

Regional Challenge Fund

Announcement of the 1st Call for Expression of Interest

February 1, 2021

The Regional Challenge Fund

The Regional Challenge Fund (RCF) is a new program that seeks to increase the productivity and competitiveness of businesses in the Western Balkans 6.

Businesses need skilled employees. And young people need to build the right skills, which can be difficult in today's challenging environment. The RCF will help bridge this gap by funding investments in the equipment and infrastructure that vocational training institutes (VTIs) need to help their students build the skills that today's companies demand. Specifically, the RCF supports VTIs that use a cooperative training approach that has been found to be more effective than traditional vocational education and training (VET).

Participating VTIs partner with companies to develop cooperative training programs that teach students the skills that partner companies need. The result is highly trained employees who are well qualified and ready to work.

The RCF is commissioned by the German Federal Ministry for Economic Cooperation and Development to KfW Development Bank and executed by the Western Balkans 6 Chamber Investment Forum (WB6-CIF), a joint initiative of chambers of commerce from the region.

The Fund will disburse EUR 18.8m over five years to support investments in cooperative training projects in the WB6 economies. The grants will be allocated through a minimum of five calls for proposals from vocational training institutes and private sector companies. The goal is to fund up to 60 projects during the programme period.

Cooperative Training

Cooperative training involves the business sector throughout the entire process of VET development, implementation and assessment. It does this by combining vocational institution-based and enterprise-based learning in a flexible manner to develop the skills, knowledge and attitudes of future workers. This approach has been proven successful in producing graduates with practical skills that match the demands of the labour market.

Cooperative training is recognized by most educational authorities in Western Balkan countries as a useful tool for bridging the gap between educational supply and labour market demand. However, it is still in early-stage development and larger roll-out requires support. The Regional Challenge Fund (RCF) has been established to provide such support.

First Call for Expressions of Interest

The first call for expressions of interest (EOIs) will be open from February 1 to April 30, 2021. This call is published simultaneously in the six Western Balkan economies and invites applications from all six economies and all economic sectors.

Who Can Apply?

Applications are open to consortia of one vocational training institute and at least two enterprises. The consortia agree to cooperate to implement cooperative VET courses that result in nationally recognised certificates. The consortia may operate in any of the WB6 economies.

Opportunities for Applicants

Interested parties should apply because:

- The RCF helps **VTIs** align their programs with the needs of companies by investing in the modern training equipment and facilities that businesses use today.
- It supports the development and systematic use of **cooperative training methods** and encourages the introduction of new technologies.
- It makes it easy for **businesses** to partner with the right VTI to build a training program that fits their needs, thus addressing human resource shortages and building capacity where it is needed most.

Application Process

The RCF application process has two stages. In Stage 1, interested consortia submit an EOI. After review of Expressions of Interest by an independent selection panel, shortlisted consortia are invited to participate in Stage 2, and submit a full application including a proposal for the planned investment. The timeline is as follows for the first call for proposals:

Stage 1 - Expression of Interest

- Call opens: February 1, 2021
- EOI submission deadline: April 30, 2021

Stage 2 - Full Application

- Shortlisted consortia are notified: May 31, 2021
- Full application submission deadline: July 31, 2021

All EOIs must be submitted using the online application platform under www.rcf-wb6.org by April 30, 2021.