

SECTOR: SKILLS & EDUCATION

SECTOR OVERVIEW: September 2013

The UKIBC Skills and Education sector had an eventful quarter with the launch of our new UK India Business Centre in Gurgaon, and the successful completion of a skills focused delegation visiting Mumbai and New Delhi, both in September. During the delegation, we met with Indian decision makers, giving us great insights into opportunities emerging involving projects with the Tata Group and the Lavasa Corporation.

In terms of policy, a positive development took place, with foreign Universities now being allowed to open campuses in India without a partner, under a section of the new Companies Act. However, Universities do not seem to be rushing in, so we take a look at the reasons why in the Investment section below. This report also includes highlights following the launch of NSDC's National Skills Certification and Monetary Reward Scheme, which was launched in August and seeks to promote vocational education among Indian youths.

We hope you will find this report interesting and look forward to your views and comments at: Adriana.vega@ukibc.com

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Market Update

UKIBC Skills Delegation to Mumbai and New Delhi – September 2-6



Delegates meet at the new UKIBC Business Centre in Gurgaon, New Delhi

The UKIBC led a skills delegation to Mumbai and New Delhi in September, which consisted of 14 UK education providers interested in entering or expanding in India. The objective was twofold: at one level, to network with key Indian stakeholders in the education sector, and also, to learn about tangible opportunities in the Indian market.

Delegates had the opportunity to network with Indian policy makers, the National Skills Development Corporation, and FICCI. Participants also attended the annual Global Skills Summit which is organized by FICCI. The theme of this year's summit was "Vocational Education & Training: Developing Strategic and Implementation Framework", which provided a useful overview of ongoing and planned initiatives.

SECTOR: SKILLS & EDUCATION

Further, thanks to collaborations with UKTI, delegates had the opportunity to meet with the State Government of Mizoram to identify potential areas of UK partnerships. Mizoram's government has expressed interest in partnering in hospitality, healthcare and infrastructure sectors.

During the delegation, three interactions stood out, with outcomes and key opportunities summarized as follows:

Lavasa Corporation Roundtable

The UKIBC is in discussions with the Lavasa Corporation, a subsidiary of the Hindustan Construction Company (HCC), to set up consortia of UK skills providers to deliver multiple skills projects in the hospitality and construction sectors. The aim of the roundtable was to provide a platform for UK skills companies and agencies, including college providers to support delivery of this vision, in partnership with the Lavasa Corporation.

Opportunities:

- Skills projects in the hospitality and construction sectors

Roundtable discussion with Mr S Ramadorai, Chairman, National Skills Development Corporation (NSDC), and advisor to the Indian Prime Minister on Skills Development

Opportunities:

- UK expertise can assist in mapping out gaps between skills and jobs across sectors
- Development of inclusive education with specific focus on skills for disabilities
- Collaborations with industry to emphasize apprenticeship
- UKIERI III: a review will be undertaken with a focus on process and efficiency:
 - Aggregation of funds to make projects larger and more impactful, and
 - Possible use of prime contractor/ sub-contractor model
- Innovative private sector funding schemes

Roundtable with Tata Steel

The Tata Group in India has a vision for the creation of skill development centres that can sit at the heart of sustainable communities and are designed to support the skills needs of large employers and SMEs in their supply chain. These centres intend to provide best in class skills, enterprise and employability training and work placements. The UKIBC has been



**SECTOR:
SKILLS & EDUCATION**

working with Manipal City & Guilds and other UK Skills companies and agencies, including college providers to support delivery of this vision, in partnership with Tata group. Two projects have been conceived:

- A Greenfield skills training project in rural Odisha is envisaged wherein Tata plans to employ around 5,000 people and create jobs for approximately 25,000 more in surrounding businesses.
- A Brownfield project in South Mumbai, which will support the skills needs of a more complex urban community, focusing primarily on the services sector.

