



SKILLS DEVELOPMENT POLICIES IN PERU AND THE CHANGING ROLE OF INTERNATIONAL COOPERATION

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ACRONYMS

ACDI	Canadian International Development Agency
AECI	Spanish International Cooperation Agency
APCI	Peruvian International Cooperation Agency
APROLAB	Support Program for Vocational Training for Labor Insertion in Peru
CAPLAB	Vocational Training Program
CENFOTUR	Center of Education for Tourism
CEO	Occupation Training Centers
CIES	Consortium of Private Research Organisations
CNE	National Education Council
DINESST	National Direction of Secondary and Non-University Technical Education
DRE	Education Regional Direction
IC	International Cooperation
IST	Post-secondary Technical Training Institute
MED	Education Ministry
MT	Labour Ministry
PD	Paris Declaration
PEN	National Education Project
SDC	Swiss Agency for Development and Cooperation
SECTI	Secretariat for International Technical Cooperation
SENATI	National Service of Industrial Labor Training
SENCICO	National Service of Training for the Construction Industry
SINEACE	System of Education Quality Accreditation and Certification
SNIP	National System of Public Investment
TECSUP	Post-secondary Technological Training Center
UGEL	Education Management Units
USAID	United States Agency for International Development

Introduction

As has been the case with most Latin American governments of late, Peru has regarded investment in human capital as a key instrument for national development. Since the first half of the 1990s there has been a significant increase of government spending in education, with reform programs devised and implemented, particularly at the basic education level. There are indeed a number of activities taking place at different levels and in different cases oriented towards improving basic education, on the one hand, and tertiary education, and specifically vocational training, on the other. However, these efforts are not well articulated and do not constitute a coherent system. Thus, in Peru, though we can identify and analyze “skills development policies”, there is no “skills development policy”.

Historically, international cooperation (IC) has played an important role in the education sector, participating in both the design and implementation of skills development policies. Since the implementation of excellence training centres in the 1950s, the IC presence has made important investments possible, as well as knowledge, technology and methodology transfers. The recent period has not been an exception: IC participated in initial efforts to reform the so-called technical education and vocational training subsystem in the 1990s, as well as in experimentation with alternative approaches since the mid-1990s, in the creation of instruments oriented to provide more and better information and, more recently, in a process that involves the elaboration of vocational training policy guidelines. The framework for this policy transfer processes is, however, undergoing important changes. The Paris Declaration (2005) – calling for enhanced local ownership, harmonization among cooperating agencies, greater alignment with national policies, and management for results – is a reference point for these changes. However, as will be discussed below, other factors of a more local nature have been playing just as important a role in reshaping relations between IC and national actors.

The purpose of this study is to characterize on-going changes in relations between IC and national actors in the field of skills development policies, and analyze the extent to which these changes relate to or are in line with the Paris Declaration and commitments set therein. Specifically, within a discussion of recent changes, we want to address three current issues: demand for knowledge and policy learning and transfer, decentralization, and the relationship between the different government sectors involved in skills development policies. The goal of this study is to identify lessons for the actors involved, and particularly for international cooperation (IC), regarding possible strategies for a more effective role in skills development policies.

This text is based on a previous investigation on skills development policies and the role of national and IC actors¹. The organization of the text is as follows: after this introduction, Section 2 characterizes the Peruvian setting, establishing the context of skills development policies in Peru; Section 3 focuses on the changing role of IC both generally and in the area of skills development policies; Section 4 analyzes some of the current issues in the relationship between IC and Peruvian actors, including demand for knowledge, policy learning and transfer, as well as decentralization and inter-sectoral relations; and Section 5 concludes.

¹ Jaramillo Baanante, Miguel, Néstor Valdivia y Jorge Valenzuela, 2007, *Skills Development Policies in Peru: The Role of National and International Actors*, GRADE, Lima (available in English and in Spanish at <http://www.norrag.org/wg/country-studies.php>).

1. SETTING THE STAGE: SKILLS DEVELOPMENT POLICIES IN PERU

1.1. A brief diagnosis of the vocational training market in Peru

A diagnosis of the Peruvian training market, incorporating much of the recent research, indicates that post-secondary schooling and vocational training systems suffer from serious quality problems that impact the effectiveness of training investments². In effect, for the last four decades, the Peruvian education system generally and vocational training specifically have experienced a vertiginous, but dispersed and somewhat chaotic expansion. Within a context of little to no supervision and regulation, as well as a lack of information systems that might guide the demand for training, a training supply system exhibiting three main characteristics has emerged: a system with great heterogeneity, offering average training of low quality and pertinence, with disarticulation between existing subsystems. Though the market is dynamic and expanding, lack of information and regulation may be inducing private and social welfare losses. Thus, returns on investment for post secondary, non-university formal schooling are low in a context where there is evidence of an increasing demand for skills³.

