



International Labour Organization

Terms of Reference

Service Contract (company) to a) review the scope, preparedness and capacity of employers organizations in the governance and coordination of skills development in KSA in the context of establishment of 12 Sector Skills Councils and provide recommendations for improvements using global benchmarks; b) Organize a training for SCC members on their role governance system and functioning based on global best practices , (c) conduct a training program for MHRSD and SSCs in Labour Market Information and skills needs assessment, (d) assist SSC and MHRSD in conducting skills needs assessment in two prioritized sectors to ensure quality result.

Duty Station: Home-based with visit to Riyadh.

Duration of the service contract: 57 working days over a period of 5 months. including two missions to Riyadh

Deadline for application: on or before 28 November 2023 – 17:00 pm Beirut timing

Interested companies must submit a technical proposal and a financial proposal to the ILO. Information on proposed presentation and content are available on page 10.

Submission to be addressed

To: singhkk@ilo.org

Cc: jaafar@ilo.org; yassinj@ilo.org; hokayem@ilo.org; nasseral@ilo.org

Include title to the email: “Application to consultancy on Sector Skills Council in KSA”

Project	Supporting the Ministry of Human Resources and Social Development in analysis, policy and capacity development (Kingdom of Saudi Arabia)
Outcome 4:	Improved skills governance for better employability and employment outcomes in KSA
Outputs:	04.01: MHRSD and Sector skills Councils are capacitated to play an effective role in skills governance and market-responsive skills delivery
Activities	04.01.01: Organize a skills needs assessment and anticipation training for SSC and TVET authorities 04.01.02: Support SSC and TVET authorities to conduct skills gaps assessment in two sectors and define mechanism for sharing the outcomes with TVET system to inform skills delivery 04.01.03: Organize a training to SCC members on their role, governance system and functioning based on global best practices

Introduction

In 2016, the Kingdom of Saudi Arabia developed its **Vision 2030**¹ based on three integrated pillars including a vital society, a thriving economy and an ambitious nation to achieve the objective of the kingdom to be a pioneering and successful global model of excellence.

Flowing from this Vision, the KSA has prioritized workforce development to steer the country towards a more productive and knowledge economy. For that, it has developed strategies and interventions such as the **Human Capability Development Program (HCDP)**² and the **Labour Market Strategy (LMS)** to promote skills development and address skills mismatches. Aligned with Vision 2030, the HCDP aims to ensure required capabilities for its citizens to compete globally by developing basic and future skills, as well as enhancing knowledge. It also focuses on upskilling citizens by providing lifelong learning opportunities, supporting innovation and entrepreneurship culture, and developing and activating policies and enablers to ensure KSA competitiveness.

The LMS is the Ministry of Human Resources and Social Development's (MHRSD) strategy to improve employment outcomes in the Kingdom through developing skills and capabilities for existing and emerging productive sectors. Relevant to skills development, in particular, the LMS emphasis is on training policies and programs, pursuing career growth, developing human capital in collaboration with education and training authorities, and an increased focus on skills and occupational planning, which includes establishing sector skills councils and professional standards.

MHRSD's current initiatives

The current Kingdom reform plan reflected in the LMS is focusing on expanding investments into new sectors other than oil and gas that would foster sustainable economic diversification, global competitive advantage, and attracts local and global talents. Furthermore, the kingdom is aiming to maximise the benefits of its strategic geographic location to increase its exports and re-exports by establishing new local and international partnerships with the private sector putting the Kingdom on a distinctive international trade gateway to Asia, Europe and Africa.

To engage private sector in skills governance and skills delivery, the Ministry is establishing and activating 12 sectoral skills councils at the level of the main economic sectors starting with those that have a greater impact on the gross domestic product and percentage of national human resources in the sector and by adopting a sectoral approach in cooperation between government entities and the private sector. In addition to energy and utilities (including renewable energy), the other sectors include wholesale and retail, tourism and hospitality, health, real estate and development services, security, professional services, digital, culture and entertainment, logistics and transportation services, financial and insurance services, and manufacturing (food and beverages, chemicals and pharmaceuticals, metals manufacturing). In May 2023, a team from MHRSD conducted a study tour to Jordan for further understanding on the process of establishing Sector Skills Council and functioning. As result, the MHRSD established 3 sector skills council including Tourism and hospitality, digital, and manufacturing. The remaining 9 sectors will be established by end of November 2023.

