

International Co-operation for Skills Development in Southeast Asia: A synthesis of agencies' policies and practices.

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Introduction

This paper aims at presenting the findings of research undertaken, in November 2006, on co-operation agencies' policies and practices in the field of skills development (SD) in Southeast Asia. Six countries have been selected for this study: Cambodia, Laos, Vietnam, the Philippines, Indonesia and Thailand, the latter being both a recipient country and a donor country. The present overview is intended to serve as a basis for some of the specific presentations and for the discussions that will take place during the Working Group meeting in Hong Kong in 2007.

A wide range of co-operation agencies have been taken into consideration for our analysis:

Country	Co-operation Agency¹	Website
	Asian Development Bank (ADB)	www.adb.org
	World Bank	www.worldbank.org
	European Union (EuropeAid)	http://ec.europa.eu/comm/europeaid/index_fr.htm
	UNESCO	www.unesco.org
	UNDP	www.undp.org
	UNICEF	www.unicef.org
	UNIDO	www.unido.org
	ILO	www.ilo.org
	FAO	www.fao.org
	Southeast Asian Ministers of Education Organization (SEAMEO)	http://www.seameo.org/
	Organisation Internationale de la Francophonie (OIF)	www.francophonie.org
Australia	Australia's Overseas Aid Program (AusAID)	www.ausaid.gov.au
Belgium	Direction Générale de la Coopération au Développement (DGDC)	www.dgdc.be
Belgium	Coopération Technique Belge (CTB)	www.btctb.org
Canada	Canadian International Development Agency (CIDA)	http://www.acdi-cida.gc.ca
China	Ministry of Foreign Affairs of the People's Republic of China, Department of Asian Affairs	http://www.fmprc.gov.cn/eng/wjfb/
Denmark	Ministry of Foreign Affairs, Danish International Development Agency (DANIDA)	http://www.um.dk/da/forside
Finland	Ministry of Foreign Affairs of Finland	http://formin.finland.fi

¹ In some cases, other types of organizations have been included, such as Ministries of Foreign Affairs (e.g. for China and the Netherlands) and institutions with SD cooperation activities (e.g. British Council in the U.K., InWent in Germany).

France	Ministère des Affaires Etrangères, Direction Générale de la Coopération Internationale et du Développement (MAE-DGCID)	www.diplomatie.gouv.fr
France	Agence Française de Développement (AFD)	www.afd.fr
Germany	Federal Ministry for Economic Cooperation and Development (BMZ)	www.bmz.de
Germany	Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)	www.gtz.org
Germany	Capacity-Building International (Inwent)	www.inwent.org
Ireland	Irish Aid	www.irishaid.gov.ie
Italy	Ministry of Foreign Affairs, Directorate General for Development Cooperation	www.esteri.it
Japan	Japan International Cooperation Agency (JICA)	http://www.jica.go.jp/english/index.html
Luxembourg	Lux-Development	www.lux-development.lu
Malaysia	Malaysian Technical Cooperation Programme (MTCP)	http://www.epu.jpm.my/
Netherlands	Ministry of Foreign Affairs (MINBUZA)	www.minbuza.nl
New Zealand	New Zealand International Aid and Development Agency (NZ Aid)	http://www.nzaid.govt.nz/
Norway	Norwegian Agency for Development Cooperation (NORAD)	www.norad.no
Portugal	Portuguese Institute for Development Support (IPAD)	www.ipad.mne.gov.pt/
Singapore	Singapore Cooperation Programme (SCP)	http://app.scp.gov.sg/
South Korea	Korea International Cooperation Agency (KOICA)	http://www.koica.or.kr/english/main.jsp
Spain	Spanish Agency for International Cooperation (ASCI)	www.aeci.es
Sweden	Swedish International Development Agency (SIDA)	www.sida.se
Switzerland	Swiss Development Cooperation (SDC)	www.deza.ch
Taiwan	Taiwan International Cooperation and Development Fund (ICDF)	http://www.icdf.org.tw/English/index.asp
Thailand	Thailand International Cooperation Agency (TICA)	http://www.tica.thaigov.net/tica/index.jsp?sid=1&id=1&pid=1
U.K	Department for International Development (DFID)	www.dfid.gov.uk
U.K	British Council	www.britishcouncil.org
U.S.A	U.S Agency for International Development (USAID)	www.usaid.gov