The early 1990s saw an explosive growth in the supply of post-secondary or occupational training associated with a growing demand for training in the context of a labour market that requires higher skills, thus assigning a lower value to basic education credentials. Lack of state regulation also contributed to this trend. According to figures from the Ministry of Education, between 1993 and 2004 the number of both public and private sector occupational training institutes (*Centros de Educación Ocupacional*, CEOs) increased, the former by 18% while the latter by 75%. In contrast, enrolment in training programs at private sector CEOs increased by only 4%, while that of public sector CEOs grew by 21%. At the level of post secondary technical training institutes (IST), the number of private entities attending these programs grew by 76% while public entity attendance grew by 25%; enrolment in training programs grew by 85% and 24% for the private and public sector respectively. In addition, an increasing amount of NGOs provide training to individuals primarily from disadvantaged households. Unfortunately, growth in the number of vocational training institutions has translated into lower quality programs, with a positive correlation between quality training and socio-economic status.

A system that integrates the different currently disarticulated modalities and that allows for the establishment of equivalences between different types of training through the certification of labour skills is lacking. The problem of low quality of training has only recently been addressed by the government, through the creation of an evaluation and accreditation system of educational and training institutions (SINEACE). However, its implementation is moving slowly resulting in a lack of appropriate regulation and supervision of training entities. Public or private independent information on the quality and pertinence of training is scarce if available at all. Two important challenges for skills development policies emerge quite

² Jaramillo, Miguel, Hugo Ñopo and Juan José Díaz. 2007. "La investigación sobre el mercado laboral peruano: instituciones, capacitación y grupos desfavorecidos". In: *Investigación, Políticas y Desarrollo en el Perú*. Lima. GRADE.

³ Yamada, Gustavo. 2007. *Retornos a la educación superior en el mercado laboral: ¿vale la pena el esfuerzo?* Proyecto mediano CIES ACIDI-IDRC 2005. Lima CIUP.

clearly: improving training quality at the system level, and expanding access to quality training for the poorer segments of society.

1.2. The political context of skills development policies

Three features characterize the political context of skills development policies: instability, the low priority given to vocational training in national policies, and lack of inter-sectoral cooperation. All these affect the relations between IC and national actors.

First, the most characteristic feature of the Peruvian Education sector has been its instability. During the 1990s and under the same presidential leadership, for example, the average term period for an Education Minister was eleven months. To date and in this decade alone there have been six curricular reforms of secondary school⁴. In a careful and systematic analysis of the education policy processes, Balarín⁵ has characterized the Peruvian case as one of “radical discontinuity” in education policies. This feature poses difficulties in the formulation of long-term skills development policies, a widely recognized problem by public officers.

Political instability has also led to high turnover among key public officials, because Peru lacks a meritocratic public career system where advancement correlates with set performance criteria. This absence allows political favouritism to take place, where public employee positions are granted not based on competence and profile, but on personal relationships. Given the lack of a well-defined training policy framework, the effectiveness of different State institutions has more to do with the people involved than with institutional policy. There is little institutional memory in State organisations, as well as little continuity in training policies. With a change in management, many tasks are neglected and projects go back to their starting points. As an IC representative pointed out, there is a great willingness among Peruvian managers to engage in dialogue with IC, but “*Every six months managers change and everything must begin from scratch. We need to brief managers once more on who we are, as well as our past results and experiences.*”

In this regard, experts as well as IC representatives recommend the elaboration of a National Plan containing the basic guidelines for training policies, so that within this framework medium and long-term policies be designed. Thus, Ministers that bring in new ideas would have to align themselves with the established plan. The task of establishing long term training policies and breaking away from the discontinuities that have characterized policy making in the two last decades has yet to be executed. It should be added that, in a country eager for change, the “starting from scratch” political message seems to be more effective and frequent than taking the time to consider previous learning. In this context, inaugurating programs seems to provide more political advantages than giving continuity to important policies.

Secondly, vocational training does not carry much political weight. In this regard, it should be noted that, among the thirty-one State policies that were agreed upon by the National Forum (*Acuerdo Nacional*), where all political forces are represented, there is not a single one that explicitly refers to skills development. Skills development policies are relegated to a second level of activities (or sub-policies), a clear indicator of the relevance given to this topic within

⁴ Benavides, Martín, Lorena Alcázar and Miguel Jaramillo. 2006. *Estudio de oferta y demanda de la educación secundaria rural*. Informe final de consultoría encargada por Ministerio de Educación.