In parallel, the Ministry developed a skills strategy for a more systemic approach to support the national drive and development priorities. In alignment with the HCDP and LMS strategies, the skills strategy interventions focus on good governance, coordination and financing of the skills development system between different key stakeholders including the private sector, coordinated quality assurance system, an integrated labour market information system, more work-integrated learning and public private partnership, inclusive and responsive education and training system. The Ministry is also working to unify the occupational standards into a single skills framework across the kingdom to be used by various stakeholders (decisions makers, employers,

¹ [Kingdom of Saudi Arabia's Vision 2030 \(my.gov.sa\)](https://my.gov.sa)

² [Human Capability Development Program - Vision 2030](#)

education and training institutions, job seekers) for decision making to reduce skills gaps and improve employment outcomes of the training. This will be achieved through engagement with SSCs by a) assessing and benchmarking the current practices in the light of global practices to inform national framework for occupational standards, b) establishing and operating an advisory body to administer the planning and development of occupational standards, and c) developing national occupational standards for 300 professions to provide benchmarks for competent performance and good practice in particular areas of work as a resource for a variety workforce management and quality control tools.

Sector skills Council: The work under progress

Sector Skills Councils (SSC) are an example of institutional arrangements designed to strengthen industry engagement in skills development and fulfil various roles in TVET and skills development. While the scope of the role varies considerably between national systems, they typically involve a mix of advisory, project management and regulatory functions. To ensure that any ongoing work on SSC in KSA occurs in the broader context of work to strengthen governance arrangements in the skill system, it is important to have an understanding of the different ways in which industry is involved in the governance of skills development.

As part of its technical support to MHRSD on SSC, the ILO will assess the process in place for establishing SSCs to analyze gaps and provide recommendations for improvements. The assessment will examine a) the scope of industry's effective engagement in skills governance and coordination, b) SSCs capacity needs for effective engagement in skills governance, (c) the SSC's structure and governance approach, including composition, role and responsibilities of relevant parties including funding sources, and d) management arrangement, performance and impact evaluation, sustainability, and relevant cooperation/coordination with other institutions in skills system. Additionally, it will analyse the capacity needs of the Ministry, relevant staff, and key stakeholders engaged in the development process and the administration of SSCs. The findings will feed into the design and execution of a capacity building training programme on their role, governance system and functioning based on global best practices. The training will aim to share the fundamentals steps for successful establishment and operation of SSCs. Furthermore, the ILO will conduct a training program for MHRSD and SSCs in labour market information and skills needs assessment based on identified capacity needs and assist SSC and MHRSD in conducting skills needs assessment in two prioritized sectors to ensure quality result and their capacity to conduct such assessment. Furthermore, the finding will feed into the development of recommendation to SSCs and MHRSD for improvement and an action plan for SSCs' efficient and effective functioning. Complementing the above, a guidance note for developing action plan for SSC and for conducting skills anticipation survey will be developed for replication in other sectors.

The ILO is recruiting a service provider (company) to support the smooth functioning of the 12 SSCs, conduct the capacity needs assessment and training programmes related to SSC functions and monitoring, and skills anticipation, and assess skills needs in two prioritized sectors.

Objective of the consultancy

The key objectives of the assignment are:

- Examine the structure, governance and business processes of the existing SSCs and their capacity needs to (a) design and deliver a training program to make their functioning efficient and effective, (b) provide recommendation to SSCs and MHRSD for improvement³ and develop an action plan to strengthen the SSCs institutionally, and its role in skills governance and skills delivery.
- Based on the identified capacity needs of the SSCs and the MHRSD, design and conduct a training program on labour market information and skills needs assessment process to identify most demanded occupations and the skills gaps (competency gaps) and skills shortage (and seek participants' feedback and analyze pre and post training knowledge to prepare training report.

³ In terms of structure, governance, operations, funding etc..

- Select two priority economic sectors among the 12 SSC and assist the relevant SSCs and other stakeholders in assessing the most demanded occupations, the skills gaps (competency gaps) between what TVET provides and what is needed in industries and the skills shortage.
- Provide recommendations on (a) mechanism to continue such assessments periodically, (b) procedure to share the assessments' findings with the TVET authorities to enable them deliver relevant skills, (c) sector plan to bridge skills gaps (competency gaps) and address the issue skills shortage in collaboration with MHRSD and TVET authorities.