For each agency, we have sought to define:

- What are the objectives of skills development activities (poverty alleviation, economic and social development, good governance, knowledge society...), and

- Which approach to skills development is promoted? What kinds of activities are undertaken? What are the target groups? What role is given to the State and the private sector? It would have also been of interest to include the budget attributed by each agency to skills development but, unfortunately, this proved to be impossible due to the fact that skills development is a multi-sectoral issue. Most of the time, training activities are not specific projects but part of larger development projects.

A summary table of the findings is given in Annexe 1. The agencies have been grouped together in three categories, namely multilateral agencies, Asian bilateral agencies and other bilateral agencies. The data – projects and strategy papers in particular – were gathered through the agencies' websites. Nevertheless, it is worth noting that the data are unevenly available on the websites and that, in some cases the information was available neither in English nor in French. This explains some gaps in the table. Furthermore, our analysis is based on agencies' discourses, as expressed by the available documentation; practices on the ground may differ.

Conceptually, three patterns of SD can be identified: 1) a "development" pattern, 2) a "poverty reduction" pattern, and 3) a "governance" pattern. While this three-fold differentiation simplifies reality somewhat, it does, nevertheless provide a useful tool with which to examine policies. This being said, there is a trend towards mixing or blurring of these patterns.

1. The "development" pattern

*"Training a technical workforce for knowledge-based development."*² KOICA (Korea)'s statement illustrates best this approach of skills development. SD is considered as the cornerstone of economic and social development. Institution building and workforce development are priorities. Asian bilateral agencies (KOICA, SCP Singapore, ICDF Taiwan, JICA Japan, MTCP Malaysia, TICA Thailand) favour this perspective and actively support "human resources development". For instance, it is the main component of KOICA's and the SCP's co-operation activities.

The scope of education and training is wide. Numerous training programmes are organized for government officials, researchers and technical staff, in the donor or in the beneficiary country. This training constitutes an element of specific projects or of wider programmes, e.g. "Rural Development and Saemaul Undong³ for Vietnamese Officials" (KOICA), "Nuclear Power Policy Technology & Management Capacity Building for Indonesia" (KOICA), "Economic Development Policy for Development for Philippine Officials" (KOICA), Training of technicians in "Northern Thailand Horticulture and Forestry Development Project" (ICDF), administrative capacity-building in the Philippines and Indonesia (JICA), skills training to Cambodian war veterans (MTCP). The Asian Development Bank (ADB) also conducts or finances several capacity-building projects in the six countries selected for this study.

² http://www.koica.go.kr/wems/wm_fm_view.jsp?intMenuCode=941 (November 2006)

³ « New Village Movement »

Taking advantage of their representation as “miracle countries”, Korea, Singapore, Taiwan, and Thailand actively promote their knowledge-driven approach to development and the diffusion of their experience through training and expertise. Study tours to Korean and Singaporean enterprises are, for example, a component of training activities. KOICA initiates a training course in “Development Cooperation Management” for programme officers in TICA and dispatches volunteers throughout South-Eastern Asia, mainly to teach Korean.

Technical and Vocational Education and Training (TVET) and Higher Education are also a component of SD for economic and social development. JICA and KOICA are supporting the formal education and training system through financing and building institutions, training of trainers, expertise, and fellowships. For example, KOICA conducts various training programmes in Korea for vocational training instructors from Vietnam, Cambodia, Laos, Indonesia and Thailand, offers a course on vocational training curriculum planning in Laos, and supports the participation of a Vietnamese trainee to a master’s degree programme in S&T in Korea. Smaller agencies, such as ICDF and MTCP, offer fellowships for post-graduate studies in their country. TICA and MTCP seek to develop regional centres of excellence. Alumni networks are set up.

