

Terms of Reference

For Provision of Vocational Skills Training Program leading towards placements/employment under Pakistan Skills Impact Bond (PISB)

1. Introduction

1.1 About the Pakistan Skills Impact Bond

The Pakistan Skills Impact Bond ("PSIB") represents a groundbreaking initiative specifically designed to address Pakistan's acute skills shortage, combat youth unemployment, and promote economic stability. Developed through strategic collaboration with the National Vocational and Technical Training Commission ("NAVTTTC"), the PSIB establishes a sustainable financing framework for vocational training that reduces dependence on constrained public funds while optimizing resource allocation. While initially focused on skills development, the PSIB model holds significant potential for expansion into other critical sectors including healthcare, women's empowerment, climate-resilient agriculture, and digital inclusion. By attracting private capital, this initiative enables NAVTTTC to reduce reliance on government funding while ensuring the long-term sustainability and scalability of its training programs. It also promotes a results-based approach, whereby public funds are increasingly directed towards training that leads to measurable employment outcomes, ensuring better value for money.

1.2 About National Vocational and Technical Training Commission

The National Vocational and Technical Training Commission (NAVTTTC) is the apex body mandated to regulate, facilitate, and promote skills development in Pakistan. In pursuit of enhancing income generation opportunities for youth, NAVTTTC intends to launch the first Pakistan Skills Impact Bond, an innovative skills financing model.

This new model will support NAVTTTC's agenda to align skills training with domestic and international labor market demands, ensuring sustainable livelihoods for youth through strong employer linkages, and, where applicable, internationally recognized certifications.

The end-to-end proposals are required in different sectors of economy like construction, manufacturing and light engineering, hospitality & tourism, textile & garments, Basic healthcare, IT & Services, services sector, Renewable/green energy, agriculture & livestock etc.

1.3 About the current RFP

The National Vocational and Technical Training Commission (NAVTTTC) is seeking proposals for the provision of the services described in Section 3 (Program details and requirements) to launch end-to-end result-based training program under Pakistan Skills Impact Bond.

Each Bidder to this RFP is expected to:

- i. Fully comply with the eligibility requirements as provided in Section 2.1
- ii. Fully inform themselves on all aspects of the work required to be performed.
- ii. Submit its proposal in accordance with the template provided below in Section 4 (Proposal Template).

Institutional Arrangement

- The selected bidders will work under the direct supervision of PSIB Program Manager.

Duration of Work

- The duration of each intervention will be determined by the design and approved length of the training program. While individual courses may vary in length, **all training activities and associated follow-up must be completed within a maximum of 12 months**. Extensions may be granted only to ensure completion of the approved program within this one-year timeframe.

Location of Work

- Training will be conducted across Pakistan in locations proposed by bidders, with facilities fulfilling NAVTTC's notified standards.
- NAVTTC reserves the right to reallocate training program locations based on regional needs or operational feasibility if required. In cases, where NAVTTC reallocates training locations, bidders will be notified 15 days before mobilization, and adjustments shall not reduce the approved budget unless mutually agreed.

2. Organisational Capacity

2.1 Bidder Eligibility

2.1.1 Registration and Compliance

Any Training Service Provider (TSP), Trade Association/industrial association, Business and Industry may apply, provided they can successfully implement end-to-end training to employment or training to freelancing programs and submit complete proposal that fulfills the following conditions.

- Registered with competent authority. Valid trade(s) certificate(s) with approved capacity or proof of registration in process with payment receipt.
- NAVTTC team or any authorized entity by NAVTTC may visit the actual training location to determine the suitability of available infrastructure, tools & equipment, trainers/ industry expert availability and operational capacity.
- NTN and active taxpayer proof.
- Declaration for No-blacklisted or debarred by NAVTTC or any other Government institution

2.1.2 Initial Capacity Assessment

- Experience in skills training **or** structured industrial/enterprise-based training **or** workforce development programs.
- Experience in job placement, apprenticeship, or supporting income generation through freelancing/self-employment.
- Preferably with strong experience in training-to-employment outcomes (client references of successful completion of similar projects)
- Evidence of active MoUs or partnerships with employers and industry associations relevant to the proposed project.
- Proof of availability of qualified trainers / industry experts, or workplace-based mentors (CVs required and overview of relevant curricula that have been used previously).
- Adequate training facilities **or** workplace-based training capacity (labs, machinery, or production floor access etc.
- Proof of audited financial statements (e.g., last two years) to show financial capacity
- Safeguarding and gender inclusion policies

2.2 Submission Details

Deadline for submission is within 20 days post receipt of request for proposal by Bidder. Proposals lodged in any manner other than as detailed in this paragraph or are submitted after the deadline shall be deemed to be invalid and may be excluded from consideration.

