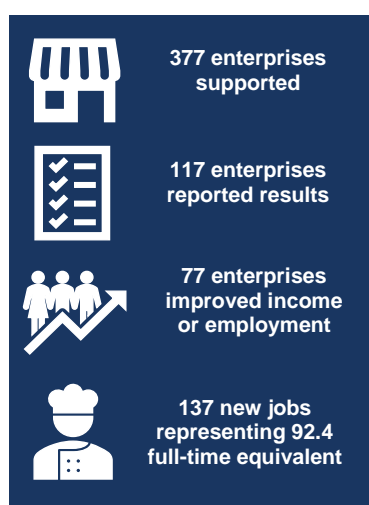
MSMEs show promising early results in terms of job creation and improved profitability. As of March 2020, 377 enterprises are registered as being supported by S4IG by local and international business development service providers. However, 260 have not reported any data as interventions may be ongoing or only recently completed. Of the 117 enterprises supported with at least one quarterly set of data reported, 77 (65 per cent) report increases in profitability and the creation of 137 jobs representing 92.4 full time equivalent (one full time equivalent for a differently-abled person). This includes 42 guesthouses and 35 beauty salons, the only types of enterprises with data available, though support is also provided to bakery, cookery, tours and wellness tourism. The representation is slightly greater for Trincomalee, though the sample is too small to determine whether there are reasons for Trincomalee outperforming other districts.

Formal and informal sectors are benefiting from the MSME support by S4IG. Of the 377 enterprises supported to date, 60 per cent currently have business registration. Of significance, there are indications that S4IG support has been a catalyst for the formalisation of enterprises. Since the 2019 six monthly progress report (eight months), the percentage of informal enterprises has dropped from 46 per cent to 40 per cent caused mainly by 12 enterprises becoming registered in the past two months. [8]

Few new enterprises have been developed as a result of the S4IG training provided. Out of the 2540 individuals that have completed any training, only 29 (12 women, 1 differently-abled person) have

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[8] Source: S4IG MIS –Enterprise Details Spreadsheet.

started a new enterprise. This includes 14 travel organisation and booking (including tour guiding), 14 food and beverage (e.g. bakeries, small restaurants), and one accommodation (guesthouse). Trincomalee has almost half of these new enterprises, though again the sample size is too small to determine any district-specific reasons for this. The main reason why new enterprise development is quite low is that those who have undertaken REACT training (around half of the completed trainees) are specifically looking for formal employment through on the job training. Despite this, a limiting factor has been a lack of business incubation support – in terms of access to finance and other support for the relatively young cohort – by S4IG and across the tourism sector as a whole.

Community based tourism development has had promising early results, largely interrupted by the Easter bombings. The coral reef tourism development with the Kayankern fishing village, partnering with Sevalanka a local NGO, is likely to be a sustainable enterprise – supported by significant government contributions to create a community-based coral reef education centre (see Case Study 2). Moreover, Panama Safari (an MDF intervention) aligns well with the S4IG approach by supporting new tourism experiences near Arugam Bay, and could benefit from S4IG engagement in skills development (see Case Study 3) and to raise the bar from enterprise development to market development.

Industry associations have been strengthened as a result of the coaching and mentoring programs. Across the tourism value chain, S4IG has been working with associations to improve their performance – including tuk tuk associations, surf clubs, hotelier associations, guesthouse associations, and many more. Furthering this emphasis on tourism development through associations may also demonstrate good value for money moving forward. For instance, the Arugam Bay surf clubs have been strengthened and their capacity built up to 'Surf Level 1'; although to take this initiative to 'Surf Level 2' would be costly requiring international training. However, this would create a more sustainable business as level 2 can accredit level 1s, something that currently costs 70,000LKR per instructor to fly someone from the International Surf Association to Sri Lanka to carry out as a group activities (see Case Study 4).

A significant partnership with the private sector has been S4IG's strong relationship with the FCCISL, which is a national apex chamber including 30 regional and district chambers as its members that cover all of Sri Lanka. FCCISL has assisted to develop, accredit and implement video modules that have been developed based on occupational needs and aligned with the curriculum developed. The outreach through its membership (supposedly including up to 40,000 MSMEs, though this is unverified) provides a pathway for scaling out and up the S4IG interventions. FCCISL has expressed an interest in this, as it could generate significant income for resource-poor regional and district chambers by charging out their business development advisers and assessors (currently 38 in total).

S4IG is aiming to leverage the resources, reach and footprint of the FCCISL and the District Chambers to upscale its private sector intervention going forward. A well-developed strategy for partnering with FCCISL is required, despite limited options (i.e. there aren't alternative chambers that have the same footprint across the tourism sector, nor those that can claim such a wide-ranging membership of MSMEs). Specifically, FCCISL has had governance issues in the past, and there are a range of previous donor-funded examples that have proven unsustainable. While FCCISL has proven to be a trusted and credible collaborator for S4IG thus far, it will require capacity building and support to ensure the model is well developed (including mechanisms to generate more BDAs and assessors from a wide range of sub-sectors within tourism). The review team is confident there is interest in this model – for example Niroshan of Yuhiburi guesthouse is an innovative

entreprenuer who said that he would be willing to continue to pay for the coaching support he receives (see Case Study 5) – and, if it can be proven to generate income for the chambers, this would be a win-win.

Future opportunities for MSME support are particularly strong in the wellness tourism sector, as identified by the National Export Strategy as one of the top nine priority areas. S4IG is well placed to align regional and district MSMEs with the National Export Strategy, with Sri Lanka's strategic advantages for the development of the sector and the attraction that it has for a specialised segment of international visitors. There is a clear synergy between global trends and Sri Lanka's traditional health approaches (i.e. ayurvedic and spa treatments that abound in the tourism sector). The country has natural and traditional endowments that can be used to foster a sustainable wellness tourism value chain that is deeply rooted in local communities and traditions. In Batticaloa for example, a new hospital for kidney treatment targeting foreigners and locals is being constructed with the support of Chinese aid, which could become an 'anchor' for MSME wellness tourism (e.g. guesthouses, spas, ayurvedic treatments, etc.).

4.3   Intermediate Outcome 3: Skills and Business Development

S4IG has implemented a range of strategies across each district that directly target improved employment outcomes and commensurate improvement in participant income levels. These include:

- Recruitment, Employment and Careers in Tourism (REACT) facilitates flexible workplace delivery of accredited qualifications. The methodology includes engaging service providers to interact with industry, identify skill gaps and employment opportunities, arrange the delivery of accredited workplace training up to NVQ4 level, and on completion facilitate employment outcomes.
- The Enhancing Employability Skills in Tourism and Hospitality Industry for Disadvantaged Young People Project begins with recruiting young people (mostly from rural communities) who may have little awareness of career opportunities in the tourism sector. Initial employability skills training incorporating areas such as career guidance, occupational health and safety, gender awareness, communication and presentation skills is followed by formal training courses to NVQ 3 and 4 levels for occupations such as room attendant, receptionist, cook and baker.
- The Workplace Based Basic Skills Development Project – see above.
- Guest House Improvement Program Master Class – see above.
- The Improving Beauty Therapy Service in the Tourism and Hospitality Industry Project – see above.

A high proportion of S4IG skill development activities have applied localised, flexible delivery of modularised workplace training. This approach facilitates improved access for women and persons with a disability to acquire or improve employability competencies and gain a recognised qualification that can lead to positive economic outcomes and/or further education and training. In addition, S4IG skill development activities such as the GHIMC and the Beauty Therapy Services Project have worked directly with a broad range of MSMEs to improve their business practices. As a result, expanded operations have led to better conditions for employees and/or employment of new staff.

S4IG has not only facilitated both formal technical training leading to a recognised qualification, but also informal training in what are regarded as soft skills such as reliability, communication, presentation, problem solving, teamwork, customer service delivery. In addition to the Enhancing Employability Skills project, other good examples to improve the professionalism of service delivery include the work undertaken

with the Tuk Tuk Drivers Association in Arugam Bay and the Eastern Province Tourism Bureau Tour Guide Training and Registration program.

S4IG facilitated skill development interventions have generated over LKR8 million additional income per month shared across 591 participants. Of all projects that have generated improved income per month, the REACT project has contributed more than half (LKR4.3 million). The other major contributor is the Beauty Therapy Services project which has contributed LKR2.3 million per month to the overall total. Importantly, the 85 beauty therapy women who have reported increased income have seen greater monthly increases than other projects, although the level of increase for the five disabled women with improved income is substantially less.[9] The following table provides a snapshot of income increases by gender, disability and S4IG project.

Table 1   Increase in income by training program

Income change: Training Program	Female No(#)	Female Total (LKR)	Female Ave (LKR)	Male No(#)	Male Total (LKR)	Male Ave (LKR)	PWD Female No(#)	PWD Female Total (LKR)	PWD Female Ave (LKR)	PWD Male No(#)	PWD Male Total (LKR)	PWD Male Ave (LKR)
REACT	8.6	1.6M	11K	191	2.7M	14K	9	87K	9.7K	8	109K	13.6K
Basic Skills	5	14.5K	2.9K	26	125K	4.8K	3	40K	13.3K	1	10K	10K
Guest House Master Class	18	171K	9.5K	51	517K	10.1K	–	–	–	–	–	–
Beauty Therapy	85	2.3M	27.2K	–	–	–	5	49K	9.8K	–	–	–
Employability Skills	15	117K	7.8K	31	382K	12.3K	12	127K	10.6K	13	195K	14.7K

Source: S4IG MIS – List of participants who increase their income spreadsheet

The figures in the table are indicative only, as some participants may be counted in more than one project, e.g. beauty therapy delivered through REACT. Overall, there has been in excess of 5,000 participants, but many have participated in more than one activity. The actual number of individuals supported by S4IG is close to 3,400 indicating an average participation rate of around 1.7 per person.[10]

At the time of the review, of the 2,507 people (911 women) that have completed S4IG facilitated training, 591 or 24 per cent (278 or 31 per cent women) report an increase in income. Across this group, the average monthly increase by women was almost LKR15,000 compared to just over LKR12,000 for males. The following table details the change in employment status in relation to the baseline by the average income increase.

Table 2   Increase in income by employment type

Employment change: Baseline Employment Status (average LKR/mth)	Job Improved	New Enterprise Started	New Job	Not Employed	Not presently employed	Self-Employment
Full time permanent job	7,894		15,037	7,857	14,083	

Employment change: Baseline Employment Status (average LKR/mth)	Job Improved	New Enterprise Started	New Job	Not Employed	Not presently employed	Self-Employment
Full time temporary job	12,250		14,008	10,000	16,750	
Part time permanent job	7,321		8,316			
Part time temporary job	7,167		10,727	2,000	13,333	
Self-employment	9,400	12,643				39,902
Nothing	11,000					
Other	1,000					

Source: S4IG MIS – List of participants who increase their income spreadsheet

For example, of those that began S4IG training with a permanent full-time job but got a new job afterwards the average income increase was over LKR15,000 per month. The highest monthly increase of nearly LKR40,000 is for those who commenced as self-employed and continue to do so, though this represents only 29 participants.[11]

While the rhetoric has been that people with disabilities are less successful, the data notes that 24 per cent of people with disabilities increased their income, greater than the 16.2 per cent average. There were 25 (13 women) persons with a disability within the 591 that reported an increase in income. Of this group 23 (11 women) indicated that they had found a new job. Of the remaining two, both women, one who was self-employed at baseline reported starting a new enterprise.

The other who was a full-time temporary employee reported that her job had improved. All of the men with a disability reported that they had found x`a new job following participation in S4IG programs.[12] The average monthly income increases for persons with a disability in a new job varied on the basis of gender (14,000LKR for men and 10,000LKR for women), though the sample size is too small to draw general conclusions.[13]

S4IG skill development activities have ranged across a number of tourist related occupations and a range of enterprise types as illustrated in the following table.

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[11] Ibid.
[12] Ibid.
[13] Ibid.

Table 3   Number of activities and participants completing training by sub-sector

	Number Activities	Number Participants Completed	Type of MSME	Type of MSME	Type of MSME
			Micro	Small	Medium
Accommodation	40	1,351	255	24	3
Food and beverages	43	588	21	6	1
Leisure / excursion / tours	20	586	51	0	0
Related services	35	617	4	1	0
Tourism assets in destination	3	44	4	0	0
Travel organisation and booking	3	61	1	0	0
Total	**144**	**3,247**	**336**	**31**	**4**

Source: S4IG MIS – Compilation – Details of Skill Development Activity Updated spreadsheet and Enterprise Details Spreadsheet

4.4   Intermediate Outcome 4: Strengthening TVET Systems

S4IG has strengthened tourism service delivery across the four districts through enhanced skills and business practices, being mindful where possible to operate within and contribute to the MSDVT TVET system reform currently underway nationally through the ADB- SSDP.

The S4IG approach is in concept designed to stimulate a more flexible and responsive competitive training market. This aligns closely with the Employment Linked Training Program (ELTP) that is a new initiative being implemented by MSDVT through the SSDP, using both public and private training providers. Through the REACT project, S4IG has adapted the Australian Group Training Model whereby S4IG purchases defined skill development services under contract from a number of service providers, currently including three NGOs – Young Men's Christian Association (YMCA), Ygro, and Islamic Relief. Similarly, the Basic Skills Project has applied a purchasing model with District Chambers of Commerce being contracted as service providers to deliver employment, training and assessment services in the workplace in collaboration with FCCISL.

In practice, the REACT approach provides a working model for those implementing the ELTP, particularly in aspects such as purchasing training from the private sector geared specifically to an identified need. The Service Providers are contracted to work directly with local industry to identify skill gaps and employment opportunities and facilitate recruitment and the development of relevant training programs for delivery by accredited training providers in the workplace. Applying a performance-based funding model which ELTP could also replicate, Service Providers are paid based on milestones with a retention figure payable on satisfactory completion of all contractual requirements.

S4IG approaches have also provided a business model for greater private sector participation in accredited training and assessment. Based on their REACT experience, the YMCA has expressed its intention to continue to offer its services applying the REACT model and has already secured an 18-month contract with MSDVT to deliver ELTP courses and an open-ended contract with the Ministry of Education to deliver Year 13 skill development courses. Another example is the ACCIA which is planning to continue the BSP model on a fee for service basis for all its members. At interview, this type of private sector development was strongly supported by senior personnel in MSDVT and SSDP.

An essential feature of the ELTP approach is the delivery of TVEC accredited NVQ qualifications by registered training providers; however only 55 per cent of courses delivered through REACT meet this requirement.[14] The critical issues identified by S4IG include the lack of registered training providers across the four districts with the capability to deliver the required tourism related NVQ level courses and resource constraints limiting the capacity of TVEC to register providers and accredit new courses in a timely manner. The lack of capacity to deliver accredited courses has been exacerbated by a lack of certified assessors to conduct final assessments and certify awards.

In response, S4IG has adopted alternative strategies for qualification recognition and assessment. which serve as models for MSDVT and ELTP implementers to reduce the pressure on overstretched Ministry resources that are dealing with registration, accreditation and assessment processes. Where they have been available, S4IG has adapted internationally recognised courses from Australia, the UK and New Zealand. These international standard courses comprise 22 per cent of the REACT sponsored delivery.[15]

In the Basic Skills Project, international standard train the trainer courses have been applied specifically for workplace trainers and CCI Assessors. In addition, 747 participants have completed an international standard multitasker workplace-based skills development course benchmarked to either a NVQ2 or NVQ3 level.[16] To enable the training market to utilise and deliver the international standard courses elsewhere,

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[14] Source: S4IG MIS – Details of Skill Development Activity Updated spreadsheet
[15] Ibid.
[16] Ibid.

S4IG is intending to submit them for TVEC accreditation. This process has been delayed because of the absence of a Skill Development Manager for 12 months.

More broadly, S4IG has responded to GoSL interest in international competitiveness and the need for internationally recognised qualifications. Currently Sri Lanka does not have mutual recognition agreements supporting its qualifications with other countries. While still work in progress, S4IG is collaborating with TVEC and the Tourism Skills Council on global alignment of NVQ qualifications especially those related to the tourism sector.

NVQ designated courses are delivered by private (57 per cent) and public (37 per cent) providers. The key difference being that the majority of private provider delivery is at the NVQ3 level whereas the public providers are delivering NVQ3 and NVQ4 courses in equal proportions. However, commensurate with this, the number of participants completing NVQ courses is greater in the private (c.69 per cent) than public (25 per cent) of providers.