Key responsibilities

Scope of work and Tasks

The service provider will closely work under the direct supervision of the Senior Skills Specialist and with the technical support of the National Technical Officer on Skills, and will closely coordinate with the MHRSD teams to complete the following:

Strengthening SSC governance and functioning

- a. Based on secondary desk review and consultations with relevant tripartite constituents in KSA, conduct a technical assessment of SSCs' structure, membership, governance, financing, and business processes to identify challenges, limitations and capacity needs for efficient and quality operation, performance, impact and sustainability.
- b. Undertake consultations to assess improvements required and the internal and external factors facilitating or constraining these improvements and provide recommendations for adjustments.
- c. Assess capacity needs of the officials and stakeholders engaged in SSCs in close consultations with ILO, MHRSD and key stakeholders to design a capacity building training programme to enable them to operate SSCs effectively.
- d. Develop a concept note on training module based on identified capacity needs and consult with ILO and MHRSD for comments and approval.
- e. Deliver a training program to make SSCs' functioning efficient and effective; and seek participants' feedback and analyze pre and post training knowledge to prepare training report.
- f. Provide recommendation to SSCs and MHRSD and develop an action plan to strengthen the SSCs institutionally, and its role in skills governance, and skills delivery in close coordination with ILO and MHRSD and ensure alignment of the proposed improvements with country's ongoing skills reform initiatives.
- g. Seek validation from relevant stakeholders, particularly MHRSD and SSCs.
- h. Finalize the report based on feedback and make submission for its adoption by the Ministry.

Skills needs anticipation in two priority sectors-

- a. Out of 12 priority sectors determined by the MHRSD, identify criteria to select two job rich sectors with growth potential facing skills gaps and skills shortage in consultation with the MHRSD and SSCs
- b. Profile the two identified sectors and related sub-sectors by examining their characteristics and changing trends including number and size of industries per sector, market size and growth potential, spatial distribution, characteristics of their workforce (employment in occupations that make up the sector and its sub-sectors), and planned recruitment and skills requirements in immediate and intermediate terms.
- c. Based on the profiling, assess skills demand using representative sampled industries of each sector and sub-sectors and undertake consultations with ILO, MHRSD, and SSCs to seek validation for proposed priority sectors and agree on method of skills assessment and the role of MHRSD and SSCs in assessment.
- d. Assess capacity needs of the officials at MHRSD and members of SSCs in close consultations with ILO to design a capacity building training programme to enable them to engage in the current and future skills assessment work including guidance on labour market monitoring and analyses of skills supply and demand and how labour market information (LMI) can be used for better anticipation and matching of

skills demand and supply; and develop a training concept note based on identified capacity needs and consult with ILO and MHRSD for comments and approval.

- e. Develop a detailed qualitative and quantitative methodology for the skills needs assessment to identify occupations in demand, competency gaps and skills shortages in each sector including data collection tools using occupation and industry standards and sampling of industries and consult with ILO, MHRSD, and SSC for comments and approval.
- f. Conduct capacity building training programme as approved with ILO and MHRSD. The training programme should take into consideration a general two-days training on skills needs assessment for all SSCs, and more in-depth hands-on training supporting the two relevant SSCs throughout the skills assessment process.
- g. Undertake primary data collection as per agreed methodology in close coordination with MHRSD and SSC to identify occupations in demand, skills shortages, as well as the skills requirements for these occupations in the immediate, intermediate, and long term. The analysis will include both the core work skills (collaboration, communication and problem-solving, among others) and the semi technical and technical skills
- h. Based on the analysis of the skills demands, select 5 to 6 occupations in the highest demand in each sector and examine the gaps in skills competencies - what TVET institute provide and what are needed in the labour market and provide recommendations on changes that are needed to improve the training quality and skills delivery in line with competency-based training through deeper engagement with the industries and actions required for the Government and social partners.
- i. Provide recommendations on (a) mechanism to continue such assessments periodically including final skills assessment template for future replication, (b) procedure to share the assessments' findings with the TVET authorities to enable them deliver relevant skills, (c) sector plan to bridge skills gaps (competency gaps) and address the issue skills shortage in collaboration with MHRSD and TVET authorities.
- j. Present the preliminary findings to ILO, MHRSD, SSC in a powerpoint presentation at a half day workshop for validation and further adjustments.
- k. Draft and finalize the skills assessment report for each sector incorporating feedback from ILO, SSC, MHRSD into a final report and submit as approved by ILO, MHRSD, and SSC.

