

**Skills Development Policies and International Co-operation in that field
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**Case Study on Donor Activities in the field of
Skills Development in Lao PDR**

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Abbreviations

ACCU	Asia Pacific Cultural Centre for UNESCO
ACDI	Association des Collèges Communautaires du Canada
ADB	Asian Development Bank
AF	Asean Foundation
AFTA	Asean Free Trade Area
APHEDA	Australian People for Health, Education and Development
ASEAN	Association of South East Asean Nation
AUSAID	Australian AID
BAFIS	Employment-Oriented Basic and Further Training
CIDA	Canadian International Development Agency
CIDSE	Coopération Internationale pour le Développement et la Solidarité
CLC	Community Learning Center
CODI	Community Organization Development Institute
CWS	Church World Service
DAFEO	District Agriculture and Forestry Extension Office
DANIDA	Danish International Development Agency
DED	Deutsche Entwicklung Dienst
EFA	Education for All
EFANPA	Education For All National Plan of Action
ESF	Ecoles Sans Frontières
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
FIAM	Foundation Integrated Agriculture Management
GAPE	Global Association for People and the Environment
GDP	Gross Domestic Product
GTZ	German Technical Cooperation
GPARLS	Governance and Public Administration Reform and Livelihood Strengthening Programme
ICSA	International Christelijk Strunfonds Asia
IFAD	International Fund for Agriculture Development
IIEP	International Institute for Educational Planning
ILO-IPEC	International Labour Organization-International Programme for the Elimination of Child Labour
IPPF	International Planned Parenthood Federation
IVJ	Association Volunteers of Japan
JICA	Japan International Cooperation Agency
KOICA	Korea
Lao PDR	Lao People's Democratic Republic
LEA	Lao Extension Approach
LDC	Least Developed Country
LRYO	Lao Revolutionary Youth's Organization
LWU	Lao Women's Union
MDG	Millennium Development Goal
MOE	Ministry of Education

NME	New Mechanism Economic
NTC	National Training Council
NGPES	National Growth and Poverty Eradication Strategy
NFE	Non-Formal Education
NFEDC	Non-Formal Education Development Center
NCCV	National Chamber of Commerce Versailles
NME	New Mechanism Economic
NTC	National Training Council
NGOs	Non-Government's Organization
NSEDP	National Socio-Economic Development Plan
NAFES	National Agriculture Forestry Extension Service
OIF	Organization Internationale de la Francophonie
PM	Prime Minister
PRF	Poverty Reduction Fund
SDC	Swiss Agency for Development and Cooperation
SEAMEO	South East Asia Minister of Education Association
SODI	Solidarity International service
SUNV	Joint Programme between SNV and United Nations Volunteers
TICW	Trafficking in Children and Women
TVET	Technical and Vocational Education and Training
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNIDO	United Nations Industrial Development Organization
UNICEF	United Nations Children's Fund
UNFPA	United Nation Fund Population assistant
UNIFEM	United Nation Development Fund for Women
VEDC	Vocational Education Development Center
WB	World Bank

Abstract

The case study attempts to illustrate donor activities in the field of Skills Development in Lao PDR and how these activities interact with national policies in this field.

The study was carried out through the guidelines of the Institut Universitaire d'Etudes du Développement. The methods used in the study included a review of policy documents, interviews with some policy makers from the sectors concerned, analysis of the skills development policies, the policies of the donors in the skills development activities and the interaction between national skills development policies and the donor activities in that field.

This report is comprised of three main parts: (I) the scope of the Case Study; (II) the Case study itself; and (III) the lessons learned.

The case study attempts to give an overview of the context of demographic and socio-economic development, human resource development and international cooperation, and to analyze the trends in national skills development policies, the donors activities in skills development and the interactions between national skills development policies and donor activities in that field. The lessons learned and experiences concerning skills development have been drawn from the EFA skills development project conducted in 2003 with the collaboration of the UNESCO/IIEP and different projects on skills and vocational training under the aegis of different donors. The author tries to limit the case study by referring to the concept of 'skills' and 'skills development' as used by most international organizations, even though the concept of skills arrangement in Lao PDR has been classified as practical skills, basic skills, semi-skilled level, skilled level, technician level, higher diploma and professionals. The author tries to highlight the process of skills arrangement in order to gain better insights into the involvement of key stakeholders and the share of responsibilities on skills recognition between national and international actors.

It is noted that skills development policies are interlinked with policies in other sectors in the national growth and poverty eradication strategy, the strategic vision of education until 2020, the national plan for EFA and the MDGs. The main national actors in skills development are the Ministries of Education, Labour and Social Welfare, Agriculture, the Lao Women's Union and Youths' Union. International actors play an important role in skills development activities. There are efforts to organize the government and donor sector working group in order to establish an adequate joint working mechanism and effective aid coordination. As a result an information system is needed in order to avoid duplication of aid to skills development.

I. Scope of the Case Study

1. Introduction

The case study attempts to: give an overview of the demographic and socio-economic development and human resource development in Lao PDR; outline the new perspectives of technical and vocational education and training (TVET) and skills development for national socio-economic development; and, analyze donor activities in skills development by reviewing the existing national skills development policies.

Who are the main national and international actors? And are the national skills development policies interlinked with the donor policies?

Skills development has been differently defined by the national and international actors and there is not yet a common understanding of the term which leads to the fragmentation of the system of governance. Through the implication of skills development in the national growth and poverty eradication strategy and the integration of skills development in EFA, many donors have contributed to support human resource development, strengthen capacity and support the skills training needs of different sectors. However, it is difficult to quantify in monetary terms, the amount of money allocated to skills development in Lao PDR. This study does, however, provide some information on foreign aid, including Official Development Assistance by sector in which capacity building is integral to all sectors.

The Decree on the Development of Vocational Education promulgated in 1998 serves as guidelines for the training providers to implement TVET, including skills training. Accordingly the skills range from the basic skills to professional skills and are classified into four levels: (i) basic skills level, (ii) semi skills level, (iii) skilled worker level and (iv) technician level. Skills training is delivered through formal, non-formal and informal approaches. Since there is no clear definition on the terms of skills and skills development, responsibilities have been shared by many stakeholders. Skills training has been provided by different agencies, both public and private, with the objective of training the labour force for society. The concept of skills development has been understood as applicable to the labour sector as skills development policy has been issued by the Ministry of Labour. On the other hand skills development has been integrated into the National Action Plan for EFA which is under the responsibility of all stakeholders to ensure that the learning needs of young people and adults, and especially the disadvantaged groups, are met through equitable access to appropriate learning and life-skills programmes which are targeted at disadvantaged groups.

The interaction of national and international actors, including donors, takes place under the framework of the National Growth and Poverty Eradication Strategy, the National Plan of Action for EFA, the Strategic Vision of Education, the MDGs and the policies of the donors itself to help the least developed countries.

2. Limitations of the study

The case study was carried out by using the following process:

Reviewing policy documents concerning TVET and Skills Development towards national socio-economic development and analyzing data on skills and vocational training.

Analyzing the trends in national skills development policies, donors' activities in skills development and interactions between national skills development policies and donors activities in that field through the evaluations of different projects involved in skills development.

Interviewing the main national actors concerned with skills development policies, such as the Department of Labour, Department of Non-Formal Education, the Department of Planning and International Cooperation and some donors. Lessons learned have been drawn from the implementation of different projects at the macro and meso level.

The time devoted to the case study is quite limited and the gathering of some data and information on skills development is not wholly reliable due to the lack of monitoring, systematic and regular reporting of project implementation and the lack of management of an information system, especially on skills development activities.

3. Definitions of the terms Technical and Vocational Education and Training and Skills Development

'Skills' has been defined by the European Training Foundation (ETF) as the expertise needed to perform a task or to do a job, or as the product of education, training and experience which, together with relevant knowledge is the characteristic of a competent worker. And the International Labour Organization (ILO) stated that skills development for workers is fundamental to continuing employment and mobility, as well as promoting active citizenship, reducing the skills gap, and developing quality jobs. More broadly speaking, skills development is the key to improving competitiveness of enterprises, employability and the alleviation of poverty. At the heart of the drive for skills development, however, should be the recognition of the right of individuals to decent work.

As mentioned earlier there is no clear definition on the terms of skills development in Lao PDR. Skills and skills development have been differently interpreted by national actors and international actors. The skills have been integrated in the TVET system which ranges from basic skills to professional skills and is needed as well to perform a task or to do a job. For international actors the concept of TVET and skills development are as follows:

- Technical and Vocational Education and Training (TVET) – What is it?
 - (a) an integral part of general education;
 - (b) a means of preparing for occupational fields;
 - (c) an aspect of lifelong learning and a preparation for responsible citizenship;
 - (d) an instrument for promoting environmentally sound sustainable development;
 - (e) a method of facilitating poverty reduction.

- TVET- What is it?
 - Diverse, broad and not only work related;
 - Individual development and employment;
 - Ranges from basic skills to professional skills.

TVET programmes also range from basic to professional and can be pre-employment training, upgrade training, re-training for new careers, changing careers and remedial training.