Table 4 Number of courses and participants trained by training provider, NVQ level

	Courses	Courses	Courses	Courses	Completions	Completions	Completions	Completions
	NVQ3	NVQ4	Total	%	NVQ3	NVQ4	Total	%
Private (registered) provider	35	16	51	57	544	297	841	69
Public (registered) provider	16	17	33	37	161	147	308	25
NGO	2	1	3	3	30	19	49	4
Private company	2	–	2	2	25	–	25	2
Total	**55**	**34**	**89**		**760**	**297**	**1,223**	

Source: S4IG MIS – Details of Skill Development Activity Updated spreadsheet

The use of the phrase 'NVQ designated courses' reflects the fact that while courses may have been seen to be equivalent to NVQ levels they are not necessarily accredited as shown in the following table. Of the 51 NVQ courses delivered by private providers less than half are actually accredited, A high proportion have been classified as International standard and benchmarked against NVQ levels. For public providers more than 80 per cent of courses have been accredited.

Table 5 Number of courses by training provider, type of accreditation

	Accredited	Industry validated	International standard	Non-accredited	Total
Private (registered) provider	21	2	17	11	51
Public (registered) provider	27	0	0	6	33
NGO	3	0	0	0	3
Private company	1	1	5	6	13
Total	**52**	**3**	**22**	**23**	**100**

Source: S4IG MIS – Details of Skill Development Activity Updated spreadsheet

Overall there is clear evidence that S4IG has sought to deliver NVQ accredited courses wherever these have been available from either a public or private training provider. Where required courses have not been available, S4IG has facilitated either industry validated, or international standard courses benchmarked to NVQ levels. The remaining 23 per cent of courses are non-accredited. S4IG has indicated its intention to have all benchmarked and non-accredited courses accredited where applicable. In some instances, this may not be necessary in courses such as a St John's first aid course.

5 Gender and Social Inclusion: Adequate

Overall, S4IG has largely achieved the expected results on gender and social inclusion, having been able to attract women and differently-abled people into the programs in substantial numbers and having a positive impact on income and employment outcomes.

The performance results and specifically the participation rates by women has been mixed when compared with the whole cohort of S4IG participants, though the stories tell more than the numbers. As previously noted, 911 women have completed their training out of the total 2,507 for S4IG. Improvements were made with later programs having a higher participation rate. Based on performance data, women have outperformed men when they have completed their training in terms of greater likelihood of increased income (31% for women, 20% men) and improved employment outcomes (31% for women, 30% men). However, the review team also heard many stories about how women overcame limited access or significant socio-cultural barriers to gaining vocational employment particularly in non-traditional sectors.[17]

The performance for people with disabilities is clustered around a few interventions, particularly those by YMCA that have had surprisingly strong success. Despite the stigma and the cultural challenges faced by differently-abled people, they have outperformed in many of the metrics. Completion rates for differently-abled people are higher (80.3 per cent) compared with S4IGs total results (66.7 per cent). However, instances of drop-out are greater for differently-abled people (6.1 per cent) compared to S4IG's total results (3.1 per cent), something that has been regularly highlighted due to the physical and social barriers faced. Of the 80 differently-abled people who have completing their studies, an impressive 31 (29 per cent) have improved their employment situation and a further 25 (31 per cent) have increased their income. The challenge though is that this success is contained to a few courses predominantly by YMCA (see Case Study 6)[18]:

- assistant cook, non-accredited, NVQ3, by YMCA in Trinco: 15 people with a disability
- work place training room attendant, accredited, N/A, by YMCA in Trinco: 10 people with a disability
- soft skills training, no accreditation data, by Miana Technical Institute in Batti: 6 people with a disability
- professional baker, accredited, NVQ3, by YMCA in all four districts: 10 people with a disability
- Diploma in professional travel agent, international standard, NVQ4, by YMCA in all four districts: 10 people with a disability
- housekeeping, international standard, NVQ3, by Islamic Relief in Ampara and Batti: 9 people with a disability
- bakery, non-accredited, no qualification data, by EN Manpower in Trinco: 6 people with a disability.

The challenge of attracting women and differently-abled people to this training is not to be understated, as was made clear by S4IG staff and participants interviewed. The perception of the appropriateness of the tourism industry as a sector into which women should seek access is challenging. The perception in the community is that shift work and the hours of travel coupled with the relative lack of 'safety' (referring to the prevalence of and potential for sexual harassment and violence) is a substantial barrier to women's inclusion in this sector (see Case Study 7). One anonymous female participant had highlighted this issue to the review team, flagging that safety was a serious concern and so she paid a significant portion of her salary to get a private tuk-tuk to and from work each day particularly because of the evening shifts.

Accessibility is just one of the barriers to disability inclusion in this sector or any sector; the major barrier being culturally driven family shame and unwillingness to support a family member with a disability to be an active and equal member of society. A welfare mentality towards differently-abled people

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and also towards war-widows and women-headed households exists still in this context. S4IG has therefore done well in working with CSO, industry and government partners to engage with and attract differently-abled people to the program. For example, Ms Ruwanthinka Jeewanthi demonstrated the economic value of her skills to the owner of Nilkanka Bakery after completing studies through the REACT project, expanding her selection of bakery products to high-quality pizzas, cup-cakes etc. – the good feeling about supporting a person with a visual impairment was a secondary consideration to her skills to the bakery owner (see Case Study 8).

The fundamental assumption of 'inclusion' in S4IG refers only primarily to binary gender (men and women) and to differently-abled people. This is clear in the way data is reported (men / women / persons with disability) and in the fact that the program has persisted in having separate 'Gender Inclusive Strategy– 2017' and 'Disability Inclusion Strategy 2017'. Though the language overlaps in each of these documents and more so through their updates for 2020. If S4IG engages with other factors that cause marginalisation in the program area it is incidental: ethnicity, religion, caste and or socio-economic factors are not explicitly considered. This is not uncommon when compared with other DFAT programmes, and while gender and disability are managed better in S4IG that many others, it is necessary to capture data on these social variables to demonstrate fully inclusive practice.

Most certainly gender and disability are two different social factors, but the processes for reducing their capacity for causing marginalisation to individuals are the same: long-term equity processes such as mainstreaming, and targeted equity processes such as quotas. It is the actions required to operationalise these -long- and short-term processes effectively that may differ in context, but the Strategies and Processes remain universal regardless of the demographic variable that causes the marginalisation in the first place. Shamali at the Sarubima Lake Front Hotel has identified and addressed many of these barriers for both women and differently-abled people in the workplace, providing lessons that could be expanded across he S4IG program (see Case Study 9).

As with many other aid programs globally, S4IG speaks of 'empowerment' without an articulated definition. The core documents speak of women's workforce participation, which is an important issue, yet participation without empowerment simply adds a 'double burden'[19] in women's already overburdened workload of unpaid care work relative to their men. While the word 'empowerment' is widely used in a lay sense, it has a very specific and technical meaning. [20] Fundamentally, in order to become truly empowered, people (whether women or differently-abled people) require two things.

The first is **advancement:** this might include increased resources including income, employment and other resources such as human capital (education, skills, training); financial capital (loans, savings); social capital (networks, relationships, mentors); and physical capital (land, machinery, tools, inventory).

The second element of empowerment is **transformation.** This requires that women also possess the power and ability to make decisions and control the use of these newly gained skills and resources.[21] To increase women's power and ability, those seeking change must integrate strategies to transform underlying

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[19] IWDA, 2016. Double Burden. The Impact of Economic Empowerment Initiatives on Women's Workload.
[20] Batliwala, S., 1994. 'The Meaning of Women's Empowerment: New Concepts from Action.' In Population Policies Reconsidered: Health, Empowerment and Rights, edited by G. Sen, A. Germain and L. Chen. Cambridge, MA: Harvard University Press.
[21] Kabeer, N. 2005. Gender Equality and Women's Empowerment: A Critical Analysis of the Third Millennium Development Goal. Gender & Development 13, no. 2 (2005)

restrictive structural gender roles and social norms that reinforce and perpetuate gender inequality.[22] Put more simply:

<p style="text-align:center">Empowerment = Advancement + Transformation</p>

Any interventions looking to enhance women's or differently-abled persons and other marginalised people's situation, must spread their focus from those people, to the balance of gender and social roles of all people in the community. A broader understanding of the diversity of roles of men, women, the and differently-abled and other marginalised people within the family, and the community, is necessary to devise culturally-appropriate strategies that will transform gender and social norms in the context to allow men and women and people of diverse gender identities, abilities, ethnicities, religions, castes and/or social classes and ages, to undertake their new roles without the risk of violence, social or economic sanction[23] for stepping outside of traditional gender and social role boundaries.

It is necessary to manage the transformative aspect early in the program to avoid the potential for the program to Do No Harm. This does not appear to be an integrated consideration of the S4IG program. Although S4IG staff are keen to point out that they do not believe that they are doing harm, this somewhat misses the point. The potential for harm exists when the gender and social roles remain untransformed. That in a number of cases they remain untransformed is clearly demonstrated by the withdrawal of two female Supreme Chef Contestant who had won their way to highly prestigious placements in kitchens in large international hotels; had they chosen to go despite their families wishes, what would have happened to them? And what did happen to them to make them withdraw? Do we know? Do we monitor or evaluate this?

More transformative work needs to be done with families and communities and with employers before they were in that position, so that all people and their families feel certain about their safety. Further, more work needs to be

Ms. Jeewanthi proud to be a valued member of the Nilkanka Bakery, with her employer Ms Anura.

done in the tourist sector to demonstrate the business case for employing diverse people, particularly women and differently-abled people. S4IG has a number of fine examples of business owners who understand they value of employing women and differently-abled, and they need to make better use of their experience for social marketing.

6   Value for Money: initially Adequate, increasing to Very Good

S4IG initially made adequate use of time and resources across the program, though significant improvements occurred after the 2018 review leading to an operational restructure in 2019. The initial approach had a central control in Batticaloa with limited outreach, and while this may have been leaner it

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[22] Cornwall, A & Rivas, A 2015, 'From 'gender equality and 'women's empowerment' to global justice: Reclaiming a transformative agenda for gender and development' Third World Quarterly, vol. 36, no. 2, pp. 396-415.
[23] Eves, R *et al* (2018). Do No Harm Research Project Report: Women in Formal Employment Survey. DPA & IWDA

was significantly less cost-effective. The change in management arrangements were based on feedback provided by DFAT that noted the management and operational arrangements initially were insufficient for ensuring adequate results, for allowing optimum mobilisation of staff, and for effective delivery of program interventions at the district level.[24] The restructure which took place in mid-2019 saw a greater emphasis placed on developing the District Hubs in particular. Based on moderate strength of evidence, the review team believes this contributed to more cost-effective delivery; improved stakeholder engagement; and improved alignment across the strategy and planning hub, operational hub and the results hub.

The efficiency of the program has been improving, though burdensome operational processes remain in place. The program has generally expended the budget allocated according to the plans, although adviser and staffing costs have increased relative to program costs, partly due to the restructure and under spending.[25] The operational processes are burdensome, with extremely detailed mechanisms in place to mitigate the risk of fraud and corruption. While examples of fraud were captured (e.g. a provider that was subsequently banned for trying to under report ticket sales and attendance of events), the cost of the system is around 15–20 per cent of the budget. For instance, a single grant of less than A$60,000 had seven milestone payments, and each payment had 4–8 triggers – meaning that over 50 triggers needed to be validated to close out a grant. This creates a burden on both the operations and program teams. The proportionality of the operational requirement is likely out of kilter with the potential risk, and an improved use of program time would be a greater focus on quality and scalability of interventions.

The modality has proven to be cost-effective, particularly in terms of the use of private and public service providers and the support of short-term technical advisers. The use of public service providers representing around 35 per cent of courses and 20 per cent of participants in the skills development activities provides a long-term strategy with an emphasis on sustainability. This has been combined with the use of private training providers, that are nimble and able to effectively deliver the requirements. This modality has enabled S4IG to over-achieve particularly in the course content, certification and accreditation processes. When compared with other models in the East and across Tourism, from meetings with a range of stakeholders, it was routinely noted that this blend has been more cost-effective than comparisons with purely Government or NGO programs (including from MoSDTV representatives). Return on investment calculations or cost effective analysis of individuals pilots would be useful for advocacy and communications to promote scaling of the program.

S4IG has been able to leverage resources from both the private and public sectors. Several instances were demonstrated throughout the review. For example, local government providing resources to new start up enterprises (e.g. Coral Reef receiving four containers not used at a local school to be recreated into an awareness and training facility, valued at 25mLKR (over A$200,000). Within the MSME pillar of interventions, the private sector has routinely provided cash and non-cash contributions to programs that S4IG are supporting. Similarly, individuals have also prepared to contribute to training costs (see Sustainability). However, there is no consistent data collection and reporting on resources leveraged by the program.

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[24] Scope Global, Skills for Inclusive Growth Restructure Proposal, 2019.
[25] For instance, long-term adviser costs and vehicle costs were greater than contracted in the 2017/18 financial report though total expenses were broadly as planned; and most recently the half year report in June 2019 saw 90% of the budget expended with adviser costs slightly higher than forecast and operational costs below forecasts.

The harmonisation of S4IG with other donors has been generally positive, though instances of poor coordination including with other DFAT programs exist. It is evident that significant planning and coordination by S4IG has taken place, particularly in the first 12 months of research by the program which included the S4IG Political Economy Analysis, Enterprise Survey, Informal Study Sector, Training Map Survey, Survey of Employers in Tourism, etc. This has assisted in S4IG harmonising with other skills programs in particular, though perhaps less so with private sector development and tourism projects. Good example at the national level includes S4IG on the SSDP Steering Committee – a strategic role to play that also ensures S4IG and others are harmonised. At a more local level, the Surf Championship in Arugam Bay was a good partnership between MDF and S4IG with both considering the general tourism benefits for the East and the post-Easter bombings situation. However, a poor example is Panama Safari, implemented by MDF, which could benefit from S4IG's expertise (see Case Study 3). The reason that this connection has not eventuated is unclear. Improved coordination with DFAT partners and other development programs would likely improve sustainability, noting the current coordination challenges by being wholly based in Batticaloa.

While staffing arrangements are more adequate than prior to the review, there are still skill gaps. An exercise with senior S4IG staff was conducted whereby the review team asked what additional skills would be required – the response focused on programmatic positions (e.g. marketing and communications, tourism advisers, MEL). This emphasised a skills gap in the team, where potentially it could be seen to have more internal capacity and less outsourcing in core areas such as private sector and tourism development to complement the existing team. The review team doesn't believe additional MEL capacity is required, but rather reprioritising work to focus on the information gaps (see section 7). It was highlighted in several instances S4IG's lack of capacity in Colombo to engage on DFAT strategic areas, national issues and strategic partners (e.g. MoSDTV, SSDP and other donors) particularly related to intermediate outcomes 1 and 4 – a perspective this review team echoes.

S4IG has a high level of staff localisation with turnover in some key positions. The program has approximately 34 permanent staff, of which only one is an international long term advisor (the team leader). The low requirements of international long-term advisers and the emphasis on technically competent short-term advisers and local consultants has been cost-effective. The team also appears very competent as judged by the reviewers, and are likely to be champions of change based on the S4IG approach going forward. A challenge for S4IG is how to manage staff turnover particularly in some key positions, ensuring an open and inclusive workplace is maintained.

Project oversight has placed a heavy burden on DFAT project management staff. Relative to the size of the program, DFAT is investing significant time and energy in the strategic guidance of the investments. Some of the challenges raised includes the reporting (see MEL, noting it has been focused on intermediate outcomes rather than strategic level) – a revised reporting and reflection process that includes DFAT could improve the strategic relevance while also reducing the management burden both on S4IG and DFAT.

7 Monitoring, Evaluation and Learning: Good

The MEL performance management system was well developed and implemented, though areas for improvement include the use of some specific qualitative tools and a need to place greater emphasis on lessons learned and program improvement. With regards to meeting the DFAT Standards for MEL,

the review team has undertaken an analysis and found of the 16 criteria, the MEL system meets five to an 'Excellent' level, nine to 'Very Good' level and two to a 'Fair' level. See 0.

The resourcing for MEL has been optimal, accounting for up to 15 per cent of the total budget including time of staff (as reported by S4IG)**.** This is within a reasonable bound for a program that is focused on adaptive management, and that emphasises an 'innovation cycle' to replicate, duplicate and scale interventions. For these complex programs, greater levels of MEL are required. The 15 per cent figure also includes extensive monitoring and reporting by program staff and service providers. An exercise that was conducted with S4IG asked 'what additional roles would you create if you had more money', and many did identify MEL position – however the review team feels the resourcing is sufficient, though there can be improvements in the balance of how these resources are utilised.

