

Guidelines for Human Resource Development Sub-scheme of Indian Footwear, Leather & Accessories Development Programme

1. Background

Leather and Footwear sector occupies a very important place in the Indian economy on account of its substantial export earnings, potential for creation of employment opportunities and favorable conditions for its sustained growth. There is a large potential to increase the domestic production and exports, necessitating both the need for infusion of manpower as well as up gradation of skills of existing employees. While the need for appropriately trained and skilled manpower is felt across all levels, the shortage is felt more acutely at the lower level of semi-skilled work force

HRD sub-scheme would target potential work force in the rural areas and would lay stress on skill development and technical development. By providing Output linked financial assistance, these people in rural areas would be trained and placed into employment in the sector.

The expected outcome of the intervention of HRD sub-scheme will also be to enhance skills of the operators to produce technically better products for the consumers and help establish Indian Brands.

2 Objective

- Imparting market based skills on shop floor operations to youth through a demand driven Skill-Development Program and make them employable in the leather and footwear industry and placing the successful trainees in industrial units.
- Upgrade the skills of the existing workforce which would lead to improvement in production as well as quality.
- Upgrading the skills of the trainers/experts of technical institution/NGOs involved in the project and expose them to the best practices.
- Spread and sustain a technology culture in the Indian leather and footwear sector.

3. Scope and Functions

The Scheme would cover the full range of training programs to cover the kinds of training courses as described below:

- **Primary:** It would cover the training of the persons not already employed in the sector at entry level in shop-floor operations. The emphasis would be on **placement linked training** where those trained would be placed in the industry and a certificate to that effect obtained.
- **Secondary:** It would cover skill upgradation training of those already involved in shop-floor operations in both organized and unorganized sector of the leather and footwear industry and would also include on-site training. It would target rural/urban youth irrespective of their educational background.
- **Training of Trainers:** This would be undertaken to create and sustain a technology culture in Indian leather and footwear sector and to enhance competitiveness through upgrading the skills of trainers/experts of technical institution/NGOs involved in the project. The intent is to expose those involved in training of workers to the best practices.

4. **Activities and Pattern of Assistance**

- **Primary (Skill Development)**

This segment would essentially focus on Placement linked financial assistance for training and placement into gainful employment in the leather and footwear sector. GOI assistance would be @ maximum of Rs. 15,000/- per trainee (all inclusive). Placement of 75% of trained persons would have to be carried out by the Implementing Agency conducting the training programme.

- **Secondary (Skill up-gradation)**

This Component would focus on training for existing employees in the industry at the shop floor. The targeted beneficiaries would be existing employees of the industry for enhancing their productivity and exposing workers to better manufacturing processes etc. These trainees will be trained on the machines available in the industry and skill upgradation would be the core activity undertaken through this training. The interventions of the secondary level training program will be executed with the Government of India assistance limited to Rs. 5,000/- per trainee or as per actuals whichever is less. The remaining expenses will be taken care of by the concerned industry.

- **Training of Trainers**

The activities under this item would be undertaken for training of trainers. The support would be provided in the form of financial assistance to the maximum limit of Rs. 2 Lakh per trainer developed through the programme or the actual cost, whichever is less, for the expenses (including tuition and other expenses like traveling, lodging, boarding of the trainees etc.).

5. Implementation Mechanism

(i) Identification of Implementing Agency. Given the enormity of the skill needs and the variety of existing strengths that can be leveraged, the scheme will be flexible to permit a variety of models that are best suited to the scope of the training program to be undertaken by different potential Implementing Agency(IA). As regards primary skill development component, any agency in the private or public sector, with the requisite capacity, performance track record, and adequate systems for accountability and transparency will be eligible to receive assistance for a well-structured project to train and place targeted youth in regular wage employment, Illustratively, these agencies could be private corporate entities, non-government organizations, voluntary organizations, Central / State government agencies, trusts or other entities promoted by the corporate entities, training institutions, etc. with a view to leverage existing strengths and capacities in the system. The IA will be responsible for effective project implementation and administration. For Secondary skill upgradation training segment, the IA could be the training agency identified by the Industry or group of Industry. The large units capable of providing in-house training could also be IA in this case. The IA for conducting Training of trainers programme shall be Institutes like FDDI, CLRI, NID, NIFT, institutes of similar standing. The Implementing Agency proposing to carry out any Primary, Secondary and Training of Trainers programme in Mega Leather, Footwear and Accessories Cluster approved under the relevant sub-scheme would not be entitled for any assistance concerning non-recurring component for which grant has already been sanctioned under Mega Leather, Footwear and Accessories Cluster sub-scheme.

(ii) Identification of Trades

Scheme would address the human resource needs of the leather and footwear industry, the trades to be included would be those employed in the entire value chain from flaying to finished products, such as flaying, preservation, tanning,

finishing, waste treatment, footwear (clicking, closing, lasting, etc), footwear component, leather garments, leather goods and any other shop floor trade in the sector.

(iii) Identification/selection of trainees

The task of identification/selection of trainees will be handled by the Implementing agency with the help of the local administration. Selection process in the programme should be demand driven. The implementing agency should ensure that the selected trainees have Aadhar seeded bank account in their name. While selecting the trainees, preference should be given to SC/ST/Women/Minorities/Weaker Sections and people below the poverty line.