- Skills Development- What is it?
 - The concept of skills development needs to be better differentiated from TVET;
 - Skills development includes formal and non-formal modes of delivery;
 - Scope for co-ordination across ministries at the policy level and providers at the implementation level.

In the context of Lao, skills could be generalized as expertise which could be professional skills, lifeskills, soft skills, generic skills and technical skills which are needed in all socio-economic sectors. Skills training is organized with different approaches linked with skills development in enterprise, the village development fund and combines income generation with the objectives of obtaining skills for decent work and poverty reduction. The approaches used by the national actors and international actors in skills development were different depending on target groups.

II. The Case Study

1. Overview

- **Demographic and Socio-Economic Development Context**

Lao PDR has a very ethnically diverse population. The majority of the population (66.2 percent) belongs to the Lao-Tai ethno-linguistic group. There are 49 recognized ethnic groups, categorized into four main ethno-linguistic groups: Tai-Kadai (eight ethnic groups), Mon Khmer (32 ethnic groups), Sino-Tibetan (seven ethnic groups) and Hmong-Yu Mien (two ethnic groups).

The cultural diversity of Lao PDR is seen as part of the richness of the society. However, many people live below the poverty line and there are major development challenges. Geographically, Lao PDR has no direct access to the sea and the population is scattered along the banks of rivers and across plains. The mountainous conditions along with one of the lowest population densities in Asia make it difficult for social services, including education, to reach a significant part of the population.

The Goal of the Government of Lao PDR is to “graduate” from the status of Least Developed Country (LDC) by the year 2020, through two broad strategies: high

economic growth with equity and universal access to social services and markets, particularly in rural areas. A major part of this strategy entails regional economic development, infrastructure development and implementing the country's decentralization policy.

Since the introduction of the New Economic Mechanism (NME) in 1986 in Lao PDR, the industrial and service sectors have experienced high growth levels. In the past five years the structure of the agricultural economy continued to evolve positively, but its share in GDP declined continuously. Economic restructuring has been more concentrated on production capacities, quality and efficiency, which contributes to economic growth and meets the requirements for international integration. The share of agriculture in GDP decreased from 51.9 percent in 2000 to 45.4 percent in 2005 (as compared to the Plan's target of 47 percent). The share of industry and construction sectors increased continuously from 22.4 percent in 2000 to 28.2 percent in 2005 (against the Plan's target of 26 percent). The share of services increased from 25.7 percent in 2000 to 26.4 percent in 2005 (versus the Plan's target of 27 percent).

The manufacturing industries have developed in line with the potential of each sector and product by strengthening linkages between production and markets. The share of processing industries in the sector-wide incremental value gradually increased. The processing industries initially exploited the potentials in raw materials in domestic production to increase the value added to exports. The structures of services sectors developed positively towards the direction of better meeting the increasingly diversified needs in manufacturing, businesses and living conditions. Some service sectors, such as trade, transport, telecommunications, tourism, hotels and restaurants have recently been developing quite strongly. More specifically, a number of services showed a high value added ratio to production costs, such as banking and insurance, with initial growth contributing to increased value added in the services sector and the proportion of these sectors in the economy.¹

The economic structure developed and changed in the state sector, whilst the potentials of the private sector were strengthened in each of the economic sectors. The shares of the domestic private sector and Foreign Direct Investment (FDI) in the economy have increased. In particular, FDI has facilitated the production of new products and enlarged the markets, including through entry into new markets which also promotes new employment opportunities in the labour market. Thus, the private sector has become increasingly important in the economy of the Lao PDR.

During the five-year period 2001-2005, the Lao economy maintained rapid and sustained expansion with GDP growing annually at about 6.24 percent. The GDP per capita in 2006 was 490 US\$.

In 2005, export revenues reached approximately USD 456 million (against a target of USD 500 million) of which agriculture and forestry exports represented 10.2 percent, heavy industry (electricity, electronic, machinery, etc.) and minerals covered 42.8

¹ National Socio-Economic Development Plan (2006-2010), Vientiane, October 2006

percent, with light industry and handicraft products accounting for the rest (47 percent). The exports accounted for 1.5 percent of GDP. The average value of exports per capita was USD 86.7 in 2005; it remains far lower than that in other countries in the region. The value of imports per capita in 2005 was about USD 122.30. The composition of imports has changed in accordance with the capacity and requirements of the economy. More importantly, the proportion of rice and food products in imports declined significantly from 32.6 percent in 2000 to 9.9 percent in 2002 and approximately 4 percent in 2003. By 2005, the value of imports was approximately USD 595 million, with equipment, machinery and parts making up 39.2 percent; raw materials and fuel 47 percent; and consumption goods 13.8 percent. By 2005, imports accounted for 1.9 percent of GDP.²

The top priorities of the government are to improve social conditions and enhance income generation in rural economy. Rural development is considered key to the eradication of mass poverty and to sustainable improvements in social well being. Poverty eradication is central to the government's policies and strategies for national development.

Lao PDR is in the process on implementing the Ten Year Socio-Economic Development Strategy (2001-2010) approved by the 7th Party Congress (2001) and the directions set in the resolutions approved by the 8th Party Congress (2006). The overall directions for the Sixth National Socio-Economic Development Plan (2006-2010) include transforming the multi-sectoral economy from uneven performance to fast and stable development within the market mechanism guided by the State. The long term development goal is for the country to leave the category of Least Developed Country by 2020. It will require the mobilization for internal resources to take advantage of the opportunities. The main focus areas are: promoting economic development, with human resource as a vehicle; increasing competitiveness and utilizing comparative advantages to implement effectively international economic commitments, including WTO; and strengthening the positive linkages between economic growth and social development, in addressing social issues such as poverty and other social evils, and maintaining a stable socio-political situation. The indicators and targets for the Plan coincide with most of those for the MDGs and the Brussels Programme of Action for the Least Developed Countries (2001-2010).

The period for 2006-2010 is the time for building the foundation and preparedness for development in the next stage in the Lao PDR. Therefore, the country has to do its utmost to ensure nationwide stability, create an enabling environment for sustained economic growth – which should reach at least 7.5 percent annually - through extensive and focused development of agriculture and forestry in conjunction with industry and services. The country also has to build a proportionate and modern economic structure and enhance potentials of all economic sectors and external economic cooperation.

All the sectors will implement 11 programmes, which includes 111 projects approved by the Party and Government of Lao PDR as well as the tasks and guidelines set as

² National Socio-Economic Development Plan (2006-2010), Vientiane, October 2006

directions for socio-economic development. It is to be noted that many projects relate to the capacity building of staff in the sector concerned; this is crucial and also a challenge for human resource development to meet the needs of socio-economic development.

Various measures will be implemented to upgrade the quality and productivity of the labour force. By 2010, approximately 3,366,000 people need to be able to have access to employment opportunities. It is expected that in the period 2006-2010, the number of people who need employment (new entrants) will be 1,217 million and that new employment opportunities will be able to meet the demand of 625,200 people. The sectoral share of employment of agriculture and forestry sector will drop to 73.9 percent in 2010, while that of industry and handicrafts sector will increase to 9.3 percent and of service sector to 16 percent. The unemployment rate will reduce to 3 percent by 2010. The focus will be on providing additional employment and developing human resources, particularly developing professional skills for the industry sector. The export of labour will be supported, with a target of about 5000 workers working overseas each year. A policy on the use of foreign labour will be formulated to attract people with professional skills that are not available in the Lao PDR.

- **Human Resource Development**

The Government of Lao PDR recognizes the human being is the decisive development factor and is seen as the priority development target. The country has to continue to accelerate and intensify the capacity of human resource development aimed at educating the Lao people to become good citizens, educated, knowledgeable and proficient as well as creative and enthusiastic about national and self development. They should also be healthy and possess a pure attitude in order to respond to the development needs.

In this connection the human resource should be developed in line with the development strategies and the economic structure of the country as well as the demand for the integration with the world. As such all the sectors concerned need to enhance capacity building within the country, focusing the investment on the expansion of vocational school networks to all provinces and some districts in order provide training to the workforce, experts, services providers, technicians, supervisors, managing directors and others. In parallel there is a need to send those people to study, to work, to take part in study tours and training overseas, along with the mobilization of the financial assistance from friendly countries.³

It is to be noted that in the programme on human resource and social-cultural development, 4 projects related to the education sector were prioritized: (1) Project of the expansion of vocational schools and vocational training centers to every province throughout the country; (2) Project of solving teacher's problems and upgrading the competencies of educational administrators; (3) Project of national education system reform; and (4) Project of quality improvement and increasing access to education.

³ Speech of Prime Minister Bouasone BOUPHAVAN of Lao PDR to the National Conference of Education Administration , Savannakhet Province 17-21 July 2006

As a result, education will continue to be a focal task for human resource development. There is a need to increase the public investment including the provision of policies and mobilization of greater public contribution to the educational development; promptly carry out the reform of the national education system in order to raise its quality and standard; implement the equitable access programme, quality and relevance programme and administration and management programme, inter-alia, educational and vocational schools, universities including formal and non-formal education and private schools in a synergetic manner so as to execute the education plan for all, thus ensuring the successful expansion of compulsory education. At the same time, there is a need to develop the capacity of scientific research with the establishment of the natural and social scientific research institutions, select and utilize the successful results of the research to better serve the socio-economic development of the country.