High quality baseline data and robust performance information on activities, outputs and outcomes are routinely tracked. For all people trained and entrepreneurs supported, detailed baseline information is collected and then quarterly follow up is undertaken for 12 months after the completion of the activities. Within the MIS, this information is also linked to activity and output tracking, enabling outcomes to be reported in a disaggregated manner. A good example of the level of detail the MEL system works at is within IO3, the MSME reporting includes business operational performance even to the level of guest houses' environmental systems (e.g. use of plastics, waste management etc) tracked quarterly. Extensive formative research has also been undertaken within the first 12 months of the program. Overall, the information is robust for IO2 and IO3, though no MEL data for IO4 has been collected as of yet with limited interventions in this space.

The MEL system underwent a review to improve the outcome-based reporting, and this is only now beginning to develop products. S4IG arguably has only been achieving practical outcomes in the past 6-12 months, to the ability to generate outcome-based data prior to that was limited. The review in 2018/19 recognised the need for increasing qualitative and outcome-based reporting, particularly as the program moved into more complex areas related to systems change (re: intermediate outcomes [IO] 1 and 4). This resulted in new tools including outcome harvesting, deep dive, and most significant change. The review team believes this represents an appropriate albeit extensive suite of tools, particularly to capture contribution analysis, indirect outcomes and unexpected impacts over and above the key performance indicators. Additional data and analysis related to resources leveraged, return on investment or cost-effective analysis particularly of pilots would provide useful data for reporting and communications.

The new tools are only beginning to be implemented, and further external capacity building and support is likely to be required. The use of the tools to assist in contribution analysis and the necessary / sufficient conditions for success is going to be the most challenging aspect, while their deployment for communications of stories of change appears on track (e.g. the report One Step At A Time[26] brings useful qualitative / outcome based story reporting together). Further refinement of the tools will assist in this. For example, outcome harvesting could be used to better scale out interventions across new partners and districts by understanding the root cause of success in some of the training models. Similarly, the tracer study, which are designed to mix qualitative and quantitative information, has included only qualitative data. Capturing indirect and unexpected outcomes using tools such as most significant change would also benefit

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[26] Skills for Inclusive Growth, 'One Step At A Time: Creating Systemic Change', 2019. https://inclusivegrowth.com.lk/wp-content/uploads/2020/02/One-Step-At-a-Time-Report.pdf

the program, such as understanding better gender and inclusion related issues. As S4IG progresses further, it will be increasingly important to provide in-depth insights into the learning and program improvement.

Reprioritising MEL resources to learning, program improvement and structuring it around the innovation cycle would be more efficient and effective. The emphasis of S4IG to pilot, demonstrate and scale (aka duplicate, replicate) requires a nuanced approach to the MEL. Essentially, S4IG interventions go through different stages:

- Discovery and defining the problem are the first steps of the analysis and require rapid feedback mechanisms. This is where the theories of actions are often developed.
- Prototyping is when the intervention is generated, and feedback is generally based on expert opinion, observations and rapid feedback.
- Piloting involves real world application of the intervention, and generally requires the greatest amount of MEL resources to understand the quantum of direct and indirect outcomes and impacts; and
- Scaling which includes scaling up (into policy), scaling out (i.e. replication and duplication) and scaling deep (broadening the intervention). This is generally where contribution analysis, stories of change and the like are used.

The MEL system doesn't systematically capture indirect outcomes associated with scaling. There are instances that have been highlighted by the S4IG team of training courses being replicated by the service providers (e.g. YMCA has expressed interest to replicate the REACT training, which is not planned to be captured by the MEL through tracer studies for instance), or business mentors providing additional paid services to MSMEs. These instances of scaling aren't captured by the MEL systematically, though as a direct intent of the program ought to be included to demonstrate scalability and sustainability of interventions. Specific application of the existing tools to support better understanding of how S4IG can scale up into policy, scale up into the likes of FCCISL, scale out into new training providers, and scale out models to new districts.

A MEL system that assisted the team in understanding the necessary and sufficient conditions for success would provide useful information for the scaling of S4IG. More emphasis on learning for program improvement and then scaling – in particular the connection between what is working at one district or with one partner and scaling that to new area, new partners, and into policy shifts. One example where this appears to have related to guesthouses. Key performance indicators for business performance were initially identified to help build the skills of enterprises; the MEL team engaged with the enterprises and service providers and assessed the system was working well. This was then improved and expanded, including for tuk-tuk training, surf-schools, and now key performance indicators are being used as part of the business coaching model. In this example, the MEL findings helped improved the program outcomes, and to some degree provided information as to the key performance indicators that relate to necessary and sufficient conditions for success within a model.

8   Sustainability: Adequate

Sustainability of S4IG's investments are likely to endure, particularly at the enterprise and individual level, with green shoots appearing of systemic changes in local systems and institutions. S4IG has completed three years of programming, though the first year was predominantly inception, research and

preparations, with interventions largely occurring in the past two years. S4IG has achieved an adequate level of sustainability for the stage of its implementation, considering the challenge of the political economy, the post-conflict areas that the program is operating in, the long-term requirements to impact on skills development sectors, and the Easter bombings having a significant impact on the tourism sector.

The program has somewhat been delivered through local systems and institutions, which includes both public and private training providers. Approximately 37 per cent of the courses and 25 per cent of the participants who have completed training programs (IO2) are through public training providers, though at this point they have not necessarily initiated more responsive course delivery themselves. However, there is evidence that private and NGO providers such as the ACCIA and the YMCA (see case studies 0 and 0) are developing business enterprises to provide ongoing services based on the S4IG models.

To strengthen the sustainability through local providers, emphasis on their capacity building would benefit the program. There are essentially three targets for capacity building: the S4IG team itself, the service providers delivering the services, and the beneficiaries including individuals and entrepreneurs. The emphasis on capacity building thus far has tended towards the later. However, placing emphasis on capacity building of the chambers of commerce, public and etc. would aid in the sustainability of the intervention. No evidence was collected that demonstrated any capacity building of partners over and above implementing the S4IG standard operating procedures related to procurements and contract management (i.e. milestone delivery).

Changes in attitudes at the national level towards flexible and demand-led TVET are likely to continue. MSDVT and other stakeholders reported to the review team an ongoing interest in this approach and are keen to better understand how these models could work at a national or more substantive level. The issues identified are predominantly internal and operational in nature, for instance the time it takes for accrediting courses, the capacity of trainers to provide on the job-based accredited modules (skill sets), and the lack of assessors delaying the certification processes. Beyond that, there appears to be a shared interest in the outcome of improving flexible and demand-led TVET.

Some ownership has been identified by District Governments in the planning and implementation of skills development for tourism. As mentioned above, the local planning has improved through the interventions of S4IG predominantly through the District Coordinating Committees and SSAPs. When the review team met with senior members from the government and private sector, it was clear – particularly in the likes of Ampara and Trincomalee – that there is shared ownership of this process, and that at least the District Coordinating Committees will continue to operate over and above the S4IG role. The melding of the SSAPs into District Master plans in three of the districts (other than Polonnaruwa) is another positive indication of program-initiated strategies becoming subsumed within government systems and processes.

Benefits to enterprises are expected to endure in some situations. It is perhaps too early to really determine whether the financial improvements to MSMEs are sustainable, and to allow for the seasonal variation considering the timeframe of the results being reported, although some examples were observed. For instance, Niroshan's Yuhiburi Guesthouse has undoubtedly improved with the business coaching, and as an individual it is very likely he will continue to use these skills to increase his business performance, increase profit and increase employment of others in the sector (see Case Study 5).

Improved income and employment opportunities to individual's trained are expected to endure in many situations. The main feedback from businesses and individuals about the on-the-job training

approach has been the relevance and usefulness. The review team heard comments about bakers with NVQ4 being able to bake a cake but not make the icing, while we saw businesses employ bakers that had relevant skills – not because they had an NVQ, but because they had practical on-the-job experience. Raheem of Water's Edge Guesthouse would ask would-be applicants to bake a croissant to international standard as part of the recruitment process, somewhat overlooking the NVQ. While it is early days, it is likely those who benefited from relevant on the job training will continue to prosper.

A guesthouse in Batticaloa has recently been upgraded based on the business coaching advice

Moving forward, the emphasis on sustainability is going to be increasingly important. For the success of S4IG based on the design intentions and the End of Program Outcomes, greater levels of sustainability and in particular local ownership (scaling up) will be essential. Some risks to this remain – particularly the challenging political economy and the timeframes and investment required to reform entrenched supply driven TVET systems. The review team observed that the S4IG team are adequately managing these risks within their sphere of influence.

Shiva at the popular Koneswaram Hindu temple in Trincomalee

Arugam Bay is a tourism hotspot, particularly for tourists, with over 150 hotels and guesthouses

9 Recommendations for Phase 2

1. **This review recommends extending S4IG for a Phase 2, with some programmatic and contractual modifications.** DFAT to review head contract and consider a longer timeframe, such as five years with a 3+2 stop-go review clause. This would encourage more emphasis on longer-term approaches and sustainable outcomes. All recommendations could be initiated immediately for the full Phase 2.

2. **Review the program logic to clarify the investment decision making criteria, particularly in terms of tourism development initiatives.** A broader remit to include tourism and economic development

activities, which may complement the skills development to generate demand for broader TVET services. Engaging with the Ministry of Tourism as a key partner in addition to MSDVT would be strategic and alleviate pressures to invest in non-tourism skills programs.

3. **Improve the quality and depth of activities across the existing four districts prior to expanding to new districts.** The quality of interventions is more important than the quantity, which can diffuse and dilute limited resources. Concentrating across the tourism value chain on enterprises, individuals and models that show signs of substantive growth will be more cost effective. When scaling out to new districts, prioritise the pilots further developed (e.g. REACT and Basic Skills in tourism and beauty salon). Where scaling out to new districts, select based on GoSL tourist zones including tourist pathways to the existing four districts (i.e. Uwa Province, North Central Province).

4. **Increase efforts to engage with national TVET systems particularly in terms of accelerating efforts for TVEC accreditations and utilising public providers**. S4IG should accelerate its efforts to facilitate the TVEC accreditation of NVQ equivalent level courses that have been developed and delivered by the program to date. S4IG to set an aspirational target of 50 per cent public provider provision of workplace training and assessment of NVQ accredited qualifications within SDF funding – providing capacity building support where required. And in collaboration with MSDVT and relevant agencies, establish and support the development of a comparable employability skills model, based on the Miani approach, with at least one public TVET provider in each district.

5. **Invest in modelling and communicating good practices of flexible delivery of skill development services.** Through strong evidence-based communications strategies specifically targeted for different audiences, S4IG should continue to advocate the benefits of better targeted and more flexible delivery of skill development services in support of economic growth. S4IG can model the best practices, particularly with public sector training service providers. Systematically collecting and reporting case studies with primary data that provide qualitative insights into learning and demonstration (i.e. return on investment calculations, cost effectiveness analysis, contribution analysis via outcome harvesting) would support coordination, policy and planning. Engaging with MSDVT and stakeholders at a national level would further increase ownership and systemic changes.

6. **Further prototype new models and approaches in specific tourism sub-sectors.** Without being prescriptive, some low risk and potential high reward sub-sectors for S4IG to expand their engagement with include wellness tourism (linked to the National Export Strategy) and e-marketing (particularly supporting destination marketing). Avoid foundational skills like ICT that marginally or indirectly benefit tourism development though may be relevant to skills development as a secondary objective.

7. **Provide directly or link with existing scholarship programs to target individual champions that can support the scaling of well-performing initiatives.** S4IG has the potential to provide targeted capacity building activities to key individuals or niche areas in the market where broader certification may not be possible yet there is a public benefit. S4IG to identify individual champions, especially champions in the public training sector that clearly demonstrate models that generate the economic and political drivers for replication and roll-out across the four districts. This would require co-contributions from individuals or institutions.

8. **Building on the existing tourism value chain support, expand the range of MSME business incubation modalities, particularly targeting interventions where there are public benefits.** Depending on what is possible within the S4IG contract, identify new business incubation support mechanisms (e.g. challenge funds, scholarships, grants) that also include wrap around services of technical assistance and upskilling. Co-contributions would continue to be expected. Greater cooperation with MDF in tourism market development and business support services is expected.

9. **Review the inclusion strategy and action plan to put empowerment and 'do no harm' at its core.** Clarify a truly inclusive approach and the concepts around empowerment through capacity building of the S4IG team. Programmatically, transformational work should be done with families / partners to ensure they understand the nature of the advantage. S4IG can have better follow up of the participant experience over time to capture advancement, transformation and genuine empowerment. Practically there is a need for hotels to have greater engagement with employee safety, accessibility and workplace satisfaction (e.g. safe place mapping, accessible workplace as well as front-of-house, worker transport, family friendly shifts, flexible work). As part of the scaling, generate a business case and associated communications for inclusion targeted to employers. The MEL and specifically the disaggregation of data should be reviewed in light of the inclusion strategy, considering all factors of exclusion.

10. **A light-touch restructure of the S4IG team, including representation at the national level while maintaining the district focus.** S4IG should establish a Colombo office for the team leader and administrative support. This would allow S4IG to further seek representation on key committees; improve engagement with DFAT Colombo; improve coordination with DFAT partners (e.g. MDF) and other development projects; and to play a more strategic role with MSDVT policy and planning processes to improve alignment and advocacy. The deputy team leader would have day to day oversight of the operations in the four districts. Additional staffing may also include a tourism officer with emphasis on private sector development; communications, marketing and promotions officer with destination marketing skills; or public training out-reach officers in the districts – this would come at the cost of other inputs such as short-term advisers.

The Dutch Fort in Batticaloa has the only working cannon left in Sri Lanka, and is undergoing a major renovation and transformation to become an 'anchor' for local tourism

10 Addendum: Covid-19

The Covid-19 pandemic has significantly impacted the humanitarian, economic and political context in Sri Lanka. During the final drafting of this report, the scale of severity of the Covid-19 pandemic in Sri Lanka has become more apparent. The World Health Organisation declared it a pandemic on the 30th of January 2020, though at the time the numbers of infected persons remained small and well contained in Sri Lanka. However, by mid-March, public holidays and curfews were announced island-wide as the number of suspected cases increased exponentially. Flights were cancelled, in-bound travellers required specific quarantining, social distancing was being enforced, and a Covid-19 Special Task Force was established by the Government. At the time of writing, while the health crisis has been relatively well contained all things considered, the impact on the economy is already dramatic with exports/imports being impacted, monetary supply being expanded, debt levels increasing – and of course, tourism coming to a near standstill.

The impacts of Covid-19's direct and indirect impacts are likely to exacerbate issues of exclusion, while also being felt most by those who are already marginalised. The level of resilience to social and economic impacts is generally lower for women, youth, differently-abled persons, lower socio-economic groups, and those marginalised because of caste, religion or other factors. This exogenous shock will be harder for them to manage, and harder for them to bounce back from. This is particularly the case for those involved in MSMEs who often have high level of debt and low levels of assets, and those employed informally – both of which characterise much of the tourism sector. It may also be possible that while big businesses and their employees do receive some form of government support, others may be forced to rely on social welfare systems. Therefore, any Covid-19 response will need to have inclusion at the heart of its approach.

S4IG will need to pivot in response to Covid-19, though is well placed to be able to modify its operational approaches. As with all DFAT investments, a business continuity strategy will be expected to be developed. This includes a review of operational structures, delivery mechanisms, budgets, workplans, and the like. With regards to operational structures, as S4IG has a strong locally engaged staffing structure already in place, this is likely to be advantageous going forward. Being based in the Eastern Province and Polonnaruwa, there may be some temporary challenges with remote working arrangements that will be required in the short term.

As with the 2019 Easter Bombings, it is expected that S4IG will be able to respond to the economic and tourism crisis resulting from Covid-19. As tourism numbers dwindle to near zero occupancy rates across Sri Lanka and the world, the impacts of the lockdowns are likely to be severe on the tourism industry. Many of the enterprises are MSMEs with informal workers, making the sector fragile with the potential of many businesses becoming simply unviable. Anecdotally, impacts in the East may be lower and more manageable than Colombo and the South, though may also take longer for recovery. As with the Easter Bombings, S4IG was able to work with government and private sector in supporting a recovery strategy. The support to the sector will be even more relevant through the recovery process, though potentially the delivery mechanisms may need to be modified. For example, using distance education delivery mechanisms; working with enterprises that are 'hibernating' with skeleton staff only; focusing on clearing the backlog in course accreditation processes; etc.