⁵ Balarín, María. 2006. *Promoting educational reforms in weak states: The case of radical policy discontinuity in Peru*. *Globalisation, Societies and Education*, 6:2, 163-178.

national policies, which implies that the pressure to see any improvements in this area is lacking.

Finally, rather than continuous cooperation, there is a permanent struggle between Labour and Education Ministries for being in charge of the training topic. Their poor coordination capabilities aggravate this problem and all attempts to develop better means of coordination have failed. Particularly, Education Ministry (MED) staff does not hide their desire to manage the vocational training field exclusively. We will return to this topic below.

1.3. Post-1990s skills development policies

Among academics, public servants and IC representatives, there is a broad consensus that a cohesive vocational training policy with well-defined objectives and instruments is non-existent. Instead, there have been several poorly interconnected initiatives and pilot experiences that aimed to test training models that, whether they worked or not, for different reasons, did not make the leap to an articulated and general vocational training policy.

The publication of “Guidelines for Vocational Training Policies in Peru”⁶ documents the current status of skill development policies and bears testament to the slow pace of this process. This important initiative was promoted by the MED and the Labour Ministry (MT) and supported by IC. It represents an attempt to define a long-term strategy in the vocational training field.⁷ The document summarizes the broad lines along which the Education and Labour sectors, actors from the production sector, academics, and civil society agreed that vocational training national policy must be put into place, with the proposed objective of improving vocational training quality and increasing labour adequacy levels. The central activity would be the design and development of a vocational training system. Several recommendations are provided to serve as a guideline for the elaboration of vocational training policies, which can be classified in four general policy areas: (1) to promote and strengthen social dialogue oriented to improving vocational training quality, occupational adequacy, and equity; (2) to promote quality vocational training, that is locally pertinent, competitive, participatory and with equity at all levels; (3) to produce relevant information through a labour and training market information system; and (4) to guarantee the sustainability of efforts through integration into national and regional development plans. This document provides a good basis for the development of a set of long-term policies, a task that, as mentioned above, is still pending.

2. THE CHANGING ROLE OF INTERNATIONAL COOPERATION

International cooperation (IC) has played an important role in the design and implementation of skills development policies.⁸ The relevance of this role is downplayed due to the small amount this financing contribution represents for ministerial budgets. However, a factor that must be considered is that ministerial budgets are quite rigid in terms of resource allocation.

⁶ MED / MT. 2006. *Lineamientos de política de la formación profesional en el Perú*.

⁷ Note: For its elaboration, a national consultation was carried out with ample participation of representatives (around 600 individuals) from different production sectors, NGOs, universities, State offices and civil society from different regions. This process received significant support from SDC through its program, CAPLAB.

⁸ Note: The precise subject of analysis in this section is bilateral technical cooperation, though some of the comments may also apply to financial and/or multilateral cooperation.

Specifically, payrolls typically represent the largest budget line, exceeding 90% in the case of the MED. In this context, IC funds (including multilateral loans) have been in many cases the main source of financing for new initiatives, or for policies in a pilot phase or not as yet fully implemented.

Historically, the relationship between the Peruvian state and IC has been quite decentralized, with each ministry managing its own relationship with IC agencies without the intermediation of any other public entity. Even within the MED, it was not unusual for several IC agencies to be working with different offices on similar issues at the same time, without one knowing exactly what the other was doing. The result is that until recently it was difficult to even have an accurate description of IC investments in the country, let alone set priorities or establish goals at the country level. In the second half of the 1990s, this began to change through the operation of an agency of the office of the Prime Minister, the Secretariat for International Technical Cooperation (SECTI). In 2001 the Peruvian International Cooperation Agency (APCI) was created through the reorganization of SECTI, with the stated goal of conducting, programming, organizing and prioritizing non-reimbursable IC activities in favour of the underprivileged sectors of the population and aligned with the country's development goals. In the last few years, this agency has achieved remarkable progress in establishing priorities and guidelines for IC, in accordance with the Paris Declaration of 2005.

Regarding trends and the orientation of IC organizations in Peru, in 2008 and out of a total government spending budget of US\$ 21,993 million, Peru received around US\$ 500 million in non-reimbursable IC grants, mostly from foreign government sources (86%). The remaining 14% came from private sector donations. Thus, non-reimbursable IC grants represents 2,3% of Peru's government non-financial expenditures⁹, down from 4,3% in 2005. Considering the evolution of the country's GDP, non-reimbursable IC grants are a decreasing trend: from an average of 1,6% of the GDP for the period of 1984-1993, the contribution of these grants fell to an average of 0,8% of GDP for the period of 1994-2004 to 0,5% in 2008. A clear pattern that emerges is the declining financial importance of IC.