The national development has to firmly be in line with human resource development and vice-versa. In this connection, the education and the human resource development have to serve this goal.

Therefore, all educational officials and educational administrators have to grasp the essence of the “Eighth Resolutions” of the party on human resource development which said: “Accelerate and enhance the capacity in human resource development aiming at making Lao People be good citizens, educated, knowledgeable, skillful, creative and enthusiastic in the national development as well as self-development, good health and high morale in order to respond to the real needs of development... We have to enhance human resource development in accordance with development strategies and national economic structures as well as the requirement of internationalism”.

Geographical and cultural constraints often limit the access of ethnic groups to both education and health services. The development of the education, training and qualification system in terms of quality, efficiency, access and equity is to be done within this context. High demographic growth, ethnic cultural and linguistic diversity; scattered habitats, economic and financial constraints and low institutional capacity constitute a big challenge of the country.

- **International Cooperation**

International cooperation is an important contributing factor to socio-economic development. The Official Development Assistance through bilateral and multilateral cooperation in the form of grants and loans plays an important role in relation to both the overall public expenditure and public investment projects which contributes to develop economic infrastructure such as: electricity, bridges, roads, water, food consumption, construction and urbanization, human resource development, institutional capacity building, the macro socio-economic environment, financing, banking and the improvement of the regulatory environment for foreign direct investment. The contribution of foreign aid and loans in the implementation of the national socio-economic development plan in all economic sectors - such agriculture, industry-handicraft, services, social development (education, health, labour, information and culture), financing, banking and rural development – is important.

The Lao economy relies significantly on Official Development Assistance (ODA). The disbursements of ODA by sector during 2004\05 is outlined in Table 1., with the sectors listed in declining order of their respective shares of the total. It is to be noted that capacity building, including skills training, is connected more or less to the sector development programme but it is difficult to quantify the costs of skills development activities implemented nationwide. Moreover, there has been no systematic reporting on the cost of each project activities related to skills training.

Table 1. Total ODA Disbursements by Sector, 2004\05

SECTOR	US \$ Million	%
Development Administration	56.91	15
Transport	55.99	15
Education & Human Resource Development	52.76	14
Area & Rural Development	43.52	12
Social Development	37.31	10
Health	33.72	9
Agriculture (incl. Irrigation) & Forestry	29.28	8
Energy	22.02	6
Communications	15.61	4
Disaster Preparedness	9.42	3
Economic Management	9.17	2
Natural Resources	4.42	1
Domestic Trade	0.96	0
Industry	0.23	0
Total	371.32	100

Source: Monitoring and Operation Division, DIC, Ministry of Foreign Affairs

From 2001-2005, the Lao PDR has received 585 Foreign Direct Investment Projects with a total committed capital of USD 2.8 billion. But only USD 1.07 billion worth of funds were disbursed during the period. The agriculture sector received 14 percent of the total number of projects accounting for 7 percent of the total investment capital; the industry and construction received 48 percent of the projects and 79 percent of the investment capital; and the services sector received 38 percent of the projects and 14 percent of the investment capital.

Overall, FDI has made a positive contribution to the manufacture of goods, economic growth and the restructuring of the economy. It also helped to develop the private sector. These achievements were attributed to the incentives provided by the Government and other measures, such as the decentralization of foreign investment licensing. From 2005 onwards, provinces have been delegated by the authorities to license foreign investment projects valued up to USD 2 million. This has led to significant increases in FDI compared to the start of the National Socio-Economic Development Plan. Annual forums with investors and businesses were organized to discuss constraints and explore solutions. At the same time, employment and capacity building has been promoted and the infrastructure has been improved rapidly, providing better facilities to attract FDI.

2. New Perspectives of Technical and Vocational Education and Training and Skills Development for National Socio-Economic Development

Based on the actual conditions of the on-going activities of Technical and Vocational Education and Training and the achievements of the last Five year National Socio-Economic Development Plan, a number of lessons have been learned in terms of structural adjustment of economic development. The policy of government emphasized the key development areas such as regional development, rural development, hydro-energy, micro-enterprise development, infrastructure development, tourism, domestic production etc... where there will be an enormous demand for semi-skilled, skilled workers, technicians, professionals for the labour market. Furthermore labour mobility should be promoted due to the commitment to the ASEAN Free Trade Area (AFTA). The Department of Labour reported that until now Lao PDR could send 2,231 workers to work in Thailand, Malaysia and Japan. From 2001 to 2005, about 100,000 people have undergone vocational training, lagging behind the Plan target of 300,000.

A new policy on foreign workers in Laos has been draw up, especially applicable to technical workers in industrial plantations such as rubber, coffee, cashew and a number of industries such as electricity, coal, cement and agro-processing. Statistics suggest that almost 10,000 foreign workers from Vietnam, China and Thailand poured into the country and have contributed to technology transfer in the different projects.

The Fifth National Socio-Economic Development Plan reported that skilled labour is developing slowly compared to the improvements in the economic components in each sector and area. Capacity development of the labour force is characterized by self-improvement, with only occasional opportunities for training, resulting in casual labour. With proper institutional arrangements and training programmes, it would be difficult to achieve the objective of appropriately redistributing the labour force and population to meet the requirements of industrialization and modernization. In addition the skills training could improve the quality of life of the population. The new perspectives of Technical and Vocational Education and Training - including skills development - should be traced by reviewing the existing policies and strategy guidelines, the actors involved in skills development, the evaluation of past activities, trends, the planned desirable outcomes and the development plan of the TVET to meet the new requirements for socio-economic development. The Sixth National Socio-Economic Development Plan Targets (2006-2010) would be a challenge for each sector to achieve, especially the provision of vocational training and skills development. The Department of Labour reported that from 2001 to 2005, only 100,000 people had undergone vocational training, lagging behind the target of 300,000.

3. Trends in National Skills Development Policies

The Policy Framework

The Government of Lao PDR is taking a development approach that guarantees the rights of all of its people, promotes national unity, safeguards the country's social, cultural, economic and political identity; and ensures a progressive transition from an isolated,

subsistence-based rural economy to a production- and service-based economy. Participatory people-centred development is central to Government efforts. Emphasis is on achieving basic food security, preserving natural resources and decentralizing development responsibilities to enable the multi-ethnic population to have access to markets, education and health. “The Government’s top priorities are to improve the social conditions and creation of incomes in rural areas, and to integrate rural areas into the national market economy.” Rural development is considered key to the eradication of mass poverty and to sustainable improvements in social well-being. The national skills development policy is interlinked with the policies of other sectors which could be described as follows:

Technical and Vocational Education and Training and Skills Development Policy

The Strategy Paper on the Development of the Vocational Education System in 1997 underlines basic principles concerning the roles and functions of Vocational Education:

- TVET should meet socio-economic needs in terms of skills requirements for the labour market.
- Education and Training is for all, meaning access and integration of girls, women, rural people, vulnerable groups, disabled persons, and disadvantaged ethnic groups should be emphasized.
- Various types of training should be integrated.
- Learning should be a lifelong process combining vocational education with general education and skills training.
- Training should be orientated towards future occupations.
- Progress should promote the pathways of education and recognition of prior learning.
- Partnerships should be established between training providers from both public and private sector.
- Responsibilities and costs could be shared.

The vision of Vocational Education is to meet the economic and social needs for young people and adults to acquire competencies and to raise performance standards on different levels. Thus the concept of vocational education aims at imparting specialized skills and knowledge, and instilling social and political skills and behaviour patterns essential for successful economic activities by people engaged in industrial employment, small business or subsistence work. In most cases, these comply with the daily environment the general education standards, and the individual capacity of people from rural and urban areas.

The improved Strategy Paper on Technical and Vocational Education and Training (TVET) recalls the principles of EFA, lifelong learning, sustainable development, self-reliance, involvement of civil society, quality training, matching training to the labour market of the country and the region and enabling the Lao labour force to get employment in the free trade zone.

The new vision of the TVET Strategic Plan has been formulated by referring to the education strategic vision up to 2020 of the Ministry of Education taking into account the policy of the national socio-economic development in order to elevate the country from the

Least Developed Countries by the year 2020 and to move towards the industrialization and modernization.

The New Vision of Technical and Vocational Education and Training is to train and develop manpower - in quantity and quality - to contribute to the socio-economic development of the country. The overall objective is to promote the equitable access to technical and vocational education and training, increase the quality and relevance for the sustainable development, improve the administration and management, promote the collaboration with the public and private sector and managing the budget and financing of TVET.

Under the Prime Minister's Decree 35/PMO (4 April 2002), the National Training Council (NTC) was established in 2002 in order to build functional links between the parties concerned with vocational education: the Government, private sector, vocational and technical schools, and donors. The Council functions under the auspices of the Ministry of Education. It is a forum in which government institutions employers, mass organizations (Lao Youths' Revolutionary Organization, Lao Women's Union and Trade Union), and other training providers are to reach consensus on points detailed in the national vocational strategy. To support its function, different Trade Working Groups were established with the mandate to develop training standards and curriculum in response to their needs. In order to get the enterprises involved in the training, the dual training in some disciplines will be implemented as pilot training.