Method to Submit Proposals: Proposals must be submitted in electronic copy, indicating the organization name. The Proposal (in Word and PDF format) is to be submitted in the email message by the closing time specified below:

Email: dgpnd@navttc.gov.pk

Contact Officer: DG Planning & Development

3. Programme Details and Requirements

We are seeking proposals for result based trainings under *Pakistan Skills Impact Bond*

3.1 Objectives of the project

The primary objective of this project is to enhance productive employment for unemployed youth employability, poverty alleviation, enhance local industrial productivity, and increase remittances through skilled manpower mobility, esp. for women & marginalized communities to allow them to achieve their maximum economic potential and enhance their quality of life.

3.2 Indicative Scope of Work / Key Impact Bond features¹

#	Header	Description
1	Programme duration	2 years
2	Training Programme length	Each training batch / cohort is expected to be for 3-6 months, with beneficiary (please see Beneficiary Profile below in Point 8) tracking to be for 3 months post placement
3	Outcomes include a mix of tracking,	<p><u>Tracking Indicators:</u></p> <ul style="list-style-type: none">• Enrolment: Number of candidates enrolled in the program• Attrition: Drop out percentage at different stages, from enrolment to retention (3 months)• Placement: number / percentage of candidates placed in formal jobs (Definition of formal jobs provided in xx)<ul style="list-style-type: none">• Freelance/self-employment <p><u>Outcome Indicators</u></p> <p>Graduation: Number of candidates completing training and getting certified</p> <ul style="list-style-type: none">• Placement: Number of candidates joining a job after completing training• Retention: Number of candidates engaged in wage employment for an extended period post training (at least for 3 months)• Number of candidates with enhanced earning through freelance/self-employment• Efficiency Bonus: Additional 2.5% payment for placements achieved within 30 days of graduation.• Income improvements: Absolute and percentage change in income post training versus previous income level.
4	Cost Target per beneficiary	NAVTTTC will finalize the cost per beneficiary under the Pakistan Skills Impact Bond depending upon the kind of proposal / area of intervention / financial

¹ These are draft and subject to change. Final details will be confirmed during contracting.

		<p>benefit analysis of each proposal. Bidders are therefore requested to propose their own cost structures, ensuring transparency and optimal resource utilization.</p> <p>PKR xxx per beneficiary:</p> <p><i>Please note:</i></p> <ul style="list-style-type: none"> <i>This proposed cost should include</i> <ol style="list-style-type: none"> <i>1) Base cost to enroll & train participants</i> <i>2) Success-linked cost for those that achieve</i> <ol style="list-style-type: none"> <i>a) Verified Placement in formal employment (with written contract and minimum wage compliance); and</i> <i>b) Retention in job for 3 months.</i> <i>c) Verified freelance/self-employment, if applicable</i>
5	Programme Targets	<p>Min. of:</p> <ul style="list-style-type: none"> ~xxx male beneficiaries to be retained in jobs for at least 3 Months ~xxx female beneficiaries to be retained in jobs for at least 3 months xxx underserved groups beneficiaries to be retained in jobs for at least 3 months xxx %age of beneficiaries successfully achieving income generation through freelancing/self-employment <p>Note: NAVTTC places strong emphasis on women’s participation, however it recognizes that certain sectors — especially those linked to overseas employment and remittance inflows — are male-dominated for Pakistan at the moment. Training men in these high-demand trades directly improves household socio-economic conditions, including benefits for women and family members. Therefore, this RFP intends to balance gender inclusion with sectoral realities, ensuring that male-centric demand sectors are not hindered while women’s participation is actively promoted.</p> <p>Final allocation of targets will be determined by NAVTTC in consultation with training partners. Targets may vary across sectors depending on demand, employer commitments, and regional priorities. Bidders are required to specify the number of beneficiaries they can realistically reach (minimum and maximum), broken down by gender, geography, and sector.</p> <p>Please note that these numbers will be allocated across multiple training partners and across maximum 2 years. These could vary across sectors.</p>
6	Sectors	<p>Sectors:</p> <ul style="list-style-type: none"> Construction