S4IG and DFAT will need to rethink tourism support from a growth to a recovery mindset, and increase the coordination with DFAT and other partners. In the medium term, there is likely to be significant changes that are not yet known – for example, how the Government responds via stimulus packages, sub-national government coordination mechanisms, and what other donors and programs are doing. Therefore, a problem driven iterative approach across DFAT's EOP Strategy and S4IGs approach is anticipated, while the recommendations for consolidation of S4IG activities rather than expansion is even more pertinent within this context. Any pivoting will need consider how S4IG and other DFAT partners are best able to harmonise their support for the tourism sector.

Annex 1: Review Plan

Introduction

The growth and competitiveness of the Sri Lankan economy, particularly micro small and medium-sized enterprises (MSMEs), would benefit significantly from better access to finance and productive markets, improved access to technology, addressing skills gaps in the workforce, and better coordinated and inclusive policy reform. In 2017, Australia identified target sectors and value chains that offer the highest potential to increase the income and wealth of the poor, and women in particular. Tourism was one of them. Australia works closely with the private sector and government to enable business by improving skills, technology, regulations and policies. Australia's investment in this area is channelled through two distinct activities: a Market Development Facility (MDF) and the Skills for Inclusive Growth (S4IG) program, both of which are part of the broader Economic Opportunities for the Poor (EOP) portfolio.

EOP is a seven-year (May 2015 – June 2022), A$36 million portfolio of programs which aim to support economic growth that benefits all Sri Lankans and contributes to a prosperous and stable Sri Lanka that is inclusive and private sector-led. The portfolio consists of three programs (MDF, S4IG and ILO's Local Empowerment through Economic Development program – LEED+) which are all at various stages of implementation. The original expectation was that most of these programs would have multiple phases, based on performance and DFAT approval, as DFAT Colombo Post recognised that the systemic change expected through these programs in the chosen sectors cannot be reached within a single four-year period.

The EOP portfolio aims to support poor women and men to increase their incomes and access quality jobs and skills development services through participation in identified growth sectors of the Sri Lankan economy. MDF and S4IG activities focus mainly on tourism and related services – MDF island wide and S4IG in the East – while LEED+ focuses on the fisheries and agriculture sectors in the Northern Province. EOP works in partnership with public and private sector organisations. This includes government agencies at sub-national and national levels, private businesses, business associations and community groups.

S4IG operates within this framework. It is a skills development program that uses the tourism sector to explore and demonstrate successful models of change within skills providers in formal and informal enterprises across the four districts of Ampara, Batticaloa, Trincomalee and Polonnaruwa.

S4IG is intended to be a demonstration project. With the World Bank and Asian Development Bank (ADB) both advising the Government of Sri Lanka (GoSL) on national TVET reform, DFAT concluded during the scoping and design phase of the program that it would be more strategic for the Australian aid program to invest in models of good practice that provide an evidence base for reform.

The **overall goal** of S4IG is to increase the numbers of poor women and men who, as producers, workers and entrepreneurs, participate in and benefit from the expanding tourism industry in the four target districts, through skills and business development activities.

S4IG has two **End of Program Outcomes**, which are that:

- the majority of micro, small and medium enterprises operated by participants in S4IG skills and business development programs improve their performance
- the majority of participants in S4IG skills and business development programs increase their incomes.

The program reports against the following **Intermediate Outcomes**:

- The coordination and planning of skills and business development at sub-national level in target areas is improved and gives equal weight to the skill development priorities of the informal economy as those of the formal economy.
- Micro, small and medium enterprises are established and developed by relevant participants in S4IG skills and business development programs, including women and people with a disability.
- Participants in S4IG skills and business development programs gain or improve their employment, including women and people with a disability.
- S4IG modelling and learning contributes to the strengthening of the national TVET system and quality standards.

This review plan is based on the terms of reference developed by the Australian High Commission with consultation of the Sri Lanka Support Unit. The general purpose of the review is to assess the program and provide recommendations that will guide DFAT's decisions on continuing to invest in a program supporting inclusive economic growth through skills development in Sri Lanka, for an additional phase of 4–6 years. The focus of the review will be DFAT's S4IG program, implemented by Scope Global Pty Ltd. The management of the review will be led by the Sri Lanka Support Unit.

Scope of the review

Purpose of the review

The purpose of this independent review is to use a combination of desk review, stakeholder interviews and observations to:

- Assess and verify progress of the S4IG program against end of program outcomes.
- Make recommendations for any modifications for the next phase of programming. This may include recommendations for the change of scope, focus sector, management structure and/or geographic areas covered by the next phase of the program;

Audience

The primary audience of the review is the Australian High Commission, and specifically to inform decisions related to ongoing financing of S4IG and what a future investment may look like (based on changes to the status quo including which sectors). Furthermore, the S4IG team itself is a primary audience in terms of program performance, learning and improvement.

The secondary audience includes other members of the AHC particularly in terms of those related to cross-cutting issues such as GESI; Desk in Canberra particularly in terms of understanding performance, accountability and future strategic direction for S4IG and the EOP.

The tertiary audience is a broader arrange of development partners that may read the review particularly for communication and coordination purposes; other development partners in terms of Australia's experiences on program performance of this aid modality; other Australian Posts in terms of understanding experiences related to tourism, TVET and inclusive economic growth, etc.

Key review questions

Relevance

- To what extent are the objectives of S4IG still appropriate to Sri Lanka's the priorities of the Government of Sri Lanka?
- How well do the objectives align with DFATs policy direction, most notably the Economic Opportunities for the Poor (EOP) framework and the (draft) Aid Investment Plan 2020–2025?[27]

Effectiveness

- To what extent has S4IG achieved its end of program outcomes, the majority of micro, small and medium enterprises operated by participants in S4IG skills and business development programs improve their performance, and the majority of participants in S4IG skills and business development programs increase their incomes?
- What key factors have contributed to the achievement (or non-achievement) of objectives?
- What unintended (positive and negative) outcomes occurred?
- To what extent and in what manner has the program approach of demonstration and piloting models for change been effective?
- Which stratification of beneficiaries (intended and unintended) have benefitted most / least from the program?
- How effective has S4IG been in partnering and collaborating with other DFAT investments, other donor and GoSL skills development programs?
- How effective has S4IG's communications and visibility strategy been?

Efficiency

- To what extent has the program demonstrated value for money in terms of economical, efficient, and cost-effective? To what extent have management arrangements put in place by the managing contractor Scope Global, contributed to the effective delivery of the program?
- This includes management arrangements in country and headquarters support for the program

GESI

- To what extent have strategies for gender and social inclusion within the program been effective?

Monitoring, evaluation and learning

- Have MEL approaches used in S4IG generated sufficient evidence to support program decision making, program performance reporting, and accountability of resource use?

Sustainability

- What examples of sustainability (i.e. enduring benefits) have been demonstrated?

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[27] This currently only exists as a draft Integrated Country Diagnostic. Other policies of interest from DFAT Canberra include the *Strategy for Australia's Aid Investments in Education 2015–2020* and
Skills for Prosperity in the Australian Aid Program – Investment Guidance Note (DFAT 2016)

Recommendations

- What recommendations can be made for improving S4IG going forward subject to further investments by DFAT?

Strength of evidence

Decisions and recommendations will be made based on a moderate strength of evidence.[28] In some instances where sufficient data to triangulate against the review questions are lacking, weak evidence may be acceptable, but recommendations or judgements made using weak evidence will need to include an explanation.

Review methodology

The process for the review team will consist of the following stages of work:

- briefing with DFAT team
- desk review of key documents
- preliminary analysis and final agreement on approach and work plan
- in-country interviews and workshops with relevant stakeholders
- in-country workshop on ways forward with DFAT and S4IG
- final analysis, confirmation and report writing
- submission of draft review report to DFAT
- review report finalised with DFAT comments
- DFAT prepares management response.

Desktop review

A desktop review will be undertaken to glean evidence against the KEQs. The purpose will be to provide the team with background information, while also collating new evidence / documents as the review goes on. An initial starting set of documents for review include:

- S4IG design document
- S4IG program strategy and annual implementation plan (original and revised)
- S4IG half yearly report (all)
- S4IG gender strategy
- S4IG disability engagement strategy
- S4IG risk register
- S4IG monitoring evaluation and learning framework and implementation plan
- S4IG monitoring and evaluation reports / documents
- S4IG training curricula and associated documents
- S4IG monthly reports to MSDVT, TVEC, SSDD
- S4IG communications strategy / plan
- AHC aid quality check for S4IG (2019)
- AHC economic opportunities for the poor results management framework (September 2018)
- GoSL TVET reform agenda
- GoSL district skill strategies
- GoSL national development plans including national tourism development plans
- World Bank / Asian Development Bank documentation on TVET reform process
- any other relevant documents identified during the review.

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[28] DFAT AQC strength of evidence rubric is specifically expected to be used to analyse evidence against each of the review questions.

Key informant interviews

The following key informants will be interviewed, noting only relevant questions as per the questionnaire will be asked of each individual using semi-structured interview techniques[29] :

- AHC senior management
- AHC investment managers of EOP / S4IG
- S4IG senior management
- S4IG implementation teams
- GoSL Ministry of Skills Development, Department of Tourism
- GoSL provincial / district tourism and TVET partners
- other development programs, including DFAT's Market Development Facility
- other development partners, such as GIZ, USAID, World Bank, ADB and ILO
- any other relevant stakeholders.

Case studies

In-depth case studies will be undertaken on a purposive sample of interventions. The sample is based on a diverse range of interventions with three key themes: first is focusing on gender and social inclusion in the Eastern provinces; second is focusing on effectiveness of the aid modality particularly the innovative approach to training across both the Eastern and Northern provinces; and third is focusing on the training curricula and the scalability of the intervention particularly in the Northern province. Up to five case studies may be developed, each with key themes based on a selection of 1–3 key review questions.[30]

The case studies will be an ex-post presentation of outcomes, harvested through the in-field data collection predominantly. They will be up to 300words in length maximum (generally one page), reporting on the context, the intervention of the S4IG, and the identified outcome(s), and any implication for S4IG in general. They are designed to be illustrative, and not intended to generalise performance of S4IG.

Preliminary findings workshop

A preliminary findings workshop will be held at the end of the in-country field visit, loosely based on the 'Reflections Workshop' methodology.[31] Specifically, the workshop will use a 'what happened', 'so what' and 'what next' process, cover the following agenda items:

- **Macro environmental contextual scan:** political, economic, social, technological, legal, environmental (PESTLE framework) – ensuring that there is a shared understanding of the context.
- **Key evaluation questions:** relevance, effectiveness, efficiency / value for money, MEL and sustainability – ground-truthing the evidence that has been collated, co-developing the key findings against each question and using a strength of evidence rating against each finding.

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[29] Semi-structured interviews centre around a mixed framework of general themes and pre-established questions, which can be adapted in the context of individual sessions. The interviewers is thus free to leave certain questions out, mix the order of questions, or ask certain standard questions in different ways depending on context. Semi-structured interviews also rely on a combination of both open and closed questions.

[30] During the field mission, it was decided to have more (10) smaller (100-150word) case studies that were more targeted (1–2 KEQs).

[31] https://www.clearhorizon.com.au/f.ashx/%24186819%24Reflection-Workshop.pdf

- **Recommendations:** co-designing a longlist of recommendations to be considered in the reporting process.

The workshop will include the review team, AHC stakeholders, and S4IG senior management. The output will be an evidence matrix for annexing of the report. See Annex 2.

Analytical framework

A utilisation focused approach to the review is being undertaken, which places the emphasis on developing findings and recommendations that will be used for evidence-based decision making by the key stakeholders. To inform this, a collaborative approach is also being undertaken, that enables for joint analysis and recommendations by the expert review team, the S4IG implementation team, and AHC management team.

Data will be analysed using mixed-methods of data collection (see above) and analysis. Specifically, quantitative and qualitative data will be considered, noting that no primary data collection of quantitative data will be undertaken in this review. Experiential and observational data will be considered in the analysis. Expert opinions and participants experiences will also be considered. To analyse the data, evidence will be clustered around themes and the key evaluation questions. Where possible, information will be presented that generalises the findings across the S4IG project, identifies positive deviants or good examples of what has been working well, and identifies negative deviants or bad examples of what has not been working.

All analysis will be presented in the report, annexed in the aforementioned evidence matrix with summative information captured in the narrative report (see section 5 for reporting).

Process of review

Governance of the review

The operational management of the review is being led by SLSU and the team leader. This includes the arrangements with the members of the review team; development of this plan; in-country field operations (supported by AHC and S4IG); analysis and reporting processes. Logistics is being undertaken by SLSU with the support of S4IG in the field visits.

The governance of the review is being led by the AHC. Specifically, the EOP team is responsible for day to day liaising in relation to the planning and implementation processes of the independent review. Approval and feedback processes for all deliverables is being governed by AHC senior management including a task force that includes the Deputy Head of Mission. While the review team is responsible for presenting acceptable recommendations to the AHC senior management, final decisions rests with AHC solely.

Review team

The review team will comprise of an independent team leader (sourced from the Sri Lanka Support Unit), a TVET specialist, a private sector development specialist with extensive Sri Lankan experience, and a GESI adviser. An AHC officer from Colombo Post will additionally attend part or all of the field trip.

Independent Team Leader – Byron Pakula: The team leader will take responsibility for developing the work plan and implementing working arrangements, managing data collection / interviews, drafting and

quality control of written outputs in accordance with DFAT standards and requirements. He will provide strategic guidance and direction to the team and be the main contact person for any consultations with DFAT, partners and key stakeholders. The team leader will take responsibility for the overall coordination of the team to complete all deliverables within the agreed timeframe.

TVET Specialist – Peter Morris: The TVET specialist will contribute to the review approach, with a focus on assessing the relevance and effectiveness of TVET systems, models and approaches used by the S4IG program in delivering outcomes. The TVET specialist will be involved in the field visit as well as drafting sections of the report, and is managed by the team leader.

The Private Sector Development Specialist – Chullante Jayasuriua: The PSD specialists will work with the other review team members to ensure all data gathering, analysis and strategic recommendations are contextualised by reference to Sri Lanka's political, social and economic context. He will participate in the full field trip, and draft sections of the report.

GESI Specialist – Dr Ann-Maree Nobelius: The GESI specialist will contribute to the review approach, with a focus on ensuring it is able to assess the key gender and social inclusion dimensions of S4IG. She will attend part of the field trip focusing on GESI, and develop content including case studies.

Additional resources

Other expertise providing input could include governance expertise as well as sector-specific tourism expertise based on existing SLSU advisers – these will be drawn in at the analysis stage if required. Furthermore, AHC staff will actively particulate in the review and are expected to participate in the data collection, analysis and participatory formulation of recommendations as required.

Review timeframes

The contracted period covering the review of S4IG in Sri Lanka, followed by the preparation and finalisation of the review report, will begin on13 January 2020 and finish no later than 10 April 2020, with no member of the review team working more than 26 days in total.

Timeframe and deliverables of S4IG review

Phase	Detailed Activities	TL	TVET	PSD	GESI[32]
Preparation	▪ Document review ▪ S4IG Independent Review Plan (24 Jan)	4 days	3	3	2
Implementation	▪ Inception workshop in country (11 Feb) ▪ Key informant interviews (DFAT program staff, partner program staff, Ministry staff, key stakeholders) ▪ Field visit to to Ampara, Batti, Trinco and Polonnaruwa (see Annex 2) ▪ Preliminary findings workshop (24 Feb)	12	14	12	5
Documentation	▪ Draft report (13 March) ▪ Final report including presentation (3 April)	10	9	11	2
Total		**26**	**26**	**26**	**7**

Reporting requirements and key deliverables

Deliverables

The review team shall deliver the following written outputs in line with the above reporting requirements:

▪ S4IG Independent Review Plan   24 January 2020

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[32] These days are included in the GESI Strategy and are not additional, but rather it is an estimated number of days from the GESI that are relevant to the S4IG methodology.

- Preliminary Findings Presentation   24 February 2020
- Draft Review Report   20 March 2020
- Final Review Report   11 April 2020

Reporting requirements

The final review report should not be longer than 20 pages, excluding annexes and the executive summary. Any annexes should be kept to a minimum. It should set out the review approach, findings and conclusions in a way that responds to the key review questions. The report should be capable of providing actionable recommendations and program-relevant strategic direction to DFAT decision makers on the Sri Lanka bilateral aid program. The review team is expected to exercise independent and impartial judgment in preparing the report. The following structure is expected:

- Executive Summary (including key findings and recommendations)
- Introduction
- Context
- Key findings (including case studies)
  - Relevance
  - Effectiveness
  - Efficiency
  - GESI
  - MEL
  - Sustainability
  - Other if required
- Conclusion (including summary of recommendations)
- Annexes
  - Methodology
  - Evidence Matrix
  - Others as required

Annex 2: Interview Questions

Thank you (name) for taking the time to discuss the Skills for Inclusive Growth project with us.

