Skills Development Policies and International Cooperation in East and South-East Asia

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### Acronyms

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<th>Acronym</th>
<th>Full Form</th>
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<tr>
<td>AFD</td>
<td>Agence Française de Développement</td>
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<td>ASEAN</td>
<td>Association of Southeast Asian Nations</td>
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<tr>
<td>AusAID</td>
<td>Australia’s Overseas Aid Program</td>
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<td>CLMV</td>
<td>Cambodia, Laos PDR, Myanmar and Vietnam</td>
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<td>DAC</td>
<td>Development Assistance Committee (of the OECD)</td>
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<td>DFID</td>
<td>Department for International Development (UK)</td>
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<td>DGCID</td>
<td>Direction Générale de la Coopération Internationale et du Développement (France)</td>
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<td>DGCD</td>
<td>Direction Générale de la Coopération au Développement (Belgium)</td>
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<td>EFA</td>
<td>Education For All</td>
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<td>EU</td>
<td>European Union</td>
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<td>GMS</td>
<td>Greater Mekong Sub-Region (made up of Cambodia, South China, Laos, Myanmar, Vietnam, and Thailand)</td>
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<td>ICDF</td>
<td>Taiwan International Cooperation and Development Fund</td>
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<td>ILO</td>
<td>International Labour Organisation</td>
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<td>IMT-GT</td>
<td>Indonesia Malaysia Thailand Growth Triangle</td>
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<td>JICA</td>
<td>Japan International Cooperation Agency</td>
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<td>KOICA</td>
<td>Korean International Cooperation Agency</td>
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<td>SCP</td>
<td>Singapore Cooperation Programme</td>
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<td>SD</td>
<td>Skills Development</td>
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<td>SEAMEO</td>
<td>Southeast Asian Ministers of Education Organization</td>
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<td>TICA</td>
<td>Thailand International Cooperation Agency</td>
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<td>TVET</td>
<td>Technical and Vocational Education and Training</td>
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<td>MDG</td>
<td>Millennium Development Goal</td>
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<td>MTCP</td>
<td>Malaysian Technical Cooperation Programme</td>
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<td>ODA</td>
<td>Overseas Development Assistance</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
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<td>UNESCO</td>
<td>United Nations Educational, Scientific and Cultural Organisation</td>
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<td>UNEVOC</td>
<td>The International Project on Technical and Vocational Education (a UN agency)</td>
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<td>USAID</td>
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INTRODUCTION

This twelfth Working Group meeting was made possible by the continued support of SDC to its secretariat. This particular meeting would not have been possible without the kind cooperation of the Comparative Education Research Centre (CERC) of the Faculty of Education, University of Hong Kong. The Working Group would like to thank Nirmala Rao (Acting Dean of the Faculty of Education) and Mark Mason (Director of CERC) for facilitating the meeting, and Emily Mang and John Siu of CERC for their invaluable logistical support.

The focus of the meeting, reflected in the decision to have the meeting in Hong Kong, was on skills development policies and international cooperation in East and South-East Asia.

Readers of this Working Group report are also encouraged to look at Norrag News 38, on technical and vocational skills development, which contains a number of articles specifically on East and South-East Asia (and elsewhere) and is available at www.norrag.org

The Hong Kong meeting was organised by the Working Group Secretariat under the leadership of Michel Carton and Kenneth King. This discussion paper is authored by Robert Palmer.
SECTION ONE: SKILLS DEVELOPMENT POLICIES AND INTERNATIONAL COOPERATION IN EAST AND SOUTH-EAST ASIA

Robert Palmer
NORRAG / University of Edinburgh

1.1. KEY ISSUES IN EAST AND SOUTH-EAST ASIA AND THEIR RELATION TO SKILLS DEVELOPMENT

Skills development has been a major accompaniment for growth in countries in East and South-East Asia. Countries in this region take vocational education and training more seriously than countries in South Asia which have some of the weakest vocational training systems in the world. The very high growth rates of many countries in East and South-East Asia (1975-2003 average) – e.g. China (8.2%), Malaysia (3.9%), Singapore (4.9%), Thailand (5.1%), the Republic of Korea (6.1%) (UNDP, 2005) – combined with the changing nature of work and challenges and opportunities globalisation presents, means that skills development requirements are ever shifting and increasing the need for both skills upgrading and skills for competitiveness. One of the challenges related to this situation remains how to forecast future skills’ demand to meet the changing needs of these growing economies.

On the other hand, many countries in East and South-East Asia have large – and growing – informal economies (informal employment accounts for some 65% of non-agricultural employment in Asia) and in parts of this region, especially in low-income Asian countries, agriculture remains the main source of income for large sections of the population (ILO, 2006). Informal economies (including both farm and nonfarm employment) in the region represent very important target groups; most of the poor and those marginalised from the growth process are to be found here, especially in the ‘new’ ASEAN countries (the so-called CLMV countries - Cambodia, Laos PDR, Myanmar and Vietnam) which have large poverty groups. At the same time the existing formal training apparatus in these countries is usually inaccessible to the poor. Hence while there is a need for skills development systems to meet the changing demands of achieving and maintaining international competitiveness for growth, a strategy which only focuses on the skills demands of dynamic sectors ‘may not be enough to reduce poverty’ (ILO, 2006: 49) since the fastest growing sectors might not be where most of the population (and the majority of the poor) are employed. Hence there is also the need for skills for poverty reduction and growth to ensure that inequalities do not widen further.

Inequalities are not only evident among different regions of the same country, but regional disparities and inequalities are evident among the different countries in East and South-East Asia; some countries, like the older ASEAN members (Philippines, Malaysia, Singapore, Indonesia, Thailand and Brunei-Darussalam), China and the

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1 This editorial draws on the participant discussions during the Working Group meeting in Hong Kong, but the interpretation and analysis is the authors. The opinions expressed here are those of the author and do not reflect an official position of the Working Group. The author would like to thank Kenneth King and Michel Carton for commenting on earlier drafts of this paper.
Republic of Korea are comparatively more developed than the ‘new’ ASEAN members.

Another complicating factor regarding skills development in the region is the issue of migration and mobility (both between and within countries) which is driving the need for increased skills portability (transferability and recognition) (see Nübler, this report). The challenge of developing a regional skills standard is multi-faced, not least due to the regional variance in countries’ history and economic development. For example, can we say that a mechanic in Laos has the same skills as a mechanic in Singapore? An ‘automotive repairer’ in one country might be a panel beater, in another a spray painter or an engine repairer, while in another country one person might perform all these tasks alone. Hence looking at narrow occupational skill standards appears to be a major problem; instead there is a need to take a sectoral approach to skill standards and look at all competencies that are performed in a given sector. Many countries in the region have become more interested in adopting National Qualification Frameworks (NQFs), which are often seen by governments as a solution to both national and regional skills recognition. However, there is increasing debate in both the policy and academic literature about whether NQFs are suitable for developing countries (Grunwald et al., 2004; King and Palmer, 2007; McGrath, Martins, Smith, Cachalia and Kane, 2005; Young, 2005); the consensus of opinion at the moment suggests that they are not.

1.2. PARTNERSHIPS AND APPROACHES TO INTERNATIONAL COOPERATION IN SKILLS DEVELOPMENT IN EAST AND SOUTH-EAST ASIA

With these key issues in mind, this editorial examines some of the ‘red threads’ that emerged from discussions in Hong Kong and from the papers in this report concerning partnerships and approaches to international cooperation in skills development in East and South-East Asia. We can start by examining some initial sets of inter-connected questions.

1.2.1. What terminology should we be using to differentiate between agencies operating in the region?
‘Emerging’ vs established agencies? Asian vs Western agencies? DAC vs non-DAC agencies? Countries that appear to have relatively young international cooperation activities, like Singapore, Thailand, the Republic of Korea or China, are sometimes characterised as ‘emerging’ donors or development parners – compared to the more established agencies like DFID, USAID and others. This is problematic in the sense that many so-called emerging agencies have in fact been involved with international cooperation activities far longer than many so-called established agencies give them credit for; e.g. Singapore since 1961, Thailand since 1954, China since the early 1960s in Africa. If we talk of ‘Asian agencies’ we might refer to KOICA, SCP Singapore, ICDF Taiwan, JICA Japan, MTCP Malaysia, TICA Thailand and, even, AusAID. A distinction between DAC and non-DAC agencies would look as follows; the non-DAC agencies in Asia would include KOICA, SCP Singapore, ICDF Taiwan, MTCP Malaysia, TICA Thailand; with JICA and AusAID being part of the DAC-block (along with other DAC bilaterals operating in Asia such as Belgium, Britain and others). Perhaps it is most useful to adopt both terms – ‘Asian agencies’ and ‘non-DAC agencies in Asia’ – so that we can distinguish between different groups of
agencies (in particular so we can separate out JICA and AusAID from other Asian agencies).