2.1. International cooperation and local actors in vocational training

Historically, vocational training has received considerable attention from IC actors in Peru. Since the implementation of excellence training centres in the 1950s, an IC presence has facilitated important investments, as well as knowledge, technology and methodology transfers. The last two decades have been no exception. IC has participated in initial efforts to reform the so-called technical education and vocational training subsystem, and has been involved in experimentation with alternative approaches since the mid 1990s, in the creation of instruments oriented to provide more and better information, and, more recently, in the elaboration of vocational training policy guidelines.

Both sides of the relationship, IC and local actors, are subject to criticism. On the one hand, there are structural weaknesses in the Peruvian State that limit its capacity to make the best out of IC support. On the other hand, IC has often tended to show inflexibility, with no

⁹ Note: Non-financial expenditures is equal to total expenditures, minus interest and amortization of public debt. It is a better concept than total expenditure for the purpose at hand because it indicates what money is available for public programs. Data on IC grants in this and the following paragraphs come from APCI APCI. 2007. *Situación y tendencias de la Cooperación Internacional en el Perú 2005*, Lima, APCI.

coordinated actions among IC efforts and with no contribution to resolving the weaknesses of Peru's public sector. These criticisms will be further elaborated below.

The relations between IC and national actors need to be understood in the context of Peru's weak state structure, which is not limited to its weak financial situation. More importantly, there has not been a definition of IC's role in national policies. The different perceptions of public officers in skill development sectors regarding IC's role reveal this lack of clarity. In turn, this is accentuated by the lack of a national educational policy project around which IC can establish its agenda. IC's ambiguous role is also reflected in the common perception among Peruvian public sector officials of IC as "petty cash", available to pay expenditures that are not covered by regular budget allocations. IC's potential contribution in terms of knowledge sharing is usually underestimated. As an experienced IC officer put it, IC is typically called in when decisions are already made and money is needed to finance them.

Several criticisms by IC officers are associated with Peruvian state weaknesses. For instance, IC officers stress the limited ability to best use available resources due to little clarity or lack of continuity in policies. Through different training initiatives, IC aims to integrate programs into policies for the Labour and Education sectors, so as to make them sustainable. Often, once programs have progressed, produced results, and could be consolidated and incorporated into national policies, Ministry priorities have changed with no clarity about what should be done with these experiences and potential next steps for policy making. Frequently, changes in management in public offices lead to a change in sector priorities, with the IC sometimes left supporting thematic areas that are no longer priorities for the Peruvian government. Lack of clarity in educational policy on the part of the state is compounded by the fast turnover of high-level public officials, as discussed above. In addition to lack of continuity, excessive personnel turnover means a net loss for the State, as IC invests considerable resources in training this personnel resulting in a loss of investment with personnel departures.

Another important obstacle to greater effectiveness that is derived from state weakness is the limited amount of management capabilities among intermediate levels of public administration. Procedures are tiresome and of long and unpredictable duration. Particularly, IC officers stress the limited decision-making abilities and motivation among mid-level officials. Even small decisions are often discussed with higher-level officials. As a result, oftentimes program and project goals are not accomplished and deadlines are left unmet, to the detriment of IC agency efforts. In part, this is associated with personal strategies to avoid assuming administrative responsibilities. Public officers lack stability and their appointments most frequently depend on whoever is in charge of the ministry at a given time. In this context, they are reluctant to make decisions that may put their jobs in jeopardy. This is compounded by the little willingness of higher-level public officials to delegate responsibilities.

Finally, the lack of direction in national policy means that the leadership skills and personal characteristics of those in charge of development programs, or of the IC agencies themselves, have greater significance. State policies are often "personalized", and a Minister can establish certain sector priorities that have nothing to do with a long term plan. In several cases, the progress in the execution of goals or the inter-institutional coordination depends solely on this factor.

Moving to the other end of the relationship, IC is not homogeneous. Even within bilateral agencies there are significant differences in terms of approach, instruments, and operating

mechanisms. For instance, while some agencies manage projects themselves, others prefer to operate through NGOs of their own country of origin (as is the case with USAID, for example). Some have separate financial and technical arms (Germany, Japan), some concentrate on the technical end (Switzerland, Canada), while others lack any financial resources (UNESCO). These differences have played a role in accentuating the difficulties in harmonizing strategies and actions among IC agencies.

One criticism of IC is that its interests are not always altruistic: in some cases, they stem from strong commercial interests aimed at creating market spaces for products coming from their countries. This situation is often called “Hardware cooperation”, where IC proposes the benefits of an already pre-packaged model in order to then sell the needed equipment and components. There have been cases in which offers for the sale of equipment were received in the MED itself. Furthermore, these projects were sometimes processed without being discussed in the different and relevant institutional departments. While clearly this suggests lack of coordination within the MED itself as well as between different public institutions and departments, some IC agencies have taken advantage of this institutional weakness, rather than try to help fix it.

