



Skill India
कौशल भारत - कुशल भारत

Industry Partnership in Skill Development

Handbook for CSR Projects in Skill Development

Version 1.1

Last Updated: 01.04.2016



सत्यमेव जयते

GOVERNMENT OF INDIA
MINISTRY OF SKILL DEVELOPMENT
& ENTREPRENEURSHIP



N · S · D · C

National
Skill Development
Corporation

Transforming the skill landscape

Executive Brief

The Hon'ble Prime Minister launched the National Skill Development Mission (NSDM – known henceforth as, the Mission) on July 15th 2015. The Mission will provide the overall institutional framework to rapidly implement and scale up skill development efforts across India. The vision, objectives and design of the Mission draw upon the lessons learnt from the implementation of skill development efforts over the past decade. It seeks to provide the institutional capacity to train approximately 403 million people by the year 2022.

The Mission Framework for Implementation provides strategic direction to State governments to establish a clear line of action for meeting their skilling targets in ways that are sensitive to their own requirements, yet provide uniformity in developing a strong national institutional framework. The Framework outlines the overall vision and objectives of the Mission and specifies its institutional structure (at the national, state and district levels), outlines its strategy (by focusing on the launch of its core sub-missions) and articulates its financial model.

Skill development is listed as an activity under Section 135 of the Company Affairs Act, 2013 for Corporate Social Responsibility (CSR) projects. MSDE has formed a separate cell (“CSR Cell”) at NSDC, the managing partner, to facilitate corporates and foundations to contribute to the NSDM under CSR and other funds.

Guidelines under the Act apply for all CSR contributions under such projects. This handbook will provide broad guidelines for CSR contribution towards reaching the stated objectives under the Mission, including its sub-missions. While the handbook provided general guidelines, each project goes through a rigorous process from concept stage onwards.

NSDC is a Public-Private-Partnership (PPP) under the Ministry of Skill Development & Entrepreneurship (MSDE). NSDC, also being a non-profit and in existence for over 3 years, is eligible for soliciting such funds as per the Act. NSDC solicits funds directly into NSDC through bipartite agreements, and through tripartite agreements involving the National Skill Development Fund (NSDF). Project partners largely include public sector enterprises, private companies and corporate foundations (“Funder”)

The first agreement was signed between POWERGRID, NSDF and NSDC in January 2015 for a contribution of INR 6.5 Crores by POWERGRID, with an objective to train 5000 youth and women in 33 locations identified under the Project. Since then, over INR 70 Cr has been mobilized for Projects under the National Skill Development Mission through various public sector and private sector enterprises. All Projects are structured and monitored as a sub-mission under the National Skill Development Mission.

This Handbook has been developed to provide broad guidelines for CSR projects in skill development, and the role of MSDE/NSDC and various agencies in ensuring successful implementation

The Ministry invites all corporates, foundations and public sector enterprises to play an active role in furthering the Skill India initiative.

Industry Partnership Models

The following models exist for partnership under the Skill India initiative. A quick overview of each of the models is presented below.

I. Direct Contributions to the National Skill Development Fund (NSDF)

- Contribute funds directly to the National Skill Development Fund (NSDF) to meet and fulfill CSR commitments under the Companies (Corporate Social Responsibility) Rules, 2013.
- Sponsor candidates for skilling programs in operational areas/regions of company's choice and in priority areas/sectors (programs focused on livelihoods, persons with disabilities, minorities, special areas, etc.)
- Operationalize Project through a tripartite agreement between Company, NSDF and NSDC
- Offer existing facilities and machinery for on-the-job training where available
- Implement the project through NSDC Training Partners with project management support by NSDC at nominal cost
- Align all skill development programs to the National Skills Qualification Framework (NSQF) leading to certification from Sector Skill Councils
- Option to co-brand Certificates

Documents/Links

- Link to National Skills Qualification Framework (NSQF) – <http://www.skilldevelopment.gov.in/nsqf.html>
- Link to National Skill Development Fund (NSDF) – <http://www.skilldevelopment.gov.in/nationalskilldevelopmentfund.html>
- Active CSR Projects - <http://www.nsdcindia.org/csr-initiatives>

II. Setup Corporate Skill Excellence Centres

In an effort to encourage industry to setup State-of-the-Art in specific areas of expertise, the Ministry in association with the NSDC, launched a special industry initiative on the eve of Swami Vivekanand Jayanthi on 12th January, 2016 in Mumbai. The salient features of such centres are listed below.