		<ul style="list-style-type: none"> • Hospitality and Tourism • Textiles & Garments • Healthcare • High-tech IT including BPOs • Renewable/Green energy • Agriculture & livestock • Services sector • Manufacturing • Any other sector that the provider has seen high demand in, and expects to see demand over the next 4-6 months <p>While there are no targets across sectors, we would encourage sectors where women beneficiaries can be targeted. We also understand that beneficiary targets across sectors maybe different.</p> <p>Please include any details on the # of jobs you anticipate to support in each sector. Please also indicate specific roles anticipated.</p>
7	Focus on Gender	Reasonable women's participation spread over 2 years with sector-specific flexibility. Male-dominated sectors may propose lower participation with justification.
8	Beneficiary Profiles	<p>Programme aims to focus on:</p> <ul style="list-style-type: none"> • 18-35-year-old beneficiaries • Priority to women, NEET youth, and underserved groups. • Undergraduate level education or lower

3.3 Key Guiding Principles for intervention Models

Intervention design by training providers should adhere to key guiding principles under PSIB:

- ✓ **Focus on Growth Sectors and future oriented job sectors**
- ✓ **Social & Economic Inclusion of Women and underserved groups**
- ✓ **Innovation / adaptability** to maximise performance
- ✓ **Co-creation with employers and market relevance** to build sustainable pathways to job creation
- ✓ **To enhance skilled manpower export, thereby increasing remittances**
- ✓ **Develop climate resilient & green skilled workforce**

4. Proposal Template

Given the PSIB objectives, scope and principles described above, please share your proposal for an intervention that can help deliver on the outcomes defined above, with a budget proposal for the intervention, in this section.

As part of the submission, each TSP/Association/Business/Industry must submit a comprehensive technical proposal outlining their unique training program design tailored to this program. Proposals should demonstrate clear pathways to employment outcomes, cost efficiency, and sustainability. The proposal should include:

4.1 Intervention Model / Program Design

a) Brief description of the intervention/ program

In this section, please introduce the intervention you are applying to be funded under PSIB. **Following are the suggested inclusions:**

- Target beneficiaries (age, gender, socio-economic profile).
- Sector(s) of focus and rationale for selection - must align with evidence-based labour market demand.
- Duration of training program(s).
- Track record: how long the program has been running, past results
- Justification for funding under PSIB.
- Does this intervention have gender and inclusion focus.

Applicants may choose one or a combination of the following delivery models:

- TSP-led classroom + lab-based training
- Industry-led enterprise-based training
- Association-led cluster training models
- Employer-led apprenticeship or on-the-job training
- Freelancing and digital incubator models
- Hybrid TVET + enterprise models

Details of Intervention

- Specify process for selecting, onboarding and retaining beneficiaries. This can specify details on mobilization and beneficiary selection process and attendance management strategy. NB: Students who have already availed NAVTTC funds will not be eligible (however in case of upskilling can be considered)
- Specify whether you would be collecting refundable deposits, etc. from trainees in order to ensure retention and minimum attendance throughout the program
- Duration of training programs (in months): If there are more than one course, kindly specify for each training program
- Number of cohorts and cohort size.
- Proposed curricula to be used including local or international certifications (if any). The awarding body and certification details. Eligibility criteria. Country-wise recognition and standing of the certification. Cost of certification and related arrangements.
- Specify details on Training, Infrastructure, including digital / blended learning, Trainers, etc. Depending on applicant type, describe:
 - ✓ **For TSPs:** Curriculum, labs, digital platforms, trainers, soft skills and employability modules

- ✓ **For Industries / Employers:** Enterprise-based training plan, OJT (on-the-job training) structure, access to real production environments, Industrial mentors and supervisors
- ✓ **For Industrial Associations:** Shared industry training centers, cluster-based training models serving multiple SMEs or a pool of industry trainers
- ✓ **For Businesses running Freelancing/Gig Learning Models:** Digital skills curriculum, portfolio development, gig market onboarding (Upwork, Fiverr, etc.) or income tracking methodology
- Proposed soft skills module (duration and content)
- Each proposed trade must be justified through current labour-market demand evidence, including but not limited to:
 - employer demand data,
 - expected vacancies in the next 6–12 months,
 - average starting salaries.
- Specify Placement Strategy including placement Tie-Ups in place with employers both domestic/international (By Geography, Sector)
- Specify Retention Strategy and Follow-Up Strategy
- Specify expected attrition for each batch of trainee

Ability to Target Women & underserved groups

- Strategy for reaching women, rural/low-income groups, minorities, and persons with disabilities etc.
- Approach to achieving gender balance while recognizing sectoral realities.

Industry & Employment Linkages

- Number of active MoUs / partnerships with employers (local or international) in the relevant sector.
- Employer commitments for placement (letters of intent, guaranteed interviews, hiring agreements).
- Proposed %age of employment with duration
- Proposed %age of retention with duration
- Proposed employment verification methodology and tools.