Key Deliverables:

- (a) Inception report based on desk research, including detailed methodology and workplan.**
- (b) Report on findings and technical assessment of the current SSCs structure, governance, deliverables and business processes of the existing SSCs and recommendations for improvement.**
- (c) Skills anticipation assessment report for two prioritized sectors (one for each sector) including recommendations for actions, proposed sector plan, and skills anticipation questionnaire template.**
- (d) Concept note on training program based on capacity needs assessment findings.**
- (e) Report on training program with pre and post training evaluation report and recommendations for future capacity needs including guidance note for developing action plan for SSC and for conducting skills anticipation survey for replication in other sectors.**

Methodology

The service provider will conduct desk research and interviews to complete this assignment.

- i. Literature review including but not limited to: the vision 2030, the HCDP, the skills strategy, SDGs, and other materials collected through the other ILO initiatives on skills policy and National Occupational Standards, ILO resources on establishment of SSC⁴, and on ILO skills anticipation tools⁵ for adaptation, any other documents strategies and policies relevant to the assignment

⁴ [Policy note: Sector Skills Councils \(ilo.org\)](#); [Paul An Introduction to Sector Skills Bodies \(ilo.org\)](#); [A Resource Guide for Sector Skills Bodies \(ilo.org\)](#)

⁵ [Compendium: Skills needs anticipation \(ilo.org\)](#); [Skills strategies for future labour markets \(SKILLS\) \(ilo.org\)](#)

- II. Stakeholders' interviews: relevant MHRSD units, SSCs members, and where relevant government ministries and institutions /agencies, public and private training providers, employers, and workers, MHRSD consultants supporting the establishment of SSCs, and industries.
- III. Qualitative and quantitative tools for primary data collection
- IV. Assessment of capacity needs: using quantitative and qualitative assessment tools as deemed fit.
- V. Validation workshop with MHRSD and other stakeholders of findings
- VI. Result-oriented capacity building intervention linked to concrete improvements in the capacity of individuals and institutions to deliver on their mandate and tasks. There should be a clear link between the actual tasks the person or the department is expected to perform, the capacity building from which they benefit, and the improvement in knowledge and skills aimed as result of the training.

Tasks and deliverables

Tasks	Intermediary deliverables	Estimated No of days
SSC technical support		
1.Desk review, online consultations, and Inception report		
1.1 Desk review of the existing literature, data and documents (Home base)	Inception report covering preliminary findings based on desk review and online meetings, approach and steps to carry out this assignment, workplan, proposed list of stakeholders for interview and preliminary insights into capacity needs	4
1.2 Conduct preliminary online consultations with MHRSD and selected SSCs to collect additional information home-based)		
Technical assessment of the existing SSC, training, and plan to strengthen their capacity		
1.3 Desk review the works done on SSCs and collect more information on the processes followed to set up SSCs through online meetings and questionnaires (if needed) on detailed capacity needs	Concept note including literature and capacity needs assessment questionnaire and results	3
1.4 Develop a concept note on training module and prepare training materials		3
1.5 Conduct field visit for stakeholder consultations, collecting information, conducting training (field mission) and developing plan to strengthen SSCs;	Training report with recommendations for improvement and action plan to strengthen SSCs	5
1.6 Draft training report with feedback analysis and pre and post training test results with recommendations and plan (validated by MHRSD) to strengthen SSCs and MHRSD (Home based)		2
Technical research on skills needs		
2.Capacity building for skills needs anticipation		
2.1 Desk review of the existing literature and online consultations on different sectors, data, and documents and develop criteria for selection of two sectors (Home based)	Concept note including rationale selection of two sectors	2
2.1 Draft concept note on training design and training outcome, and prepare training materials based on identified capacity needs (Home-based)		3
2.2 Conduct training for MHRSD and SSCs on skills needs assessment, firm up skills needs assessment methodology, firm up selection of	Training report with recommendations	4