Apart from ICDF, Asian agencies make particular reference to regional cooperation and development in the framework of ASEAN (Association of Southeast Asian Nations). JICA, KOICA and SCP’s co-operation activities aim at narrowing the development gap in South-East Asia, and thus target the latest ASEAN members (Vietnam, Cambodia, Lao PDR). According to this view, SCP has set up training centres in these countries and courses in English, Negotiation Skills, Trade and Economic Development are offered to officials. MTCP argues for the development of south-south cooperation for a “win-win” partnership.

Developing friendly relationships between neighbours is emphasized by Asian agencies. For example, China’s “Plan of action to implement the joint declaration on ASEAN-China strategic partnership for peace and prosperity” (2004)⁴ underlines the objective of regional peace building and draws up a list of activities in human resources development cooperation in the fields of financial sectors, agriculture, transport, ICT, public health and tourism.

Along with this geopolitical agenda, the discourse on the knowledge economy seems to be growing and to be revitalising the "development" pattern. More precisely, “economic and social development” is being replaced in some cases by “growth and competitiveness”. Training in ICT to reduce the digital divide, and SD for private sector development are given greater importance. Within the Asian agencies, JICA is the closest to the international discourse on knowledge-based economy and the need for competitiveness in the era of globalisation. For example, it supports SD for private sector development in Indonesia, Vietnam and the Philippines.

Generally, multilateral and non-Asian bilateral agencies also refer to skills for the development of globally competitive workforce, e.g. ADB, the World Bank, ILO, SDC

⁴ <http://fmprc.gov.cn/eng/wjb/zjzg/vzs/dqzzywt/t175815.htm> (November 2006)

(Switzerland). For instance, ILO's "Regional Skills and Employability Programme" in Asia-Pacific constitutes a major initiative for SD in a context of globalisation and includes a range of activities, from training courses to knowledge sharing. The German development cooperation (BMZ-GTZ) seems to be a good example of the "development / knowledge economy" pattern of SD. It states that higher education is decisive for the knowledge economy, beyond social and economic development, and supports the training of experts in development-related fields of study. Whereas general education is said to contribute to social development, vocational training aims at economic development and increased competitiveness. The German development cooperation contributes to the reform of vocational training in Indonesia and supports vocational training to strengthen the market system in Vietnam. It delivers training for health professionals in Cambodia and for local governments officials in Indonesia. The German organisation InWent (Capacity Building International) works with BMZ-GTZ to offer training programmes to participants from the six countries of study, e.g. in social security, financial systems development, trade, diplomacy.

Last but not least, within the "development" pattern, environmental issues are acknowledged by a few agencies. Aiming at "sustainable development", several training programmes in natural resources management are implemented: e.g. Training courses in Marine Environment (KOICA), in Integrated Coastal Zone Management (German Cooperation / InWent), and Natural Resources Management Programme in the Philippines (GTZ).

2. The "poverty reduction" pattern

The summary table shows that almost all agencies make reference to poverty alleviation. In general, multilateral agencies are the main promoters of SD for poverty reduction and the fight against exclusion. It is interesting to note that some agencies – DGCID-AFD (France), DGCD (Belgium) – lay stress on the issue of growing inequalities. The countries that do not stick to the global agenda of poverty reduction in their cooperation activities are Singapore, Thailand and China.

The objective of poverty reduction is usually related to the MDGs. As a result, basic education (primary education in particular) is given priority and gender issues are taken into consideration. The case of NZAID (New-Zealand) is a good example: No mention of economic and social development is made on its website. Since 2000, there has been a shift in NZAID's priority, from higher education to basic education. AusAID (Australia) and ASCI (Spain) also consider basic education as a priority. Within this scheme, SD is part of Education For All (EFA). For instance, UNESCO promotes the integration of SD in EFA.