1.2.2. Is there a connection between the approach to skills development and the type of agency?
Do DAC and non-DAC agencies’ approaches to international cooperation in skills development in the region differ? If so, is it possible to draw lessons from the different approaches? Is there something special about Asian donors? In what respect are there commonalities between AusAID and JICA and the other Asian agencies? As an initial response to some of these questions, the background paper (Langstaff, Weyer and Carton) outlines three approaches to skills development used by agencies in the region; a knowledge-based development approach with the focus on economic growth, a poverty reduction approach and a governance approach. These three approaches are, the background paper notes, interconnected and it is difficult to characterise a particular agency as strictly following one approach; many agencies combine approaches. Often the approach used tends to be driven by the underlying assumptions regarding the relationship between skill, growth, poverty and employment; for some the main objective is poverty reduction through economic growth and good governance, for others the main objective is economic growth through poverty reduction and good governance. The objective of ‘pro-poor growth’ is a good illustration of how growth and poverty reduction are combined by agencies. This being said, the background paper argues that Asian bilateral agencies (e.g. KOICA, SCP Singapore, ICDF Taiwan, JICA Japan, MTCP Malaysia, TICA Thailand, and China) are more concerned with the knowledge economy, competitiveness and economic development; multilateral agencies are the main promoters of skills development for poverty reduction and the fight against exclusion; and, in addition to poverty reduction, governance is a priority issue for agencies such as USAID, DFID, UNDP, and EuropeAid.

1.2.3. How do different conceptions of and approaches to skills development interact at the level of the country?
For example, where there are a very large number of actors funding different skills development activities in a country, what alignment/coordination challenges are there – both agency-agency and country-agency? What is the relationship between Asian agencies (e.g. JICA, TICA) and those from the ‘West’ (e.g. DFID, GTZ) at the country level? This report contains two case studies of recipient countries in the region (Lao PDR and Vietnam, see Boupha and Liem respectively) which shed some light on these questions; both countries have a number of external agencies supporting different aspects of these countries’ skills development systems.

In the case of Lao PDR, there are a huge range of external agencies each supporting a particular number of vocational/technical schools in the country (e.g. Belgium, Netherlands, Germany, AusAID, JICA, KOICA etc). But to what extent are these sponsorships aligned and is this situation unique to Lao PDR? Indeed, Boupha notes that there is a need for stronger alignment of donor assistance with national priorities and needs. In this regard, 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 in late 2006. The government should now be in a position to exercise more effective leadership over development policies. Boupha further notes that not only does donor-country coordination need to be improved but
donor-donor coordination does also and she calls for the development of a national skills development plan in order to avoid duplication and to assist harmonization.

In the case of Vietnam, Liem also calls for stronger coordination among international agencies. He argues that a requirement for capacity-building is that ‘recipients’ should take the ‘driver’s-seat’ in cooperation (ownership, participation, transparency and accountability).

Clearly there are challenges faced by aid recipient countries in trying to deal with all the different donor agencies, each promoting their own comparative advantage. How do recipients select and manage the (supposed) uniqueness or ‘brand’ of different agencies? How can donors be better managed, especially where very many donors are competing for attention? In this regard, it is probably less important to have donor coordination by donors than it is to have coordination of donors by the local country ‘partner’. A key issue, of course, is the need to develop recipient country capacity and strength to negotiate with and manage donors.

1.2.4. Why might different approaches to international cooperation arise, particularly with respect to skills development?

There are at least three possible factors that might account for different approaches being used.

The first relates to the specific context of culture, society, politics and economy which can drive the approach to growth, governance and poverty reduction (including with regard to education and training). For example, JICA’s 2006 Annual Report notes how its approach to international cooperation in technical education and training is different in South-East Asia and South America compared to its activities in less developed countries, principally in sub-Saharan Africa:

Human resources demanded by society differ depending on the state of development in each country. In [the] ASEAN [region] and countries in South America, with economic development by investment of foreign capital in the background, cultivating human resources to meet the needs of industry is needed. In contrast, in sub-Saharan Africa, Southwest Asia, and post-conflict countries… it is necessary to cultivate human resources that can work in small businesses or start-up businesses based on the concept of acquiring practical basic skills, thus addressing poverty reduction and improvement of livelihood. (JICA, 2006: 81)

Agencies’ approaches are also driven by the political and governance situation within a state, as well as by the strength of public institutions. For example, the high number of projects in a fragile state like Laos may be symptomatic of the weak capacity of the state.

Agencies might also adopt multiple approaches within the same country as a response to different contextual factors within a partner country (e.g. different ethnic situations, varying incidence of poverty and/or foreign direct investment). In a region which has high poverty levels, one agency might adopt a poverty reduction approach. The same agency in the same country might also adopt an economic growth approach in other areas. This multiple approach of agencies within the same country is illustrated by several donors, for example the Asian Development Bank’s support to a project in a
rich province and in a poor province of China (see Spohr, 2007; see also Liem, this report). Also, within the same country different approaches might be used by agencies or NGOs at different policy levels (macro, meso, micro). An NGO might focus mainly at the micro- (and meso-) level and adopt a poverty reduction approach (see Egger, this report), whereas larger agencies focus mainly at the macro- (and meso-) level. In other words, a range of cooperation instruments and approaches are often used.

To what extent, therefore, is the approach to international cooperation – particularly with regard skills development - driven by the nature of the receiving country/government?

A second factor which can impact on the approach used by aid-giving countries might be connected to that country’s own experience, either with a particular development approach adopted, or as a former recipient of aid. The approach of some Asian agencies might be driven by recent experience of being aid recipients (e.g. TICA, JICA, KOICA, and China to a lesser extent). Perhaps this more recent experience as aid receivers makes Asian agencies more reluctant to be as prescriptive as some of the traditional DAC agencies. This also might lead to a greater sensitivity as far as telling ‘recipients’ what to do.

A related issue concerns the history of development assistance in aid-giving countries and the extent to which the governments of these countries are accountable to their domestic populations. DAC agencies are generally very much accountable; DFID, for example, has signed a Public Service Agreement with the UK treasury to deliver on the MDGs and it has to respond to public opinion. But are the so-called ‘emerging’ agencies in Asia (SCP, ICDF, MTCP, TICA, KOICA) as accountable to their domestic populations as DAC donors are?

The importance of a country’s own experience with a particular development approach, and how this impacts on them as agencies, might also account for different approaches (e.g. with Japan, Thailand and the Republic of Korea – see later). Donor countries usually stress their uniqueness or comparative advantage with respect to particular initiatives; a comparative advantage that arises out of experience with a particular approach. For example, the UK’s and Australia’s own experience with NQFs might have encouraged their respective agencies (DFID and AusAID) to promote NQFs among their development partners; indeed many of the countries that are adopting NQFs (or at least considering them) are members of the Commonwealth (e.g. Ghana, South Africa etc) and may have been influenced by the example of other Commonwealth countries such as Australia, England, Scotland or New Zealand.

A third factor that might account for different approaches being used relates to the type of agency concerned; bilateral or multilateral. While bilateral agencies might bring specific country experience – as noted above – and, in a way, try to promote this experience in their approach to development assistance, multilateral agencies (e.g. ILO, UNESCO) see themselves as more neutral brokers presenting a number of

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2 The case of Swisscontact demonstrates how the approach used by an NGO can have a large impact across a system through targeted interventions (see Egger, this report).
3 Japan received aid from World Bank until 1965.
4 China is still receiving aid to skills development.
different approaches to a partner country. For example, the ILO sees its role with regard to recognising skills at the national level as that of a knowledge broker, to inform the debate on the traditional approaches and on the NQFs and to undertake careful analysis of country experiences to understand both the benefits, challenges and conditions needed to have an NQF or to further develop traditional certification systems; in other words to present all the possible options to partners without being overly prescriptive (see Nübler, this report). Having said this, some bilaterals, like China, do not talk the discourse about alignment and coordination with other donors, but work out at the individual country level what it most appropriate.

1.3. UNDERSTANDING ASIAN APPROACHES TO SKILLS DEVELOPMENT

What does the above discussion translate into with respect to skills development projects, programmes and approaches in Asia? What kinds of things are being supported by this range of ‘Asian agencies’?

Below we examine a number of Asian agencies (JICA, KOICA, TICA, SCP) and also the case of China as a way of illustrating some of the main themes noted earlier.

1.3.1. JICA – Japan’s approach to skills development projects and programmes

Japan’s approach to international cooperation including, but not just with regard to, skills development, stresses the importance of Japan’s own experience with development when it comes to offering insights to others (King and McGrath, 2004). Japan received huge amounts of aid after World War II and remained a recipient of international assistance until 1966. Indeed ‘one of the key concepts in Japanese aid philosophy appears to be its own ‘experience’’ (ibid.: 156). This earlier experience as an aid recipient, King and McGrath (2004) argue, has contributed to JICA’s thinking about the importance of self-help, the priority of country ownership, South-South cooperation, and the recognition of the role of loans.