Possibly the most common criticism of IC is that it is often not flexible enough about its requirements and support conditions. The rigidity of IC proposals may come from aid packages previously discussed and established in their countries of origin. Yet IC exerts sufficient influence to incite a country to accept projects (or at least project components) with which it may not fully agree. In addition, cooperation proposals often aim to replicate intervention models that were successful interventions in other countries, often without considering that the same formulas may not necessarily work in a different context. In any case, cooperation arrangements do not always aim at overcoming the asymmetry between IC providers and recipients. It is still perceived that the IC takes on the role of establishing the guidelines for a task at hand, with a lack of flexibility among many IC officials.

Both public sector and IC officials believe that it is necessary to have a proposal or framework for skills development planning that facilitates and guides the support offered. This framework obviously must come from national policies. Although in theory the IC’s role is to help in whatever way necessary according to beneficiary country requirements, in practice, proposals by IC are executed simply because there is no such national plan. The lack of a clear national policy leads to cooperation efforts that fulfil its own agenda rather than a national agenda. Thus, local institutional weakness and IC’s impositions seem to be very closely related.

Also, there is consensus that cooperation entities do not coordinate significantly among themselves. In this sense, IC is not seen as articulated, but rather each agency acts independently and has different objectives. In some cases there has been a duplication of efforts. Although within the IC this criticism is accepted in relation to their past performance, IC actors also state that currently there is much more awareness around the need to coordinate among IC agencies involved in the same area. The experience of the IC Coordination Table in Education (*Mesa de Cooperantes en Educación*) discussed below is a concrete example of this.

3. RECENT DEVELOPMENTS AND THE PARIS DECLARATION

While the features underlined above describe some central characteristics of the relations between IC and Peruvian actors in the last two decades, some aspects have undergone significant change in the last few years. A number of these changes precede the Paris Declaration (PD), but point in similar directions. Two seem particularly significant: the new role played by the Peruvian Agency for International Cooperation (APCI), and the IC Coordination Table in Education that seeks to bring together the different agencies working on this sector.

3.1. Searching for greater alignment: Peru's Cooperation Plan

APCI was created in 2002 through a law that established two instruments designed to bring together the two guidelines provided by the Peruvian state for IC: the national policy on IC, and the annual IC plan. In 2006, a document on the IC national policy was produced¹⁰ presenting the general framework, principles, and priorities of Peru regarding IC. Based on so-called national development plans and policies, the production of this document represented a great effort since no prior national development plan or policy had existed. In order to produce it, APCI consolidated sixty-eight different documents from the different sectors and regional governments, and coordinated with the different sectors involved and all the regional governments. This is the first strategic document of its kind produced in the country and establishes a new setting for the work of IC. Principles are established in coherence with the international documents on development aid, such as the PD, the Rome Declaration, and the Monterrey Consensus. This policy document is supplemented with Annual IC Plans, which APCI started producing in 2006. The purpose of these is to establish specific thematic and territorial priorities for the short and medium term. These efforts are well appreciated by IC agencies.

The National IC Policy establishes four strategic and interdependent axes: sustainable competitiveness, institutional development, human development, and human security. Twelve strategic objectives are associated with these axes. Out of total non-reimbursable IC resources, 50% is earmarked for human security and the sustainable competitiveness of the economy, while the rest can be assigned in a flexible manner. Within human security, top priority is given to universal access to clean water, particularly in the poorest areas of the country. Within economic competitiveness, the emphasis is placed on sustainable employment generation through the promotion of entrepreneurship in a decentralized context.

3.2. IC Coordination Table on Education: an effort to harmonize approaches

On the IC side, the PD is seen as a guiding instrument. Efforts towards harmonization and the improvement of policy alignment, however, also antedate the PD. Partly, harmonization efforts among IC agencies derive from a lack of recognition as valid counterparts in the technical dialogue. Starting in 2004, a more conscious effort has been made towards reaching this goal. However, the success of such efforts has received mixed reports at the national level. To some former IC officers this has to do with the lack of a more explicit political

¹⁰ Agencia Peruana de Cooperación Internacional, *Política Nacional de Cooperación Internacional*. Lima: APCI, mimeo. 2006.

strategy. The failure to be recognized as valid technical counterparts by the highest authorities in the MED has led IC agencies working in the Education Sector to refocus their efforts towards other government authorities, such as the National Education Council (CNE) and regional governments. These new partners have the virtue of being more readily available and appreciative of IC support. Greater alignment is sought through the National Educational Project (PEN), which is by law a national policy. However, its implementation by the current government is at best arguable. Thus, the result is paradoxical: there is greater alignment with a national policy that is not actively implemented by the current government. In addition, the PEN is such a broad document that it can accommodate almost any activity imaginable in the area of education.