The EFA Skills Development Strategy

The statement of the EFA Goal is to promote skills development for disadvantaged groups. The study on skills development reflects that skills development, together with other support activities (improved technologies, product development, development of market linkages, etc.) is crucial to diversify production, enhance product quality and increase productivity. Interventions should focus on assisting the rural poor to diversify their activities and gradually move out of low-return income generating activities.

For rural areas, the purpose of a skills training programmes is to contribute to the creation of self-employment and the development of livelihood and small enterprises. The Ministry of Education should encourage harmonious collaboration among different key stakeholders to improve the management of finance, information systems, evaluation, staff and productivity. In order to give high priority to efficient and effective management, the Ministry of Education is developing some mechanisms, procedures, incentives and controls to improve technical and vocational institutional management. Community involvement in skills development could be attained through mobile team training. The Ministry strategy is therefore, to concentrate its action on young adults, especially school drop-outs and ethnic groups and women/girls in the poorest districts who are motivated to acquire skills for income generating activities. To implement its strategy, the Ministry of Education will jointly devise the "National Training Policies and Strategies" with the National Training Council to meet the challenges of lifelong learning. Internal management policies would be

related to organizing systems, staffing and managing human resources, setting targets, planning budgets, financing and controlling performance.

The EFA Skills Development Strategy focuses on the following strategic goals:

1. To increase participation of disadvantaged groups in relevant skills development programmes, with particular attention to ethnic groups and poor rural areas;
2. To increase community ownership of skills development activities in rural areas;
3. To develop the management capacity and organizational structures of technical and vocational schools in view of fostering closer linkages with local communities by integrating formal and non-formal training;
4. To improve and develop an effective vocational and rural skills training programme for disadvantaged groups;
5. To improve the physical and material resources of training providers;
6. To develop the human resources for skills development by improving the competence of trainers/facilitators;
7. To consolidate linkages between skills development programmes and poverty reduction;
8. To establish a reliable skills development information system.

It is important to stress that skills development interventions at the village level must be linked and coordinated, as much as possible, with other rural development and the poverty reduction Fund (PRF). Hence there is a strong need for cross-sectoral planning at the central, provincial, district and local community levels.

The National Growth for Poverty Eradication Strategy

The National Growth for Poverty Eradication Strategy is central to the national development agenda and comprises four main sectors, various supporting sectors, several cross-sector priorities as well as specific national programmes addressing poverty eradication.

The four main sectors are agriculture\forestry, education, health and infrastructure, especially rural roads.

The supporting sectors (potential growth sectors) comprise the emerging industrial development through energy and rural electrification, agro-forestry, tourism, mining and construction materials industries. Trade facilitation and market linkages pervade most sectors and have an important impact on poverty eradication and macro-economic stability.

The Government's poverty-focused agricultural development includes training interventions through the following measures:

- Training district-level extension agents\farmers on improved cultivation techniques;
- Strengthening the animal health control system through distribution of vaccines, and training farmers in their use;
- Training of Ministry of Agriculture and Forestry staff at all levels in the principles of market-based agricultural systems;

- Strengthening communities' capacity to participate in development planning and to take responsibility for natural resources management;
- Extending and improving the informal education system as an investment in upgrading the skills of farmers and their ability to participate effectively in community interests;
- Introducing farmer vocational training and on-the job training, particularly in the poorest districts;
- Establishing extension and training for farmers in upland and lowland areas;
- Supporting women's groups to participate in the review of training and extension services;
- Training in organization and management of village savings and credit groups;
- Training provincial and district agricultural personnel in planning, monitoring and evaluation, project management and implementation.⁴

Cross-sector priorities encompass environment, gender, information and culture, population and social security. An overall– cross-cutting issue is capacity building which requires skills training.

The National Growth for Poverty Eradication Strategy (NGPES) was approved by the Government in 2003 and determines the priority sectors for poverty reduction, as well as which areas constitute the poorest districts. The NGPES should also integrate to the National Socio-Economic Development. Each sector has a nationwide mandate to contribute to developing the country and its capacities and to foster economic and social integration.

Actors involved in TVET and Skills Development:

The delivery of TVET programmes in Lao PDR is shared among a number of government institutions and a number of private vocational institutions. The responsibility of the government institutions is shared among the government agencies including the Ministry of Education, Ministry of Labour and Social Welfare, Ministry of Agriculture, Forestry and Irrigation, Ministry of Finance, Ministry of Public Health, Ministry of Information and Culture, Ministry of Transport, Communication, Post and Construction, Youths' Union and the Lao Women's union. The Prime Ministerial Decree N.209.PM, dated 19th October 1998, on the Development of Technical and Vocational Education and Training in Lao PDR appoints the Ministry of Education as the responsible agency at national level to determine curriculum standard, qualification of TVE teachers/trainers, facilitate the development of TVET, monitor and collaborate with the concerned institutions to develop TVET. It also plays the role in accrediting authority for TVET programmes.

The Ministry of Education has the mandate to facilitate the development of Technical and Vocational Education and Training and Skills Development in order to provide equitable access to quality skills training that responds to actual needs. It will provide guidance and leadership to promote the process of improving\diversifying the delivery of training through its Department of Higher, Technical and Vocational Education and Non-Formal Education. Referring to the Education Law, the Ministry of Education gives authorization

⁴ National Growth and Poverty Eradication Strategy Lao PDR , June 2004 .

to both public and private training providers in order to systemize the provision of various trades.

The Technical and Vocational Education and Training System of Lao PDR is composed of both formal public training institutions and a small number of private institutions. There are presently 51 TVET institutions, of which 15 are public vocational schools, and 31 public and private technical schools. Currently, a new integrated approach of formal and non-formal vocational training is being applied in some TVET institutions and especially in the province which is dealing with different types of education and training, such as technical and vocational education and training, basic vocational education and training and basic skills training as a whole.

One of the aims of the Government's policy is to encourage private enterprises to provide technical and vocational training. By the end of 2004/05, there were over 100 private training centers in operation in the country. In particular, they provide skills training for highly profitable and low investment professions, such as English language, computer applications and accounting. The Government also promulgated a policy, which allows foreign workers to open a Human Resources Training Center in the country.

Skills recognition arrangement

At present the skills training has been organized by different agencies and training providers, public and private, with the common aim to provide a trained labour force to the society for socio-economic development but the curriculum and skills assessment are relatively different since there is not yet a unified skills standard.

The Table 2 highlights the responsibility of key stakeholders including national and international actors in skills training and skills recognition arrangement:

Table 2: Responsibility of key Stakeholders in skills recognition arrangement

Name of agencies	Role and responsibilities
National Training Council	<ul style="list-style-type: none"> • Coordinating with public and private training providers • Assisting the trade working groups in developing vocational standards • Giving advice to the TVET sector • Approving the vocational skills standards developed by the trade working groups • Approving policy framework of TVET • Developing a TVET funding mechanism
Department of Higher, Technical and Vocational Education	<ul style="list-style-type: none"> • Taking charge of formal vocational and technical education and training under the National Ministry of Education • Developing policies, guidelines and framework for the TVET sector • Approving curricula proposed by the Vocational Education Development Center and other TVET institutions under the

	<ul style="list-style-type: none"> relevance of the Line Ministries concerned • Developing a strategic plan for the TVET sector • Supervising TVET institutions, including that of VEDC
Department of Non-Formal Education	<ul style="list-style-type: none"> • Taking charge of non-formal training (basic skills and life-skills) aimed at income generating and poverty alleviation • Conducting training in literacy and numeracy programmes • Developing policies, guidelines and frameworks for the non-formal education sector • Supervising the Non Formal Education Development Center and Non-Formal Training Centers, including Community Learning Centers
Labour Department	<ul style="list-style-type: none"> • Taking charge of skills training conducted under the auspices of the Ministry of Labour and Social Welfare • Promotion of Employment • Developing the policies, guidelines and frameworks for skills training • Supervising Skills Development Centers • Formulation of a Strategy and Master Plan for skills development for the labour sector • Organizing skills competitions (national and regional levels) • Setting skills standards • Organizing skills testing according to set standards • Analyzing labour market information
Lao National Chamber of Commerce and Industry	<ul style="list-style-type: none"> • Coordinating with public and private sectors • Providing information on labour needed by industrial sectors • Participating in National Training Council activities • Providing experts for curriculum planning
Trade Working Group	<ul style="list-style-type: none"> • Developing training standards • Providing work experience certificates to the dispatched trainees • Provide On the Job Training • Supervising Workplace for the dual training approach (being trained)
International Actors	<ul style="list-style-type: none"> • Providing work experiences certificates to dispatched the trainees • Assessing the skills of applicants prior to the training or to their recruitment for new job
Line Ministries and Mass Organizations	<ul style="list-style-type: none"> • Providing work experiences certificates to