The focus given by Japan to Human Resources Development in international cooperation is underlined by the motto Kuni Dukuri, Hito Dukuri, “The Country’s development depends on the Human Resources Development”. In the TVET sector, projects are mainly related to capacity development and technical transfer; for example upgrading trainers and trying to strengthen the capacity of the training centres (see Hara, this report). JICA tends not to be so good at delivering assistance to the informal sector and disadvantaged, but is starting to work through NGOs in this area. While Japan is aware of its own comparative advantages and experience with regard to TVET development it stresses adaptation, not adoption, of Japanese experience in partner countries (see Hara, this report).

The use of a large number of Japanese experts in cooperation activities, including in TVET activities, underlines the importance of people in Japanese development cooperation; similar to China and to Korea perhaps?

1.3.2. KOICA – The Republic of Korea’s approach to skills development projects and programmes

KOICA’s approach draws on some of the same themes that Japan has emphasised; for example, the importance of its own experience in its transformation to a modern
country - including its own experience as a recipient of aid - and the role of TVET in that experience. Following the Korean War, the Republic of Korea received massive amounts of bilateral (mainly from the US) and multilateral aid (e.g. from the United Nations Korean Reconstruction Agency).

In some sense, the Republic of Korea does feel like it has received so much that it has an obligation to provide assistance to other developing countries, and has a degree of solidarity with other developing countries and a desire to ‘share their development experience’ (see Jun-ho, this report). KOICA’s website emphasizes this aim to share development experience:

During the course of economic and social development since the end of the Korean War in 1953, Korea has learned a lot of painful but useful lessons. Now, we are sharing these lessons with our developing country partners because we believe that they could give practical tools and knowledge to those struggling to escape harsh conditions and achieve social stability and economic prosperity.5

Understanding the importance of skills development in Korea’s experience, KOICA is implementing a number of programmes that share and transfer know-how and knowledge, including: constructing/restoring vocational training centres; training personnel from partner countries; dispatching experts and volunteers to provide and share skills development; and drawing up really feasibility or consultancy studies to identify skill availability and needs in partner countries.

Koreas’ performance is partly based on the important role vocational training centres had during Korea’s economic development. In this regard, KOICA has assisted with the construction/restoration of 40 vocational training centres in many partner countries (1991-2005). KOICA invites technicians, researchers, and policymakers to Korea for training programmes designed to share with them the developmental experience and knowledge necessary for their human resources development and capacity building.

Korea really planned ahead with regard to the skills development needs of Korean industry as it emerged. Skills development was a strategic element of an overall development strategy that led to rapid and sustained economic growth since the 1970s. As Lee (2005) notes:

Historically, the evolution of the vocational training system for both small and large enterprises in Korea is characterized by the interaction between the economic development processes, and the demand for and supply of training. The Korean economy has been developed under government’s strong leadership, which was represented by successive Five-Year Economic Development Plans, starting from 1962. The history of the vocational training system in Korea evolved as an instrument to meet the economy’s demand for skilled workers... (p. 3)

But to what degree is the Korean experience relevant to other countries? While skills development has been very important in relation to Korea’s development, can other developing countries just rely on improving their skills development systems without the levels of FDI (and associated industrial development) that Korea experienced? An interesting question, therefore, is to what extent skills development in other countries is linked to overall development strategies of those countries.

1.3.3. TICA – Thailand’s approach to skills development projects and programmes
Like Japan (JICA) and the Republic of Korea (KOICA), Thailand (TICA)’s approach emphasises its own recent development experience in its dealings with other developing countries, but also stresses the need to integrate direct experience with that of development partners:

Thailand aims at helping other developing countries to achieve sustainable economic and social development through development cooperation by utilizing either her own expertise or the knowledge which was gained from her development partners, or the marriage of the two components.6

There are various forms of cooperation in the field of skills development, such as development projects, volunteer and expert assignments, fellowships, scholarships and training programmes (see Banchong, this report). TICA’s emphasis, like JICA’s and KOICA’s, is on capacity development without also a great deal of attention to poverty reduction (similar to JICA).

1.3.4. SCP – Singapore’s approach to skills development projects and programmes
The Singapore Cooperation Programme (SCP) also emphasises ‘sharing with other developing countries the technical and systems skills that Singapore has learned and acquired over the years’.7 SCP offers a number of training courses (mainly to ASEAN nations) which are based on the different areas in which Singapore has relevant experiences or particularly developed national capacities. These areas include tourism, customs, IT, management of industrial parks, civil aviation, port administration, environmental management, health, human resource management, finance, administration, fiscal policy and communication.

1.3.5. China’s approach to skills development projects and programmes
As noted above, China is intensely bilateral in what it seeks to deliver in many countries where it offers aid. China offers a new approach to development with what it calls ‘development-oriented poverty reduction’ (LGOP, 2003) which is different from other agency thinking with regard to India and sub-Saharan Africa. China’s analysis of what needs to be done in their poorer provinces involves really massive integrated investments (similar to what the Commission for Africa and the UN’s Millennium Project advocate). For China, it is very clear that skills training or education alone is not sufficient; other things need to be done like attracting industries, implementing land reform etc. In other words, the Chinese attitude to poverty reduction is much broader based compared to most development agencies.

6 www.tica.thaigov.net/tica (February 2007).
Cooperation in skills development is, for China, only part of a much broader approach to development assistance.

King (this report) provides an illustration of how developing countries are benefiting from Chinese cooperation, and how China is passing some of its experience to other parts of the world. Juwei (this report) reminds agencies and researchers of the necessity for taking an interdisciplinary approach to skills development issues (e.g. demography, economics, history, employment studies, urbanisation studies). A complex analysis of the context of skills development is required in order for agencies and partner countries to design effective skills development policies. Lo’s analysis of the Hong Kong Vocational Training Council (VTC) (this report) illustrates the challenge of what every VTC faces in the world; how to pass from a more solid skill based approach to a more diversified, flexible and open-ended solution to their problems to keep in step with major shifts in industrial and service sector demand.

1.4. CONCLUDING COMMENTS

Many of the Asian agencies (JICA, KOICA, TICA, SCP) as well as China appear to have a similar approach to international cooperation, at least in the sense that they draw lessons from their own experiences in development. For them, these experiences have demonstrated the importance of focussing on economic growth, even if inequalities widen in the short term. For Asian agencies’ cooperation in skills development is often translated into a knowledge-driven approach with a focus on capacity building and skills for competitiveness, rather than into skills for poverty reduction.

For both agencies and country partners themselves, getting the right balance between economic and social development is essential; and the level of inequalities within a country or region can provide a key indicator to check whether this balance is right or not.

Skills development requires an enabling environment. When viewed from the perspective of international cooperation in skills development, this widely acknowledged fact (noted above regarding China and in some of the articles in this report, e.g. see Egger) highlights the need for agencies to balance the provision of skills with the provision of opportunities to use these skills. In other words, skills development cooperation should be integrated with cooperation concerning employment promotion – for both the formal and informal private sector. In particular, international cooperation in developing an enabling environment for micro- and small-enterprises is of critical importance. It is essential to examine, therefore, the interaction between agency-country approaches to skills development and agency-country approaches to skills utilization. Past experience across countries and of agencies themselves suggests that training alone will, in most cases, not result in positive developmental outcomes. International cooperation in skills development needs to be situated within a wider cooperation framework that is supportive to the utilization of skills.

8 The ILO (2006) also argues this point, saying that ‘education and vocational training policy should be… linked to employment policy’ (p.56).
References


SECTION TWO: SKILLS DEVELOPMENT IN SOUTH-EAST ASIA: POLICIES OF NATIONAL GOVERNMENTS AND INVENTORY OF DONOR AGENCIES’ ACTIVITIES

2.1. INTERNATIONAL CO-OPERATION FOR SKILLS DEVELOPMENT IN SOUTHEAST ASIA: A SYNTHESIS OF AGENCIES’ POLICIES AND PRACTICES

Stéphanie Langstaff and Frédérique Weyer, with Michel Carton
Institut Universitaire d'Etude du Développement (IUED), Geneva

2.1.1. Introduction
Which approach to skills development (SD) is promoted by co-operation agencies in Cambodia, Lao PDR, Vietnam, Indonesia, Thailand and the Philippines? This background paper, based on data gathered through co-operation agencies’ websites, identified three approaches to SD (Table 1).

Table 1. The three approaches to skills development

<table>
<thead>
<tr>
<th>Poverty reduction</th>
<th>Economic &amp; Social Development</th>
<th>Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disadvantaged groups</td>
<td>Officials, technical staff, youth, ...</td>
<td>Officials (police officers, journalists, lawyers, decision-makers) &amp; Civil Society</td>
</tr>
<tr>
<td>Basic education / Specific training programmes / TVET</td>
<td>Specific training programmes / TVET &amp; Higher Education</td>
<td>Specific training programmes</td>
</tr>
<tr>
<td>Life skills / Entrepreneurship &amp; Management / Primary sector</td>
<td>All fields &amp; sectors (ICT, S&amp;T, Finance, Trade, Private Sector Dev.)</td>
<td>Public Administration, Human Rights, Law, Journalism</td>
</tr>
</tbody>
</table>

A growing discourse on the knowledge economy and competitiveness

2.1.2. The ‘development’ approach of skills development
- Objective: a knowledge-based development;
- Target groups: officials, technical staff, youth;
- SD activities: capacity-building in all fields and sectors, support to TVET and Higher Education.