Given the failure of the top-down approach followed until recently by IC, some IC agencies are opting for a type of bottom-up approach that implies working with selected offices within the MED, where actionable results can be achieved. These offices, referred to as “islands of hope” by one IC officer, are more ready to take in the technical support that IC can offer. In sum, actions to influence national policy are taking on new forms for IC. This implies abandoning the high route of influence at the highest policy level, i.e., MED’s highest authorities, for a modest, less grand, but more effective approach, where the potential to influence is most likely. Meanwhile, any said alignment with the national policy is mere rhetoric, as it is focused on a document that has yet to become an effective policy.

In sum, efforts at greater alignment with national policies and harmonization among IC agencies have antedated the Paris Declaration. Also, they have come from both national and IC actors. On the one hand and in this decade, the government of Peru has made an important effort to provide an explicit and predictable framework for the operation of IC. On the other hand, IC is also making efforts at harmonizing their strategies and activities. In addition, the nature of their relations is changing because the role of IC in Peru’s economic development is also changing, as the financial need of the country is an increasingly less valid rationale for IC involvement. It is likely that the technical contribution of IC will become increasingly important and knowledge transfers, in this scenario, should be at the centre of IC concerns.

3.3. New issues: decentralization

Arguably the most important reform of the past decade in Peru is decentralization. During the first half of the decade, a number of norms were produced to establish the basis of the political decentralization of the country. This included the decentralization of the education system and the functions of the so-called technical-productive education, which includes the different modalities of vocational training, occupational education, and post-secondary technical education. The norms defined that decentralization should advance by stages, in a progressive and orderly fashion. Thus it establishes a gradual transference of jurisdictions and resources towards regional and local governments.

Among functions to be transferred in 2007, there were three that concern technical education specifically:

- a) “Promote, regulate, encourage and supervise the services associated with pre-school, primary, secondary and non-university tertiary education, in coordination with local governments and in harmony with policy and legislation of the corresponding sector and the educational needs of the population”.

- b) “Promote and encourage research and extension courses in post-secondary education institutions, on the basis of regional development needs”.
- c) “Evaluate periodically and systematically the educational achievements of the region and support evaluation and measurement actions developed by MED, as well as to contribute to the development of the policy of accreditation and certification of education quality in the field of its jurisdiction”.¹¹

Under the centralized regime, the Education Ministry through the National Direction for Secondary and Non-University Technological (DINESST) was in charge of the regulation, supervision and evaluation of technical-pedagogic activities developed in secondary education centres, technical-professional education centres and ISTs. This entity was responsible for elaborating the basic curricular structures for various levels and modalities in the education system, as well as the operation standards for the school year. DINESST acted through two decentralized entities: Education Regional Directions (DRE) – at the regional level – and Education Management Units (UGEL) – at the province level. DREs were in charge of the implementation and execution of national and regional policies within their territories, including technical education. UGELs were decentralized agencies of the DREs, providing technical pedagogic, institutional and administrative support to schools and programs in their territories.

Under the new regime, regional governments have shared jurisdiction with local governments (provincial and district municipalities), which focus on education services management, including technical education. According to the current legal framework, regional governments must coordinate with municipalities without interfering in their functions and law-granted powers. Even though decentralization legislation establishes a key role for local governments, it is not sufficiently clear and coherent in establishing functions and jurisdictions. Given that UGELs and education centres do not depend administratively on local governments, there is a lack of permanent institutional channels that allow coordination and articulation of efforts between these institutions. There is even an overlapping of functions between UGELs and local governments that must be solved in the future in order to achieve adequate articulation between levels.

Though this process is in an early stage of development, IC agencies have decidedly embraced it and place high expectations on it. Furthermore, they already exhibit results of this process. In effect, regional presidents are far more readily available and appreciative of IC support. The scale of interventions is also in line with the amount of resources IC agencies typically manage. Local interventions with important impact results can then be scaled up to larger areas of the region or replicated in other regions. In the face of repeated failures at the highest national level, IC has found a proper niche in the regions.

3.4. Policy learning and transfer

Limited learning capabilities is yet another consequence of state weakness. The large turnover of public servants in charge of policy management not only complicates policy implementation, but limits to what extent experiences are assimilated and capitalized upon. Since excessive turnover is associated with management discontinuities, typically the transfer processes are not orderly and impede the development of an institutional memory. This is

¹¹ Education Minister, “Transference Plan 2007 of Education Sector”, Administrative decision Nr. 0032-2007 – ED, Lima, January 2007.

further aggravated by the tendency of new officers to disregard past experience and “reinvent the wheel”.

