

OUTLINE DETAILS

INVESTMENT PROJECTS USING FOREIGN NONGOVERNMENTAL AID FUNDS

**PROMOTE TECHNICAL EDUCATION REFORM OF MECHANICS AND
ELECTRIFICATION TO PROFESSIONAL TECHNICIANS – PROMPT**

PROJECT BACKGROUND INFORMATION

1. **Project name:** Promote Technical Education Reform of Mechanics and Electrification to Professional Technicians – PROMPT
2. **Donor name:** KONE Vietnam LLC
3. **The authority approving the aid:** Ho Chi Minh City People's Committee
 - a) Address: 86 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City
 - b) Phone: (08) 38296052, (08) 38295026. Fax: (08) 38295675
4. **The Managing Agency:** Ho Chi Minh City Department of Education and Training
 - a) Address: 66 – 68 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City
 - b) Phone: (08)38 229 360 Fax: (08) 38 222 136
5. **Proposing Unit:** KONE Vietnam LLC
 - a) Address: 06 Nguyen Van Troi Street, Ward 8, Phu Nhuan District, Ho Chi Minh City
 - b) Phone: (08) 3997 5373 Fax: (08) 3997 4964
6. **Project Owner:** Ly Tu Trong Technical College Ho Chi Minh City
 - a) Address: 390 Hoang Van Thu, Ward 4, Tan Binh District, Ho Chi Minh City
 - b) Phone: (08) 54490589 Fax: (08) 3811 8676
7. **Estimate duration of the project¹:** 11 years (from 2016 to 2027)
8. **Location of project implementation:** Ly Tu Trong Technical College Ho Chi Minh City
 - **The total budget of the project:** 424 826 EUR (approximately \$ 448,675)
Among them:
 - FNG nonrefundable aid: 424,826 EURO, equivalent to 448,675 USD

- Reciprocal capital: None.

Project owner representative's signature and stamp

Date:.....

Donor representative's signature and stamp

Date:.....

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INVESTMENT PROJECTS USING FOREIGN NONGOVERNMENTAL AID FUNDS OUTLINE DETAILS

I. Background and project necessity

- 1. Brief description of the planning, development plans of the beneficiaries related to the content of the project and the need, the role and the location of the project in the planning.*

Ly Tu Trong Technical College Ho Chi Minh City, a public college, was established in 1986, located at 390 Hoang Van Thu Street, Ward 4, Tan Binh District, Ho Chi Minh City. The school has 29 majors with the scale of over 10,000 students. By 2020, the School will become the industry's focus on advanced vocational education to meet the needs of high quality human resources in the context of ASEAN integration contributing to the growing of the national industrialization, national modernization.

With an area of 5 hectares, the college gives its students a civilized, disciplined and friendly learning environment. Currently, the school has developed a master plan to restructure and improve training organization accrediting to advanced education standards.

In cooperation with KONE Vietnam LLC to implement the policy of socialization of education, attracting businesses to invest in building infrastructure, developing training programs, funding for students, receiving graduates and create a healthy educational environment (Article 53, chapter VI Relations between colleges, families and society of the charter College issued Circular No. 01 / 2015 / TT-BGDĐT 01 May 15 2015 of the Minister of Education and Training).

In summary, the "Promote Technical Education Reform of Mechanics and Electrification to Professional Technicians – PROMPT" project is suitable for the college's developing strategic plan and vision till 2020, the building of elevators and escalators technicians training center is essential to strengthen the facilities for the college, implement dual education model, contribute to improving the quality of education of the college.

- 2. Overview of programs and projects have been implementing by different funds aimed at supporting the project proponents relevant issues resolutions.*

Project PROMPT is the first project that KONE Vietnam co-performed using outside the company funds to develop models for sustainable long-term training for the industry and the country.

- 3. Overview of the issues to be addressed within the scope of the proposed project.*

The project sets up a technical training center in the field of elevators and escalators technicians at the Ly Tu Trong Technical College Ho Chi Minh City.

KONE Vietnam LLC will implement the training center construction which consists of one ground floor and three floors, decorating and providing tables, chairs and boards for practice rooms and classrooms; KONE provides 2 elevators, 1 high building elevator simulation system, 1 escalator, machinery, equipment and educating; practice supplies needed for the training, also technology train and transfer to teachers in the field of elevators and escalators.