Information is unevenly available on the websites and, in some cases the information was available neither in English nor in French. Furthermore, the analysis is based on agencies’ discourses, as expressed by the available documentation; practices on the ground may differ.
‘Training a technical workforce for knowledge-based development’.\(^{10}\) KOICA (Korea)’s statement illustrates best this approach of SD. SD is considered as the cornerstone of economic and social development. Institution building and workforce development are priorities. Technical and Vocational Education and Training (TVET) and Higher Education are also a component of SD for economic and social development.

Asian bilateral agencies (KOICA, SCP Singapore, ICDF Taiwan, JICA Japan, MTCP Malaysia, TICA Thailand) favour this approach. For example, taking advantage of their representation as “miracle countries”, Korea, Singapore, Taiwan, and Thailand actively promote their knowledge-driven approach to development and the diffusion of their experience through training and expertise.

The scope of education and training is wide. Numerous training programmes are organized for government officials, researchers and technical staff, in the donor or in the beneficiary country.

Apart from ICDF, Asian agencies make particular reference to regional cooperation and development in the framework of ASEAN (Association of Southeast Asian Nations).

2.1.3. The ‘poverty reduction’ approach of skills development

- Objective: Poverty alleviation / fight against exclusion;
- Target groups: Disadvantaged groups (e.g. rural communities, women, people with disabilities, ethnic minorities, unemployed youth);
- SD activities: Life-skills based-education; capacity-building in social sectors (e.g. health); training of disadvantaged groups in primary sectors (e.g. agriculture) and in entrepreneurship.

This approach is a key element in most agencies concerned with skills development because the hypothesis is that through skills development of different types poverty can be alleviated.

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

The objective of poverty reduction is usually related to the MDGs. As a result, basic education (primary education in particular) is given priority and gender issues are taken into consideration. Several international agencies, like UNESCO, are pushing for a more comprehensive EFA vision, and are stressing the importance of skills development within EFA.

2.1.4. The ‘governance’ approach of SD

- Objective: Good governance (e.g. efficient and democratic institutions, human rights, fight against corruption, peace and security);

\(^{10}\) [http://www.koica.or.kr/english/main.jsp](http://www.koica.or.kr/english/main.jsp) (November 2006)
• Target groups: Decision-makers, administrative staff, civil society, journalists, jurists;
• SD activities: Capacity-building.

The governance approach is a way to look at skills not just for developing economic growth or for fighting poverty, but to train people to be able to reflect on and define the right balance between economic and social development (approaches one and two, above). In this sense, governance is a prerequisite for poverty reduction and development. Behind the governance approach there are some other objectives, for example: developing democratic institutions; combating corruption; promoting human rights; facilitating decentralisation; and building peace and security (e.g. the fight against extremism and terrorism). Capacity-building activities target decision-makers, administrative staff and civil society. In addition to poverty reduction, governance is a priority issue for agencies such as USAID, DFID, UNDP, and EuropeAid.

2.1.5. Key issues

A tendency towards mixing patterns: Although some agencies lay stress on a particular objective of skills development, almost all agencies make references to several objectives. In other words, many agencies are combing these three approaches, although perhaps not always in the most effective way.

Whereas Asian agencies target economic development rather than poverty reduction, and thus emphasize the training of a technical workforce and of officials, the majority of agencies mix two or three approaches of SD, according to their commitment to global trends but according also to their own convictions. Getting a balance between skills for economic development, or knowledge-based development, and skills for poverty alleviation is essential if inequalities are to be reduced.

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

Governance issues: Governance issues seem to be a growing trend but there is a need for a better analysis of how the governance approach of SD differs from the classical approach of institution building, as promoted for example by Asian agencies.

Conceptions of co-operation for SD: Finally, the emergence of countries that are both recipients and donors (e.g. Thailand) challenges traditional conceptions and practices of aid. How could the regional co-operation (‘win-win partnership’) promoted by Asian agencies be developed elsewhere, particularly in the field of SD? And what kind of balance can be expected between transfer of experience and support to the use of endogenous knowledge and skills?

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11 The objective of ‘pro-poor growth’ is a good illustration of how growth and poverty reduction are combined.
2.2. NEW ILO STRATEGIC INITIATIVES ON SKILLS AND EMPLOYABILITY IN ASIA AND THE PACIFIC

Trevor Riordan
ILO Regional Skills and Employability Programme (SKILLS-AP)

2.2.1. Background and challenges – the need

- Many countries in Asia and the Pacific are finding it difficult to respond to the changing skills needs of their workforces.
- Part of the driving force is globalisation, but there is increasing discussion at the country level of the increasing need to develop the skills required for competitiveness, productivity and jobs.
- But it is very difficult for countries to access latest information on innovative training policies, practices and systems reform.
- While many interesting examples exist, there are only a few networks available to facilitate exchange of information and knowledge.
- Another driving force behind the need for a new approach to skills development is the major decline in resources for technical cooperation on skills development.

2.2.2. The ILO’s response

In responding to these challenges the ILO has developed a new Regional Skills & Employability Programme (SKILLS-AP), which will build on and integrate Asia-Pacific Skills Development Programme (APSDEP) experience, and will facilitate and coordinate this process working through a revitalized Regional Skills Network. All ILO units dealing with skills development will work together under a strategic framework which is designed to:

- Serve as common platform on skills;
- Integrate all ILO skills activities into a single workplan;
- Strengthen the skills element of Decent Work Country Programmes.

The launch of the SKILLS-AP programme and the revitalized Regional Skills Network took place at the First Technical Meeting of the Regional Skills Network Partner Organizations, Incheon, Korea, November 2005. The ILO member States in the Asia-Pacific – some 27 countries - were brought together at this meeting and were asked what the major challenges are that countries are facing in the region, and how best expertise that exists in the region can be utilized - in view of the decline in technical cooperation. This was the first time the Asia-Pacific (A-P) ILO members States have been brought together and been asked what the key challenges are regarding skills. There were three key outcomes of the First Technical Meeting (see also ILO, 2006):

- A tripartite Statement of Common Understanding on the role and responsibilities of SKILLS-AP and the Regional Skills Network Partners;
- A Framework for Cooperation on Skills Development in Asia and the Pacific;
- A Matrix of major themes and key issues on skills in the region.

2.2.3. Some key issues identified in Incheon

- Skills recognition and qualifications frameworks, driven by the movement of skilled workers;
- Improved quality of skills development and workplace learning;
• Core/employability skills ‘soft skills’, especially as countries move towards a more service orientated economy;
• Improved information and data on skills requirements of economy/labour market;
• Skills for the informal economy/ poverty, although recognised as a key issue by the ILO given the very large size of informal economies in the A-P region (e.g. in India, China, Indonesia etc), was not emphasised by member states as a key issue. Member States were more concerned with economic performance;
• The ILO also recognises the importance of skills for inclusion and economic empowerment of marginalised groups, low-skilled workers, young people, and aging workers – all groups that usually fall outside of the normal TVET system - in the A-P Region.

2.2.4. Framework for cooperation on skills development in Asia and the Pacific – a ‘roadmap’ (see ILO, 2006: Annex 4)

The vision
That constituents across the region share their knowledge and experience, to optimize the human resource development processes across the region, thus improving the skills and well being of people and increasing the economic development of the region as a whole… recognizing that all constituents in the region have information and experiences to share which will be valuable to others, and that each can benefit from the experiences of others… (p. 27).

Policy framework for skills development
• The new Human Resources Development Recommendation (ILO, 2005).

Practical action
• SKILLS-AP focus is on strengthening the work on skills and employability at the regional level, through knowledge sharing, product development and to:
  – Develop networks of technical expertise;
  – Conduct research on key skills issues;
  – Organize regional seminars and workshops;
  – Develop pilot projects;
  – Promote technical cooperation both with and between partner organizations.

Participation in the Regional Skills Network
• Network consists of:
  – Focal Points in all ILO member States;
  – Partner Organizations which includes national training & research institutions and workers and employers organizations (now 164).
• Network designed to:
  – Share experiences and best practices;
  – Provide base for networking, sharing knowledge, experience and technical cooperation among member States.

Information and knowledge sharing
• SKILLS-AP also ensures that all participants in the network have access to information from a wide variety of sources. For example, recent publications and research include papers on: the Mutual recognition of skills; Innovative reforms in learning and skills policies; National Skills Strategies; Guide to Improving Workplace Learning; Good practice guide to NQFs.
2.2.5. The next steps…
The SKILLS-AP programme, together with other ILO units, is preparing a detailed workplan for skills and employability in the region. Further discussions will be held with countries and partner organizations which have expressed interest in supporting skills issues to secure their involvement.

References and further information

See: www.ilo.org/skills-ap for more information.
3.1. JICA’S COOPERATION EXPERIENCES IN THE FIELD OF TVET

Akira Hara
JICA, Malaysia office

This motto has been used by Japan since Japanese ODA started in 1952. It means “The Country’s development depends on the Human Resources Development” and illustrates the focus given by Japan to Human Resources Development in ODA, even before the introduction of concept as Human Resources Development in 1960’s or Capacity Development/Building 2000’s.