Nonetheless, in the vocational training field there are successful experiences developed by some high quality institutions, both private and public. Among them, the SENATI, CENFOTUR, SENCICO and TECSUP cases can be mentioned. These institutions have been setting the training standards for their sectors (industry, tourism, construction and mining). Moreover, by their own initiative they have taken on measures to fill the gaps in the basic skills of their students, offering introductory or levelling courses on different subjects. The MT’s disadvantaged youth training program *PROJoven* or NGO *Colectivo Integral de Desarrollo*’s youth entrepreneurship training programs are also cases in point.

One aspect to consider is whether programs, IC-funded or not, have the mechanisms in place to learn from their own experiences. The assessment is that generally they do not. According to MED officers, is not infrequent for new regulations, guidelines and programs promoted by the MED to lack the budgeted resources needed to carry out monitoring activities. IC interventions have been more systematic in demanding adequate monitoring. However, rigorous evaluation has been largely missing. Typically, evaluation is considered only when the program is about to end or has already ended. At that point, however, there is no way to recover information on the status of potential beneficiaries prior to participation in the program. Adequate control groups are also rarely ever considered when evaluating impacts. There are some significant exceptions to this pattern, however. *AprenDes*, for instance, is an IC-funded program oriented towards improving learning in rural primary schools, which has been implementing a rigorous evaluation design for several years. It has been able to show significant accomplishments. However, despite this good experience, introducing mechanisms for systematic learning about programs’ actual impacts is still a pending issue both for public programs generally and IC-supported ones specifically. This presents an important opportunity for learning, as evaluations are made public and can be scrutinized by academics and discussed with policy makers.

Participatory methods of policy design have taken greater importance since the beginning of the decade, after the transition from Fujimori’s regime. Two good experiences in this direction have been the production of the General Law of Education and the National Education Project. Both involved long processes of consultation at the national and regional levels, resulting in instruments that incorporate significant consensus among different state actors.

IC actors find that dialogue between their technical staff and that of the Peruvian state is much more fruitful and efficient than dialogues at other political levels. Thus, one of the so-called “islands of hope” in the MED is the Unit of Measurement of Educational Quality, which is made up exclusively of technical staff. More generally, IC agencies appreciate the importance of knowledge for effective policy making. However, their role in this area varies from one agency to the next. Some agencies are directly engaged in supporting independent research and thus have a link with knowledge generation beyond their educational sector concerns. For instance, for quite a few years CIDA has been supporting a Consortium of Private Research Organizations (CIES) to promote independent research with practical policy implications. Others conduct research within the bounds imposed by the definition of their interventions, in which case rigidities can limit their ability to pursue potentially beneficial activities in this area. Yet others are simply consumers of existing public knowledge. Implementing strategies to enhance learning should be in the agenda of IC agencies for the next decade.

3.5. Inter-sector relationships: Ministry of labour vs. Ministry of education, an on-going divorce

Duplicity of efforts in programs and policies involving governmental agencies, non-government and IC organizations, is widely acknowledged. Duplicity is a result of significant coordination problems among public institutions, as well as between public and private actors. The permanent struggle between Labour and Education ministries for being in charge of the training topic and their poor coordination capabilities aggravate the institutional weakness to carry out policies from the state. Particularly, MED staff in the technical education area does not hide their will to have an absolute handle on the vocational training topic. Also, lack of adequate coordination is often the problem that lies behind inefficient implementation.

The origin of the problem is institutional as both ministries have a legal mandate regarding vocational training. However, in the MED's case, the mandate is generic and based on the fact that vocational training is part of the education system, whereas in the MT's case, the mandate is more precise on vocational training policies. Approaches also differ. While the MED is interested in the pedagogic process, greater contact with the productive sector makes the MT more sensitive to training results. Experts, including IC officers, tend to agree that problems of skills development should be addressed by both sectors in a coordinated manner. Nonetheless, however desirable coordination may be, historically the two have worked in parallel. In addition, experience suggests that there is little room for coordination under the present public sector structure, where tasks are allocated to sectors and mandates for inter-sector coordination need to come from a higher authority, either the Prime Minister or the President himself. Since, as we have argued, training is not a high priority area for policy, it is unlikely that the Prime Minister or the President would produce such a mandate. Thus, coordination has tended to occur only through efforts by individual officers at each ministry who have taken it upon themselves to do so.¹²

A problem generated by the current allocation of tasks is that the MED acts both as training provider and as regulator of the training market. This is a plausible explanation for the delay in the formulation and approval of the Law of the System of Education Quality Accreditation and Certification (SINEACE), already considered in the mid-1990s. This norm generates a system of evaluation of training institutions, including the MED's. Thus, the MED, or groups within the MED, may be unwilling to expose their schools to evaluation. It should be noted that Peru was one of the few countries in Latin America that by 2006 did not have in operation a formal mechanism for evaluating the quality of its schools, be it at the basic level or at the vocational training level¹³.

