

# **Consultancy for Preparation of a Business Proposal for Sustainability and Development of CIDA Training Centres (CITI, CETRAC and OTC)**

## **Terms of Reference (TOR)**

### **1. Background of the Project**

The Construction Industry Development Authority (CIDA) operates three training centres the Construction Heavy Plant Brigade (CITI), Construction Equipment Training & Research Centre (CETRAC), and the Operator Training Centre (OTC). These centres play an important role in developing skilled manpower required for the construction industry in Sri Lanka.

However, the training environment has become increasingly competitive with the expansion of private and international training providers adopting market-oriented approaches. Some CIDA training centres have experienced difficulties in achieving financial sustainability under the traditional training delivery models currently in operation.

According to internal assessments, CETRAC is working towards achieving break-even performance, OTC has not yet reached financial sustainability, while CITI is currently profitable but has potential for further expansion and improvement.

In this context, the CIDA Board of Management has approved the engagement of a qualified consultant to prepare a comprehensive business proposal aimed at improving operational efficiency, financial sustainability, and long-term development of the three training centres.

### **2. Objectives and Justification of the Project**

The main objective of the consultancy is to develop a **sustainable, market-oriented and financially viable operational model** for CITI, CETRAC and OTC.

The consultancy will specifically

- Assess the current operational, institutional and financial status of the three training centres.
- Identify market opportunities and emerging skill demands in the construction sector.
- Develop sustainable business models and revenue generation strategies.
- Recommend institutional and management improvements.
- Prepare a medium-term development plan to strengthen the competitiveness and sustainability of the centres.

Particular attention shall be given to improving the financial sustainability of the Operator Training Centre (OTC), which possesses a relatively large land extent that could provide opportunities for diversified revenue generation while maintaining its core training functions.

### 3. Scope of the Consultant's Work

The consultant shall undertake the following tasks

#### Situational Analysis

- Review the operational status of CITI, CETRAC and OTC.
- Assess training programmes, infrastructure, machinery and equipment, human resources, financial performance, and governance arrangements.
- Identify operational gaps and institutional constraints.

#### Market Assessment

- Analyze the present and future demand for construction sector skills in Sri Lanka.
- Assess competition from private and other training providers.
- Identify new training opportunities related to modern construction technologies and heavy equipment operations.

#### Financial and Business Performance Review

- Analyze revenue streams and cost structures of the centres.
- Conduct break-even and profitability analysis.
- Identify options for revenue diversification and cost optimization.

#### Development of Business Models

- Propose sustainable business and operational models for each training centre.
- Identify new income generating activities, commercial training programmes and industry partnerships.
- Recommend improved equipment utilization and asset management strategies.

#### Diversification Opportunities for OTC

Considering the large land extent available at the OTC premises, the consultant shall also examine opportunities for **diversified income generation**, including:

- Development of **solar energy generation projects** utilizing excess land while ensuring adequate space for machinery and operator training activities.
- Potential establishment of **construction equipment demonstration, testing or leasing facilities**.
- Industry partnerships for **construction technology training, equipment maintenance training, or innovation centres**.
- Any other viable commercial or training related developments compatible with the core mandate of the centre.
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## **Institutional and Management Improvements**

- Recommend improvements to governance, financial management, marketing strategies and industry engagement mechanisms.

## **Development Plan and Implementation Roadmap**

- Prepare a **medium-term development plan (5 years)** covering infrastructure improvement, equipment upgrades, technology adoption and staff development.
- Provide an implementation roadmap including priority actions, financial projections, risks and monitoring indicators.

## **Deliverables**

The consultant shall submit:

- Inception Report with methodology and work plan
- Situational Analysis Report
- Draft Business Proposal
- Final Business Proposal including financial projections, investment requirements and implementation roadmap
- Presentation to CIDA Management / Board.

## **4. Duration of the Services**

The consultancy assignment shall be completed within **three (3) months** from the date of signing the contract.

## **5. Payment Terms**

Payments shall be made upon satisfactory completion of deliverables as follows

- **20%** upon acceptance of the Inception Report
- **30%** upon submission of the Situational Analysis Report
- **30%** upon submission of the Draft Business Proposal
- **20%** upon submission and acceptance of the Final Business Proposal and presentation.

## **6. Facilities Provided by the Client**

CIDA will provide the following support to the consultant:

- Access to relevant data, reports and institutional documents
- Access to CITI, CETRAC and OTC training centres for site visits and consultations
- Coordination with relevant CIDA officials and stakeholders
- Necessary administrative support to facilitate the consultancy assignment.