Opportunities:

- Outcome-based skilling with a focus likely on: standards, funds and leveraging technology
- International partnerships required in: English, apprenticeship models, community colleges (US) and Technical Training

The National Skills Certification and Monetary Reward Scheme

The National Skills Certification and Monetary Reward Scheme was launched on 16th August 2013 by Finance Minister Mr P Chidambaram in New Delhi, at an event that also welcomed the Minister of Rural Development Mr Jairam Ramesh, the Chairman of the National Skills Development Corporation Mr S Ramadorai, and Dr Montek Singh Ahluwalia, Deputy Chairman of the Planning Commission.

The scheme, which is to be implemented by the NSDC through Public-Private-Partnerships, envisages up to a million new certified skilled youth through a nation-wide network of training providers and assessment agencies. It is to be financially supported by the central government.

Scheme Highlights:

- The scheme was initially brought up by the Finance Minister in the last Union Budget to allocate £100 Million to promote vocational skills training.
- Encourage skills development with young Indians by providing a monetary reward of £150 on successful completion of approved training programs.
- For promotional purposes, the scheme has been branded STAR (Standard Training Assessment and Reward).
- Improve certification standards.
- Increase productivity and align the training and certification to industry needs.
- Third party assessment and certifying agencies will be engaged to monitor deliverables and occupation standards.

For more information on this scheme, please contact: Neeru.Sood@ukibc.com

SECTOR: SKILLS & EDUCATION

NEW: UKIBC opens first UK India Business Centre in Delhi

On September 19th, the UKIBC officially opened our first UK India Business Centre in Gurgaon, Delhi in the presence of UK Trade Minister Lord Green and Chief Minister of Haryana Bhupinder Singh Hooda. This initiative, which is supported by the UK Trade and Investment (UKTI) and the British Business Groups (BBGs) will help British companies, especially SMEs, experience a low-risk, low-cost entry into India. Over 100 guests, including leading UK and Indian businessmen and policy makers attended the launch.



Meet our new Skills and Education Sector Adviser

Rajni Sachdeva, Skills and Education Sector Adviser



Rajni Sachdeva, a commerce post-graduate, has over 12 years of experience in management consulting, market research and knowledge management.

Rajni started her career with KOTRA (Korea Trade Center) and she subsequently had the privilege of working with the McKinsey Knowledge Center SSO Practice - (Global Practice specialised in solutions within Education, Global Public Health, Economic Development and Philanthropy). Prior to joining UKIBC Rajni specialised in education and agriculture (within Economic Development) at the Bain Capability Center.

Rajni is based at our UKIBC office in New Delhi. If you wish to get in touch, contact Rajni at: Rajni.Sachdeva@ukibc.com

New UK-India Research partnerships unveiled

Demonstrating a deepening partnership between the UK and India engineering research, 12 new research collaborations were recently announced in Advanced Manufacturing, Smart Energy Grids and Energy Storage. With funding from the Engineering and Physical Sciences Research Council (EPSRC) and support in India by the RCUK, involved parties have expressed optimism on the great potential of these research collaborations. To learn more, [click here](#).

SECTOR:
SKILLS & EDUCATION

Investment Update

Foreign Universities allowed in India without a local partner

In a positive development, and helping ease concerns over the still pending Foreign Education Providers' Bill, India's Department of Industrial Policy and Promotion and the department of Economic Affairs [recently approved foreign universities to operate in India independently of a local partner](#). This was achieved by allowing foreign universities to operate under a non-profit section of the new Companies Act, however, that means that Universities are not eligible to repatriate money. Naturally, this has generated doubts over the interest that will actually materialise following the approval. Lack of clarity and trust have indeed been quoted by some industry representatives as motives behind not rushing to enter the market. In addition, some universities, while positive over the changes taking place, seem to [prefer their current approach to forge and grow partnerships with Indian institutions](#) rather than setting up a presence in India. Complicated rules for land acquisition are also seen as a burdensome step.

Manipal University and University of Birmingham sign educational initiative

In July, Manipal University and the University of Birmingham signed an agreement that formalised educational links between the two institutions. This will enable students to complete their first two years of study at Manipal then progress directly into Birmingham. Read more [here](#).