Targets:

Applicant must specify:

1. Number of beneficiaries down by batch and gender.
2. Defined outcome will be dependent upon the productive employment generated through the proposed intervention meeting the existing government policies.
3. Geographical coverage of the proposed program (include Province & District names) in following table

Sr.	Province / international destination	District	Seats Allocated	Trade	Sector
1 .					
Total					

- **4.2 Risk & Mitigation Strategies** Explicitly acknowledge performance transfer under PSIB and outline how risks will be managed.
- Comprehensive program related to risk identification - operational, financial, social, employer engagement, verification
- Mitigation strategies against each identified risk

4.3 Financial Proposal

Alongside the technical proposal, a financial proposal must be submitted. This financial proposal should include the following but not limited to all costs associated with delivering the intervention. Please provide a breakdown of costs at the following levels by gender and share a desired payment schedule:

- Cost of mobilization, Cost of enrolment, Cost of Certifications (if applicable), Cost of placement, Cost of retention (3-m), Cost of retention (6-m), Any other costs.
- Unit costs and pricing (e.g., cost per trainee enrolled, cost per graduate, cost per job placement, cost per retained beneficiary).
- Payment structure indicating percentage of upfront versus on completion of training, completion of placement and completion of retention (3m & 6m).
- Outline how you will manage working capital during verification periods.
- All financial proposals will be assessed against NAVTTC's internal price reasonableness benchmarks based on past programs, market rates, and sectoral cost drivers. Proposals deviating by more than 25% may require justification (cost reasonability).

4.4 Organisational Credentials

1. **Governance and compliance**

- Organizational structure and reporting lines
- Systems for safeguarding,
- Financial controls,
- Regulatory compliance.

2. **Human resources –**

- Overall staff capacity,
- Trainer-to-trainee ratios,
- Staff retention approach,
- Salability plans if operations expand.

3. **Internal Performance Management Approach**

- Data collection systems to track enrolment, completion, placement, and retention.
- Reporting frequency;
- How data is used for adaptive management.

4. **Financial capacity**

- Evidence of financial stability (e.g., audited accounts, largest contracts managed) and readiness to manage cash flows under performance-linked payments.

5. Organizational Experience

Applicants must provide evidence of their organizational track record and demonstrate core competency in the relevant sector or trade. The following should be included:

- Demonstrated competency in the sector(s) for which training is proposed.
- How long the organization has been active in the sector, whether through training, workforce development, or business operations.
- The reach of the organization's activities, such as the number of trainees, employees, or apprentices trained or upskilled, with gender breakdowns if applicable.
- Evidence of tangible outcomes such as; employment outcomes, retention rates, certifications delivered, or business growth linked to workforce development.
- Proof that the organization's outputs — graduates, employees, or services — are valued and in demand by employers or industry partners, domestically or internationally. Examples of how the organization has adjusted its operations, services, or workforce practices to respond to evolving labour market demands, fragile contexts, or underserved population. Evidence of past performance in training-to-employment outcomes
- Evidence of partnerships with employers and industry associations or international bodies that strengthen pathways to employment or income generation. Any prior experience in performance linked or outcome-based financing programs.

6. Trainers and Quality Assurance

- Proposed qualified trainers with industry expertise. (Please attach CVs)
- Training facilities and laboratories must be benchmarked against the best industry standards.
- For IT-related trades: 1 computer per student in a fully functional lab.

NAVTC reserves the right to inspect and validate facilities prior to approval.

5. Proposal Evaluation

5.1 Evaluation Criteria:

Sr. No	Category	Description	Requirement	Compliance
Eligibility Criteria				
(i)	Mandatory	Registered with Relevant / Competent Authority / Entity	Mandatory	Required
(ii)		Valid or In-Process Certificate with authorized capacity	Mandatory	Required
(iii)		NTN / Tax Return Status with FBR	Mandatory	Required
(iv)		In case, other than Formal Training institutes (FTI)s, NAVTTC Assessment Report	Mandatory	Required
(v)		Active Tax Status	Mandatory	Required
(vi)		Declaration / Undertaking that the applicant (TSP/Trade Association/Business/Industry etc) is not blacklisted / debarred by any Govt Organization in Pakistan	Mandatory	Required
Calculation of Marks				
A	Program Design (Intervention Model)		40 Marks	
(i)	Alignment With Labour Market Demand - evidence-based demand analysis		10	
(ii)	Work Methodology & Approach should include but not limited to: <ul style="list-style-type: none">Mobilization strategy & beneficiary selectionCurriculum & certification detailsTraining framework (infrastructure, theory: practical, soft skills etc)Employability & Salary-Linked Strategy		15	
(iii)	Ability to Target Women & underserved groups (Rural, low-income, minorities, PWD-friendly facilities etc)		05	
(iv)	Industry & Employment Linkages		10	
	MOUs / Agreements	Number of active MOUs / Agreements with Employers / Industry Associations Note: Only sector-relevant, current (<2 years) MOUs count.	Status	Marks
			2-3	3
			4-6	5
			7 and above	7

