

1. Coordinated Action on Skill Development

Coordinated Action on skill development as proposed by Planning Commission was approved by the Cabinet on 15th May, 2008. The Coordinated Action is the major initiative for achieving 11th Plan objective of inclusive growth and development through coordination and harmonization of skill development initiatives of different players. The action aims at creation of a pool of skilled manpower in numbers with adequate skills that meets the employment requirement across various sectors of the national economy. The approved Coordinated Action on Skill Development envisages setting up of institutional structure involving PM's Council on Skill Development for policy direction to be supported by National Skill Development Coordination Board (NSDCB) chaired by Deputy Chairman, Planning Commission and National Skill Development Corporation under Ministry of Finance. The institutional structure has been put in place.

Prime Minister's National Council on Skill Development

PM's Council on National Skill Development has Union Ministers of key Ministries of Finance, HRD, MSME, Heavy Industries and Public Enterprises, Rural Development, Housing and Urban Poverty Alleviation, Labour, Deputy Chairman, Planning Commission, Chairperson, National Manufacturing Competitiveness Council, Chairperson of National Skill Development Corporation and six experts in the area of skill development. The main functions of the Council are:-

- (i) To lay down overall broad Policy objectives, financing and governance models and strategies relating to skill development.
- (ii) To review the progress of schemes, and guide on mid-course corrections, additions and closure of parts or whole of any particular programme / scheme,
- (iii) Coordinate Public Sector/Private Sector Initiatives in a framework of a collaborative action.

The Council has set a target of creating 500 million skilled person by 2022 with emphasis on inclusivity so as to deal with divides of gender, rural / urban, organized / unorganized, employment and traditional / contemporary work place. It has laid down the core governing principles and operating strategies for skill development. Some of the key governance principles for skill development strategy include designing of programmes under which the learner can pay the

skill provider directly, skills are fungible and bankable, individuals are enabled to convert their knowledge and skills through adequate testing and certification into higher diplomas and degrees. The emphasis is on promoting multiple models of delivery that can respond to differing situations in various States and to utilize existing available infrastructure of educational institutions for skill development after school hours without affecting formal education. The State Governments are encouraged to set up the State-level coordination body for skill development.

National Skill Development Coordination Board

The NSDCB is entrusted with the coordination and harmonization of the Governments' initiatives for skill development spread across the seventeen Central Ministries and State Governments with the initiatives of the National Skill Development Corporation. It has twelve members which includes Secretaries of Central Ministries of Labour & Employment, Rural Development, Finance, Higher Education; Chief Secretaries of Four States by rotation, for a period of two years; three Distinguished Academicians / Subject Area Specialists; and Chairperson / Chief Executive Officer of the National Skill Development Corporation besides Deputy Chairman, Planning Commission as Chairman and Secretary, Planning Commission as the Member Secretary of the Board. The main functions of the Board include:

- (i) Enumerating strategies to implement the decisions of the Prime Minister's National Council on Skill Development
- (ii) To develop suitable operational guidelines and instructions to achieve the objectives of skill development requirement of the economy.
- (iii) Initiating solutions and strategies to address the problems of regional imbalance in skill development infrastructure; socio-economic, rural-urban and gender divide; quality teachers; ensuring effective utilization of investment in terms of money and infrastructure; integrating varying existing regulatory institutions; involving private sector to develop skills for wage/self employment and Promoting apprenticeship / on-the-job training for creation of skilled personnel to address both unemployability and unemployment problems.
- (iii) Encouraging the State governments to put in place similar institutional structures.

- (iv) Establishment of National Skill Inventory and National Database for Skill Deficiency Mapping on National Web Portal to facilitate exchange of information between prospective employers and job seekers .
- (v) Coordinating and facilitating the repositioning of Employment Exchanges as Outreach points for storing and providing information on employment and skill development
- (vi) Coordinate the establishment of a “Credible accreditation system” and a “guidance framework” for all accrediting agencies of different Ministries and Private Players
- (vii) Monitoring, evaluating and analyzing the outcomes of the various schemes and programmes and apprising the Apex Council.

The Board has constituted five Sub-Committees to look into various aspects of the skill development viz. Curriculum revision; Remodeling Apprenticeship Training; Evolving Vision on the Status of Vocational Education and Training in Educational System; Institutional Mechanism for Skill Mapping and Skill Inventory on Real Time Basis and Improvement in Accreditation and Certification System.

National Skill Development Corporation

The National Skill Development Corporation (NSDC), a non-profit Company under Section 25 of the Companies Act, has been set up under the Ministry of Finance. It has a equity base of Rs 10 crore of which 49% is contributed by the Govt and 51 % by the private sector. The Corporation has two tier structure viz a 15 Member Board and a National Skill Development Fund (NSDF) as a 100% government owned Trust to facilitate its mandate of coordinating and stimulating private sector initiative in the area of skill development with enhanced flexibility and effectiveness. The 15 members of the Board include six government nominees, one of whom is the Chairman (a private person) of the Corporation and 9 are private members including Chief Executive Officer. The NSDF, operating arm of the NSDC, is created with corpus with Rs. 995.10 crore as Government owned Trust to receive financial contributions from donors, private entities, government (both Central and State), statutory bodies, financial institutions etc. The NSDC and NSDF would enter into an Investment Management Agreement whereby NSDF would provide funds to NSDC for furtherance of the objective of skill development in accordance with the approved work and financial plan. The NSDC would charge a

management fee from NSDF for managing its resources. The beneficiaries of the Trust are the youth of India which require skill development and vocational training. Its main functions are as follows:

- (i) It will make periodic as well as an annual report of its plans and activities and put them in the public domain.
- (ii) Establishing a Trainee Placement and Tracking System for effective evaluation and future policy planning.
- (iii) Establish credible independent Certification systems for both V.E. and V.T. with the scope for permitting vertical and horizontal mobility within and between V.E. and V.T.