(Youth's & Women's Union)	<p>the dispatched students/trainees</p> <ul style="list-style-type: none"> • Providing basic skills training in the field of tailoring, cooking, agricultural activities, etc. • Conducting vocational training needed by the sectors (Financing, Banking, Horticulture, Forestry and Animal Breeding) • Developing curricula and instructional media needed for the sectoral training institutions • Supervising the training institutions under the line ministries concerned • Assessing skills of job applicants prior to their recruitment
Employers	<ul style="list-style-type: none"> • Providing work experience certificates • Assessing skills of dispatched trainees while conducting practicum • Participating in curriculum planning
Vocational Education Development Center	<ul style="list-style-type: none"> • Developing TVET curriculum and Instructional Media • Considering curricula proposed by TVET institutions prior to being submitted for approval to the MOE • Providing textbooks and teaching\learning materials to TVET institutions (public and private) • Conducting staff development programmes for TVET staff (pedagogical and technological field) • Providing professional services to TVET institutions • Conducting research and policy development for the TVET sector • Completing an annual report on TVET (planned) • Organizing training programmes in different topics
Non-Formal Education Development Center	<ul style="list-style-type: none"> • Developing curriculum and instructional media for basic skills training of the non-formal target groups • Providing basic skills training for both campuses and through the use of a mobile training team • Assisting the community learning centers (CLC) in conducting literacy and numeracy programmes for the local villagers
Registered Training Centers\Technical schools	<ul style="list-style-type: none"> • Conducting vocational training according to the approved curriculum • Organizing skills training for interested groups • Assessing and evaluating the teaching and

	<p>learning process and learning outcomes of students based on the curriculum and real situation of technical facilities</p> <ul style="list-style-type: none"> • Organizing and following up the OIJ for the final year students (up to three month training programme) • Issuing certificates and diplomas to the successfully completed graduates • Conducting a tracer study of former graduates • Conducting career and vocational guidance
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Skills recognition arranged by the Ministry of Education has to abide by the following regulations:

- TVET curriculum standards N. 2354, dated 2004;
- Assessment and evaluation regulation for TVET curriculum N. 2355, dated November 2004;
- TVET certification arrangement, N. 2356, dated 2004.

Skills recognition arranged by the Ministry of Labour is quite different. The Ministry certifies the skills development centre only in terms of registration, and skills acquired are mainly certified by the skills development center according to the curriculum developed by the center itself. The certification process composes of the technical theoretical assessment and skills testing with the participation of representatives of employment service enterprises, the Labour Department and employers' representatives. Due to the needs of the quality of labour force and the needs of employers to have labour standards, the Ministry of Labour plans to organize a skills testing center which will also facilitate labour mobility and integration to ASEAN, regional and international integration and especially the commitment to the FREE TRADE AREA (AFTA) by the year 2008. It is to be noted that Lao PDR is part of the VIENTIANE ACTION PROGRAMME (VAP) 2004-2010 of which the ASEAN Economic Community (AEC) has to enhance competitiveness for economic growth and development through closer economic integration. In this connection with the strategic thrusts the AEC embodies the realization of ASEAN's aspiration of a stable, prosperous and highly competitive region, functioning as a single market and production base by 2020, in which there is a free flow of capital, along with equitable economic development and reduced poverty and socio-economic disparities within and across its member countries. Eleven priority sectors have been identified to be fully integrated such as: (i) Agro-based products, (ii) Automotive, (iii) Electronics, (iv) Fisheries, (v) Rubbers-based products, (vi) Textiles and Apparels, (vii) wood-based products, (viii) Air Travel, (ix) e-Asean (ICT), (x) Healthcare, and (xi) Tourism. The capacity development and skills training is required for this priority sector.

Skills recognition arranged by employers concerned, specifically from the public sector had followed the Prime Ministry's Decree N. 82 (dated 2003) and related regulation on managing of public servants. Accordingly the recruitment process includes the pre-employment probation by which the employee (called a trainee during this period) will be

followed up by the designated staff for a period of 6 months to one year depending on the qualification obtained. Prior to his full employment, the recruited applicant will be assessed by a committee once again. This assessment will focus on work performance and discipline. The successful applicant will be then proposed to the personnel bureau of the Prime Minister's Office for final acceptance as a public servant.

4. Donors' activities in Skills Development

Donors' activities in skills development include all efforts to develop skills through relatively short, mostly part-time, sometimes ad-hoc, programmes and courses. The learning attained on such courses may be, but is not necessarily, recognized by a certificate. It may also be, but not necessary, a prerequisite for more advanced courses.

The areas of donors' interventions include the technical and vocational education and training, skills development, rural development, poverty reduction, and income generation.

Skills development delivered also includes literacy skills, general knowledge skills and living skills. The general knowledge skills include problem solving, thinking, team working, negotiating and communicating.

In the past, development partners have been involved in different sectors through their commitments to the Millennium Declaration and the alignment of their assistance with national priorities and needs. Many of the interventions supported by different donors include a variety of different forms of which capacity building is an essential element of the National Growth for Poverty Eradication Strategy. The development cooperation practices put a heavy burden on the country and especially the sectors concerned on the issues of policy alignment, harmonization, effectiveness, effective programme implementation and prioritization of activities.

Donors who have supported TVET activities in the Ministry of Education through the Department of Higher, Technical and Vocational Education and Training include: GTZ, LUXEMBURG, BELGIUM, THAILAND, VIETNAM, INDIA, ILO, UNIDO, FRANCE, NCCV, OIF, UNESCO, SEAMEO, JICA, DED, KOICA, AOTS, GPARLS, IFAD, etc...

The nature of each project activity run by the department concerned is dealing with the formal technical and vocational training and also dealing with skills training. The project activities are illustrated in Annex 1.

Donors involved in Non-Formal and Vocational Training through the Department of Non-Formal Education include GTZ, UNICEF, UNFPA, CANADA, ESF, IVJ, GAPE, SCN, ICS, World Concern, CWS etc...

The nature of each project activity is illustrated in Annex 2. The Department of Non-Formal Education provides literacy training for out of school adults, usually organized at the village level and given at evenings and weekends, and delivers upgrading programmes for the general adult population, enabling them to gain primary, lower secondary and upper secondary equivalency in full-time compressed programmes, e.g. three years for primary

education, upgrading courses for government cadres organized at both the provincial and district levels.

Donors who support skills development and skills training under the Ministry of Labour include KOICA, JICA, ILO, IPEC, TICW, ASEAN etc. Donors who support the vocational schools for handicapped and the vocational training centers under the Ministry of Public Health include Saint Paul de Charité of Thailand. Donors who support the vocational and skills training under the Ministry of Agriculture include FAO, DANIDA, UNICEF, NGOs, CIDSE, OXFAM, Belgium, World Education, ADB, World Bank etc. (see Annex.III). The nature of the project activities concerns agricultural extension aimed at capacity building at the field level and at the national level in order to secure food security and farmer to farmer training. Donors who support vocational and skills training for livelihood for Lao Women's Union include UNICEF, UNDP, SUNV, UNIFEM, ADB, World Bank, APHEDA etc. The nature of the project activities concerns capacity building of small enterprises, gender awareness, income generation, rural development, women's counseling, mothers' safety (see Annex. IV.). Donors who support skills training for Lao Revolutionary Youth's Organization include ERKHJALPEN, Sweden, UNDP, NGOs, Japan, GTZ Vetsa, Nanyang Polytechnic Institute, Singapore, Unesco, JICA, AOTS, AUSAID etc.

The experiences drawn from different projects shows that there are core skills that could be classified at least in three basic sets of skills to be learned and transferred in a holistic, integrated manner, including:

- Relevant and quality “vocational skills”;
- Micro business\ entrepreneurship skills;
- Adult learning and facilitation skills.

The approaches used in the skills training will be described in the following chapter in order to see the interaction of the skills policies and the activities of donors.

One of the major challenges for the donors to provide optimal support to the country to realize the commitments of the Millennium Declaration and the MDGs is stronger alignment of their assistance with national priorities and needs. To enhance the effectiveness of foreign aid and in accord with Paris Declaration, a joint statement and action plan on aid effectiveness through harmonization and alignment has been signed by the government of Lao PDR and the development partners during the 9th Roundtable Meeting in November 2006.

Project evaluations and the conference on aid coordination revealed that there are some strengths and weaknesses regarding donor involvement in skills development:

A. Strengths:

- Approval of the project/operation plan, budget and Lao Contribution;
- Projects and Programmes were designed along line with the NGPES and NSEDP;
- Set up Steering Committee and Project Management Team;
- Monitoring and Evaluation, Midterm Review and Wrap-up Meeting;

- Possible Extension or addition to the project.

B. Weaknesses:

- The terms of reference for consultants was not clearly defined;
- Weak management;
- Lack of language proficiency;
- The process to disperse funding is inadequate;
- Statistics are not reliable or accurate;
- The report didn't state the expenditures of each planned budget envelope; and
- There is sometimes a lack of internal and external evaluation.

The Government and the development partners have made efforts to implement the five objectives of the Paris Declaration: Ownership, Alignment, Harmonization, Results-based Management and Mutual Accountability.