Training activities target disadvantaged groups (e.g. rural communities, women, unemployed youth, minorities, children with disabilities), and various skills development activities, with a link to poverty, are promoted:

- UNICEF focuses on life skills based-education and on capacity-building in the fields of health, education and child rights: In Vietnam (rural and ethnic minority areas) and in eastern Indonesia, training activities for health community workers are carried

out. In Lao PDR, capacity-building in the area of early childhood takes place at community level. In the Philippines, a priority objective is to develop the national and local governments' capacities in basic services management.

- Vocational skills training: For example, UNESCO's project "Technology-based training for marginalized girls" in Cambodia and Indonesia.
- Some agencies focus on rural development and undertake specific training programmes in husbandry, agriculture and forestry.⁵ For instance, SDC's programme "Laos Extension for Agriculture Project" and the Ministry of Foreign Affairs of Finland's training of Vietnamese farmers for rural development aim at reducing farmers' poverty.
- Many training programmes linked to the objective of poverty reduction deal with (formal and/or informal) private sector development. Indeed, most agencies refer to the development of small and medium enterprises (SMEs) and of self-employment for poverty alleviation⁶. For instance, the World Bank has initiated an important programme "to reduce poverty through sustainable private sector development"⁷ in the Mekong region (Vietnam, Lao PDR and Cambodia). Funded by several donors,⁸ this programme focuses on three sectors – namely tourism, agribusiness and garments – and comprises training in entrepreneurship and management. However, this program doesn't seem to specifically target disadvantaged groups. Rather, it aims first at economic development. This issue - the crossing of different patterns in some agencies' discourses and practices of SD – will be returned to in the forth section of this background paper. Other agencies have capacity-building activities in management and entrepreneurship with a poverty reduction focus, for example: AusAID's Training in Business Skills to develop community based enterprises in rural areas in Indonesia and in the Philippines, the ILO's TREE project in the Philippines, that aims to expand "economic opportunity and income security through workforce education, skills training, employment creation and local development", and the ILO's project "Alleviating Poverty through Peer Training – Women and Disability" in Cambodia. In Vietnam, CIDA (Canada)'s support programme to vocational training community centres aims at reducing poverty through private sector development and an increased participation of ethnic minorities to the training system. In Cambodia, EuropeAid gives attention to the development of SMEs in order to improve rural livelihoods. All these agencies usually share the same principles of demand-driven training and private sector participation in skills development.

⁵ Asian agencies (JICA, KOICA, TICA, ICDF, Chinese Co-operation) also have training programs linked to the primary sector but with a broader development objective, as it was mentioned before. However, there seem to be a growing reference to poverty reduction among Asian agencies such as JICA and MTCP.

⁶ MTCP, KOICA and JICA also highly value training programs for SMEs development although the objective is growth and competitiveness, rather than poverty reduction.

⁷ World Bank Group - International Finance Corporation (IFC), « Mekong Private Sector Development Facility » www.ifc.org/ifcext/mekongpsdf.nsf/Content/About_Us (November 2006)

⁸ ADB, Australia, Canada, Finland, Ireland, Japan, New Zealand, the Netherlands, Norway, Sweden, Switzerland, the UK and the World Bank-IFC.

3. The "governance" pattern

For some agencies, governance is a transversal issue. Building capacities for “good governance” is necessary both for poverty reduction or economic development. Yet it could be considered as a pattern in itself, as one can observe characteristic target groups and fields of training. Democratic institutions, corruption, human rights, decentralisation, peace building and security (e.g. the fight against terrorism) are all topics related to the "governance" pattern. Capacity-building activities target decision-makers, administrative staff and civil society. For example, decentralisation support programmes usually comprise training courses for local administrative staff and communities’ representatives. Taking into account civil society and specific topics such as human rights makes this approach quite different from Asian agencies’ approach, as covered in the first part of this paper.