(iv) Minimum target of trainees

As regards Primary skill development training, since the assistance is intended for meeting the cost of training, which would include purchase of machinery, therefore training should be conducted for 3 years for 15000 trainees per year by each Implementing Agency so that the benefit of such capital expenses can be fully derived towards skill development of large number of persons.

The IA would furnish an undertaking to provide training for a minimum period of 3 years over the life of the machinery purchased.

(v) Training Curriculum

The curriculum of the training should be standardized and should be as per standard acceptable to the industry. The training curriculum should be as per National Skill Qualification Framework (NSQF) and the implementing agency should ensure that the training programme is NSQF compliant.

(vi) Implementation

The detailed screening criteria for eligibility of Implementing Agencies, identification of trainees etc. would be developed by Steering Committee to be chaired by Additional Secretary / Joint Secretary in-charge of Leather Division in the Department. The effort would be made for convergence with schemes of National Skill Development Agency so as to avoid duplication. It would be ensured to lay down pre-determined and transparent set of criteria so that there is a standardization of skill sets and procedures. The concerned stakeholders

would be represented in this Steering Committee, which would be notified by the Department. The Implementing agencies who are interested in carrying out the training under the scheme would submit a project proposal keeping the screening criteria in view including proposed annual target for 3 years.

The proposal would be examined and appraised on the basis of the guidelines of the scheme. Thereafter, the proposal would be submitted for the approval of the Steering Committee in case of proposal upto Rs.15 crore. The projects above Rs. 15 crore would be approved by the Empowered Committee to be notified by the Department. The funding would be made available in approved cases by the Department.

A robust online IT application shall be put in place that consolidates, tracks training and monitors employment of trainees facilitated by all stakeholders and to ensure that there is no overlap between various implementing agencies.

Implementing agencies shall ensure that industry does not replace the existing manpower with trainees for the sake of incentives.

Efforts shall be made to enhance the State participation and financial support in this scheme through State Skill Development Missions (SDM) by coordination.

An effective coordination mechanism involving all stakeholders including industry, training institutions and State SDMs shall be set up at National, State and Cluster levels to ensure uniform quality of training and effective placements.

(vii) National Monitoring and assessment Agency-NMU :

NMU would be designated for the programmes with the approval of Empowered Committee under this scheme. NMU would be responsible for periodic monitoring and assessment of the training conducted by the implementing agency every year. The IAs would be responsible to provide the details of training to the NMU along with Aadhar seeded bank account numbers of the trainees. The IAs would also provide the employer's appointment letter to the NMU and the DIPP to convey information regarding the placement of trainees. The IA should also ensure that the scheme is implemented as per Direct Benefit Transfer Mission (DBT) guidelines. The assessment reports would be submitted by NMU to DIPP and to the IA. An appropriate amount as approved by Empowered Committee would be paid to NMU as monitoring charges.

6. Key parameters of output linked financial assistance for skill development

- **Duration of Training:**

- i. The Course duration of placement linked skill development training should be of at least four weeks plus two weeks of on the job training.
- ii. Secondary skill upgradation training should be at least for two weeks.
- iii. The duration of Training of trainers programme would be decided by the training provider agencies.

- **Placement**

The IA would take all steps necessary to partner with the Industry and obtain the commitment of industrial units for employment of the successfully trained candidates as per requirement of guidelines (para-4). To this intent, the IA may obtain letters of commitment from prospective employers and also involve them in the process of selection of trainees, proficiency assessment and content development.

- **Post Employment tracking**

The IA should maintain a database for person trained and placed in employment under the scheme. IA should submit a report on the employment status of those trained and placed under the scheme to the NMU who would inform the Department regarding status of employment of those trained after completion of six months post initial employment in the industry.

- **Stakeholder Responsibility**

i) **Industry** - The objectives of program is to provide skilled manpower to the leather and footwear sector, so that they can take advantage of growth opportunity in the economy. The potential employers must demonstrate their stake in this project by offering commitment letters for employment, participating in content development, selection and evaluation of candidate and provision of ongoing inputs to the IA.

ii) **State Government** – The State Government may provide support in the form of infrastructure such as building, machinery, financial support etc, wherever feasible. State Government may dovetail their schemes in assisting travel, boarding and lodging needs of the trainees.

iii) **Central Government** – Central Government would provide financial support for facilitating the conduct of skill development programme, as per provisions of this Scheme. The overall monitoring and assessment will be done by the DIPP. In case of any dispute between IAs and NMU, the decision of DIPP will be final.

iv) **Implementing Agency** – The IA would be responsible for the entire process from planning, selection of candidates, content development, training and placement, resource mobilization and subsequent monitoring and evaluation.

v) **National Monitoring Unit** – NMU would be responsible for providing technical support, monitoring, evaluation, etc. It would be responsible for maintaining the database of all the trainees and for all the projects. It would monitor the scheme and send the report to the Department periodically.

vi) **Procedure for Release of Funds** - Funds will be released by the Ministry to the Implementing Agency on the basis of approved project cost by the Steering Committee. The responsibility for rendering of accounts to DIPP shall rest with the IA. Central Government's assistance would be released in installments. The first installment of 25% would be released as mobilization advance for meeting the initial expenditure of the project. The installments for releasing the remaining 75% would be based on satisfactory progress with the final installment to be released on completion of the project, (i.e. the training conducted and in case of primary skill development training after the placement is secured for the trainees) on reimbursement basis.

Implementing Agency would submit quarterly progress report to the DIPP mentioning the physical and financial achievement along with the details of trainees, training and placement.