The Prime Minister's Decree pertaining to the Management use of Official Development Assistance (N. 168\PM, dated 22nd November 2004) accords the overall responsibility for aid coordination by both the Government and the development partners as critical for the implementation of the National Growth and Poverty Eradication Strategy and the Six National Five Year Development (NSEDV VI) covering the period 2006-2010. (The NGPES is being integrated in the NSEDV VI). At the sectoral and thematic area levels too, it is necessary to have such coordination by both the Government and the development partners.

However, in order to support aid coordination by the Government, there is a need for dialogue amongst partners. The presentation of the National Growth and Poverty Eradication Strategy and the National Socio-Economic Development provided ideal entry points to reorganize informal mechanisms for exchange of information and dialogue among partners. In 2003, donors organized themselves into 8 sector working groups namely: (i) Macro-Economic Issues and Private Sector Development, (ii) Education and Gender, (iii) Health, Gender and HIV/AIDS, (iv) Infrastructure, (v) Governance, (vi) Agriculture, Rural Development, and Natural Resources Management, (vii) Drug control, and (viii) Mine Action.

It should be noted that there is no specific skills development working group, but the skills development issues could be discussed within the discussion in the Education and Gender or Agriculture, Rural Development and Natural Resources Management.

Taking into account donor policy and their interest in skills development, the development partners participated in the meeting or inter-sectoral dialogue organized by themselves in collaboration with the Government sector working groups. The membership was open to all resident and non-resident donors, based on areas of ODA involvement, includes International Organizations.

The Roundtable Meeting on Skills Development was organized in 2003 with the objectives of informing on the results of the study on skills development conducted by the national

team and the consultant under the collaboration with the UNESCO and IIEP and to share on the policy of skills development.

The issues of the definition on the terms, the target groups of skills development, the planning of skills development and the coordination mechanism have been discussed and shared in that meeting.

‘Skills’ have been translated in Lao as “Simeu” or “Simeu Henghan” or “Thaksa Simeu”. ‘Development’ has been translated in Lao as “Phatthana”. “Henghan” in Lao also means labour and ‘Skills Development’ has been translated before as “Phatthana SiMeu HengNhan” which means the development expertise for the labour sector. After sharing with many stakeholders Skills Development has been translated in Lao “Phatthan Thaksa Simeu” which is not only for labour sector but for other sector as well.

The Sector Working Group for Education and Gender has, since then, organized many meetings and discussed on the planned education reform of which one of the Meeting was organized in November 2006 to discuss Technical and Vocational Education and Training and issues of aid coordination. The issue has been raised again on the definition of the terms ‘skills’ and ‘skills development’ which is not yet familiar to many stakeholders. Dialogue needs to continue between national and international actors.

Based on the new perspectives of TVET and Skills Development for National Social Economic Development and the discussions with the Department of planning and international cooperation regarding the aids coordination there is a need to organize a special meeting to discuss with the Working Group on Skills Development and on the need to develop the policy framework of TVET including the skills development sector.

5. Interactions between National Skills Development Policies and Donor activities in the field:

The national skills development policy is connected with the National Growth for Poverty Eradication Strategy and the MDGs. Donors have committed and contributed to support skills development activities and the Government of Lao PDR and the development partners agree to take appropriate actions to make aid more effective and assist the country in achieving the MDGs by 2015 and the longer term development goal of exiting the status of least developed country by 2020 (the 2020 goal).

The interactions between National Skills Development Policies and Donors’ activities should go along line with the joint statement on aid effectiveness in the Lao PDR as signed by the Government and the partners in development at the 9th Round Table Meeting in November 2006. The partnership commitments are developed in a spirit of mutual respect, support and accountability. In this respect, the Government exercises effective leadership over the development policies, strategies and coordinates development actions by translating the National Socio-Economic Development Plan priorities into operational programmes as expressed in the Public Investment Programme (PIP) and the annual plans and budgets

National Skills Development Policies

Due to the commitments to the Dakar Framework and the revised recommendations of UNESCO to promote learning for work, citizenship and for sustainable development, TVET should be re-oriented to community development by promoting and implementing skills development for disadvantaged groups. TVET should be integral to education at all levels and can no longer be regarded as optional or marginal.

Promoting skills development represents a key instrument to achieve EFA goals in relation to the learning needs of youths and adults. Vocational skills development can also help to facilitate the social and economic integration of the disadvantaged groups, thus leading to poverty reduction. The EFA Skills Development Project launched in 2003 supports the integration of a vocational skills component within the EFA National Action Plan and its pilot implementation. The ultimate goal of the project is to empower disadvantaged groups (e.g. women, ethnic groups and the rural poor).

From 2003-2005, UNESCO/IIEP has initiated a programme to support the skills development strategy of the Ministry of Education which covers following areas:

1. Policy analysis: Implementation of a study to review context, needs, existing provision, identify priority areas for action and outline a country strategy on skills development;
2. Planning: Formulation of the EFA skills development strategy as part of the EFA National Plan of Action, formulation of a strategy for the training of Trainers, support to the non-formal education Master Plan;
3. Capacity Building at the central, provincial and school levels through workshops;
4. Design of planning tools at the central, provincial and school levels: simulation model, provincial data based, planning guide for TVET school managers and provincial planners;
5. Setting-up planning mechanisms at the central and provincial levels: nomination of an EFA skills development, establishment of an inter-ministerial committee, establishment of provincial skills development committees;
6. Training of trainers and delivery of skills development programmes on a pilot basis;
7. Development of skills development plan manual;
8. Policy dialogue with EFA and development partners.

From the evaluation of the project there is a need to follow up in view of ensuring the consolidation, expansion and sustainability of the EFA skills development strategy further support is now required in view of:

1. Continuing the capacity building process, with special emphasis at the provincial and school levels;
2. Developing an skills development information system in view of fully integrating this component in the programming of the EFA national plan of action and for conducting proper monitoring and evaluation.
3. Launching the provision of EFA skills development programmes on a larger scale, focusing on particular districts and population categories depending on local needs and national priorities.

It should be noted that the different approaches used by the national actors involve a set of policies for different targets which have been achieved through the combined efforts of the Government and many different sources of assistance: multilateral and bilateral projects, NGOs and private sector.

According to the Strategy Paper on the Development of Technical and Vocational Education and Training, TVET offers different types of training: basic skills level, semi-skills levels, skills levels, technician level, higher diploma and professionals.

To guide the implementation of TVET there is an Education Law and Labour Law that stipulated the mandate of the Ministry of Education to approve the curricula and respectively the tasks of the state and civil society to develop the skills and promote the skills competition. Chapter IV of the Education Law stipulates that the Education Curriculum of each level and specialization of both formal and non-formal education should comply with the party's policy, the government educational and training targets, the national-economic development's trends, the scientific and technologic development's trend and the international environment.

The content of curriculum at each level and specializations of both formal and non-formal education must have equivalent standards and equivalent certification.

The Ministry of Education approves the curricula of all levels and specialization. Vocational Education which is under the responsibility of other sectors is approved by the concerned sectors and the Ministry of Education. Certificates issued by other sectors must comply with the Ministry of Education's stipulated conditions. Professional certificates of higher education institutions must be checked and verified by the Ministry of Education. Any change made to the education curriculum must be authorized by the Ministry of Education and concerned sectors.

The labour policy in the Labour Law stated that the State and Civil Society should promote the undertakings of the new scientific and technical research, pay attention to the creation and the development of skills, the initiatives, the labour disciplines, promote the workers to get employment, promote the skills competition, satisfy the labour to the domestic and foreign market, provide labour information data, protect the rights and interest of the labour force and the employers.

The Bafis approach developed by the GTZ Project for the Non-Formal Education was appropriate to develop the skills in combining with the practice called training-cum production. This approach is being used in the TVE schools and could be used for integrating of formal and non-formal training.

The Laos Extension for Agriculture Project (LEAP) developed and adopted by the National Agriculture and Forestry Extension Service, Ministry of Agriculture and Forestry involves a set of policies, principles, structures and processes that should be applied in all provinces and districts, and by all projects that support extension activities in the Lao PDR. The Lao

Extension Approach should be implemented in a flexible manner. Project managers, provincial staff and field workers are expected to plan and adapt their extension activities in response to the demands made by village authorities and farming households.

LEAP is based on the policies of the government, particularly the Strategic Vision for Agriculture (1999) and the National Growth and Poverty Eradication Strategy (2004). These policies, and past experience have led to the identification of a number of principles. Extension activities in the Lao PDR should be:

- Decentralized
- Pluralistic
- Participatory
- Needs-based
- Integrated
- Gender-sensitive
- Group-based
- Sustainable.