- Setup State-of-the-Art centres with focus in Make in India sectors
- Earmark own facilities or setup new facility with focus on specialized skilling programs in the sector/region, including Training of Trainer (ToT) programs
- Undertake productivity enhancement and upskilling programs for contract workers, suppliers, MSMEs and community-at-large
- Focus on overseas collaboration and joint international programs where possible
- Operationalize on your own or through a NSDC Training Partner
- Undertake joint mobilization/awareness campaigns in the local communities under Skill India
- Avail benefits under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) by affiliating such centres with the relevant Sector Skill Councils (SSC)

Links/Documents

- Link to the CSEC site – <http://www.nsdcindia.org/csec/>

III. Donate Land, Building and Machinery

Where corporates, agencies, bodies or industry associations have sufficient land and building to operate a skill development centre, they may partner as follows.

- Provide right of usage to an appropriate facility to be used a skill development centre
- Support existing programs through basic setup costs and equipment donation to offset training programs that are high-cost in nature
- Provision land usage for specific programs like Driver Training Centres, Construction-related trades, etc. with high employment potential
- Operate through a NSDC Training Partner

General Guidelines for CSR Projects

The CSR Cell at NSDC will be supported by a Project Management Unit, and project-based consultants hired for the specific project.

I. Advocacy

The Ministry of Skill Development & Entrepreneurship leads advocacy to solicit funds from public sector and private enterprises to contribute towards skill development under CSR activities. Such advocacy activities are carried out with industry associations, Central Government ministries with PSUs under their ambit, with foundations, and other intermediary organizations catalyzing CSR funds for social development. NSDC participates in such engagements and also undertakes advocacy for soliciting such funds through forums, workshops, industry presentations and discussions, and other such modalities.

NSDC will undertake advocacy and communication for all CSR projects as per its branding and communication guidelines. Where there is further requirement by Funder, such activities may be discussed in project formulation stage and adequate budget allocated for such activities.

II. Project Initiation

All projects will commence only upon formal request from Funder either to MSDE or NSDC directly. This request will be in line with objectives set forth by the Company Board, where applicable, under the Act, and through a CSR Committee reporting into the Board. All requests may only arise from members of this Committee or Board, or through officers who have deputed by such a committee/Board.

Upon receipt of request, a representative from the CSR cell will reach out to the Funder to initiate discussions. These discussions may be in-person or over phone. The initial discussion will be to identify broad areas of partnership, locations if any, trades, target segments, and other key project requirements. Various models of engagement under such partnership will be explored to ensure maximum impact on the Mission, in line with the Funder's objectives. All conversations will be carried out by the Single Point of Contact (SPOC) assigned to this project by Head – CSR, NSDC. Each Funder is also required to assign a Central SPOC and also region-specific SPOCs, where possible, to ensure smooth implementation of the Project.

III. Project Proposal Building

Based on the broad understanding of the contours of the specific Project, a bipartite or tripartite MOU is agreed upon between all parties involved. A draft MOU with the project brief, budget, disbursement-linked milestones, disbursement schedule, selection of partners, and other terms are agreed upon prior to proceeding further. Sector Skill Councils (SSC) will be involved in proposal building, budgeting and other associated activities where relevant. The Project proposal may consider various models available for collaboration, and augment based on needs and other parameters identified at this stage, to ensure quality and high impact.

IV. Project Approval and Agreement Signing

The draft MOU prepared by the CSR cell is then sent to the legal team at NSDC to ensure compliance, and the operational parameters are approved by the CSR Project Officer. Upon approval by both parties, the same is signed by competent authorities in all parties involved.

V. Project Management and Monitoring

Where NSDC undertakes responsibility for all project management, the following activities may be performed by NSDC on behalf of the Funder.