We are an independent review team commissioned by the Australian High Commission. The purpose of this review is to assess the performance of the S4IG team against its plans, and to provide recommendations for future programming going forward. (Each member in the interview to introduce their name and role).

All responses will be confidential, only the details of those interviewed will be shared. The estimated time for this interview is up to 30 / 45 minutes (depending on interviewee).

Do you have any questions before we start?

Key Review Question	Interview Questions / Prompts	Type of Interviewees
Relevance ▪ To what extent are the objectives of S4IG still appropriate to Sri Lanka's the priorities of the Government of Sri Lanka? ▪ How well do the objectives align with DFATs policy direction, most notably the Economic Opportunities for the Poor (EOP) framework and the (draft) Aid Investment Plan 2020–2025?	▪ What are the national and provincial / local GoSL priorities in the tourism sector for education / vocational training? ▪ Of the activities, which ones mostly align / do not align with the GoSL priorities? ▪ How have the priorities of GoSL changed since the program's design (particularly considering recent and upcoming elections), and has the program been required to adapt in light of these changes? ▪ Is the program contributing to development outcomes for disadvantaged groups, specifically increasing income, improving employment and or becoming more empowered? ▪ How does the implementation of S4IG contribute to systems change in the priority areas for DFAT (as defined in the EOP Framework as well as other Sri Lanka/Global policies and guidelines)?	▪ GoSL ▪ DFAT ▪ S4IG senior management
Effectiveness ▪ To what extent has S4IG achieved its end of program outcomes, (1) the majority of micro, small and medium enterprises operated by participants in S4IG skills and business development programs improve their performance, and (2) the majority of participants in S4IG skills and business development programs increase their incomes? ▪ What key factors have contributed to the achievement (or non-achievement) of objectives? ▪ What unintended (positive and negative) outcomes occurred? ▪ To what extent and in what manner has the program approach of demonstration and piloting models for change been effective? ▪ Which stratification of beneficiaries (intended and unintended) have benefitted most/least from the program? ▪ How effective has S4IG been in partnering and collaborating with other DFAT investments, other donor and GoSL skills development programs? ▪ How effective has S4IG's communications and visibility strategy been?	▪ Quantitative results (by sex and disadvantaged group): effective outreach; additional income; number of additional jobs; number of disadvantaged men and women who gain / improve employment, value of additional market transactions; number of enterprises improving performance; investments leveraged; number of initiatives, program funds spent. ▪ What factors helped the program contribute to its objectives? ▪ Were there any unintended (positive or negative) outcomes from the program? How did the program adjust its approach accordingly? ▪ Provide an example of a MSME improving their performance, and how did the S4IG support this change? ▪ Provide an example of how participants in S4IG have improved their knowledge, skills, attitudes and or changed their practice? How did the S4IG support this change? ▪ For pilot interventions, how did the program plan for scaling (e.g. in terms of engaging stakeholders that could take it to scale, considering financial resources for scaling, ensuring appropriate MEL for piloting, etc)? ▪ Are the interventions being scaled (e.g. replicated by others, adoption and uptake of the model, additional investments, improved public-private coordination, policy changes)? ▪ To what extent has the program been working / strengthening capacities at the subnational level? ▪ What level of (i) engagement and (ii) collaborations exists between S4IG and subnational partners, GoSL, and other DFAT programs (e.g. MDF)? Provide examples. ▪ What communications has been undertaken by the project? ▪ How has the communications from S4IG contributed to the program exposure and effectiveness?	▪ S4IG senior management ▪ S4IG project staff ▪ S4IG partners ▪ Other development partners
Efficiency ▪ To what extent has the program demonstrated value for money in terms of (i) economical, (ii) efficient, and (iii) cost-effective? To what extent have	▪ Quantitative: Budget forecast vs actuals expended. ▪ To what extent are programs leveraging resources from local stakeholders to maximise the portfolio's long-term results?	▪ DFAT ▪ S4IG senior management

Key Review Question	Interview Questions / Prompts	Type of Interviewees
management arrangements put in place by the managing contractor Scope Global, contributed to the effective delivery of the program? ▪ This includes management arrangements in country and headquarters support for the program	▪ How has the program harmonised, avoided duplication and or leveraged resources from other development partner programmes? ▪ How has the program identified potential efficiencies in the activity implementation? ▪ To what extent do the EOP programs consider if and how each intervention is likely to contribute to expected results when choosing and designing interventions? ▪ To what extent does the program know how cost-effective the different activities are, and are resources allocated appropriately? ▪ Have changes in the management arrangements improved the cost-effectiveness of the program? If so, how? ▪ To what extent do the management carefully consider the quality and cost of inputs?	
GESI ▪ To what extent have strategies for gender and disability inclusion within the program been effective?	▪ What analysis has been undertaken on disadvantage and exclusion to inform the targeting of the program? ▪ What are the root causes of disadvantaged for marginalised and or excluded groups? ▪ How has the design of the intervention specifically attempted to address these root causes? ▪ What examples of contribution have been observed and or measured in improving access / outcomes for disadvantaged groups? ▪ What is the evidence for changes in empowerment of disadvantaged women and men? ▪ How are disadvantaged women and men participating more and performance better in targeted sectors?	▪ S4IG senior management ▪ S4IG project staff ▪ S4IG MEL partners
MEL ▪ Have MEL approaches used in S4IG generated sufficient evidence to support program decision making, program performance reporting, and accountability of resource use?	▪ Has the MEL been implemented as per the MEL framework and plans? ▪ Has the MEL generated sufficient evidence and data? ▪ Has the MEL specifically focused on demonstration projects as a way of learning and informing the scaling process? ▪ How has MEL been used to improve planning and program decision making? ▪ How has the MEL been used to inform program performance reporting, including tracking of activities, outputs and contribution analysis towards outcomes? ▪ Has the MEL sufficiently ensured ability of resource use? ▪ Are sufficient resources allocated to MEL?	▪ S4IG senior management ▪ S4IG project staff ▪ S4IG MEL ▪ partners
Sustainability ▪ What examples of sustainability (i.e. enduring benefits) have been demonstrated?	▪ What example of systems change can the project cite, verified and backed by data? This can include adoption of the models by third parties, improved coordination, generating champions, increased investment, etc. ▪ What changes are being observed in partners behaviours and attitudes? ▪ What are effective approaches used by S4IG to catalysing systems change that contribute to inclusive growth? ▪ What operational model / team structure would be appropriate going forward to support the current, regional and national interventions?	▪ GoSL ▪ S4IG senior managers ▪ S4IG project staff ▪ Other development partners

Annex 3: Field Visit Itinerary

Note that amendments to the itinerary were undertaken during the visit, including shifting of teams of individuals and the timing of meetings.

Location	Time	Meeting	Location / Remarks	Responsible	Thematic areas
11 Feb Tuesday	**Colombo**				
	9-11am	Inception Meeting	AHC	Byron and Dulani	▪ Introductions ▪ Overview of the S4IG Independent Review (Byron, Dulani) ▪ Background to S4IG (Dulani, Suthan) ▪ How S4IG fits within the broader AHC Strategy (Tom, Dulani) ▪ Review team questions for AHC (review team) ▪ Any other queries, next steps.
12 Feb Wednesday	**Polonnaruwa**				
	Team Travels to Polonnaruwa				
	10:30 am – 12:00 noon	Mission Briefing by S4IG	S4IG Office - Polonnaruwa	TL and Senior Managers / Polonnaruwa District Manager	
	12.00 noon	Lunch	TBD Sarubima Hotel Owner & Tourism Hotel Association President – Ms. Chamali.	Bandara / Sakthi	▪ Interlinking with projects / business sustainability ▪ Coordination ▪ Coordination with resilience planning / MDF
Team 1	1:00 pm – 2:30 pm	Meeting with Royal Nest Guest house Improvement project	Royal nest Guest House	Gamini / Sakthi / Lavanya	▪ Skills Development ▪ Inclusion / PWD ▪ Coordination ▪ BDS ▪ Market Linkages ▪ Reasonable adjustment
Team 2	1:00 pm – 2:30 pm	Ms. Thakshila, REACT Project person with Hearing impairment working at Miracle salon	Miracle salon	Bandara / Lavanya	▪ Skill development ▪ Scalability ▪ Inclusion ▪ Career path development
Team 1 & Team 2	3:00 pm – 4:00 pm	Meeting with government agent, Additional District Secretary, Planning Officials, Industry Representatives (District Planning. Constraints and Challenges)	District Secretariat	Bandara / David	▪ Skill transfer / planning skills; ▪ Government coordination / leadership ▪ District Skill planning models ▪ Product & destination development ▪ Scalability
13 Feb Thursday	**Evaluation team discussion and Reflections**				
Team 1	8:30 am – 10:30 am	Saman Homestay, Home Stay Plus Project,	Nissankamalapura	Gamini / Piumi	▪ Village Coordination ▪ BDS / Coaching / Skills Training ▪ Scalability / replication ▪ Inclusion ▪ Product / Activity development
Team 2	9:00 am – 10:30 noon	Meeting with Ruwanthika- Person with a Disability, Thilanka Bakery	Mannampiti	Bandara / Sakthi	▪ Skill development ▪ Scalability ▪ Inclusion ▪ Career path development

Location	Time	Meeting	Location / Remarks	Responsible	Thematic areas
		REACT Project		▪	
Batticaloa					
		Lunch at AETHYST, Passikudah			
Team 1 & Team 2	2:30 pm – 4:00 pm	Meeting with ECHA president Meet and Greet the Supreme Chef season 1 Participants	Mr. Rosanth, Manager Amethyst / President ECHA (East Coast Hoteliers Assoc) Ms. Lalaitha Ms. Geetha	Lavanya / Marina	▪ Skills Development ▪ Inclusion / PWD ▪ Awareness raising about the industry ▪ Career path development ▪ Coordination ▪ Destination development ▪ E-Tourism
Team 1	4:30 pm – 6:00 pm	Meeting with Niroshan, Owner Yuhi Buhi resort / President, Tourist Guesthouse Development Society Batticaloa (Guest House Improvement, Basic Skills, E-Tourism)	Yuhi Buhi Home stay	Marina / Ragu	▪ Interlinking with projects / business sustainability ▪ Tourism Association formation / Actions / ▪ Skills Development / Multi-tasking ▪ BDS / Coaching / Business sustainability ▪ Product development ▪ E-tourism
Team 2	4:30 pm – 6:00 pm	Meeting with Techno Brain and Dream Space re women in Tech and Content creators program	S4IG Batticaloa office	Sharanya / Piumi / Jayathas	▪ Gateway to the East plat form ▪ Interlinking with projects / business sustainability ▪ Skills Development / Multi-tasking ▪ E-tourism
14 Feb Friday					
Team 1	8:30 am – 10:00 am	Meeting with MIANI Director (Cookery, REACT, skills development for youth)	MIANI Technical College, Thannamunai	Marina / Benjamin	▪ Job Placement and Career path development ▪ Replication ▪ Identify competitive skills / training based on industry demand / cookery ▪ Public-Private-Partnership ▪ Inclusion
Team 2	9:00 am – 10:00 am	Meeting with government agent, additional government agent, Director Planning on Fort Development plan & SSAP planning process	District Secretariat, Batticaloa	Dr Sunil / Marina / Sharanya / Sakthi	▪ Skill transfer / planning skills; transferring destination asset to tourism economy ▪ Government coordination / leadership ▪ District Skill planning models ▪ Public-Private-Partnership ▪ Cross Regional learning
Ampara					
Team 1 & Team 2	11:30 am – 1:00 pm	Meeting with District Secretary and Planning Officials	District Secretariat	Sam / David / Dr Sunil / Sharanya	▪ Skill transfer / planning skills; ▪ Government coordination / leadership ▪ District Skill planning models ▪ Development Challenges
Fast Lunch					
Team 1	3:00 pm – 5:00 pm	Meeting with a Guest House – Waters Edge Guest House Mr. Raheem, owner, Chamber President, East Coast Tourism Forum President. (Guest House Improvement, Basic Skills	Beach Hut, Arugambay	Sam / Jayathas	▪ Interlinking with projects / business sustainability ▪ Industry / tourism Association Coordination ▪ Destination Development Event organising / IWSL, Auditions (Gateway to the East) ▪ Skills Development / Multi-tasking ▪ BDS / Coaching / Business sustainability ▪ Recovery ▪ Engagement with MDF

Location	Time	Meeting	Location / Remarks	Responsible	Thematic areas
		Program and others)			
Team 2	3:00 pm – 5:00 pm	Mr Wasantha, CEO Ampara Chamber of Commerce (Guest House Improvement, Basic Skills Program and others)		Sakthi / David	▪ Interlinking with projects / business sustainability ▪ Industry / tourism Association Coordination ▪ Destination Development Event organising / IWSL, Auditions (Gateway to the East) ▪ Skills Development / Multi-tasking ▪ BDS / Coaching / Business sustainability ▪ Recovery ▪ Engagement with MDF
		Evaluation team discussion and Reflections			
15 Feb Saturday Team 1	9:00 am-10:30 am	Meeting with Tuk Tuk Association members (Tuk Tuk Tour Guides, Tour Development and Booking Platform)	Tuk Tuk Association office	Niros / Sharanya	▪ Replication ▪ Skill development / Tour guiding ▪ Inclusion / disability ▪ Business Development / ▪ Marketing ▪ Interlinking with tourism business ▪ Association forming / strengthening
Team 2	9:00 am-10:30 am	Meeting with: Arugambay Surf Club and United Surf Club Arugam Bay Girls Surf Club members (Surf Instructors and Club Development)	Royal Point Guest House	Sam / Sakthi	▪ Skill development ▪ Inclusion / Gender ▪ Business Development / ▪ Marketing ▪ Interlinking with feeder business ▪ Association strengthening / ▪ Destination Development ▪ Replication
	11:00 am – 3:00 pm	Visit to Panama Safari	MDF will guide the team	MDF	▪ Not S4IG
16 Feb Sunday	**Travel to Trincomalee through Batticaloa**				
Batticaloa					
Team 1 & Team 2	9:00 am – 1:30 pm	Meeting with Tour Activity Group Observe Coral Reef, Village Cooking, Environment Centre, PPP initiative	Kayankerny /	Sakthi / Marina / Seva Lanka	▪ Government coordination / leadership / Eco centre ▪ Tour Guiding skills / part time jobs ▪ Inclusion ▪ Destinations turn in to Tourism economy ▪ Conservation
17 Feb Monday	**Trincomalee**				
Team 1	9:15 am – 10:45 am	Meeting with Govt stakeholders re coordination & SSAP planning process	District secretariat	Sharanya / Mathi / Sunil	▪ Skill transfer / planning skills; Identifying uniqueness of the destination ▪ Government coordination / leadership ▪ District Skill planning model, ▪ Cross Regional learning
Team 2	9:15 am – 10:45 am	Meeting with YMCA on Assistance to TVEC for . improving disability inclusion into the Sri Lankan TVET system	Nilaveli Beach Resort	Lavanya / Mathi / David	▪ Scalability / Replication ▪ Skills Development ▪ Inclusion / PWD ▪ Public-Private-Partnership ▪ TVEC linkage ▪ Career path development ▪ REACT – ELTP (SSDD)
		Evaluation Team Meeting and Reflection Session 11am – 12.15 pm Lunch 12.20 – 1.15 pm Dutch Bank Cafe			