The future expansion and diversification of LEAP now requires the creation and reinforcement of horizontal linkages between extension stakeholders through the alliance but it is not the same as the sector working group. These linkages occur at different levels:

- A. Within the District. The most important type of horizontal interaction is among farmers themselves, with some encouragement and support from DAFO staff, Methods that have already been tested for horizontal linkages, including VEW meetings and Farmer to Farmer Exchange (FEF).
- B. Within the Province. The idea of provincial partnerships is already explored by LEAP, with the aim of improving coordination and collaboration among projects. Additional measures that could be adopted at Provincial Extension Conferences and Joint Review Workshops (seasonally or annually to be managed by PADO and PAFES respectively).
- C. Within the country. To strengthen extension planning and implementation, four spheres of interaction are needed at the National Level :
 - C1. Among the divisions and projects that fall under the mandate of National Agriculture and Forestry Extension Service
 - C2. Between NAFES and other Government Agencies supporting agricultural development, eg. National Agriculture and Forestry Research Institute and National University of Laos
 - C3. Between Government of Lao PDR and donor agencies
 - C4. Among the donors.

The purpose of the Alliance is to support the expansion and strengthening of the Lao Extension Approach.

The specific objectives of the proposed Alliance are to:

- To disseminate Government Policy relating to agricultural extension;
- To support the harmonization of plans for extension program and projects;

- To share experience of extension implementation and stimulate debate about methods;
- To expand the coverage of the Lao Extension Approach;
- To support the further development of the approach, so that refinements or adjustments can be based on experience;
- To increase efficiency in utilization of Lao and foreign resources, by reducing duplication or inconsistencies relating to extension;
- To improve the impact of the LEA in terms of production, poverty and equity.

The Lao Women's Union has the mandate to promote equity in terms of training, development, employment and income generating. Skills training is combined with income generation by organizing microcredit finance, SME training, language, counseling on gender issues, community based training, family planning, etc. Many projects targeted to train on the mentioned topics since gender issues is one of the cross-sectoral issues. The policy of Lao Women's Union should be in line with the NGPES and the NESEDP.

III. Lessons learned

Skills development together with other support activities (improved technologies, product development, development of market linkages, etc...) is crucial to diversify production, enhance product quality and increase productivity. Interventions should focus on assisting the rural poor to diversifying their activities and gradually move out of low-return activities and expand in order to reduce poverty.

For rural areas, the purpose of skills training programs is to contribute to the creation of self-employment and the development of livelihood and small enterprises.

Taking account of the human resource development policy and the responsibility of the Ministry of Education to coordinate with all the national and international actors in terms of planning and development of human resources, the Ministry of Education would strengthen harmonious collaboration among different stakeholders for improving the management of finance, information systems, evaluation, staff and productivity. In order to give high priority to efficient and effective management, the Ministry is developing some mechanisms, procedures, incentives and control to improve the management in the technical and vocational institutions. The participation of the communities in skills development programmes will be enhanced through mobile training teams.

The Ministry of Education is therefore to concentrate its actions on young adults, especially school drop-outs, women and girls of ethnic groups in the poorest districts who are motivated too acquire skills for income generating activities.

To implement its strategy, the Ministry of Education will jointly devise the National Training Council and Strategy to meet the challenges of lifelong learning. Internal management policies will be related to organizational structures, staffing, human resource management, setting targets, planning, budgeting, financing and controlling finance.

Recommendations

- Skills development needs further social dialogue not only at the national level but also at the regional and international labour.
- Coordination mechanism could be established at the provincial level by establishing Provincial Skills Development Committees. The lessons learned in the 3 pilot provinces could be applied to other provinces.
- A skills development plan needs to be coordinated in order to avoid duplication. In this connection skills development needs to have a focal point in terms of planning and the collection of data.
- The manual on skills development plan developed by the stakeholders could be used by all the provinces and all interested training providers.
- Approaches and modules of skills training could be shared by all training providers.

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Annex I.

Ministry of Education

Higher, Technical and Vocational Education Department

**List of Major Donors and Projects Involved in TVET Projects and Skills Development Activities
through HTVED, Ministry of Education from 1995 up to 2007.**

No.	Target Groups	Activities/Components	Duration	Budget US\$	Remark
Grant Total				12877674	
1	AOTS(Asian Overseas Training Scholarship)			62,300	
	VEDC	Training of Trainers	2002-2006	62,300	completed
2	AusAID			11,000	
	Khammuane Vocational School	Maintenance of the roof in the school	1999-2000	11,000	completed
3	Belgium Government / BTC			2,100,000	
	Pakse Vocational & Technical S.	Strengthening of Vocational Training Potential in Champasak province(BTCCELAO/04/008/11)	2005-2008	2,100,000	on going project
4	Belgium Technical Cooperation (BTC) Training Facility Project			89,679	
	Huaphanh Integrated Vocational S.	Short-Term Training	2006	8,651	completed
	Pakpasak Technical School Vientiane Technical School Bokeo Integrated Vocational School. Huaphanh Integrated Vocational School Xayaboury Integrated Vocational School Borikhamxay Technical and Vocational School Lao-German Technical School Dongkhamxang Agricultural School. VEDC	Vocational and Skills Training	2004-2006	81,028	completed
5	DED			793,898	
1	VEDC			10,280	
		Equipments and Textbooks	2004	3,100	completed
		Training, Collection of data, Editing and Purchasing Textbooks, Equipments and Facilities for work.	2005	7,180	completed
2	Pakpasak Technical School			709,933	
		Maintenance and provision of necessary	1998-1999	656,221	completed

		equipment and Teaching-Learning materials			
		Assistance Project	1998-1999	11,205	completed
			1998-1999	3,805	completed
			1999-2000	7,830	completed
			1999-2000	2,055	completed
			1999-2000	5,775	completed
			2000-2001	9,005	completed
			2001-2004	14,037	completed
3	Lao-German Technical School	Renovation and provision of Teaching Learning materials	1999-2003	12,939	completed
4	Dongkhamxang Agricultural Technical School	Renovation and tree breeding	1995-2000	30,000	completed
5	Technical School of	Machine Tools	1996-1997	*	completed
	Vientiane Province	Tailoring Building	1995-1996	*	completed
6	Bolikhamsay Vocational & Technical School.			18,185	
		To establish bathroom	2005-2006	3,063	completed
		To Maintain workshop		5,820	completed
		Training of trainers		1,300	completed
		To Supply computers		1,022	completed
		To strengthen planning and administration level.		1,160	completed
		Machine of Carpentry		5,820	completed
7	Khammuane Vocational School	To Maintain workshop	1998-1999	5,000	completed
8	Pakse Vocational & Technical S.	Production of Teaching and Learning Materials	2001-2003	7,560	Follow up
6	DED, INWENT			10,550	
	VEDC (Vocational Education Development Center)			8,250	
		To supply LapTop computer, Editing textbooks Training, holding meeting on curriculum and development and evaluation of Curriculum Providing equipment and documents	2006	5,950	completed
		Supplying technical textbooks	2003	2,300	completed
7	German Embassy			22,986	
1	Pakpasak Technical School	Teaching and Learning Materials	2001-2004	4,967	completed
2	Khammuane Vocational School	Supplement classroom	2000-2001	8,140	completed
3	Pakse Vocational & Technical S.	Improve vocational divisions	1999	9,879	completed
8	GPARLSP/UNDP			26,000	
	Lao-India Enterprise Development Center	Training Work	2007-2010	26,000	Follow up
9	GTZ			468,451	
1	Pakpasak Technical School			64,786	
		Teaching and Learning Materials	1994-1995	11,608	completed
		Renovation and provision of Teaching/ Learning materials	1998-1999	47,171	completed

		Teaching and Learning Materials	1999-2000	6,007	completed
2	Lao-German Technical School	Renovation , Training and provision of Teaching/Learning materials	1993-1998	317,375	completed
3	Technical School of Vientiane Province	Computer	1996-1997	*	completed
4	Pakse Vocational & Technical S.	Improve vocational divisions	1996-1999	76,290	completed
5	Bokeo Integrated Vocational S.	Teaching and Learning Materials	2004	10,000	completed
10	GTZ BAFIS			28,719	
	Sayaboury Integrated Vocational S.	Provision of equipment and Maintenance Office	2001	28,719	completed
11	GTZ - HRD ME			65,000	
	VEDC	Provision of equipments Training Training of teachers and staffs	2003-2006	65,000	completed
12	GTZ – VETSA			228,250	
1	VEDC			180,000	
		Renovation of Building Provision of equipments Training of teachers and staffs	1991-2004	180,000	completed
2	Pakpasak Technical School	Supply for 25 computers, 25 typing machines 25 calculation devices.	1998-1999	48,250	completed
13	GTZ – VETSA			54,237	
1	Attapeu Vocational & Technical School	Teaching and Learning Materials	2005CE2006	9,757	completed
2	Xiengkhouang Integrated Vocational School	Textbooks, Equipments	2004	20,000	completed
3	Huaphanh Integrated Vocational School			9,480	
		KOBOTA car Construction Tools Computer Overhead Teaching Materials	2004	8,080	completed
		Fund for study trip	2006	1,400	Follow up
4	Oudomxay Integrated Vocational S.	Providing Teaching and Learning Materials	2004-2005	15,000	Follow up
14	ILO			30,750	
	Lao-India Entreprise Development Center	Training Work	2004-2005	30,750	Follow up
15	Indian Government			245,135	
	Lao-India Enterprise Development Center	Renovation of Center Administration work	2004CE2006	245,135	Follow up
		Provision of Equipment Car			
16	INWENT			4,800	
	VEDC	Research and Editing of textbooks	2004	4,800	completed
17	JICA				
	Technical School of Vientiane Province	Water Supply Project	1996-1997	N/A	completed