- a. Formation of Project Steering Committee, for large multi-year commitments
- b. Preparation of Implementation Plan with timelines under various models (for details, please see Industry Partnership Models)
- c. Skill gap assessment, as per skill gap reports or baseline study (where applicable)
- d. Trade mapping to existing capacity
- e. Training partner selection (as per selection criteria and selection process agreed upon in MOU)
- f. Final validation of training partners (as per selection criteria) and approval from Funder
- g. Signing of service level agreements (SLAs) with implementation agencies, viz., NSDC approved training partners
- h. Submission of training plan calendar to Funder as per agreed SLAs
- i. Submission of beneficiary and training information in skill development management system (SDMS) at NSDC
- j. Project reporting to PMU

Depending on the Industry Partnership Models selected by the Funder, appropriate activities will be carried out during project preparation and implementation.

VI. Project Implementation

NSDC is not a training organization. NSDC has a network of training partners who have been approved upon due diligence carried out by leading consulting firms with final approval by the NSDC Board. One or more Training Partners (“TP”) will be selected to meet the Project objectives based criteria listed under “Partner Selection Criteria”. TPs include for-profit and non-profit entities.

NSDC has seeded the creation of over 40 Sector Skill Councils (“SSC”) across various sectors, which are non-statutory certification bodies, led by the industry and with members from relevant industry associations and companies. SSCs are mandated to provide Assessment & Certification services to all training programs undertaken under the National Skills Qualification Framework (NSQF).

Where NSDC-approved TPs may not be available to undertake training programs or capacity creation is quite low in certain sectors, NSDC may seek list of Training Partners from relevant SSCs to undertake such programs/projects.

NSDC will sign a Service Level Agreement (SLA) with each of the selected TP for the specific project to undertake such programs as agreed under the Agreement.

VII. Project Impact Assessment

Project impact assessment is carried out as part of the agreed terms upon completion of project or financial year, whichever is earlier. A report is submitted to Funder on progress of project and course corrections are discussed and ratified for further streamlining of projects.

In certain projects (e.g. CIL), a Project Steering Committee is setup to look into all aspects of the Project including approval of plan, milestones, budget, etc. This may be due to the complexity of the sector, region of operation, budgetary provision, and/or other factors identified in the project formulation stage.

In certain projects, (e.g. CIDCO under the Government of Maharashtra), NSDC provides inputs and participates in selection of training partner as per guidelines set forth by CIDCO, and thus no Agreement is signed in such cases. NSDC's role is limited or in advisory capacity in such cases.

Other Key Areas

I. Fund Flow and Usage

The fund flow and usage are agreed upon during the signing stage and where NSDF is a receptacle to receive funds, a project plan is submitted for withdrawal of funds, and for subsequent requests, project update along with further plans where relevant are sought. All funds released from NSDF follow guidelines set forth in NSDF.

Where fund flows from NSDC to implementation agencies, i.e. TPs, requests are made by the CSR cell to Finance as per guidelines.

At the training partner level, reports are submitted both on operational and fund usage to the PMU. All disbursements are linked to achievement of milestones set forth in the SLA, and where deviation, corrective measures are taken to ensure smooth implementation.

II. PSUs under Central Government/State Government

In projects with public sector enterprises/agencies that fall under Central Ministries or State Government, such projects are reviewed by the competent authority at the Ministry/Government level. NSDC provides periodic updates where sought and participates in such review meetings.

III. Joint Ventures for Overseas Standards and Jobs

In projects where international collaboration is sought by corporate partner, selection of international and domestic training partners will be discussed on case basis.

Roles & Responsibilities of Partners

Initiatives/projects under CSR have been designed to be a partnership between various stakeholders, with the objective to further the Skill India initiative.