3.1.2. Priority on HRD
Up to 2003 JICA has implemented 961 HRD projects. JICA follows three main modalities for implementing cooperation activities, namely: assigning Japanese experts, accepting trainees to Japan/third countries and supplying equipment.

Technical Cooperation Projects involve the comprehensive combination of these three modalities in one project. In a project, according to the agreement between Japan and the recipient government regarding the objectives, output and how to monitor the project etc., JICA assigns a group of experts, invites counterparts to Japan/third countries and supplies equipment and facilities.

In the TVET sector, projects were mainly to upgrade trainers and try to strengthen the capacity of the training centers. Project size is around US$5-10 million over 5 years, 5-10 long term experts plus several short term experts. In many projects the Japanese Government allocated funds for building of about US$10-20 million, in addition to the above, where needed under the grant aid project. Compared with the total number of JICA technical cooperation projects, HRD projects account for some 29% of the total. All technical cooperation has been targeted at technical transfer according to the motto of Kuni Dukuri Hito Dukuri. Since the percentage of purely educational projects has been small, the majority of HRD projects have been TVET projects.

3.1.3. Variety of Action Plans
Under the guidance of the Ministry of Foreign Affairs, JICA has been involved with a variety of initiatives with ASEAN countries. One of the significant initiatives was the ASEAN Hito Dukuri Plan, announced in 1982 by Mr. Zenko Suzuki, the then Prime Minister, which invited five ASEAN countries to identify the most needed areas for HRD.

JICA formulated one project in each country such as a Primary Health Care Center in Thailand, CIAST in Malaysia (a trainer of trainer institution) and so on. All projects are supposed to be open to other ASEAN countries. On top of the activities in the five countries, JICA constructed the Okinawa International Center located in the south of Japan as the main training center for ASEAN countries. On top of the domestic center, these Centers have now been used as the Center of Japan South-South cooperation in each country.
3.1.4. Pattern of HRD Technical Cooperation Projects
Between 1994 and 2003 there were 111 HRD Technical Cooperation Projects implemented. During this period, the majority of projects have been concentrated in capacity development, study and analysis and skills upgrading. Less attention has been given, for example, to policy advice and system development.

3.1.5. Japanese support towards TVET in Malaysia
A review of the sustainability and impact of Japanese support to TVET in Malaysia is underway. Two such projects under review are CIAST, which has been established under the ASEAN Hito Dukuri Plan, and the Japan Malaysia Technical Institute which tries to support the rapid industrial development of Malaysia. The two projects have made a strong contribution towards producing high quality technical personnel in the country. For example, it is interesting that there are quite a number of high ranking officers in the Ministry of Human Resources who used to be counterparts on JICA projects. This also demonstrates the Malaysian Government’s effort to place good quality personnel in JICA projects.

However the Ministry of Human Resources in Malaysia is not fully satisfied with the performance of these institutions, and their impact towards other institutions, after JICA projects have reached completion. As noted JICA’s main focuses had been on the upgrading of counterpart personnel and strengthening institutions. But JICA projects cover very little of the environment outside of the project and this has been identified as the weakness such projects. For example if a motor mechanic is trained in preventive maintenance for cars, workshop owners or employers will not appreciate such skills if there is no periodic safety inspection system in place in the country. Therefore the knowledge and skills will not be sustainable unless total environment has been modified.

This example demonstrates that for the sustainability of technical cooperation, projects should cover not only the institution, but also help stimulate changes in the environment outside of the project, including the social environment.

3.1.6. Characteristics of the Japanese TVET system and its applicability to Malaysia
The characteristics of the Japanese TVET system are quite unique compared with other countries and have not been discussed much in the past - even though Japan is one of the countries who succeeded in producing capable human resources for industry. It has been assumed that the uniqueness of Japan’s TVET system has much to do with Japanese culture and tradition, and therefore no other country can follow it.

This is a list of characteristics unique to the Japanese TVET system which was presented to Malaysia. Using this presentation, JICA and the Ministry will study whether any components of the system can help the improvement of Malaysia’s TVET system or not. If any components have the potential of being applicable to Malaysia, there will be a further study regarding how to adapt/adopt it in the society.

• Employment Support system by Education/Training Institutions
• Labor Management Information section
• Review Dual System in Malaysia
• Skills testing System and Certification
• Labor Study and analysis systems
• Salary Structure
• Work Ethics & Culture
• Value of Skills Development
• Curriculum Development
• “Hello work” Public Job placement office

From a review of JICA technical cooperation projects it has been found that some of the ‘new’ systems were previously implemented in the past and showed some positive effects. However, the past trials were very sporadic or were done in the limited area only. Therefore the actions taken were not sustained or disappeared after the project ended. For example, many past projects showed the positive effects of delivering employment support as part of projects; for example the Surabaya Polytechnics Project in Indonesia, the UBISD project in Thailand, and the HIC in Vietnam.

The Malaysian government currently expresses a strong interest in developing an employment support function within training institutions, and JICA is trying to support the Ministry in its consideration of whether to adopt this new system or not. There are a variety of issues regarding employment support. One is to articulate the function of the administration office, the teacher’s role and the relation with Government job placement offices. At the same time, there are issues concerning how instructors will take on a career advisory function as a part or their responsibility.

Further information
3.2. SUPPORT FOR SKILL DEVELOPMENT IN THE ASIA-PACIFIC REGION

Sue Connell
Australia’s Overseas Aid Program (AusAID)

3.2.1. Australia’s aid program
Australia launched its first White Paper on aid in April 2006 to support the doubling of aid by 2010. The four major themes of the White Paper include:
1. Accelerating economic growth;
2. Fostering functioning and effective states;
3. Investing in people;
4. Promoting regional stability and cooperation.

For the ‘investing in people’ through education theme, as articulated in the White Paper, this focuses on getting “more children into school, for longer and for a better quality education”. Part of this involves the Delivering Better Education initiative which relates to the broader policy context. The other feature to this aid programme is the Australian Scholarships scheme.

3.2.2. New directions for education
AusAID is looking to expand the program which will involve a tripling of support for national systems by 2010. It will provide support for functioning, inclusive national systems, improve quality and relevance and strengthen the links between education and employment. Vocational education is seen as a major part of improving system development. A new education policy is currently under finalisation to be launched in first half of 2007.

3.2.3. Key Strategies for skill development
In terms of specific strategies for skills development, AusAID has announced a new Australia-Pacific Technical College that will focus on improving skills in the Pacific. It is also working on integrating vocational and technical education into national systems and looking at country level interventions.

3.2.4. Australia-Pacific Technical College
The Australia-Pacific Technical College is aimed at skilling and qualifying Pacific Islanders for vocational occupations in demand. The initial intake will be in July 2007 in centres in Papua New Guinea, Samoa, Vanuatu and Fiji. An important part in the design of the Australia-Pacific Technical College was to take on board the lessons from Australia of the vocational and technical education (VTE) reforms that have happened over the last twenty years. It is looking at building partnerships with existing providers and developing courses which will be demand driven and developed in consultation with industry.

3.2.5. Reforming VTE systems
In terms of reforming VTE systems, AusAID is aware of the large numbers of unemployed youth in the region, especially in neighbouring countries like East Timor and others in the Pacific. As in the case of the Australia-Pacific Technical College, AusAID is trying to take on board the lessons learned from Australia’s past reforms and traditional support to discrete VTE projects. For example, AusAID’s previous
work in Indonesia and the Philippines has not been as successful as hoped and lessons can be drawn from this experience. Furthermore, Australia’s own experience suggests that getting industry involved in what is required from these VTE projects is essential.

3.2.6. Australia’s comparative advantages
Australia’s VTE system is considered one of the best in world and Australian VTE awards are internationally recognised. Specific elements of the Australian system can be adapted for use in other countries.

3.2.7. Examples of country level interventions
Pakistan
- Request for support to PM Howard.
- Role for Australia in VTE system reform - technical and financial support.
- Late February 2007, AusAID and DEST (Department of Education, Science and Training) to participate in a World Bank mission to explore opportunities and specific focus for future assistance.

China
- Project to assist national VET reform program (2002-2007, AUD$19m).
- Have been working in Chongqing Municipality since 2002 and are currently in Phase 2 working with 26 pilot schools aiming to improve quality and relevance and to selectively contextualise appropriate elements of the Australian system in 5 industry areas.

3.2.8. Overarching principles
AusAID wants to promote:
- Greater alignment with partner government systems and policies;
- Greater harmonisation with other donors;
- Strengthening of aid effectiveness and performance orientation;
- Gender equality.