18	JODC			320,817	
	Pakpasak Technical School	Renovation and provision of Teaching/ Learning materials	2001-2004	320,817	completed
19	KOICA			1,824	
	Dongkhamxang Agricultural Technical School	Renovation of Building and Tree Breeding Maintenance the bed of dormitory	2001-2003	1,824	completed
20	Land Titling Project			324,893	
	Polytechnic School			324,893	
		Building of dormitory		71,200	Follow up
		Maintenance of classroom and bathroom		30,000	completed
		Renovation of a library		20,000	completed
		Construction of a new building		149,693	on going project
	Computer			54000	completed
21	Lao Association in Japan			900	
	Pakpasak Technical School	Machine	1998-1999	900	completed
22	Lao-German Professional Training (TVET)			2,500	
	Pakpasak Technical School	Teaching and Learning Materials	2001-2004	2,500	completed
23	Lao-Thai			750,000	
	Technical School of Vientiane Province			750,000	
		Workshop Building	1997-2001	363,636	completed
		Machine, Tools and Training	2000-2004	386,364	completed
24	Lao-Thai Cooperation Project			12,821	
	Pakse Vocational-Technical S.	Technical equipment	1998	12,821	completed
25	Lux-Development			6,368,310	
1	Khammuane Vocational School	Renovation of Building and Place	2002-2007	3,960,000	on going project
2	VEDC	Equipments for Office	2004	3,000	completed
3	Borikhamxay Technical & Vocational S.	Improvement of Borikhamxay Technical & Vocational School.	2007-2011	2,400,000	request addition
4	HTVED			5,310	
		CE Photo Camera(Canon 1 Set)	2006	N/A	completed
		Photocopy(Canon 1 Set)		1,650	
		LCD (Benq 1 Set)		1,160	
		Notebook 1 Set		2,500	
26	Netherlands Embassy in Thailand			24,400	
	Lao-India Enterprise Development Center	Training Work	2004-2005	24,400	completed
27	S.P Company Limited(Thai)			2,550	
	Pakpasak Technical School	Teaching and Learning Materials	1994-1995	2,550	completed
28	STEA, MLF, AFD			47,171	
	Pakpasak Technical School	Tools for checking and repairing cool air	2005-2006	47,171	completed

29	Thai Government			7,512	
1	Pakpasak Technical School			7,512	
		Teaching and Learning Materials	1998-1999	5,590	completed
		Teaching and Learning Materials	1998-1999	1,922	completed
2	Technical School of Vientiane Province	Computer	2001-2004		completed
		Ground water	2004-2005		completed
30	TØETEP(TOYOTA Technical Education)			53,523	
	Lao-German Technical School	Provision of technical equipments Renovation and Installation	2006	53,523	Follow up
31	Chamber of Commerce and Industry of Versailles France			13,250	
	Pakpasak Technical School	Renovation , Training and Provision of Teaching/Learning materials	2001-2004	13,250	completed
32	TVETØEVETSA			9,477	
	Pakse Vocational-Technical S.	Improvement of computer's room	1999-2000	9,477	completed
33	UNIDO-India			30,000	
	Lao-India Enterprise Development Center	Training Work	2005-2007	30,000	Follow up
34	Vietnam Government			700,000	
	Bokeo Integrated Vocational Sch.	To improve classrooms and dormitories	2000-2002	700,000	completed
35	SEAMEO VØCTECH			N/A	
	HTVED	Research	2005-06		completed
36	UNESCO			N/A	
	Skills Development	study Computer for 3 pilot provinces Training of trainers Development of manual on Skills Development Plans	2003-2005		completed

Remark* These statistics didn't cover all the training courses organized in the Country and overseas, due to the lack of data.

Annex II.

1. Projects supported by International Organizations in Vocational training through the Department of Non-Formal Education from 2000-2005

Source: Department of Non-Formal Education

Title of Project	Lifespan	Budget	Donors
1. Employment-oriented Basic and Further Training for Target Groups from the Informal Sector BAFIS	20001-2004	1.4 Million USD	GTZ
2. Sustainability of Integrated agriculture , Health Care and Basic Education Support	2001-2002	175.300 USD	GAPE
	2003-2005	454.000 USD	GAPE
3.Vocational Training for Women and disadvantaged groups	2000-2004	199.000 USD	IVJ
4. Production of Media on environment (PLANET)	2000-2002	20.000 USD	ACCU
5. Develop curriculum for income generation	2000- 2003	34.630 USD	UNESCO
6. Promotion the quality of education and basic vocational training for girls and women	2004- 2005	208.308 USD = (8.332.338 Bath)	ICS
7. Life-skills	2004- 2005	10.000 USD	UNESCO
8. Promotion of income generation for youths in rural areas by introducing the ICT	2004- 2005	10.000 USD	UNESCO
9. Develop the Non- -Formal Education Resources	2004- 2005	20.000 USD	UNESCO
10. Develop the Early Childhood through Community Learning Center	2004- 2005	11.548 USD	UNESCO
Total		1.492.236 USD	

2. On-Going Non-Formal Education Projects 2005-2007

Title of the Project	Lifespan	Budget	Donors
1. Sustainability of Integrated agriculture, Health Care and Basic Education Support	2006-2008	525.000 USD	GAPE
2. Promotion the quality of education and basic vocational training for girls and women	2005-2006	29.807 USD (1.192.300 Bath)	ICS
3. Literacy and Vocational Training for ethnic groups	2005-2007	90.000 USD	CWS
4. Promotion of basic education and upgrading the quality of life	2006-2008	207.100 USD	World Concern
5. Life-skills	2005-2006	15.000 USD	UNESCO
6. Develop the Early Childhood through Community Learning Center	2005-2006	9.000 USD	UNESCO
7. Equivalency of learning	2005-2006	20.000 USD	UNESCO
8. Promotion of income generation for youths in rural areas by introducing the ICT	2005-2007	20.000 USD	UNESCO
10. Develop the Non- -Formal Education Resources	2005-2006	15.000 USD	UNESCO
11. Promotion the quality of education and basic vocational training for girls and women	2005-2006	314.570 USD =(12.582.824 Bath)	ICS
Total:		2.045.477 USD	

Source: Department of Non-Formal Education

Annex III.

List of Projects and Donors supported through the Ministry of Agriculture and Forestry

	Title of the Project	Lifespan	Budget	Donors
1.	Agriculture Development Project	2002-2007	12.21 Million US\$	World Bank, JSD
2.	Lao Extension for Agriculture Project	2001-2007		SDC
3.	Poverty Alleviation Remote Upland Areas	2003		SDC
4.	Small-Scale Agro-enterprise Development in Uplands			SDC
5.	Small Holder Development Project	2003-2009	15.2 Million US\$	ADB
6	Special Program for Food Security and South-South Cooperation	2001-2007	1 Million US\$	Japanese Government and Lao Government
7	Sustainable Forestry and Rural Development Project	2003-2007		Lao Government World Bank Finland

Source: National Agriculture and Forestry Extension Service

List of Major Donors and Projects supported through the Lao Women's Union

	Title of Project	Lifespan	Budget	Donors
1.	Development Fund for Poverty Reduction		15.200 US\$	Lao Government
2.	Promotion of Small and Medium Enterprise	1992-2006	13600 US\$	CIDA UNICEF LWU
3.	Girls and Women Development	1992-2006	3.710.000 US\$	UNICEF
4.	Gender Information Development Center	2000-2004	2.027.753 US\$	UNDP
5.	Promotion of Gender and Health Fertility Awareness	2002-2006	500.000 US\$	UNFPA
6.	Combat to Trafficking in Women and Children	2002-2004		Asia Foundation
7.	Strengthening on the Counseling for Central Lao Women's Union	2002-2003		UNIFEM
8.	Rural Women's Development	2002-2004	900.000 US\$	AusAID
9.	Propaganda -Public Relation on Gender in the Land Title Project	2003-2008	30.000 US\$	
10.	Promotion of the Capacity Building	2002-2005 2005-2007	1.000.000 Bath	CODI Thailand
11.	Community Poverty Reduction	2001-2004		SCA
12.	Small Scale Rural Development	1997-2002 2002-2005	461.805 US\$ 270.047 US\$	FIAM Thailand
13.	Capacity Building and Promotion of Employment	2001-2004	108.000 US\$	APHEDA
14.	Promotion of the Income Generation for Poor Women	2004-2007	5800 US\$	UNESCO
15.	Promotion on Strengthening of Women's in Against Aids	2005-2006	71.350 US\$	UNAIDS
16.	Counseling Women's Center		301.985 US\$	UNICEF UNIFEM UNIAP Asia Foundation
17.	Integrating of Gender in the Planning	2005-2006	12.626 US\$	IFAD
18.	Mothers Safety	2003-2006	306.914 US\$	IPPF
19.	Small and Medium Enterprise	2006	10.670 US\$	JICA
20.	Strengthening of Women's Counseling in Economy and Poverty Reduction	2005-2008		SNV