Ly Tu Trong Technical College Ho Chi Minh City will provide area to build into classrooms and laboratories for mutual cooperation in training for 11 years; from 2016 to 2027, the school will organize vocational training courses in the field of elevators and escalators for participants from 2017.

4. Specify the direct beneficiaries of the proposed project.

Ly Tu Trong Technical College Ho Chi Minh City is direct beneficiaries of the project.

II. Donor Proposal Relevance

1. The relevance of the project objectives with the policies and priorities of donors.

With the leading position in terms of resources and global professional capacity, KONE Vietnam LLC was founded in 2009, has quickly earned a reputation in providing solutions in the fields of professional vertical movement and poised for strong growth in Vietnam through the accumulated list of outstanding projects in Vietnam. KONE Vietnam LLC which is located in Ho Chi Minh City and Hanoi, provides easily accessibility, attentive of the opinions of customers in order to provide the best service to customers.

Our country presents a situation of critical shortage of skilled human resources and the knowledge of international safety qualifications, in the field of elevators and escalators are yet to respond to the trend of international integration, is a leading concern of the employers focusing reputation and quality of service same as KONE.

Thus, through this project, donors wish to contribute and support the college training the skilled human resources in the field of elevator technology, thereby narrowing the gap between recruitment and training, also providing jobs for the students of the college, to solve the problem of human resources for the job market in the context of international integration.

2. Analysis of reasons for the selection and the donor's advantage in technology, experienced management and policy advice in the funded fields.

Innovative solutions such as elevators with best-in-class energy efficiency have made KONE an industry forerunner for several decades. KONE People Flow Intelligence solutions like the destination operating panel aid the development of smarter cities and buildings by providing convenient and effortless user experience and enhancing security. Several major real estate developments in the Vietnam feature

KONE solutions, including MGM HoTram, Le Meridien Hotel, JW Marriott Hotel, Crowne Plaza, Pandora Entertainment Center and Center Point.

With a large number of projects have been and are about to implement, KONE is in need of skilled manpower who are knowledgeable about the operational mechanism of KONE equipment as well as the necessity for safety in the installation assembly and maintenance of equipment. However, in recent years, KONE has yet to find the right partner to implement the project. After meeting and learning about the training capacity of the Ly Tu Trong Technical College Ho Chi Minh City, plus the advantage of the industry pioneers of KONE, KONE decided to cooperate with the college to train the human resources qualified international standards for the upcoming big demand.

3. *The binding conditions as stipulated by the donors (if any) and the ability to meet these conditions from Vietnam side.*

To ensure the safety during training and operations, KONE will support to safely operate the elevators and escalators for the Ly Tu Trong Technical College Ho Chi Minh City during the college using the equipment.

III. Project objectives

Overall objective: Strengthening the capacity of training, upscale and improve the quality of training for Ly Tu Trong Technical College Ho Chi Minh City, contribute to bring the college into the focus of advanced vocational education in the context of ASEAN integration, serving the cause of industrialization and modernization of the country.

Specific objective: Construction implementation including 1 ground floor and 3 floors in Ly Tu Trong Technical College Ho Chi Minh City into a training center of modern standards, ensuring to meet the requirements of teaching programs and research in the field of elevators and escalators on the same level with other countries in the region.

IV. Project main results

1. Establish a Training Center for elevator and escalator technicians;
2. Support and train for teachers to participate in training under the dual education model
3. Develop training programs for elevator and escalator technicians.

V. Components, items, and major activities planned allocation of project resources

Establish a Training Center for elevator and escalator technicians		
Content	Expected allocation of human resources projects	Expected Cost
-Construction of the training center building -Install elevators and escalator; -Decorate, provide tables, chairs and boards; -Provide training devices	- Project Management Board of KONE Vietnam LLC - Consultants, designers, contractors, equipment suppliers chosen and monitored by the Management Board of Project Management Team of KONE Vietnam LLC	243,366 EUR