Moreover, in addition to poverty reduction, governance is a priority issue for agencies such as USAID, DFID (the U.K), UNDP, and EuropeAid. In Cambodia, DFID’s Country Assistance Plan (2005) stipulates that ADB, DFID, UN and World Bank are collaborating to build the capabilities of government and civil society, which are said to be critical for development and poverty reduction. USAID’s strategy in Asia considers that "inadequate economic opportunity, the lack of education and skills training, and poor prospects for long-term health and prosperity reinforce intolerance and extremism and provide fertile ground for local and regional unrest."⁹ At the same time, political stability and democratic governance are considered as a prerequisite for development and poverty alleviation. In Cambodia, in the Philippines and in Indonesia, several SD activities aim at developing local government capacities and civil society activities. Training for judges, lawyers and prosecutors is also undertaken.

4. A tendency towards mixing patterns

Although some agencies lay stress on a particular objective of skills development, almost all agencies – e.g EuropeAid, SDC, CIDA, MINBUZA (Netherlands) and DGCD-CTB – make references to several objectives: poverty reduction, sustainable development, good governance, knowledge for development, and gender equality. The objective of “pro-poor growth” (or “pro-poor economic development”) is a good illustration of how growth and poverty reduction are combined (e.g. EuropeAid). The former is considered as the means to alleviate poverty (sustained economic growth is regarded as an essential, if insufficient in itself, precondition for sustained poverty reduction).

Large agencies in particular have several kinds of training activities, related to different objectives: for example, in Vietnam, AusAID has capacity-building activities for rural development, effective governance and trade analysis. Some agencies, such as the World Bank, set apart SD for poverty reduction (e.g. training courses in health, handicraft, water resources management, etc, implemented through wider development programmes) from SD through TVET, secondary and tertiary education, Science & Technology (S&T) education, for the knowledge economy. SDC also combines SD for poverty reduction and for

⁹ http://www.usaid.gov/locations/asia_near_east/

competitiveness. DFID's strategy in Asia is "Promoting Growth, Ending Poverty". In Vietnam, the main objective is poverty reduction with a focus on education whereas in Cambodia, formal education and training are overlooked compared to capacity-building for governance. Hence, skills development strategies vary also according to the beneficiary country.