Budget and payment terms

Description	Unit Cost in US\$	Quantity	Total (USD)
service provider professional fees			
Return ticket (service provider to provide location) "Estimated Ticket Cost" – Tentative dates. *			
Daily subsistence allowance (DSA) as per guidelines**	384	Xxxx days (mission)	
Other costs			
Total cost estimate			

*The ILO shall cover the cost of two rounds tickets to Riyadh and Daily Subsistence Allowance (DSA) during the mission as per ILO rules and regulations⁶. The DSA will cover accommodation, local travel, and other per diem costs and will not exceed the amount listed in ILO regulations. Dates listed for the missions are tentative pending final discussion and agreement with Ministry of Human Resources and Social Development during the inception phase. The commitment of the ILO for the ticket cost shall not exceed the amount costed by the ILO authorized travel agent upon finalization of the travel dates during the inception period. If the actual travel cost differs from that foreseen in the contract, the contracting ILO department will amend accordingly the amount to be paid based on actual costs and against invoice.

**ILO shall NOT provide office space in Riyadh and necessary logistics (like Laptop, Printer, Paper, internet, etc.) to carry out day to day jobs of the service provider.
The ILO will cover costs of workshops and training materials handouts and printing.

Payment Schedule

Payment will be made against deliverables and in installments and will be agreed upon selection of consultancy.

Below is an example of payment schedule.

Installment	Deliverables	Consultancy days
1 st	Inception report including detailed methodology, workplan, interview questionnaire, and other annexes (literature review, stakeholders list...); Preliminary capacity needs assessment; field mission and other deliverables related to activities: 1.1, 1.2, 1.3, 1.4 ; including DSA for field missions and travel ticket	# days
2 nd	Draft technical assessment report, validation workshop covering all aspects mentioned in the scope of work of acceptable quality to the ILO including summary of key findings/recommendations and interviews' proceedings and other deliverables related to task 1 and activities : 1.5., 1.6, 1.7, 2.1, 2.2, 2.3	# days
3 rd	Training evaluation report including other deliverables listed under task 2 for activities 2.4 and 2.5, activities under task 1 for 1.8, and activities under 3 (for 3.1, 3.2, and 3.3) after acceptance by and to the satisfaction of ILO – including DSA and ticket cost	# days

⁶ DSA to KSA is \$384 as per ILO regulations
Ticket should be most direct route possible and Economy class

ILO's responsibilities

The responsibility of the ILO will be to:

- a) Provide all the documents and other related literature available as relevant to the task.
- b) Assist in coordination with relevant stakeholders.
- c) Review progress of the work and provide feedback as necessary.
- d) Ensure payment of agreed amounts, based on performance.
- e) Any other tasks/supports as required and agreed by the ILO.
- f) Cover the costs of workshops in line with planned activities under tasks and duties

Special consultancy terms and conditions:

- All reports submitted to the ILO must be relevant to the outputs (activity and the task) mentioned in the TOR.
- Provide information and update progress as requested by the Project team of the ILO.
- Provide the report in line with ILO house style and agreed upon outline with ILO
- The service provider has to follow the guideline of ILO to ensure quality of the reports/documents.
- The service provider should be proactive, timely report on the progress, and undertake visits to the project partners' site, participate in meetings as and when necessary.
- Intellectual property: The service provider and documents prepared under this contract will abide to ILO terms and conditions applicable to contracts⁷ and /or any other conditions agreed upon between ILO and the government of kingdom of Saudi Arabia (MHRSD) . Therefore, the service provider cannot publish these without permission of the ILO and MHRSD.
- Insurances: The ILO accepts no liability in the event of death, injury or illness of the External Collaborator. The External Collaborator attests that he/she is adequately covered by insurance for these risks. In no circumstances shall the External Collaborator be covered by any ILO insurance and it is his/her responsibility to take out, at his/her own expense, any personal insurance policies he/she may consider necessary, including a civil liability insurance policy.
- The service provider will ensure a professional insurance coverage for the mission to Riyadh.

Qualifications and experience required

Education

The company chosen for this consultancy must have a team of experts with a graduate degree (MSc, MA, or PhD) in economics, statistics, or social science with expertise in data analysis and reporting.