Further information
3.3. SKILLS DEVELOPMENT AT KOICA

Jeon Jun-ho
Korea International Cooperation Agency (KOICA)

3.3.1. ODA in Korea

The Korea International Cooperation Agency (KOICA) was founded in April 1991 under the wing of the Foreign Ministry of the Republic of Korea. KOICA technical cooperation areas include: human resources development, infrastructure development and equipment supply, supporting Korea-based NGOs, and disaster relief and reconstruction. KOICA gives higher priority to Asian partners, but works in other regions and has offices in the Asia Pacific (12), Latin America (3), Middle East (3), Eastern Europe – CIS (3) and Africa (2).

As a member of the international community, Korea is dedicated to sharing its development experience and assisting with efforts to contribute to poverty reduction and sustainable development in the developing world. Korea acquired invaluable experience and expertise in the following areas during the course of its economic development. By focusing resources on these areas, KOICA offers unique insight and makes a positive impact.

- **Education/training:** Through broad-based educational support, KOICA helps to enhance the literacy and vocational training in partner countries.
- **Health/medical care:** KOICA provides health and medical assistance to impoverished populations to lower their infant/child mortality rates, improve maternal health, reduce deadly diseases such as HIV/AIDS and malaria, and advance the overall health, medical, and sanitary conditions.
- **Institution building:** Strong institutions provide the governance necessary for national development. KOICA acknowledges partner governments’ commitment to improving their institutional capabilities. Through an array of capacity-building programs, KOICA transfers strategies for economic development and helps strengthen the administrative capabilities of partner governments.
- **Information technology:** KOICA contributes to bridging the so-called “digital divide” between developed and developing countries by sharing Korea’s advanced information technology.
- **Agriculture:** Agriculture plays a critically important role in alleviating hunger and absolute poverty in the developing world. By harnessing Korea’s advanced agricultural techniques and rural development experience, farmers in partner countries increase productivity and income.

In 2005, KOICA’s total budget was US$210 million and was allocated to the following sectors: education (16%), health (20%), governance (13%), rural development (4%), ICT (10%), industry and energy (9%), environment and others (13%) and disaster relief and reconstruction (15%).

3.3.2. KOICA’s scope of assistance in skills development

Total assistance to the education sector in 2005 (basic-, vocational-, secondary- and post-secondary education) amounted to US$34 Million (Table 1). Most of this was

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12 This brief on KOICA also draws on the 2005 KOICA Annual Report.
allocated to infrastructure support (62%) and volunteers (27%). In 2005, more than half (52%) of KOICA’s budget for the education sector was allocated to Iraq alone.

Table 1. Total KOICA assistance to the education sector (2005)

<table>
<thead>
<tr>
<th></th>
<th>US$ in thousands</th>
<th>% of spending in education sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure support</td>
<td>21,241</td>
<td>62%</td>
</tr>
<tr>
<td>Material provision</td>
<td>2,032</td>
<td>6%</td>
</tr>
<tr>
<td>Training</td>
<td>1,401</td>
<td>4%</td>
</tr>
<tr>
<td>Dispatch of experts</td>
<td>213</td>
<td>1%</td>
</tr>
<tr>
<td>Dispatch of overseas volunteers</td>
<td>9,301</td>
<td>27%</td>
</tr>
<tr>
<td><strong>Total for education sector</strong></td>
<td><strong>34,188</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

In addition to the specific education sector activities noted above, KOICA undertakes cross sectoral training activities (including in the education sector) which accounted for almost US$15 million, or 7% of the total KOICA budget, in 2005. The majority of this went to governance training (41%), followed by training for industry and energy (17%), ICT training (11%), education training (9%), rural development (7%) and other areas (15%).

KOICA’s expenditure on skills development activities (cross-sectoral training activities combined with its education sector programme) accounted for 23% (US$47.6 million) of KOICA’s total budget in 2005.

3.3.3. Programs for Skills Development at KOICA

Understanding the importance of skills development in Korea’s experience, KOICA is implementing a number of programs that share and transfer know-how and knowledge, including: constructing/restoring vocational training centers; training personnel from partner countries; dispatching experts and volunteers to provide and share skills development; and drawing up development studies to identify skill availability and needs in partner countries. KOICA also assists with the construction of IT centers, thus helping to: increase the number of skilled-technicians; produce IT experts required in IT driven societies; and narrow the digital divide between developed and developing countries.

3.3.4. Establish Vocational Training Centers

Korea’s performance is partly based on the important role vocational training centers had during Korea’s economic development. In this regard, KOICA has assisted with the construction/restoration of vocational training centers in many partner countries. Between 1991-2005, 40 training centers have been constructed/restored at a cost of c.US$60 million. Assistance strategies include: enhancing the management ability and capacity of an institute by helping with regulatory arrangements as well as establishing legal and operating systems; assistance in hardware components such as the construction of vocational training centers and the provision of equipment are considered follow-up measures. If operating budgets of a center are insufficient, KOICA provides space and equipment to help manage profit incurring businesses. To
prevent inefficiency due to the lack of textbooks, KOICA invites instructors for training programs that are designed to enhance the ability of instructors to develop teaching material themselves. KOICA can also dispatch experts to help develop course materials as well to assist and help develop specialized curriculum to help adjust to the rapidly changing industrial environment. To help prevent an excellent instructor from resigning due to low income, KOICA is providing advice that helps manage profit incurring businesses. In addition, KOICA provides training for high-level government officials to deal with this kind of situation. KOICA is introducing Korea’s administrative system for vocational centers, especially with regard to the roles and responsibilities of instructors as well as efforts to help students find employment once they have graduated. KOICA also provides instruction on employment and entrepreneurship to assist with efforts by students to be independent.

3.3.5. International Training Programme
KOICA invites technicians, researchers, and policymakers to Korea for training programs designed to share with them the developmental experience and knowledge necessary for their human resources development and capacity building. Since 1991, KOICA has invited 21,900 personnel from 163 countries for training in Korea. The strategies used in designing these training programmes include:

• Developing mid- and long-term (3–5 years) country specific courses which are based on the specific needs of a partner country;
• Implementing technical assistance courses such as TVET and IT as in-country training programs;
• Designing courses that consider the skills development needs of a partner country;
• Designing courses for personnel and instructors engaged in vocational training centers constructed/restored by KOICA as follow-up measures to maintain quality and cooperation networks;
• Introducing E-learning systems to provide distance learning;
• Extending the duration of courses that focus on skills development from the current three weeks to one- and two-months.

Further information

KOICA (2005) Annual Report

See: www.koica.or.kr/english/main.jsp for more information.
3.4. SKILLS DEVELOPMENT STRATEGIES OF THE DEPARTMENT OF SKILL DEVELOPMENT, MINISTRY OF LABOUR, THAILAND

Areeya Rojvithee
Ministry of Labour, Thailand

3.4.1. Policy on Skills Development
Thailand’s policy on skills development is encapsulated in the policies of the 10th National Economic and Social Development Plan (2007–2011) - the current government policy - and the policy of the Minister of Labour and the Labour Development Plan 2007. For example, the 10th National Economic and Social Development Plan (2007–2011) intends to develop the potential, competency and skills of people to cope with competitiveness by increasing knowledge and life-skills such as analytical, innovation, problem-solving, decision-making and team-working skills. The Plan intends to set up a training system that applies new technology and promote linkages between government, the private sector, and the community. It promotes short training courses, in-plant training and workplace learning and intends to set up a system that matches skills and competencies with the wage structure. The Plan also aims to extend skills training to vulnerable people. The current government views labour as the vital basis for the economy which should be strengthened by the cooperation of workers, the public and private skill development sectors and the improvement of workforce quality at all levels. In addition the government is promoting employment, supplementary occupations, labour protection, labour relations, occupational safety and health, social security and workers’ welfare.

3.4.2. Vocational Education and Training (VET) in Thailand
Two main Ministries are responsible for Vocational Education and Training in Thailand; the Ministry of Education (MoE) is responsible for basic and higher education as well as Vocational Education; the Ministry of Labour (MoL), through the Department of Skill Development (DSD), is responsible for the development of the workforce in the labour market (for those aged 15 and over) and promotes skills training to enhance employability. The MoL is also the main organization responsible for the National Skill Standards and Testing System as well as for the evaluation of workplace learning.

3.4.3. Department of Skill Development, Ministry of Labour
The Department of Skill Development (DSD) offers various training courses which focus mainly on practical training (theory 20%, practical 80%). Pre-employment training is provided to prospective new labour market entrants and is usually conducted in the training institutes, located in 76 provinces. The duration of training is approximately 280 hours over 2-10 months. The trainees are obliged to participate in 1-4 months of in-plant training courses conducted by enterprises. Successful trainees are classified as ‘basic skilled labour’. Upgrading training is mostly provided to the existing labour force with the aim of enhancing their knowledge, skills and potential to cope with specific jobs and the rapid change of technology.

The DSD also oversees retraining; provides consultancy services to various organizations regarding skill training for special target groups (e.g. youth, people with disabilities, people living with HIV-Aids); conducts skill standard testing in the relevant fields as established by the Skill Development Promotion Committee; is
responsible for the skill standard testing for workers seeking overseas jobs; and training of DSD personnel. A National Vocational Training Coordination Committee (NVTCC) was set up by the DSD to coordinate training organizations and to issue the national policies and guidelines relating to vocational training and skills development.