Agency	Role	Responsibilities
NSDF	Fund Receptacle	<ul style="list-style-type: none"> • Act as a receptacle of fund • Provide oversight on usage of funds • Ensure fund request to Funder as per agreed terms • Transfer of funds to NSDC as per milestones and agreed terms • Any other activity related to fund movement, fund flow, compliance, etc.
NSDC	As per General Guidelines	<ul style="list-style-type: none"> • Role of NSDC varies based on type of industry partnership • Empanelment of TPs based on performance and experience in relevant sectors/regions • NSDC has established processes and templates for various activities listed in the guidelines
Funder	As per General Guidelines	<ul style="list-style-type: none"> • Company to play a proactive role in the Project in various stages • Define target segment for training programs • Participate in selection of training partners, trades and locations • Finalization of branding and communication specific to the Project • Participate in periodic joint review meetings • Any other project-specific requirement
Sector Skill Council	Assessment & Certification	<ul style="list-style-type: none"> • SSC to ensure timely assessment of trained candidates • SSC to provide certificates for all passed candidates • SSC to advise NSDC on sector-specific issues and also assist with selection of TPs where relevant • SSC to provide proposals for project-specific requests (like RPL) where relevant • SSC to participate in joint meetings/steering committees/reviews where relevant to project
Training Partner	Implementation Agency	<ul style="list-style-type: none"> • Selected training partner(s) will be responsible for end-to-end delivery of training program as defined in the Service Level Agreement (SLA) • Ensure placement/self-employment and keep record of all trainees along with photos of individuals/batches • Record at least 2-3 case studies in each training batch • Involve local officials of Funder in narrowing down target region, mobilization, selection of trainees, etc.
Donor	Corporate Partner/ Foundation	<ul style="list-style-type: none"> • Actively participate in various stages of the Project (mobilization, job melas, curriculum alignment to industry, etc.) where relevant • On-the-job exposure through internship, apprenticeship training, etc. where possible

Training Partner Selection for CSR Projects

Training partner selection will be based on terms agreed in the MOU/A.

Role of CSR Cell

The CSR Cell will be responsible for setting up and finalizing the process for selection of training partners for project implementation. This will be done in consultation with the Funding partner and reflected in the MOU. All selected training partners will be called “Approved Training Partners”.

The CSR cell will manage the selection process in a fair and transparent manner and evolve parameters to reflect high quality training. The Cell may involve external stakeholders depending on the expertise required in such selection.

Role of Selection Committee

The Selection Committee will be decided in the MOU or through a Steering Committee setup by an appropriate authority where applicable. The role of the committee will be to ensure training partners are selected as per terms and processes agreed.

Role of Sector Skill Councils

Sector Skill Councils may be involved in the following manner.

- Identify demand-based job roles in respective sectors with employment potential
- Participate in selection of partners
- Ensure adequate assessors capacity

It will be the responsibility of the approved training partners to ensure programs/centers identified for the project are approved by respective SSCs to ensure appropriate assessment is carried out. NSDC will *not* be responsible to ensure assessment by SSCs.

Involvement of States/UTs

A State-level committee may be formed with competent authority to identify training partners at the State-level to deliver training programmes under CSR projects. Only such training partners empanelled with Sector Skill Councils, running programs aligned to the National Skills Qualification Framework (NSQF), may be selected for such programs.

Role of Special Committees (Advisory/Steering)

Special committees (Advisory/Steering) may be formed where project investment is high or of strategic importance (sectors like mining, energy, defense, etc.) or part of a flagship mission of the GOI (like Make in India). Such requests may be taken up and ratified at the Ministry-level.

Where required, appropriate mechanisms may be put in place to participate in inter-ministerial committees where representation of MSDE/NSDC is sought.