Support and train for teachers to participate in training under the dual education model		
Content	Expected allocation of human resources projects	Expected Cost
- Create plans for deploying cooperation training project: - Discuss between stakeholders with Ly Tu Trong Technical College Ho Chi Minh City -Working with experts in the field of elevators and escalators	- Implementing Project Support Board of Ly Tu Trong Technical College Ho Chi Minh City - Project Management Board of KONE Vietnam LLC	60,487 EUR
-Technology transferring, equipment guidance, labor safety	- Project Management Board of KONE Vietnam LLC	
-Collect feedback on the training requirements from the stakeholders. -Build the Training technicians Program -Build the dual education model training programs for the Trainers.	- Implementing Project Support Board of Ly Tu Trong Technical College Ho Chi Minh City - Project Management Board of KONE Vietnam LLC	
- Create training materials for students - And training materials for the Trainers	- Implementing Project Support Board of Ly Tu Trong Technical College Ho Chi Minh City - Project Management Board of KONE Vietnam LLC	
- Support and train the Trainers At least for 10 trainers	- Project Management Board of KONE Vietnam LLC	
-Review and learn from experience	- Implementing Project Support Board of Ly Tu Trong Technical College Ho Chi Minh City - Project Management Board of KONE	

	Vietnam LLC	
Develop training programs for elevator and escalator technicians.		
Content	Expected allocation of human resources projects	Expected Cost
-Implement the training program for the 1 st batch of chosen students	- Implementing Project Support Board of Ly Tu Trong Technical College Ho Chi Minh City	120.973 EURO
- Conduct supervision, quality inspection regularly	Implementing Project Support Board of Ly Tu Trong Technical College Ho Chi Minh City	
-Evaluation after each training course -Provide certificates to students completing the training course	Ly Tu Trong Technical College Ho Chi Minh City	
-Organize career fair for the students -The employers Conference -Scientific Workshop about dual education model -Activities support for entrepreneurship of students	- Implementing Project Support Board of Ly Tu Trong Technical College Ho Chi Minh City - Project Management Board of KONE Vietnam LLC	
-Experience Summing up - Completing the cooperation program	- Implementing Project Support Board of Ly Tu Trong Technical College Ho Chi Minh City - Project Management Board of KONE Vietnam LLC	
-Continue enrolling students for the training	- Implementing Project Support Board of Ly Tu Trong Technical College Ho Chi Minh City - Project Management Board of KONE Vietnam LLC	

VI. Domestic financial mechanism for projects

1. FNG nonrefundable aid: 424,826 EURO, equivalent to 448,675 USD
2. Reciprocal capital: None.

VII. Organizational project management

1. Organizational project management method

Pursuant to Articles 5 and 6 of Chapter III Management implementation grants foreign NGO's Circular No. 07/2010 / TT-BKH of the Ministry of Planning and Investment, March 30, 2010 on guidelines the implementation of Decree No. 93/2009 / ND-CP of October 22, 2009 the government promulgated the Regulation on the management and utilization of aid of foreign NGOs;

FNG aid owner - KONE LLC - established "Project Management Board" with the function serving project management tasks of planning, financing, organizing, construction and personnel.

"Project Management Board" is responsible for the recruitment, combined with design consulting firms and contractors in the preparation, planning, development, implementation and periodic reports under the provisions of the current law.

Project owner is the Ly Tu Trong Technical College Ho Chi Minh City, established the "PROMPT Implementing Project Support Board" and combined with "Project Management Board" to perform the duties specified under Management Regulation and utilization of aid of foreign NGOs (Circular No. 07/2010 / TT-BKH of the Ministry of Planning and Investment).

"PROMPT Implementing Project Support Board" ensures the full implementation of the guidelines and requirements of the Ho Chi Minh City People's Committee, the Department of Education and Training, Department of Planning - Investment, Department of Finance and the relevant authorities to implement the management and reporting regime under Mode IV report perform non-governmental aid overseas management rules and use non-governmental aid abroad (Circular No. 07/2010 / TT-BKH of the Ministry of Planning and Investment).

2. Overview of the working mechanism, agencies relations

The authority approving the aid: Ho Chi Minh City People's Committee

The Managing Agency: Ho Chi Minh City Department of Education and Training

Proposing Unit: KONE Vietnam LLC

Project Owner: Ly Tu Trong Technical College Ho Chi Minh City

The project is co-financed by the German bank DEG and KONE Vietnam LLC. Whereby, the Project Management Board of KONE will collaborate with the Ly Tu Trong Technical College Ho Chi Minh City to implement the project.