Location	Time	Meeting	Location / Remarks	Responsible	Thematic areas
Team 1	1:45 pm – 3:45 pm	Understanding Basic skills Project / or Model??	S4IG Office	Urmila / Ragu / David	▪ Skill development ▪ Scalability / Replication ▪ Inclusion / Part time job ▪ Multitask ▪ Recruitment system development ▪ Solutions to staff turnover ▪ HR Practices & Workforce development
Team 2	1:45 pm – 3:45 pm	Meeting with Career Counselling Officers / Y Gro		Mathi / Jayathas	▪ Skill development ▪ Scalability ▪ Inclusion ▪ Coordination ▪ Career path development ▪ Impact on recruitment and changing of attitudes
		Evaluation team discussion and Reflections			
18 Feb Tuesday					
Team 1 & Team 2	9:00 am – 11:15 am	Review of S4IG MEL System Review of S4IG Marketing and Communication System	S4IG Office	Vithya / Judy / Ragu	▪ MIS System ▪ MEL System ▪ Monitoring Tools ▪ Evaluation methods ▪ Tracking system ▪ Result Chains ▪ Communications ▪ Website Features ▪ Adaptive Management
Team 1	11:30 am – 12:30 pm	Meeting the Women Owner, Soumia Travel Agent (REACT project)	Trinco Town	Urmila / Sharanya	▪ Skill development ▪ Scalability ▪ Inclusion ▪ Career path development
Team 2	11:30 am – 12:30 pm	Meeting -Tour Guide Registration Process and Destination Marketing (Area Tour Guide Training & Licensing) EPTB Action Plan	International Knowledge Pool Office & Eastern Province Tourism Bureau (EPTB)	Marina / Benjamin	▪ Skill development ▪ Scalability ▪ Product development ▪ Career path ▪ Coordination ▪ Inclusion ▪ Link with Aust. Vol Program
		Lunch at S4IG Office			
Team 1 & Team 2	1:45 pm – 4:00 pm	Discussion and clarifications with S4IG staff Overview of specific Technical Assistance interventions:	At Trincomalee S4IG Office	David and Senior Managers	▪ Recovery strategy – Sakthi / Ragu ▪ Chamber Capacity building – Ragu ▪ RPL – mobile assessment – Ragu / Jayathas ▪ District Skills Development Plans – Sharanya ▪ HR Tool Kit – Sharanya / Jayathas ▪ Safety and Security Training – Jayathas ▪ Coaching program – Sakthi ▪ Women in Technology – Sharanya ▪ Replication initiatives Jayathas / David
19 Feb Wednesday	**Travel back to Colombo**				

Annex 4: Evidence Matrix Template

Key Review Criteria	Key Review Question	Evidence	Findings	Strength of Evidence	Recommendations
Relevance	▪ To what extent are the objectives of S4IG still appropriate to Sri Lanka's the priorities of the Government of Sri Lanka? ▪ How well do the objectives align with DFATs policy direction, most notably the Economic Opportunities for the Poor (EOP) framework and the (draft) Aid Investment Plan 2020–2025?	▪ Aligned to the EOP, AIP (current) and the Private Sector Development Strategy of DFAT ▪ Aligns with GoSL national export strategy and National Policy Framework Vistas of Prosperity and Splendour including target of 7m international visitors / US$10bn foreign currency by 2025 ▪ GoSL cabinet submission on Ministry of Tourism to include 'Tourism Sri Lanka' super agency (19/2/20) ▪ National and local government representation on Strategic Advisory Group (SAG) ▪ S4IG representation on SSDP Steering Committee ▪ Extensive inception phase research to establish evidence base for implementation strategies – e.g. PEA, enterprise surveys, Training Provider mapping ▪ Strengthened district and provincial economic development planning for tourist sector – e.g. SSAP/ District Action Committees / District Coordinating Committee, EPTB ▪ Public/private representation on District Action Committees and District Coordinating Committees ▪ District Secretary requests for skills support in tourism (interviews)	▪ Remains highly relevant ▪ S4IG is well aligned and positioned within DFAT and Post's strategies ▪ S4IG well aligned with the GoSL priorities at a national and sub-national level related to tourism development ▪ Clearly linked to MSDVT/SSDP reform agenda at senior levels but need to do more with operational personnel in TVEC, Vocational Training Authority, Department of Technical Education and Training, and National Apprenticeship and Industry Training Authority ▪ Strong engagement with local government policy and planning agencies at district and provincial levels ▪ Strong engagement with CCIs and other industry associations ▪ Facilitated improved connection between government and private sector. ▪ Pro-poor and inclusion focus	Strong	This review recommends extending S4IG for a Phase 2, with some programmatic and contractual modifications. DFAT to review head contract and consider a longer timeframe, such as five years with a 3+2 stop-go review clause. This would encourage more emphasis on longer-term approaches and sustainable outcomes. Review the program logic to clarify the investment decision making criteria, particularly in terms of tourism development initiatives. A broader remit to include tourism and economic development activities, which may complement the skills development to generate demand for broader TVET services. Engaging with the Ministry of Tourism as a key partner in addition to MSDVT would be strategic and alleviate pressures to invest in non-tourism skills programs.
Effectiveness	▪ To what extent has S4IG achieved its end of program outcomes, (1) the majority of micro, small and medium enterprises operated by participants in S4IG skills and business development programs improve their performance, and (2) the majority of participants in S4iG skills and	Outcomes: ▪ A large number (>5K) of participants have accessed S4IG support in a relatively short time (3 years) ▪ S4IG MIS shows to date 37.1% MSMEs increase income and 16.1% Individuals increase income ▪ 481 gain or improve employment, 182 female, 29 PWD ▪ 591 improve income, 278 female, 25 PWD ▪ S4IG MIS shows that of the 377 enterprises; 117 reports, 77 increase in income / employment creating 92.4FTE jobs.	▪ S4IG has generally implemented the intended outputs and outcomes as planned ▪ S4IG is well advanced in its achievement of its IOs and is on track to achieve its End of Program Outcomes although current figures suggest it will be difficult to meet the 'majority' element in both End of Program Outcomes especially given the large participant numbers	Strong	Improve the quality and depth of activities across the existing four districts prior to expanding to new districts. Improving the quality and depth of existing activities and relationships to further the piloting process should be a primary objective. The quality of interventions is more important than the quantity, which can diffuse and dilute limited resources. Concentrating across the tourism value chain on enterprises, individuals and

Key Review Criteria	Key Review Question	Evidence	Findings	Strength of Evidence	Recommendations
	business development programs increase their incomes? ▪ What key factors have contributed to the achievement (or non-achievement) of objectives? ▪ What unintended (positive and negative) outcomes occurred? ▪ To what extent and in what manner has the program approach of demonstration and piloting models for change been effective? ▪ Which stratification of beneficiaries (intended and unintended) have benefitted most/least from the program? ▪ How effective has S4IG been in partnering and collaborating with other DFAT investments, other donor and GoSL skills development programs? ▪ How effective has S4IG's communications and visibility strategy been?	▪ Of 80 programs delivered under REACT project, 75% reported as accredited (or equivalent) to NVQ3 and NVQ4 levels ▪ This translates to over 1,000 participants (not individuals) completing one or more NVQ qualifications; Another 150 or so are still in training ▪ 29 new enterprises initiated by trained beneficiaries. ▪ Just under 40% courses being delivered by public providers, the remainder by private sector and NGOs Intermediate Outcome 1: ▪ SSAPs/ District Action Committees being subsumed into District Master Plans and District Coordinating Committees ▪ Private sector engagement by MSDVT District Coordinating Committees ▪ S4IG research (e.g. rapid assessment, enterprise surveys, training provider mapping) has provided evidence base for development of key planning documents: ▪ SSAPs acknowledge strength of informal economy and S4IG implementing a range of informal economy targeted strategies, e.g. GHIMC, REACT, BSP ▪ Qualitative data related to IO1 – Coordination difficult to access through MIS although Annual and 6-monthly reports are structured around IOs and provide some secondary level reporting Intermediate Outcome 2: ▪ Over 377 enterprises supported with local and international training providers. ▪ Willingness to engage by the public sector which contributed to the results (8 of 30 training providers are public) ▪ Targeted strategies to engage informal economy e.g. GHMC, Employability Skills (Miani), tuk tuk drivers, community-based tour guides ▪ Support has been extended to Chambers of Commerce and Industry	▪ Across much of the program, difficult to substantiate the stratification of beneficiaries that have benefited more. Likely to include guest house owners, beauty salons; men in terms of participation but not necessarily outcomes; informal sectors; possibly Trincomalee has outperformed other districts. ▪ S4IG has established continuing inter-relationships with key government agencies at National, District and Provincial Levels which have been maintained despite frequent key personnel changes ▪ Focused on and accessible to MSMEs employers and employees through flexible workplace learning and assessment ▪ S4IG has taken a value-chain approach to supporting tourism development, whereby upskilling is directly linked to the economic and enterprise development opportunities. ▪ The breadth of enterprise engagement has been high, representing many sub-sectors ▪ S4IG initiated processes being adopted by government and private sector (including NGOs) ▪ S4IG has sought wherever possible to engage registered public and private training providers to deliver accredited NVQ qualifications ▪ S4IG has fostered the growth of private training provider and assessment services in line with		models that show signs of substantive growth will be more cost effective. When scaling out to new districts, prioritise the pilots further developed (e.g. REACT and Basic Skills in tourism and beauty salon). Where scaling out to new districts, select based on GoSL tourist zones including tourist pathways to the existing four districts (i.e. Uwa Province, North Central Province). Further prototype new models and approaches in specific tourism sub-sectors. Without being prescriptive, some low risk and potential high reward sub-sectors for S4IG to expand their engagement with include wellness tourism (linked to the National Export Strategy) and e-marketing (particularly supporting destination marketing). Avoid foundational skills like ICT that marginally or indirectly benefit tourism development though may be relevant to skills development as a secondary objective. Provide directly or link with existing scholarship programs to target individual champions that can support the scaling of well-performing initiatives. S4IG has the potential to provide targeted capacity building activities to key individuals or niche areas in the market where broader certification may not be possible yet there is a public benefit. S4IG to identify individual champions, especially champions in the public training sector that clearly demonstrate models that generate the economic and political drivers for replication and roll-out across the four districts. This would require co-

Key Review Criteria	Key Review Question	Evidence	Findings	Strength of Evidence	Recommendations
		related Associations across all four Districts. ▪ REACT providing learning model for ELTP implementation and strengthening private training providers to enable ELTP engagement, e.g. Batticaloa YMCA Intermediate Outcome 3: ▪ Somewhere in the order of 3,500 individuals signed up, 37% with increased income/employment opportunities ▪ Although not clear of overlap, i.e. gaining or improving employment implies improved income ▪ Range of different skills relevant to enterprise/industry sector ▪ Relevant skills through on the job training but some issues with workplace assessment ▪ Response to soft skills training e.g. Arugam Bay Tuk Tuk drivers assoc, EPTB tour guide training Intermediate Outcome 4: ▪ SSDP steering committee participation ▪ Shared learning for ELTP roll-out by SSDP ▪ Where applicable, Industry standard (NVQ, international standard, industry certified) courses have been delivered but not all have yet been accredited by the TVEC ▪ Other Comments: ▪ Key factors of success included detailed formative research undertaken in year 1; strong engagement at the district level with existing or reinvigorated coordination structures; individual champions (in government and private sector) to promote destination marketing where necessary; gap in the markets for business development support services. ▪ Instances of potential harm were identified in some projects and activities, see GESI. ▪ High brand awareness and recognition by stakeholders in tourism ▪ Shared learning, resources, and approaches with You Lead (USAID) and	MSDVT policies to promote private sector participation ▪ Indications from TVEC and SSDP personnel that S4IG delivering replicable examples for ELTP roll-out especially for incentives for growth of private sector training provider and assessment services ▪ Collaborative activity with other development partner activities especially ADB and USAID but limited interaction between S4IG and MDF which undermines to some extent a collective EOP approach		contributions from individuals or institutions. Building on the existing MSME support and value chain development, expand the range of modalities that can provide business incubation support particularly where there may be a public benefit by supporting market development initiatives. S4IG can further provide business incubation support and wrap around services for select enterprises where there may be a greater benefit beyond individual enterprise development (as predominantly exists). Examples could include challenge fund mechanisms, scholarships or other modalities not currently available. Co-contributions would still be expected as per the current approaches, recognising the public and private benefits of such interventions. Greater cooperation with DFAT programs such as MDF in tourism market development and business development support services is required.

Key Review Criteria	Key Review Question	Evidence	Findings	Strength of Evidence	Recommendations
		cooperative activity with GIZ in Batticaloa			
Efficiency	▪ To what extent has the program demonstrated value for money in terms of (i) economical, (ii) efficient, and (iii) cost-effective? To what extent have management arrangements put in place by the managing contractor Scope Global, contributed to the effective delivery of the program? ▪ This includes management arrangements in country and headquarters support for the program	▪ Aggregate LKR>8 million income increase per month across 591 participants ▪ Evidence of informal enterprises transitioning to formal economy ▪ Strong operational processes in place to mitigate risk of fraud and corruption, however this system costs around 15-20% of the budget ▪ Cost-effective approach (including the use of service providers) when benchmarked with other skills development programs in the East / Tourism (i.e. observations and comments in comparison to Government and NGO programs); no consistent data on return on investment or cost effective analysis ▪ Leverages resources from government and private sector; no consistent data collected on leverage. ▪ Staffing arrangements more able to meet the demands of the program since the review ▪ Harmoninsation generally positive (e.g. Surf Championship, SSDP SAG, etc), though instances of poor coordination with MDF (Panama Safari) ▪ Management arrangements review in 2019 helped strengthen the district hubs and improve the quality of the prototypes / pilots being implemented. ▪ High level of DFAT resourcing required to provide support to strategic decision making.	▪ Demonstrated economic benefits from targeted skill development and business support services ▪ Efficiency overall has been improving since the review and restructure in 2018 ▪ The use of service providers and short term technical advisors has been a very efficient use of limited resources ▪ Proportionality of the operational side up for discussion, though in the event of any new positions they would tend to be programmatic (e.g. national representation, tourism advisors, etc) or programmatic support (e.g. marketing and communications, MEL). ▪ Improved evidence-based planning facilitates targeted responses	Moderate (weak in some areas)	A light-touch restructure of the S4IG team, including representation at the national level while maintaining the district focus. S4IG should establish a Colombo office for the team leader and administrative support. This would allow S4IG to further seek representation on key committees; improve engagement with DFAT Colombo; and to play a more strategic role with MSDVT policy and planning processes to improve alignment and advocacy. The deputy team leader would have day to day oversight of the operations in the four districts. Additional staffing may also include a tourism officer with emphasis on private sector development; communications, marketing and promotions officer with destination marketing skills; or public training out-reach officers in the districts – this would come at the cost of other inputs such as short-term advisers.
GESI	▪ To what extent have strategies for gender and disability inclusion within the program been effective?	▪ Good reporting and data disaggregation or gender, people with disabilities ▪ 911 women have completed their training, with 31% having increased income (compared with 20% for men) and 31% improved employment outcomes (compared with 30% for men) ▪ YMCA is the predominantly service provider for training of people with disabilities	▪ The program has been able to get women's participation in many challenging areas; though rates are approximately the same as the total labour force (37%). ▪ Participation of differently-abled people remains low and challenging, though good	▪ Moderate	Review the inclusion strategy and action plan to put empowerment and 'do no harm' at its core. Clarify a truly inclusive approach and the concepts around empowerment through capacity building of the S4IG team. Programmatically, transformational work should be done with families/partners to

Key Review Criteria	Key Review Question	Evidence	Findings	Strength of Evidence	Recommendations
		(45 of 90 in only 5 courses) ▪ Completion rates for differently-abled persons is higher (80.3%) compared with total (66.7%), though drop out rates are also higher for differently-abled people (61.%) compared with total (3.1%) ▪ Limited understanding of empowerment (e.g. withdrawal of Supreme Chef contestant; lower salaries reported by those up-skilled) ▪ Instances of unsafe workplace for PWDs observed during the field visit; no consistent methodology for checking on PWDs post training. ▪ No evidence of Do No Harm in the program (e.g. PWD chefs at Amethyst hotel) ▪ Lack of incident reporting / follow up	success with YMCA. ▪ Emphasis remains on advancement rather than transformation, a key part of the empowerment approach. ▪ Transformational work should be done with families/ partners to ensure they understand the nature of the advantage ▪ Business case for inclusion targeted to employers to be developed (e.g. Nilanka Bakery) ▪ Consideration for Employer of Choice / Gender Inclusive Business Award ▪ Need for hotels to have Safe Place mapping, worker transport, and other services		ensure they understand the nature of the advantage. S4IG can have better follow up of the participant experience over time to capture advancement, transformation and genuine empowerment. Practically there is a need for hotels to have greater engagement with employee safety, accessibility and workplace satisfaction (e.g. safe place mapping, accessible workplace as well as front-of-house, worker transport, family friendly shifts, flexible work). As part of the scaling, generate a business case and associated communications for inclusion targeted to employers. The MEL and specifically the disaggregation of data should be reviewed in light of the inclusion strategy, considering all factors of exclusion.
MEL	▪ Have MEL approaches used in S4IG generated sufficient evidence to support (i) program decision making, (ii) program performance reporting, and (iii) accountability of resource use?	▪ Adequate resources are allocated to MEL (c.15%) ▪ Comprehensive web based MIS in place ▪ Baseline data at the individual and entrepreneur level collected (see IO2 and IO3) ▪ Robust performance information collected on activities, outputs and intermediate outcomes using a breadth of tailored-KPIs ▪ Qualitative longitudinal data to pair with the quantitative doesn't appear sufficient (e.g. GESI, Tracer Studies) ▪ Indirect and unintended impacts not well captured ▪ Learning and improvement more effective for operations rather than the programmatic approaches ▪ MEL reviewed in 2018 to better reflect the conceptual framework, though implementation of Outcome Harvesting, Most Significant Change and other techniques fail	▪ MEL system is good: of the 16 criteria, meets 5 to an excellent level and 9 to a very good level, though two are 'fair'. ▪ MEL performance management extremely well developed and implemented ▪ MEL implementation stronger for IO2 and IO3, though more difficult to ascertain for IO1 and IO4 ▪ Identified lack by S4IG team of MEL informing knowledge, learning and program improvement in select areas ▪ MEL ought to be nuanced based on the type of activities as per the conceptual framework, considering prototypes (learning), pilots	Strong	Invest in modelling and communicating good practices of flexible delivery of skill development services. Through strong evidence-based communications strategies specifically targeted for different audiences, S4IG should continue to advocate the benefits of better targeted and more flexible delivery of skill development services in support of economic growth. S4IG can model the best practices, particularly with public sector training service providers. Systematically collecting and reporting case studies with primary data that provide qualitative insights into learning and demonstration (i.e. return on investment calculations, cost effectiveness analysis, contribution analysis via outcome