	Employer Commitments for Placement	Letters of intent for hiring OR guaranteed interviews Domestic / international employer agreements Hiring commitments Trade association member network mobilization	3	
B	Human Resource, Performance Management & Internal Organization		20 Marks	
(i)	Number of Trainers	<ul style="list-style-type: none"> Relevant qualifications as per NAVTTC notified trainer requirement Industry experience (min 3 years) Preferably, 2 Trainers (1 Main & 1 as Backup) for each trades	Status	Marks
				08

(ii)	Project Manager	Documentary Evidence of Completed Qualification(s)/ Training(s) / Certification(s) / Experience as Project Manager on Similar Role mentioned in CV be attached and may be verified, if deemed necessary		05
(iii)	Placement Officer	Documentary Evidence of Completed Qualification(s)/ Experience as placement officer mentioned in CV be attached and may be verified, if deemed necessary		05
(iv)	Data, MIS, Performance Management	Ability to track enrolment, completion, placement, retention, income improvement		02
C	Financial Strength		20 Marks	
(i)	Financial Turnover Audit Report	Average Annual Turnover (last 2 years) Audited Financial Statement (2 years)	Status	Marks
			20-24.99 Million PKR	07
			25-40 Million PKR	12
			41 Million PKR and Above	20
D	Organizational Experience in Achieving Results		15 Marks	

(i)	Overall Work Experience	Experience in Skill Training For TSP: similar outcome driven projects <ul style="list-style-type: none">• 5 project – 10 marks• 3 project – 07 marks• 2 project – 05 marks	Status	Marks
		For Industry / Business / Industrial Associations : those who are providing OJT/ Apprenticeship for upskilling of their employees <ul style="list-style-type: none">• Up to 10 person – 05 Marks• 50 person – 07 marks• More than 50 person – 10 marks	Desirable	10
(ii)	Relevant Work Experience	Verifiable trainees imparted training in the past 2 years Documentary Evidence	100	01
			101-200	02
			201 – 300	03
			300-500	04
			501 & Above	05
E	Placement Experience		05 Marks	
(i)	Number of Placements	Number of verifiable <ul style="list-style-type: none">• Placements of trainees or employees• Industry HR hiring history• Association-level member placements• Apprentices converted to employees	Status	Marks
			20	01
			21-50	02
			51-100	03
			101-200	04
			201 & Above	05
	Total Marks		100	

- Only firms scoring **70 points or above** in technical evaluation will be considered for financial evaluation.
- Final selection will follow **Quality and Cost-Based Selection (QCBS)** method (70% technical, 30% financial).

5.2 Bidding Process

After bid submission, shortlisted bidders who will score more than 70 % will be invited for detail presentation (Technical & Financial) to NAVTTC committee. The aim of the presentation is to provide a complete understanding of the bid and enable NAVTTC to make an informed selection based on innovation, feasibility, and sustainability of the proposed intervention. The following will be considered but not limited to:

1. Total cost of project
2. Total beneficiaries trained
3. Cost per beneficiary
4. Starting salaries
5. Return on skills investment (payback period)
6. IRR
7. Guaranteed placements
8. All figures presented in the technical or financial presentation (target salaries, placement numbers, turnover capacity, etc.) must be supported by verifiable documents.

5.3 Phased Service Provider Selection Process

To ensure alignment with program goals, the SP selection process will follow a phased approach:

1. **Validation of Assumptions** – Initial consultations with select SPs to refine feasibility, costs, and design assumptions. During the phased consultation process, NAVTTC shall ensure that no bidder receives preferential access, guidance, or information unavailable to others.
2. **Deepened Engagement & Shortlisting** – One-on-one consultations to assess readiness, refine payment models, and confirm operational capacity.
3. **Alignment with programme objectives** – Joint discussions to finalize outcome targets, risk-sharing structures, and performance expectations.
4. **Final Selection & Capacity Building** – Targeted training on OBF, performance management, and implementation planning.
5. **Contracting** – Finalization of agreements including outcome metrics, payment schedules, and accountability mechanisms.

5.4 Pre-Bid Meeting

A pre-bid meeting will be scheduled for better understanding of assignment.