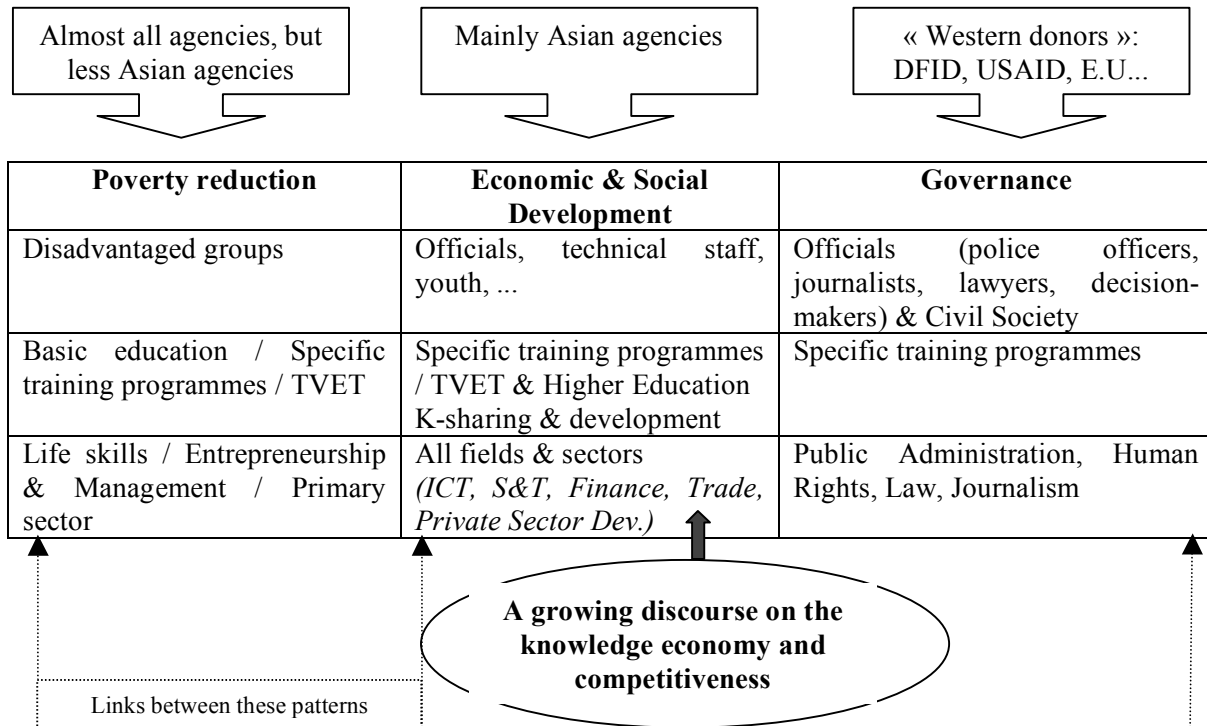
The use of buzzwords such as poverty reduction, good governance, etc may be convenient to indicate commitment to international discourses. However, several of each country's interests, visions, capacities and specificities are reflected in its co-operation policies and practices. For instance, in the role given to the State: e.g. for NZAID and DGCID-AFD, the State is seen as the main provider of education and training and is, therefore, the key beneficiary of capacity-building activities. The French Co-operation gives greater importance to the training of the elite: hence SD targets mainly high-level officials and future-decision makers (for example, in Cambodia) and support is given to fields of excellence using French as a medium of instruction. By contrast, the Ministry of Foreign Affairs in Finland seem to favour support to civil society. In general, other agencies find a balance between support to the State, the private sector and civil society.

The conception of agencies' role in knowledge-sharing and skills development follows two trends: Some agencies – i.e. KOICA, SCP, BMZ-GTZ, DFID, DGCID-AFD – regard it as a transfer of experience through expertise, policy guidance, diffusion of their model of development, while others – i.e. UNESCO, FAO, JICA, SIDA (Sweden) – look upon it as a support to the use of endogenous knowledge and skills, towards self-help.

Finally, we can observe that in Thailand and Indonesia, agencies have concentrated their cooperation activities in tsunami-affected areas. Examples of SD for the reconstruction are GTZ's project of rehabilitation and modernisation of vocational training in Aceh and ILO-CIDA's training programme in entrepreneurship for youth in Indonesian tsunami-affected areas.

Concluding remarks

The table below gives an outline of the three approaches to skills development identified in this study:



Whereas Asian agencies target economic development rather than poverty reduction, and thus emphasize the training of a technical workforce and of officials, the majority of agencies mix two or three approaches of SD, according to their commitment to global trends but according also to their own convictions. Governance issues seem to be a growing trend but there is a need for a better analysis of how the governance approach of SD differs from the classical approach of institution building, as promoted for example by Asian agencies.

Overall, there is a consensus on the importance given to SD for private sector development, whether it serves growth & competitiveness or / and poverty alleviation. Is the influence of the knowledge-economy discourse growing and is the objective of poverty reduction being gradually replaced by the objective of growth and competitiveness? How can these objectives be combined, especially in SD activities?

Finally, the emergence of countries that are both recipients and donors (e.g. Thailand) challenges traditional conceptions and practices of aid. To what extent does the “win-win partnership” approach of development cooperation promoted by Asian countries offer a new path for international cooperation? How could this approach be developed in other regions of the world, particularly in the field of SD? And what kind of balance can be expected between transfer of experience and support to the use of endogenous knowledge and skills?