As mentioned above, SDC played an important role in the production of the "Guidelines" document, officially promoted by the MT and the MED. Aside from this experience, IC agencies working in training issues have either worked with one sector, as in the case of the AECI's support of the MED's technical education reform in the nineties, or attempted to work with both sectors in a coordinated manner. One example of the latter is SDC's CAPLAB program (1997-2006), which had both the MED and the MT as national counterparts. In this case the program was successful because there was a clear division of labour between the

¹² Note: Several informants that have formerly been officers in either Ministry stated this view.

¹³ Comisión de Coordinación de Reforma Universitaria, Universidad Mayor de San Marcos. 2006. Boletín No. 14. *Sobre la ley del Sistema Nacional de Evaluación, Acreditación y Certificación de la Educación Superior*. <http://www.unmsm.edu.pe/reforma/descargables/boletin14.pdf>.

MED and the MT, where the latter focused on labour market information services while the former focused on the training process. After signing an agreement with the program, the MT coordinated directly with each public occupational training schools participating in the program and managed the installation of a labour market information services module. In this way, coordination between the MT and the MED was minimized, to the benefit of the program.

A different and less successful example is that of the recent APROLAB program. In this case, coordination between the MED and the MT was motivated by access to IC (European Union) funds. This program had the potential to provide an important impetus for building a training system in the country, but it is possibly the best example of the incapacity of sectors to effectively coordinate. In effect, the execution of the APROLAB program obliged both ministries to work in a coordinated manner, since this was a requirement of the donor to finance the program. Results in this case were disastrous, making it twice as difficult to manage the program since mutual distrust between the MED and the MTPE dominates and every little activity needed to be approved by each Ministry. Thus, implementation was repeatedly delayed. The result is that for the second phase of the program the arrangement was called off and the program is now being executed solely by the MED. One possible 'moral' of these stories is that a reasonable division of labour between these two ministries may be a more effective solution to duplicating efforts than closer coordination. This division of labour may be achieved in the context of establishing long-term vocational training policies.

4. CONCLUSION

All in all, relations between IC and national actors in the field of skills development in Peru seem to be changing in line with the principles embraced by the PD. In this direction, efforts by Peru in providing an adequate framework for IC contribution and by IC agencies in furthering harmonization should be commended. Limiting factors for enhancing IC's effectiveness have to do with weaknesses in Peru's public sector management structure. Specifically, the lack of a meritocratic public service career lies at the root of discontinuities in policy implementation and engenders difficulties in establishing a well-defined vocational training / technical education policy framework. Within this context, IC rigidities seem like the flip side of the same coin. Based on this analysis, one recommendation for IC is that their agencies should be more involved in supporting the complex and elusive reform of public sector careers.

However, beyond these shortcomings, the relations between the IC and national actors seem to be evolving. Partly, the nature of their relations are changing as the role of IC in Peru's economic development is also changing: financial need is an increasingly less valid rationale for intervention and, therefore, IC's technical contribution is becoming increasingly important. Knowledge transfers, in this scenario, should be at the centre of IC concerns. Within this area, the rigorous impact evaluation of program is a pending issue both for public programs generally and IC-supported ones specifically. There is much learning potential in evaluations that are made public and that can be scrutinized by academics and discussed with policy makers. More generally, implementing strategies to enhance learning should be prominent on the IC agenda for the next decade.

Also, efforts by IC agencies to improve their impact on policies has led them to refocus their strategies, abandoning the route of influence at the highest policy level for one that is more

modest, less grand, but more effective, and where positive results are most likely. Specific offices within the MED, the National Education Council (CNE) and regional governments are increasingly important partners for IC. Specifically, IC has embraced the process of decentralization and places high expectations here. Furthermore, they already can exhibit incidence results. Thus, in the face of incidence failures at the highest national level, IC has found a proper niche in the regions.

Finally, regarding inter-sector relations, this analysis underlines the institutional origin of the lack of coordination problem: the Labour and Education Ministries have overlapping legal mandates regarding vocational training. Given the limitations for coordinated work within Peru's state structure, it is suggested that a reasonable division of labour between these two ministries may be a more effective solution to policy duplicities than closer coordination. This division of labour may be achieved in the context of establishing long-term vocational training policies.