

**Project Summary for Public Disclosure**  
**(after approval of NDB financing)**

Project Name	Program of Development of Educational Infrastructure for Highly Skilled Workforce
Country	The Russian Federation
Type	Sovereign
Area of Operation	Social Infrastructure
Concept Approval Date	29 September 2019
Financing Approval Date	24 December 2019
Total Project Cost	USD 600 million
Initial Limit of NDB Financing	USD 500 million equivalent
Current Limit of NDB Financing	USD 500 million equivalent
Borrower	The Russian Federation
Project Entity(ies)	To be selected by the Russian Federation
Project Context	<p>Russian employers consider workforce's lack of skills to be one of the biggest constraints to business expansion and growth. Russia's school enrolment rate is high, which suggests that the problem lies not so much with access to education. Low availability of highly skilled workforce in Russia reveals that the challenge is in the quality and relevance of education. Skills provided by Russia's education system are largely supply driven and do not match with the demands and evolving needs of its economic development, especially in the backdrop of a quickly digitalizing economy. As a result, compared in terms of labor productivity, Russia's labor productivity is only one third to half of that of the leading countries. This is especially true for engineering skills in manufacturing of machinery and equipment, electronic and optical products, car, railway transport, civil aviation, shipbuilding, and etc.</p>
Project Description	<p>The Project will establish Advanced Engineering Schools at about 30 HEIs in Russia to prepare graduates with solid engineering skills. Establishment of the Advanced Engineering Schools involves development of new or redesign of existing education programs tailor-made for concrete enterprises (Industry Partners), along with new equipment, software, laboratories and other infrastructure elements necessary to carry out educational process and replicate successful practices across the country.</p>

Project Objective	The Project aims to supply highly skilled engineering workforce to the labor market through providing necessary educational infrastructure to Russian higher education institutions (HEIs).	
Implementation Arrangements	The Project is estimated to be implemented over 7 years.	
Environmental and Social Information	The Project has been assigned category “B” in line with NDB’s Environment and Social Framework. Main environmental and social impacts of the Project will be associated with civil construction and installation works during construction of new laboratories and other buildings of educational infrastructure at participating HEIs. The Project will not require additional land acquisition or any resettlement.	
Financing	The total cost of the Project is estimated to be USD 600 million. The NDB will finance USD 500 million or 83% of the total estimated cost. The remaining balance will be financed by counterpart funds from the participating HEIs and Industry Partners	
	<b>Source of Fund</b>	<b>Amount (USD million)</b>
	NDB	500
	HEIs and Industry Partners	100
Contacts	<b>NDB</b>	<b>Borrower and Project Entity</b>
	Public Sector Department: He Tian	To be selected