Monitoring Framework for CSR Projects

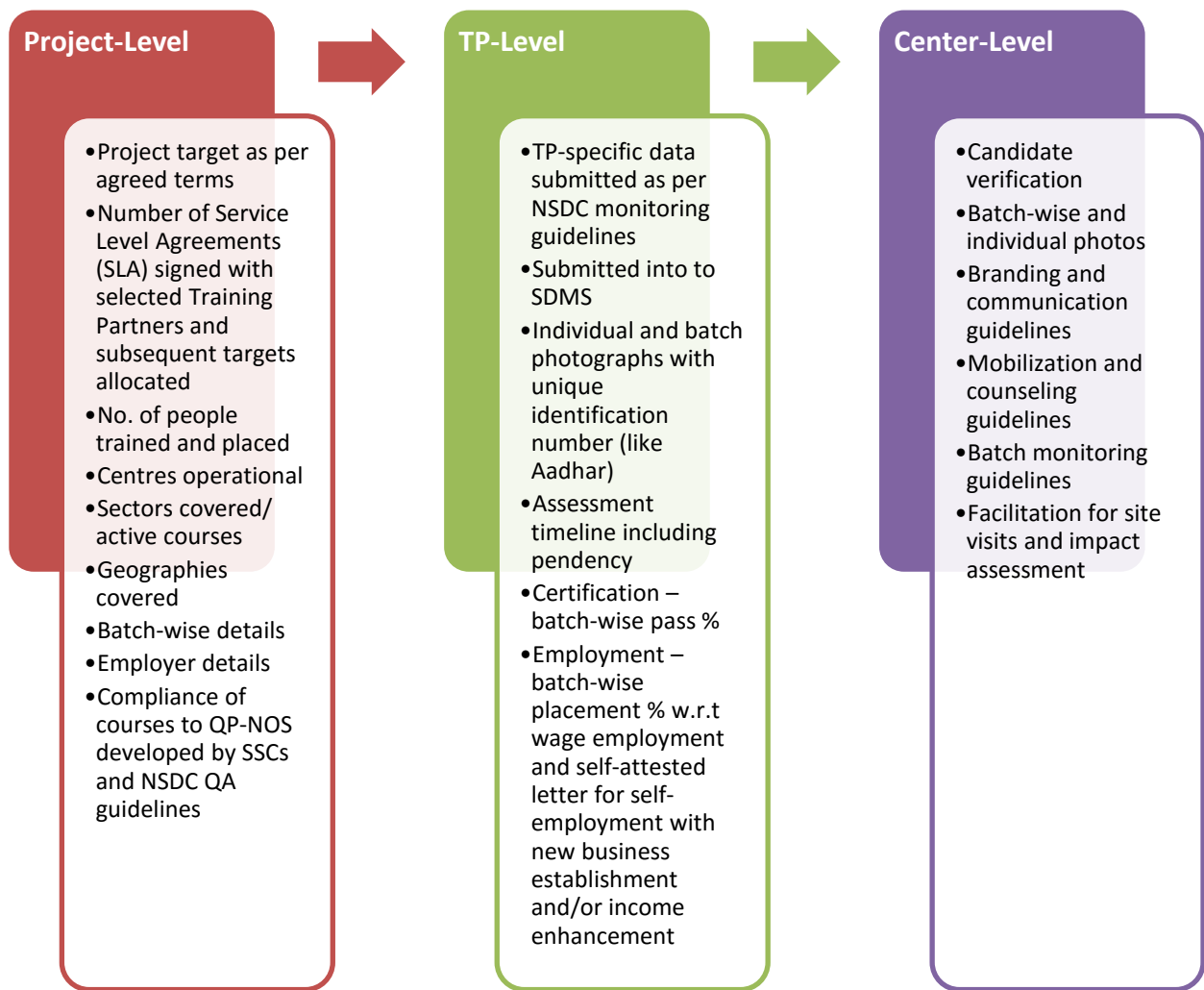
The CSR Cell maintains a Master Dashboard for all CSR projects.

There are two aspects to the overall project-level monitoring under Model 1 (“Training Sponsorship”).

(i) Project Monitoring

Monitoring is undertaken through 3-tier structure – Project-level, Training Partner-level and Center-level.

The broad sets of activities across these levels are listed below.



(ii) Reporting and Review Mechanism

The CSR Cell also has established procedures on Project Review and Reporting to complement the above monitoring systems to ensure successful implementation of the project.

Monthly Progress Report (MPR)

- Monthly dashboard of project status
- List of beneficiaries that completed training with photos and details of individuals
- List of beneficiaries under wage employment and employer details
- List of beneficiaries under self-employment
- Site visit reports

Project Review Meeting with Training Partners/SSCs

- Discussion on project status and performance
- Issues and challenges
- New allocation and other

Quarterly Joint Review Meeting

- Consolidated report on overall progress of project(s)
- Utilization certificates
- Call validation/triangulation report

Ad-hoc Meetings

- Discussion on imminent challenges, change in project terms, selection of partners, taking up special projects, review meetings in nodal ministry, etc.

The above mechanism is in place and can be modified as per the terms of the project only on a case-basis.

It is encouraged that corporates/funders get actively involved in all levels of the project implementation and provide proactive guidance thus making it a mutually beneficial partnership.

Contact Us:

CSR Projects Team

National Skill Development Corporation

Block A, Clarion Collection

Shaheed Jeet Singh Marg,

New Delhi - 110016.

Tel: +91-11-47451600-10

Fax: +91-11-46560417

Website: <http://www.nsdcindia.org/csr-initiatives>

Email: csr@nsdcindia.org