3. *Capability to organize and manage the implementation of all projects is expected to be assigned to implement the project, including financial capability.*

"Project Management Board" of KONE Vietnam LLC will have these departments in charge of administrative functions, plans and specifications for the project serving to perform the management tasks of planning, financing, organization, construction and personnel.

"PROMPT Implementing Project Support Board" Ly Tu Trong Technical College Ho Chi Minh City can ensure the appropriate structure, sufficient experienced personnel, appropriate professional capabilities include managing board, representative from Science Management - International Cooperation office, Planning – Finance Office, Personnel – Administration – General office, Equipment – Supplies Office, Administration – Service Office, Faculty of Mechanical Technology, Faculty of Electrical Technology - Electronics.

"PROMPT Implementing Project Support Board" along with "Project Management Board" of KONE Vietnam LLC ensures to incorporate in the preparation, planning, development, implementation and acceptance of the project and periodic reports under the current regulations and the provisions of the related management agency.

VIII. Construction and technology of implementing the project

Classroom buildings: reinforced concrete foundations, load bearing walls, corrugated iron roof against heat joint venture, cement floor with reinforcing coating, doors, glass and aluminum window; lighting systems, water supply, septic tanks and other accessories.

IX. Preliminary analysis of the project's feasibility

The construction of elevators and escalators technician training center for the school is a feasible project if early investment from Kone Ltd. is received. Construction method and technology used for the project are appropriate and safe compared to the scale of the construction itself. HCM People's Committee has the experiences in the management and implementation of similar projects; therefore when the investment is enforced, Technical College Ly Tu Trong HCMC will ensure the project to be carried out effectively.

X. Preliminary analysis of the project's impact:

1. Direct impact to the implementing partner

The project is implemented to meet the urgent demands on the issue of infrastructure of the school, solve the shortage of classrooms and practice rooms for training elevators and escalators technicians; it also ensures to help create the best educational environment, gradually implement effective basic innovation education and training with the orientation of ASEAN integration and internationalization in the current period and the next period.

Technical College Ly Tu Trong Ho Chi Minh City will improve the capacity of the teachers, and enhance the quality of training and its status through the school's business model.

2. Assessment of economic, social and environmental impacts on the sector, field and localities

Technical Colleges Ly Tu Trong Ho Chi Minh City will have a training and research center in the field of elevators and escalators par with other countries in the region. Thanks to that, there will be further development in scale and the quality of training to meet the demand for high-quality human resources in the context of ASEAN integration and contribute to building the national industrialization and modernization.

3. Assessment of sustainability of the project after it ends

After 3 years of collaboration, KONE transfers the Training Center, training curriculum and office equipment to LTT (excluding elevators and escalators) in order for LTT to deploy specialized technical training elevators and escalators in accordance with actual needs. During the next 8 years of cooperation, KONE will join LTTC in the utilization of elevators and escalators in training with the rate of fifty percent for each party.

Every year, the school will have specific plans in admitting students for the technician training program. The school's project management board continues to support and ensure regular maintenance of the equipment in order to ensure the sustainability of the project.

Attachment: Appendix Category of tables, chairs and sponsored training equipment in project

**ATTACHMENT: APPENDIX CATEGORY OF TABLES, CHAIRS AND
SPONSORED TRAINING EQUIPMENT IN PROJECT**

CONTENT	QUANTITY	UNIT
<i>Practice area</i>		
Escalator	1	Pcs
Elevator with a machine room	1	Pcs
Elevator without a machine room	1	Pcs
Simulation system of elevator in buildings	1	Pcs
Chair	10	Pcs
<i>Training area (2 rooms for theory learning)</i>		
Chair and table (2 students/ table)	24	Set
Teacher's table	2	Set
Projector	2	Pcs
Board	2	Pcs
<i>Office area</i>		
Laptop	2	Pcs
Document cabinet	2	Pcs
Printer/scanner	1	Pcs
Chair and table for office	2	Set
Chair and table for meeting room	1	Set
<i>Lobby</i>		
Chair and table	2	Set
Centralized air-conditioner	1	Pcs