Key Review Criteria	Key Review Question	Evidence	Findings	Strength of Evidence	Recommendations
		to meet methodology standards.	(impact evaluations) and scaling (contribution analysis). ▪ MEL capacity building would be useful, including a review of the methodologies and use of some tools (i.e. Deep Dive, Outcome Harvesting, Tracer Studies)		harvesting) would support coordination, policy and planning. Engaging with MSDVT and stakeholders at a national level would further increase ownership and systemic changes.
Sustainability	▪ What examples of sustainability (i.e. enduring benefits) have been demonstrated?	▪ Approximately 37 per cent of the courses and 25 per cent of the participants who have completed training programs (IO2) are through public training providers ▪ Benefits to enterprises are expected to endure in some situations (e.g. Yuhiburi) ▪ Instances of private providers and NGOs adopting S4IG initiated business models (e.g. ACCAI / FCCISL interested in continuing business advisory support services) ▪ Implementation arrangements such as SSAP District Action Committees being subsumed into government District Master Plan and District Coordinating Committee structure within 3 districts ▪ Close engagement with FCCISL and district CCIs is establishing new models for CCI service delivery for members ▪ Integration of both demand and supply sides of skill development equation into key coordination structures such as MSDVT District Coordinating Committee and SSAP District Action Committees / District Coordinating Committee	▪ Continuing high level consultation, cooperation and coordination with key government agencies at national, district and provincial levels ▪ Evidence based planning through Provincial Skill Development Plan and District SSAPs ▪ Strong interest at senior levels of MSDVT for S4IG expansion into other districts and economic sectors ▪ S4IG approach and achievements not broadly known and understood at operational level across key agencies such as Vocational Training Authority, National Apprenticeship and Industry Training Authority, Department of Technical Education and Training ▪ Achievements to date remain fragile and generally require further consolidation before sustainability predictions can be more confidently made. ▪ Emphasis on sustainability going forward will be more important	Moderate (considering the stage of project implement-tation)	Increase efforts to engage with national TVET systems particularly in terms of accelerating efforts for TVEC accreditations and utilising public providers. S4IG should accelerate its efforts to facilitate the TVEC accreditation of NVQ equivalent level courses that have been developed and delivered by the program to date. Set an aspirational target of 50% public provider provision of workplace training and assessment of NVQ accredited qualifications within SDF funding – providing capacity building support where required. And in collaboration with MSDVT and relevant agencies, establish and support the development of a comparable employability skills model, based on the Miani approach, with at least one public TVET provider in each district.

Annex 5:   Case Studies

Case Study 1   Private Sector and Training Providers Working Together: Ampara Chamber of Commerce Industry and Agriculture

S4IG labour market analysis pointed to high level of demand for basic technical skills in the hospitality sector. The industry was particularly keen to employ those who were able to multi-task across a number of areas including housekeeping and food and beverage handling. The *Workplace Based Basic Skills Development Project* in collaboration with the Federation of Chambers of Commerce and Industry of Sri Lanka (FCCISL) engages relevant Chambers in the four districts to select hospitality enterprises and provide workplace basic skills development and business coaching and mentoring services.

The Ampara Chamber of Commerce, Industry and Agriculture (ACCAI) reported there are approximately 350 accommodation providers mostly homestay and guesthouses servicing the tourist attractions in each of the District's 20 Divisions. Through the ACCIA, of the 787 people enrolled, 261 men and 125 women have so far successfully completed the two starter and two multi-tasker housekeeping and food and beverage modules. The remainder of the enrolees are still undergoing training. Through follow-up client satisfaction surveys, the ACCIA reports a high level of client satisfaction due to greater confidence of staff, reduced staff turnover, improved staff performance and better human resource development systems in enterprises.

The training modules are drawn from the NVQ qualifications system and international sources. Assessment is undertaken by industry assessors three times during the training and those who meet the requirements receive a FCCISL endorsed certificate as evidence of the trainees' achievement.

Professional Association endorsement and certification is a common practice globally, most notably in the maritime and engineering fields. The application of such a system in Sri Lanka provides another model of how a flexible approach to workplace training and assessment, using qualified industry assessors, can address current resource constraints in the public sector that impede timely accreditation of programs and subsequent assessment of student achievement.

Through strong partnerships between private professional bodies and public quality assurance agencies (particularly the TVEC and National Apprenticeship and Industry Training Authority) the opportunity for industry certification of workplace training that is responsive to employer needs could be greatly expanded beyond what the public sector can provide. Specifically, the approach contributes to and informs the Sri Lankan Government's Employment Linked Training Program being trialled under the Skills Sector Development Programme. Further it is consistent with DFAT's Sri Lanka Economic Opportunities for the Poor (EOP) which aims to stimulate inclusive, private sector-led economic growth and poverty reduction.

Case Study 2   Unveiling New Tourist Experiences from Behind the War Torn Curtain: Coral Reef Tourism in Kayankern Village with Sevalanka

This case study shows demonstrates the value of partners like Sevalanka to work at the grassroots micro level of tourism development. What sets this apart from some the other S4IG interventions is that it is developing a new tourism experience, as opposed to others that are improving skills / services of experiences that are otherwise already available in the market. Market linkages and promotion remains a key challenge going forward.

Kayankern Village sits 25 km north of Passikudha, a popular beach resort town in Batticaloa filled with starred hotels. But you wouldn't know it. Kayankern is a fishing village with 400 people that has been predominantly isolated during and since the war. Set off the main A9 road, it's no wonder it's not even on the 'off the beaten track' tourist route – but it should be.

In 2019 the Government undertook a study of the reef, barely 1km off shore. It found what a few people had suspected – it is inundated with fish species (250 of them), unique corals (over 50 in total), and is now considered in Sri Lanka's top three reefs for biodiversity. It has luminous night time corals to boot!

Previously, a few tourists had come to Kayankern and paid the fishermen to take them out to the reef. Not knowing anything about tourism, they would allow them to break off the coral, would anchor in the reef, and generally didn't value the reef.

Sevalanka have supported a few of the fisherfolk to start a small-scale tourist operation. They received training on hospitality, English language, health and hygiene, safety, lifesaving and rescue, as well as the environmental science of coral reefs. The certificates are backed by the Sri Lankan Red Cross (first aid) and Ocean University (coral reef). While not qualified, it has given them a foundational knowledge and the skills to do small scale snorkelling tours – and to know to value the reef. The first tours are planned for the 2020 season starting in March, and will be combined with a local lunch in a hut on the beach (Five Stars according to this author).

The government has also come to support this initiative. A 25mnLKR project (of which S4IG is contributed 2.8mLKR) to develop a Coral Reef Centre has begun using four temporary classrooms that were decommissioned from a local school. The intent is to develop this for the tourists, as well as to expand to a domestic market such as school groups. Another potential expansion plan for the group is scuba diving to the nearby scuttled S.S. British Sergent (1922-42).

Sevalanka through its mother organisation also has Sevatours, an online tour operation that links communities to potential tourists. Still quite small in scale and not well known, it has expanded from the south to the east and now includes 15 activities and Kayankern Coral Reef Tours is part of this. The bigger challenge remains linking to the broader tourism sector, and establishing this on the tourist trail in Batticaloa. It will also take a good strategy to retain the true value of this experience with the fisherfolk and keeping it community based without being over-run by starred hotels with glass bottom boats.

Case Study 3   Market Development or Enterprise Development: Priyantha at Safari Panama

This case study considers the coordination and harmonisation between S4IG and MDF, as seen through the Safari Panama Sri Lanka intervention by MDF and previously ILO. The crux of the issue is that the community-based tourism model being investigated by MDF is outside their sector and district expertise, and the emphasis has been more on enterprise development rather than market development. Linking with other actors such as S4IG would likely improve the outcome, though the nature of skills support and business incubation would be more cost effective within a tourism development intervention.

Priyantha is a small man, though you can see he carries the weight of his village's expectations on his shoulders. Over the years, he has received support from the Australian Government through the ILO LEEDS+ project, and more recently through MDF. Initially he developed the safari to Kumana National Park,

and now this has been expanded to home stays involving seven households and up to 20 people across the village.

Priyantha is the coordinator and central focal point for these enterprises, but no formal association exists beyond Safari Panama Sri Lanka. They're simply too small to warrant that level of coordination. However, there are more households interested in participating if they can get the increase in tourist numbers. Currently, most of the tourists are domestic and come during school holidays – in August its fine, but in December it is a bit more challenging due to it overlapping with the busy paddy harvest season. The few international tourists that come are mainly for the safari, promoted through a range of hotels and tour operators largely in nearby Arugam Bay.

Priyantha recognises the need for improved marketing and promotion. It's a challenge, as the home stays are in competition with the hotels, and many travel companies prefer the commissions from larger hotels. A few households have tried promoting themselves through Bookings.Com or other online platforms, but there is a substantial language barrier and the effort was not worthwhile, so they have closed down their accounts. Priyantha has almost completed the website development for Safari Panama Sri Lanka – though this will mainly be for the safari and not for the home stays, something the women (who predominantly manage the home stays) have complained about.

MDF has provided support in terms of helping the website. However, this has not really translated to the market development that is needed – the focus is essentially enterprise development, and the model hasn't quite worked as it is heavily reliant on a business manager which Priyantha can't afford. For success in community-based tourism, a central platform and linkages with other villages / home stays would be useful, as seen in other examples around the world such as Nepal, Kyrgyzstan, Tajikistan, etc. The hurdles for MDF to generate this sort of market analysis and intervention are too great, and it is likely that a model supported by S4IG combining market development, skills development and business incubation would be more effective.

Case Study 4   Surf's Up, And So Is My Accreditation: REACT Project at Arugam Bay Surf Clubs

This case study highlights the value of the skills development and qualifications in a relatively mature tourism destination. However, it also highlights the need for business incubation support and for ensuring the sustainability of the intervention, specifically a Sri Lankan surf accreditation mechanism that currently is imported via International Surf Association at a hefty cost. The delineation of where S4IG as a skills program ends, and where other actors (including potentially MDF) would begin is unclear.

Johnson has been surfing Arugam Bay's now famous waves for 29 years, and has been teaching surf for 19 years. While other surfers may fit your archetypical surfing image (billabong short sleeved shirts, laid back to the point they look like they may slide off their chair, and or blonde tints in the hair), Johnson is nothing of a sort. He is clean cut and mature, and while his side burns may be greying, he looks as fit as a fiddle and clearly has no trouble with the surf accreditation requirements of 400 m running and 400 m swimming in six minutes.

Johnson is the president of Arugam Bay Surf Riders Club – one of three in town with 50 members in total. The clubs not only provide a space for board riders, they also offer surf lessons as a main source of income for some of their members. Johnson and a few of his members were fortunate enough to be one of ten men

trained by S4IG (see other case study for the eight women from the Arugam Bay Girls Surf Club who were also trained – one of whom is Johnson's wife). They received training in hospitality, business management, but most importantly they got their Surf Level 1 certificate from the International Surfing Association. As Johnson put it, 'I have been surfing for 29 years, but I learned more in the last two than the preceding 27' referencing that the experience he had got was insufficient for good surf instructing. Now, their business flourishing with improved marketing, significantly better reviews online, they're using key performance indicators to track everything, and they are much more profitable.

Johnson and the other trainees highlight a significant challenge. Surf Level 1 can teach new surf riders, but they can't teach others to become teachers or to accredit each other. According to International Surfers Association, they need reaccreditation every year for surfing and every second year for surf life rescue. To do this, they each pay 70,000LKR (A$550) for a Surf Level 2 instructor to be flown to Sri Lanka and do a group reaccreditation process. If there were people in Sri Lanka that had this qualification, then they would be able to accredit others – though this would require at least three people to be flown to Australia or some other location to undertake intensive training, something no surfer can afford.

Surf Level 2 qualifications could be a business unto itself. To achieve this, some form of business incubation support for the surf tourism sector would be required – it is not clear if this is within the current S4IG remit, though it definitely seems the next step from a surf tourism development angle.

Case Study 5   Niroshan: From Banker to Yuhibuhi Guest House Manager and President of Batticaloa Tourism and Guesthouse Development Board

This case study highlights the broader tourism needs – particularly destination marketing – to complement the skills gap work from S4IG. The lines are blurred between the goals of a tourism development versus skills development for inclusive growth. Without a doubt, a broader remit would demonstrate a more cost-effective approach. Moreover, this case study highlights the existence of tourism champions, while recognising that these 'unicorns' are necessary to the sustainability of the S4IG and tourism development in general.

Niroshan is a dynamic chap, with entrepreneurial spirit running through his veins. After 18 years as a banker, it's easy to understand how this extrovert was seeking a career change. In 2017 he dipped his toes into guesthouse management with no real experience. He purchased some land in the forest, built a small lodge with a couple of rooms, and even had two full time local employees. His place was not very popular, but the region being known for herbal healing provided the foundations for what was to come.

In 2018, Niroshan joined the S4IG master class and was being mentored in guesthouse management. His mentor had years of experience, from small scale guesthouses to starred hotels. Quickly, Niroshan started to learn – changing the bathrooms, the guesthouse induction, going online with AirBNB, Bookings.com, Facebook and more. Eventually, he made the decision to quit as a banker and turn his attention fulltime to his new business – 'Yuhiburi', named after his children.

When you talk with Niroshan, it's easy to understand how he was elected the President of the Batticaloa Tourism and Guesthouse Development Board. In fact, it was defunct until he reanimated it, so with near zero members, his nomination was almost unanimous! Now with 56 members, it meets fortnightly to discuss their grand visions. Collectively they know they need marketing and promotion in the area, and they need events

as drawcards throughout the year to extend the tourism season. Already through membership funding and sponsorships they have an inaugural boating festival in April, and are planning a sports festival in July and a cultural festival in November.

Niroshan is happy with the growth of his business. Guesthouse occupancy rates are high, around 30 per cent of his clients are international (a huge increase from 0 per cent after the Easter bombings), he is getting good reviews online, and he now has eight core staff and up to 20 during peak times. Niroshan has also built a 'granny flat' at his house in Batticaloa for homestay, expanded his lodge to 11 rooms, and trained three locals to become 'herbal masseuses' to add a new line of business revenue.

Though the challenge remains that the average stay in Batticaloa is only 1.5 nights, the Lonely Planet doesn't even mention his area, and there are few allied services. The future requires more skilled people, such as content writers, photographers, tour guides, etc – though they also need business incubation support to really catalyse the development opportunities and make the leap from a niche transit area to a tourist destination.

Case Study 6   YMCA as a service provider for the Recruitment Employment and Careers in Tourism (REACT) project

There has been a disconnect between the skill needs identified by employers in the tourism and hospitality sector and the availability of relevant hospitality and tourism NVQ qualifications through the public TVET provider system in Polonnaruwa and the three districts in the Eastern Province.