Experience

- The company must have a minimum of 5 years relevant experience in the analysis and reporting of labour market data and excellent knowledge of, and experience in working with, government institutions and organizations in the Middle east. Proof of experience through the past completion of labour market information studies and research is necessary.
- The team leader/coordinator must have at least 7 to 10 years, and other members of the team at least 5 years of demonstrated experiences in the relevant discipline.
- At least five years of experience in policy development, policy research, conducting policy reviews and/or review of skills/TVET projects and any mix of these.
- Technical expertise in SSCs and skills governance, designing questionnaire, analytical skills and writing skills evident by high quality publication in policy research/education/TVET/skills development.
- Practical experience and knowledge of UN/inter-agency work will be preferred

Core Competencies

The company must have demonstrated a high level of proficiency in:

- Working with multi-disciplinary teams;
- Analyzing labour market and/or economic data and producing reports;

⁷ [TnC \(EN\).pdf \(ilo.org\)](#)

- Consulting with all of the labour market stakeholders (including governments, business/employer and labour/employee organizations, groups representing targeted or special interest groups such as women and disabled);
- Developing and delivering workshops and reporting to stakeholders;
- Good command of spoken and written English. Arabic is a plus

Client and users of the report:

ILO and MHRSD

Evaluation Criteria and Score

The selection of the service provider will be made based on the cumulative analysis scheme, where total score will be obtained upon combination of weighted technical and financial aspects.

(a) Technical weighted score, out of 70: When using this weighted scoring method, the award of the contract is made to the service provider whose offer has been evaluated and determined as:

- responsive/compliant/acceptable, and
- Having received the highest score out of a pre-determined set of technical and financial criteria specific to the solicitation

Only those obtaining a minimum of 70% score in the technical evaluation would be considered for the Financial Evaluation. The technical proposal will be evaluated in accordance with the criteria stated below:

Evaluation Criteria:

1.	Relevant Experience of the organization
2.	Educational Qualification of the team leader and key professionals
3.	Relevant experience of the key team members in policy development, research, analysis , conducting LMI and skills assessment, and on SSC
4	Experience of working in development/implementation/appraisal/evaluation of TVET/skills programmes/projects, preferably in developing country context; Experience of working in Middle East or Arab countries
5.	Approach and Methodology

(b) Financial weighted score, out of 30:

The maximum number of points assigned to the daily fee is allocated to the lowest daily fee quoted by the applicant. All other quoted daily fees receive points in inverse proportion. The suggested formula is as follows:

$$p = y (\mu/z),$$

p = points for the daily fee being evaluated,

y = maximum number of points for the daily fee (here it is 30),

μ = the lowest daily fee

z = the daily fee being evaluated

Recommended Presentation of Proposal

1. Technical Proposal

- Company information – **profile (business areas) and contact persons;**
- Relevant Experience – **list of current and past assignments;**
- Proposed methodology** intended to follow to complete the tasks including a **detailed work plan and time schedule for completion/delivery of the final product** which, after selection of the contractor, will be agreed upon by the Project; the methodology should include description of the data collection approach most suitable for KSA context
- A list and detailed information on the proposed Human Resources** which will be involved in the work including their respective qualifications and relevant experience/exposure and required expertise/skills to complete the tasks; **detailed CV to be attached for each.**
- M&E tools** that will be used.

(vi) **Sample reports on policy recommendations, Labour Market Information**

- (i) **Financial Proposal** (including fee, travel cost, DSA, and other relevant expenses). The Financial Proposal shall specify a total delivery amount (in USD) including other details where relevant e.g capital costs (premises, equipment, furniture etc.); running costs, including direct costs (salaries), indirect costs (tools and raw materials etc.; overhead (administration staff, transport, maintenance, utility bills, printing costs etc.)

In order to assist ILO in the comparison of financial proposals, the financial proposals will include a detailed breakdown of this amount

Breakdown of costs supporting the all-inclusive financial proposal

Cost components	Unit cost in US\$	Quantity	Total
service provider Professional fees			
Travel to Riyadh (indicate location of departure from home)			
Other costs			
Total			

Interested companies must submit aforementioned documents (technical and financial proposals) to the ILO as per following:

To: singhkk@ilo.org

Cc: jaafar@ilo.org; yassinj@ilo.org; hokayem@ilo.org; nasseral@ilo.org

On or before **November 28th, 2023 by 17:00 pm Beirut timing**. Proposers who will not submit these documents shall not be considered for further evaluation.