3.4.4. The Skill Development Promotion Act (2002)
Skill development has never been as important as it is in today’s globalizing world, where technology dictates rapid changes to the way in which skills are acquired, new skills developed and existing skills upgraded. The Thai government considers that human resource is the nation’s main asset and should be continuously developed. The Thai government has a clear policy on human resources development (HRD) and considers that the best strategy to develop a workforce is in the workplace. Thus the vital role of enterprises for HRD has been recognized and the Skill Development Promotion Act (2002) encourages, and provides incentives for, enterprises to provide training and skills upgrading to employees and non employees. According to the DSD, 13,890,000 workers were trained in workplaces between October 2005 and September 2006.

3.4.5. International Cooperation
The DSD has various bilateral and multilateral international cooperation programmes and projects. For example, the Songkla International Institute for Skill Development in Songkla province (southern Thailand) is an initiative under the Indonesia Malaysia Thailand Growth Triangle (IMT-GT) cooperation. Project at the institute include: Establishing and strengthening the IMT-GT accreditation programs for business support organizations (e.g., tourism, nurses, construction, food manufacturers, and shippers); Improving the quality of human resources in the IMT-GT region through training and capacity building programmes based on IMT-GT skills competency standards; Establishing a system for regularly updating information on skills standards and recognition. Another international institute, located in the northern part of Thailand, is the Chiang-Saen International Institute for Skill Development, set up to provide training for the GMS countries. The Thai government offers training to people in GMS countries in various courses, funded by the Thai Ministry of Foreign Affairs, the UNDP and the German government. Training is for the industrial, commercial and the service sectors.

3.4.6. Future Cooperation
In order to respond to the Thai government’s policy that Thailand should be a center for HRD, the DSD is ready to offer international cooperation to member countries in Asia and the Pacific. Cooperation activities include training, exchanging training personnel, training resources as well as conducting research and development on HRD. Also we can gain the benefit of international cooperation by broadening our vision on the issue on skills development, raising the quality of learning and training and bridging the gap between developed and developing countries. Skill development can be applied to eradicate the poverty by creating employment.

13 Administrative Information, Ministry of Labour, July 2006.
3.5. THAILAND MANAGEMENT OF INTERNATIONAL TRAINING PROGRAMMES

Banchong Amornchewin\textsuperscript{14}  
Thailand International Development Cooperation Agency (TICA)

3.5.1. Introduction  
The Thailand International Development Cooperation Agency (TICA) was established on 18\textsuperscript{th} October 2004 by a Royal Decree to serve the Royal Thai Government as a focal agency under the Ministry of Foreign Affairs of Thailand in administering international development cooperation. TICA is the successor of the Department of Technical and Economic Cooperation (DTEC), established by Royal Decree in 1963. TICA is principally responsible for the implementation of Thailand’s development cooperation programmes in neighbouring countries in particular as well as other regions of the world. There are various forms of cooperation, such as the development projects, volunteer and expert assignment, fellowships, scholarships and training programmes.

TICA promotes South-South cooperation and North-South-South cooperation under partnership programmes with other donor countries including non-government organizations and international organizations for development cooperation in developing countries in various regions. TICA’s major recipients are neighbouring countries in the Mekong sub region, namely Cambodia, Lao PDR, Myanmar and Vietnam (CLMV). TICA also contributes technical cooperation for development to other countries in Asia, the Pacific, and Africa, as well as Eastern Europe, the Middle East and South America.

3.5.2. Thailand’s Development Cooperation Framework  
Thailand is moving from being in a Donor–Recipient relationship to ‘Partnership’ Cooperation with Thailand itself as an emerging donor country. Thailand’s Development Cooperation Framework comprises three elements: 1) Thai International Cooperation Program; 2) Partnership Programme / Trilateral Cooperation; and, 3) Regional Cooperation.

3.5.3. Thai International Cooperation Programme (TICP)  
Technical cooperation activities under TICP have been implemented through the following modalities:  
\textbf{Bilateral Programme}: to provide direct assistance to its development partners, with CLMV being priority countries. The delivery mechanism of the TICP includes development projects, human resources development programs, secondment of Thai experts/missions and volunteers and the provision of supplies and equipment.  
\textbf{Annual International Training Courses (AITC)}: provide international training courses to participants from Southeast Asia, South Asia, Pacific and Africa. In 2005, 21 courses were implemented.  
\textbf{Long Term Study Programme}: support to individuals in CLMV and other developing countries to study areas in various fields. In 2005 there were 100 fellowships.

\textsuperscript{14} This review also draws on documents and information from TICA’s website, www.tica.thaigov.net/tica
Technical Cooperation among Developing Countries (TCDC): consists of two types of sub-program. One is an organized programme with bilateral agreement, while the other comprises of ad-hoc activities as requested from developing countries or donors on behalf of developing countries.

Institutional Linkage Programme: to expedite the cooperation programme between institutions in Thailand and other cooperating countries. Priority given to Thailand’s neighboring countries.

Third Country Training Programme (TCTP): the Thai Government organizes training, study trips, and study programmes in Thailand for participants from other developing countries (sponsored by donors).

Thai Volunteer Programme (Friends from Thailand): provision of overseas volunteers in the fields of education, community development, public health and technical areas.

3.5.4. Partnership Programme / Trilateral Cooperation
TICA partners with other bilateral or with multilateral agencies to deliver their support to other developing countries mainly in the GMS.

3.5.5. Regional Cooperation
TICA works with regional and sub-regional frameworks like ACMECS, GMS, BIMST-EC, IMT-GT and ASEAN in various areas of cooperation. For example cooperation with ACMES includes: trade and investment facilitation, agricultural and industrial cooperation, transport linkages, tourism and human resource development.

3.5.6. Problems Encountered of Training Programmes
- A major concern is the lack of English language proficiency of participants.
- Late submission of the candidates’ application forms to TICA and questionable suitability of candidates.
- Unclear of data/personal information of candidates.
- Participants are not well prepared for attending training courses.

3.5.7. Findings and Lessons Learned
- Sharing experiences among participants is a success factor.
- Selection of suitable participants is very important.
- Networking among participants should be promoted.
- Follow-up of trainees should be done regularly.

Further information

See: www.tica.thaigov.net/tica for more information.
3.6. INTERNATIONAL COOPERATION OF SWISSCONTACT IN SKILLS DEVELOPMENT

Manfred Egger
Swisscontact Vietnam

Who is Swisscontact?
Swisscontact is the organization of the Swiss private sector for development cooperation founded in 1959. Its aim is to promote private economic and social development in selected countries in the South and East through advisory services, training and continuing education by applying the principle of helping others to help themselves, Swisscontact and its local partners are fighting poverty effectively. Main sectors of activities and percentage use of funds according to sectors: Business Promotion (56%), Vocational Training (25%), Ecology (13%), Financial Services (6%). Currently 60 projects in 25 countries with most funds concentrated in Asia (38%) and Latin America (33%), with sizeable projects in Africa (14%) and Eastern Europe (15%). Total project expenditure in 2006 was CHF 40 million.

3.6.1. Skills Development at Swisscontact
Skills Development has been a priority of Swisscontact from the very beginning (1959). To date 31 vocational training projects have been completed with 14 still ongoing. Training projects cover the formal and informal training sectors and both urban and rural areas (through mobile training). Most projects address the micro and meso and less the macro level.

3.6.2. If Training is the Solution – What is the Problem?
Skills Development is not the goal in itself but must serve a higher objective, namely finding jobs, improving job performance and having a better income. Though having the proper skills appears very important, other factors are equally important. Thus questioning whether training or skills development is the solution or whether the wider labour market, business policies and economic environment needs also to be considered and addressed is very valid. Skill development and its ultimate goal do not stand in a vacuum:

- **Labour market policy**: e.g. employment promotion (opening up stable, safe and decent jobs);
- **Business development policy**: opportunities for growth of businesses and hence for more employment, opportunities for competitive self-employment;
- **Economic growth policy**: Focus of Government polices regarding economic growth and employment, poverty reduction strategies, incentives (raising the outcome of subsistence efforts);
- **Systemic approach**: Know the system well before interventions are designed, also in Skill Development. Intervene where most impact (improvement) can be expected with limited resources.

3.6.3. Swisscontact’s Principles for Skills Development
- Paradigm shift towards open and flexible learning opportunities.
- Provision of training measures is open to entrepreneurial initiative.
- Driven by labour market forces.
- System development: The intention of Swisscontact intervention is to shape vocational training at a larger scale. However Swisscontact prefers to work from the bottom-up. Interventions on the ground must be successful (good pilots) before bringing them into the meso-level for replication and eventually
to the macro-level to shape policies. Hence the role of Swisscontact as a small agency is in supporting bottom-up approaches that will inform meso and macro approaches.