To facilitate better targeted delivery of relevant skills to industry, S4IG has adapted the Australian Group Training Model whereby S4IG contracts service providers to work directly with local industry to identify skill gaps and employment opportunities, and facilitate recruitment and the development of relevant training programs for delivery by accredited training providers in the workplace. The service providers provide on-going mentoring to trainees during the training program. On successful completion of the training, the REACT service providers facilitate and track employment outcomes.

The Batticaloa YMCA is one of three service providers currently contracted by S4IG to deliver the REACT project. To date the YMCA has supported the delivery of NVQ 3 and 4 qualifications (or equivalent) for 211 participants including 99 women. Of the total, 36 (13 women) people with disabilities have completed their respective courses. The YMCA has facilitated reasonable adjustment assessment processes for disabled trainees.

Of the 188 trainees (85 women) who have so far completed their training through YMCA involvement in REACT project, 79 (39 women) have either gained or improved their employment. Out of the 79, 15 participants (8 women) are persons with disabilities.

As part of the REACT project, the YMCA was a fee for service provider funded by S4IG. Significantly, now that it understands the business model, the YMCA plans to continue as a provider of recruitment, training and employment services without further S4IG assistance. Already the YMCA has secured a long term contract with the Department of Education to deliver TVET related programs for Year 13 students, and an 18-month contract with the TVEC to continue to facilitate flexible delivery of skill development services under the Government's *Employment Linked Training Program*.

There are indications that S4IG has established a sustainable business model which is within the scope of both the private and public sector to carry forward independently of further Australian Government assistance. While the YMCA experience is an example, S4IG also reports take-up by private employment services and by the TVEC to support persons with disabilities.

The approach is not only supporting private sector growth in the tourism industry, it has also stimulated the growth of private training providers and private assessors in line with the SSDP objective to expand private sector participation in quality assured skill development under the national NVQ system.

Case Study 7   Flexible Working and Training Arrangements for Improving Women's Engagement: Miracle Salon and Academy REACT Project

GoSL Tourism Strategy 2017–2020 recognises tourism as a major driver of economic growth but limited emphasis has been placed on human resource develop and inclusion by public and private training providers for the tourism value chain. Large hotels undertake internal training related to their standard operating procedures but there is minimal opportunity for MSME (e.g. guest houses, homestays, tour operators, tourism related support services) to access skill development opportunities.

The Miracle Salon and Academy is registered as a training organisation by the TVEC and the owner is a qualified instructor / assessor. Through the REACT project she has trained and graduated 25 students including five with a disability, in either beautician or hairdressing at NVQ 4 level. Work placements were initially found for all graduates but subsequently 12 have left their initial employment to find employment elsewhere.

The Miracle Salon and Academy achievement is a clear example of flexible and responsive workplace delivery of accredited qualifications that lead to employment outcomes. The approach facilitates access and inclusion for women and people with disabilities through flexible training approaches and reasonable adjustment for assessment and workplace practice. In addition, the Miracle Salon and Academy is a now an established private provider of accredited skill development with plans for continuation without further S4IG inputs. Similarly, the service provider (the YMCA in this case) has established a business model which it plans to continue outside of S4IG contracting.

Case Study 8   Seeing Beyond the Disability: Ms Ruwanthinka Jeewanthi, Vision Impaired Trainee at the Nilanka Bakery REACT Project in Mannampitya Polonurruwa.

Ruwanthika Jeewanthi was working as a tailor making children's' school uniforms in Polonnaruwa for several years until her eyesight started to fail. Ms Jeewanthi required three eye surgeries and lost a substantial amount of her vision as a result. She had to take time off work to have several eye operations, and in the end, lost her job. She decided to work from home, but her failing sight made stitching to the quality required difficult. She heard about S4IG REACT skills training program by word of mouth from relative who heard about the Bakery course in Batticaloa through the YMCA field officer in Polonnaruwa and she decided to give it a try.

The NVQ2 certificate required on the job training, and so she started looking for work. After being rejected by three of the largest bakeries in town, she was not depressed – indeed, the training gave her the certificate and confidence to keep looking for work.

Ms Anusha Anura, owner of the Nilanka Bakery had been contemplating expanding her business to make the most of the wood fired oven she had, but didn't know how to use. When purchasing bakery supplies Ms Jeewanthi overheard Ms Anura talking about her skills needs.

When Ms Jeewanthi walked in with her CV and skills in baking using a wood fired oven, Ms Anura saw her chance. After taste testing some of her cupcakes, desserts and pizza, Anusha agreed to recruit her part time. So on Fridays and the weekends, the bakery now has a new urban menu. Part time work for Ms Jeewanthi is exactly what she wanted, sufficient for the NVQ industry recognised learning (NVQ3 requires full time study), while she also bakes at home part time to service weddings.

Ms Anura agrees that it is good to help people with disabilities but mostly, she hired Ms Jeewanthi because she had the skills needed to expand her business. Since employing Ms Jeewanthi she has indeed expanded her business and now has a contract with District Government to cater their functions.

Ms Anura is happy to give Ruwanthika all the workplace flexibility she needs and Ms Jeewanthi has benefitted too. She has expanded her own business from home and has purchased a tuk tuk van that her dad drives around to sell her now famous cupcakes.

Ms Jeewanthi could make more money from her cupcake business but she prefers to support bakery owner to maintain her business because she was the only one who would give her a chance when she was looking for work. Both businesses are thriving and both employer and employee are happy with each other.

This case study demonstrates that S4IG is more effective when it 'works with the grain'. The private sector is not very interested in the corporate social responsibility of employing people with disabilities, but rather for emerging entrepreneurs they see the value of partnering with the trainees to market their new set of skills. Anusha said to us that for more business to recruit people with disabilities, they need greater awareness. Once trained and employed in an accessible environment, it is the skills of the trainee that become the most important factor in employment. Differently-abled people are equally capable of learning new skills and, once trained, helping a business grow.

Case Study 9   Gender and Disability Inclusion from an Employer's Perspective: Sarubima Lake Front Hotel

Ms Shamali Deepthika was living and working in Batticaloa as a lawyer when she inherited a house on the lake in Polonnaruwa. She had loved this house since her childhood for peacefulness and engagement with nature. She decided to move home and to share the place she loved so much as a guest house, The Sarubima Lake Shore Hotel. But she had no skills in running a business in the tourism industry and didn't know where to start.

She joined the local Chamber of Commerce as a Director and because of her legal skills, quickly became the President of the local Tourism and Hoteliers Association. At first, she didn't know many women in these representative bodies, but over time she has been able to encourage more women who are small business operators in the industry to join.

It was through the Chamber of Commerce she heard of the S4IG Program and joined the Master Class for Guest House Improvement Project. Using a combination of theoretical and applied skills training in all aspects of the business management and service delivery for both her and her staff she feels she has the

basic skills for running a successful business. She says she would attend more training for herself and her staff if it were available. She articulately valued the mentoring and coaching she received as part of the applied aspect of the program, which helped her transition from the law to being a real hotelier.

A point of difference in her business is that she prefers to employ women. She believes, as a business owner, it is important to understand that women have a 'double burden' of labour if they have waged employment, as they also have their household duties at home, particularly her female employees who are also heads of households. She has therefore instituted a policy of five hour shifts. The women start later after taking their children to school and leave early in order to pick them up. She feels they are more productive when you give them flexibility saying, 'One woman does the labour of 2 men in her shift'.

Ms Deepthika also believes in, and does employ, differently-abled people, saying, 'Each person has a unique skills-set and a smart employer will use that.' In her experience she said that women and differently-abled people are less likely to leave and take the skills they learned with you, elsewhere for more money. She would like to see more training in the tourism sector to meet the skills shortage in Polonnaruwa. She personally would like further assistance marketing and building a web presence and booking system, and for her staff and those of other SMEs she would value further 'multitasking' training where staff of SMEs learn the variety of skills needed in a small tourism business.

This case study highlights that increasing the number of women MSME entrepreneurs and training them in the value of employing women and differently-abled people would have a positive impact of women's and differently-abled people's participation in the labour force, helping to fill the skills gap. The experience of Ms Deepthika reinforces the evidence that employing women and differently-abled people has had a positive impact on her labour force productivity and skills retention.

Case Study 10   Eastern Province Tourism Bureau Tour Guide Registration

The Eastern Province Skill Development and Employment Strategy for the Tourism Sector notes that before S4IG, most tourism sector training across the province was informal on-the-job mostly delivered by experienced co-workers who lack formal training as trainers and a broader understanding of tourism sector requirements. The Eastern Province Tourism Bureau (EPTB) identified the guest house, homestays, restaurants and tour guide sub-sectors as those where the issue of inadequate training was most apparent. The Batticaloa SSAP notes that tour guides lack specific recreational skills, cultural and heritage skills, foreign language skills, and specifically targets tour guide training within its action plan. The Polonnaruwa SSAP identifies tour guide accreditation as a key intervention especially in language / communication skills, tour guiding skills, first aid and tour packaging.

In response to a S4IG information dissemination forum which identified tour guiding as a priority occupational requirement, S4IG in partnership with the EPTB developed a program to facilitate tour guide training and registration processes. Modifying the Sri Lanka Tourism Development Authority (SLTDA) requirements for licensing of regional tour guides, specific training curricula was developed and contextualised to area and site tour guiding in the Eastern Province. While the training has been delivered by a local private provider (International Knowledge Pool), assessment will be conducted by EPTB.

Following successful completion of the training (expected in March 2020), 28 participants (13 women) will receive a certificate jointly endorsed by the EPTB and the SLTDA and become registered as either an area

or site guide. This group will be registered by the EPTB for a period of 24 months before needing to complete annual registration requirements.

Now that the model has been established, the EPTB has gazetted regulations for all tour guides in the Eastern Province to become registered, provided they meet the SLTDA / EPTB competency requirements delivered during the S4IG sponsored training. International Knowledge Pool has indicated an on-going interest to deliver the tour guide training under contract to the EPTB which sees licencing and training fees providing the revenue stream to support the on-going process to ensure tour guides meet EPTB standards.

While, the potential sustainability of the EPTB approach and the fostering of private training provision are positive outcomes, there remains a risk that the regulatory process becomes too burdensome for new or existing tour guides. Should this eventuate it is likely that untrained/unregistered tour guides will continue to operate outside the regulatory framework, jeopardising the quality of tourists' experiences and eroding the value of S4IG's investment.

A continuing partnership between EPTB and S4IG through the District Coordinating Committees and on-going guidance in the preparation of district SSAPs, should assist the EPTB continue to maintain its internal focus on service delivery to the tourism sector as illustrated by its recent destination marketing through promotional videos and a comprehensive promotional booklet.

Annex 6: Review of MEL against DFAT Criteria

Investment M&E implementation review

Program	Skills for Inclusive Growth
Documents included in the review	MEL Plan v2., MEL Manual 3.0, Annual Progress Reports, MIS Database, Internal review and Reflections, Tracer Studies, Outcome Harvesting Reports.
Date of review	March–April 2020
Reviewer	Byron Pakula, S4IG independent review team
Rating	Adequate
Summary	Overall a good MEL system that has strong emphasis on performance information. A review in 2018 resulted in an improved framework that has greater emphasis on unintended and indirect impacts, including the use of outcome harvesting tools. The weakness is in the implementation of some qualitative tools (e.g. outcome harvesting, most significant change, etc), and the lack of performance improvement coming from the likes of the internal review and reflection.
Strengths	Performance information and key performance indicator tracking is very strong. Good use of MIS.
Areas for improvement	Outcome harvesting; Stories of significant change; qualitative analysis of data; internal review and reflections.

No.	Standard	Score	Comment
1	Staff with M&E responsibilities carry them out as per MEL plan	4 Excellent	A clear set of organisational responsibilities are identified the MEL team. Team is in place.
2	Staff have the competency to carry out their M&E responsibilities' and if needed, are being provided with access to capacity building/training so they can attain the necessary knowledge and skills	3 Adequate	Competency for primary tools in place. New tools since the 2018 review however have not been implemented as per the methodological guidelines, partly due to need for improved capacity building. The reliance on external MEL support was strong, but now seems S4IG has limited access to MEL technical assistance.
3	Data collection tools are piloted on a small scale and, if relevant, are revised before being rolled out across the investment	4 Excellent	The MEL Manual and its updates (current V3.0) includes the development of the tools, as well as tools to be rolled out by service providers.
4	Implementation against the M&E plan is on track or there are sound explanations for deviations	3 Adequate	Predominantly yes. Minor delays on final reports have been experienced, but overall the implementation of the MEL based on the existing resources is on track.
5	M&E data collection activities are generating the information necessary to address the questions and indicators posed	2 Less than Adequate	For the key performance indicators and performance tracking at the individual and enterprise level, yes this is occurring. For the questions related to the MEL framework, particularly related to performance improvement and generating lessons, this is ad hoc. No information on IO4 yet.
6	Information is gathered from multiple sources (Multiple sources not only includes different stakeholders, but different methods such as interviews, surveys, monitoring visits, government papers etc.)	3 Adequate	The main emphasis of the MEL Plan and subsequent MEL Manual is on beneficiary data collection. The use of secondary data sources including government is limited to in depth studies. The use of qualitative data is limited (though it does appear to be collected). The data collected internally and reported doesn't necessarily translate into the MEL use.
7	Data is being collected on the reach/coverage, quality and exposure of participants to key deliverables	4 Excellent	Data disaggregation and stratification is robust. The ability for the MIS to analyse is a bit limiting, particularly when looking for disaggregation of trends.
8	Data is being collected on the context, including any factors which are impacting on the achievement of intended outcomes, as well as key risks	3 Adequate	In depth contextual information as part of the formative process is collected (e.g. enterprise surveys, mapping of trainers). Contextual data does appear to be collected through tools such as the Service Provider Monthly Report, or SDF Project Close Out Report or Internal Monthly Progress Report. Some reference to in depth reports such as tracer studies, and used to some degree in annual reports and conferences.
9	M&E data is quality assured prior to it being collated and analysed	3 Adequate	MEL data is quality assured by the Program Team and District Managers. Data is also cross-referenced in follow up tools, such as in-depth reviews which quality assure the analysis. Independent data validation and verification of key performance indicators is only to a limited extent.
10	There is a system for storing data (i.e. Management Information System) and processes for how data is stored and	4 Excellent	An online MIS and dashboard exist. It includes all the quantitative performance information and reports. It has tiered

No.	Standard	Score	Comment
	accessed are clear and followed (i.e. only authorised personnel can access the system)		security access. Two individuals are available to help the program report and analyse data when required.
11	Data from each data collection activity are analysed and synthesised to develop findings	3 Adequate	Progress reporting includes only a minimal amount of the data collected. The internal meetings include an emphasis on activity and district wide information, including key performance indicators. Qualitative data is synthesised through ad hoc reports.
12	There is a reflection on findings to identify key learnings to inform project / program adaptation	2 Less than Adequate	The District Meetings are intended as operational, while the bimonthly Senior Management and the quarterly Internal Review and Reflection are intended as the main modalities for reflection and improvement. The time and space are provided, though the ability to synthesise and analyse at the strategic level is limited (i.e. share lessons across districts, models, partners, etc). Links from MEL to program improvement still improving.
13	Findings and learnings inform the development of progress reports, as well as other reporting/communication needs	3 Adequate	Progress reports submitted to DFAT have limited level of evidence included. The success and performance stories are identified. The reporting against IOs and End of Program Outcomes is included. Extensive internal reporting and communications.
15	M&E data is being used for whole of aid reporting / Performance Assessment Framework	4 Excellent	Yes, the key performance indicators are included with great emphasis on the DCED standards.
16	The M&E system is being periodically adjusted and improved, to make it more fit for purpose	3 Adequate	Regular review and improvements have been made, including most recently the review in 2018 which was rolled out in 2019. This created the knowledge hub. The changes included Outcome Harvesting, Data Snapshots and other revisions – though implementation has been wanting.

Overall rating guide	
Excellent: 80–100%	DFAT's standards were fully met (or exceeded) and there were no or few shortcomings.
Adequate: 60–79%	DFAT's standards were met with only minor shortcomings.
Less than Adequate: 40– 59%	DFAT's standards were met with some shortcomings. Some improvements are required.
Unsatisfactory: 0–39%	There were major shortcomings in meeting DFAT's standards. Major revisions are required.

Category	Score %	Weighting	Weighted score
1	100	5	5.00
2	75	5	3.75
3	100	5	5.00
4	75	5	3.75
5	50	10	5.00
6	75	10	7.50
7	100	5	5.00
8	75	5	3.75
9	75	5	3.75
10	100	5	5.00
11	75	5	3.75
12	50	10	5.00
13	75	10	7.50
15	100	5	5.00
16	75	10	7.50
Total	**76**	**100**	**76.25**