3.6.4. Swisscontact’s Strategic Objectives for Skills Development
There are 3 strategic objectives which Swisscontact regards as the core of its new Skills Development Strategy:

- **High relevance of programmes**: i.e. well defined and properly imparted competencies, that are based on the demand of the economy and the employment system.
- **Wider access to Skill Development programmes**: i.e. offering services in a non-exclusive way within a wider parameter, so that skills development becomes available and useful to all who need it. This means often going to new locations (mobile training, new infrastructure), removing barriers for social or economically disadvantaged groups. This can mean new training courses (e.g. special course for disabled people, resettlers etc.), looking for subsidies for economically disadvantaged groups.
- **Sustained funding of Skills Development services**: i.e. supplementing the budgets of notoriously under-funded institutions by additional income generation and/or optimizing the income-expenditure structure of institutions.

3.6.5. Swisscontact Vietnam: Practical Experience of the ‘Strengthening of Vocational Training Centres (SVTC) Project’
The SVTC project (1994-2008) aims to contribute to Vietnam’s socio-economic transformation process by providing employable skills to jobless youth and by raising the work performance of employed unskilled and semiskilled workers. Total funding for all phases will be about US$ 12 million. 28 VTCs (located in 7 Provinces) are currently under the project, with 11 others phased out. Support provided by the SVTC Project includes: development of curricula; development of instructional skills; development of VTC as an organization; upgrading of equipment and tools; and, addressing cross cutting issues: gender, vulnerable groups, entrepreneurship promotion.

Vocational Training Centres (VTC) System in Vietnam
There are c.600 public and private VTCs in Vietnam delivering short courses (typically 3–9 months) in various trades (e.g. motorbike repair, tailoring, electrics, mechanics, refrigeration, cooking, mushrooming). Enrollment in 2006 was about one million trainees. 53% of trainees have a lower secondary education or less and are typically 16-40 years of age, and less privileged members of society. Training fees are the main source of income for VTC and are c.US$20-100/ trainee. Compared to the formal (long term) vocational training sector the VTC system receives little support from government or agencies. The SVTC project is currently the only one addressing this sector.

**Further information and resources available at:**
Swisscontact main website [www.swisscontact.org](http://www.swisscontact.org)
Swisscontact Vietnam website [www.swisscontact.org.vn](http://www.swisscontact.org.vn)
3.7. APPROACH TO SKILLS DEVELOPMENT: UNESCO-UNEVOC

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3.7.1. Dual responsibilities
UNESCO-UNEVOC international centre for vocational education and training, one of 12 UN organizations located in Bonn, is both UNESCO’s specialist international centre for Technical and Vocational Education and Training (TVET) and the hub of the world-wide network of UNEVOC Centres (currently 262 in more than 162 Member States).

3.7.2. TVET within UNESCO
Within UNESCO areas of concern related to TVET include:
- Secondary education reform;
- Informal and non-formal education (80%);
- Lifelong learning;
- Training of TVET trainers;
- Primary education;
- Vocationalisation of higher education;
- Contributions to EFA, DESD etc.

Programme activities focus both on Education for All and TVET (e.g. concerned with access and quality issues for formal and informal training), and Education for Sustainable Development, and how TVET relates to that. In addition a separate line of action is concerned with strengthening and upgrading the worldwide UNEVOC Network.

3.7.3. The UNEVOC Network
The UNEVOC Network links both individuals and institutions. UNEVOC Centres themselves might be a Ministry of Education, a TVET provider, or a research institute/university offering TVET related courses. UNESCO-UNEVOC links these centres together and provides opportunities for networking. The Network has been strongest in the Asian region. UNEVOC meetings, which are typically sub-regional, are held around issues such as curriculum development, planning, or how to make the most out of being a network.

3.7.4. Tools used
- Knowledge development and knowledge sharing;
- Leadership on TVET issues;
- Publications;
- Advisory services direct to Member States;
- Strengthening UNEVOC Centres;
- Inter-agency collaboration.
3.8. REGIONAL INITIATIVES IN SKILLS DEVELOPMENT: SEAMEO VOCTECH

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3.8.1. Overview of SEAMEO VOCTECH
SEAMEO Regional Centre for Vocational and Technical Education and Training (VOCTECH) is one of fifteen centres of the Southeast Asian Ministers of Education Organization (SEAMEO). It was established in 1990 and mandated to assist member states (Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam and Timor-Leste).

The mission of SEAMEO VOCTECH is to strengthen the vocational, technical education and training (VTET) systems of Southeast Asian countries through relevant partnerships in the areas of training, research and information services. In the area of skills development, the centre’s primary roles are to coordinate and facilitate the member countries by providing the necessary information and expertise, especially with regards to curriculum, management, training of trainers, ICT, and research and development.

As SEAMEO VOCTECH is under the Ministry of Education (MoE), the centre focuses more on formal and non-formal education and training under the MoE, especially related to VTE both secondary and post secondary levels.

3.8.2. Roles of SEAMEO VOCTECH in Skills Development
Consultation
The Centre offers consultation to the public in the area of curriculum, management, training of trainers, ICT, and research and development. The centre also coordinates the implementation of various projects. Some completed projects include:

- Skills Training for Women in Hotel and Tourism Industry (1996-97) – four month training for 24 women;
- Entrepreneurial Skills Development (2001) - for administrators at the Vocational Education Development Centre in Malang, Indonesia.
- IT and Communication Skills Development Course – 3 month course for 16 teachers from Indo-China countries and Timor-Leste.
- VTET Teacher Education in Southeast Asia (2004-05) – a research project.
- Skills Recognition Arrangement in CLMV (French funded project 2005-06).

Two current projects, both funded by the Netherlands Ministry of Foreign Affairs include:

- Capacity building: to develop a cadre of professionals in various areas related to VTET through training programmes.
- Establishing SEAVERN (Southeast Asian Vocational and Technical Education Research Network): to enhance education research among member states and strengthen cross-nation research collaboration and improve the research results utilisation particularly in policy formulation. The SEAVERN will spearhead research related initiatives from generating, managing, to sharing and disseminating research findings.
Training
SEAMEO VOCTECH has trained 10,894 instructors, researchers, administrators and teachers in various areas related to VTET through regular, in-country, customized training programmes (ISO certified), especially on ‘soft skills’ (e.g. curriculum, management, training of trainers, ICT, and research and development). ‘Hard skills’ are offered only in ICT (e.g. computer skills and web design).

Research
To enable the centre to continuously assist the SEAMEO-member countries to improve the VTET practices the centre undertakes research activities, including on: e-learning, reasons to enroll in VTS, the use of ICT in VTET, industrial attachment, image of VTET, skills recognition arrangements, trends and issues in VTET, and training needs assessment.

Certification in ICT
Courses in ICT have been offered to help bridge the ‘digital divide’ among ASEAN stakeholders. The centre provides internationally recognized certification for ICT courses.

Dissemination
Dissemination of information is an important function of SEAMEO VOCTECH and this is done through journals, newsletters, research project reports, conference presentations, and policy briefs.
SECTION FOUR: INTERNATIONAL COOPERATION IN SKILLS DEVELOPMENT: TWO CASE STUDIES OF RECIPIENT COUNTRIES IN THE REGION (LAO PDR AND VIETNAM)

4.1. INTERNATIONAL COOPERATION IN SKILLS DEVELOPMENT: THE VIETNAM CASE

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4.1.1. Vietnam: Country Context

Vietnam, a country of some 83 million (73% rural), has seen a rapid reduction in poverty (the poverty rate declined from 59% in 1993 to 19% in 2004) and achieved MDG 1 by the year 2000. While there have been rapid overall reductions in poverty, the north (with its more dispersed population) still experiences high levels of poverty (most areas 60-90%) relative to the south (most areas 1-40%). Inequality is a growing problem in Vietnam.

In 2005, the majority of its workforce was engaged in agriculture (57%), followed by services (25%) and industry (18%). By 2010 these percentages are expected to be 50%, 26-27% and 23-24% respectively. In 2005 the GDP shares by sectors were: agriculture 21%; industry and construction 38%; and, services 41%. By 2010 these percentages are expected to be 15-16%, 43-44% and 40-41% respectively. GDP growth rate for 2006-2010 is expected to average 7.5-8% per annum and this strong economic growth is expected to benefit all (more or less). The governance agenda in Vietnam has shown marked improvements in recent years: the reform agenda is advanced; the process of dialogue between Government and civil society is improving; and, the National Parliament is becoming more outspoken and vocal and thus more powerful.

The largest foreign direct investors in Vietnam include Singapore (US$8b), Taiwan (US$8.1b), Japan (US$7.4b), South Korea (US$7.8b) and Hong Kong (US$5.3b). Foreign direct investment (FDI) is concentrated in the industry and construction sector, followed by the services sector and is largely directed to the southern areas (e.g. HCMC, Hanoi, Dong Nai, Binh Duong). As noted above, poverty levels are much lower in the south compared to the north.

4.1.2. Skills Development in the Vietnam Context

In Vietnam the understanding of skills development is very narrow and a working definition of skills development includes that: it is to be seen as a system (formal and informal); it is related to professional skills, and life skills with a social component; it includes soft skills, technical-vocational and non-technical-vocational skills; it also includes “elite skills”. In other words, the working definition of skills development in Vietnam is rather broad.

15 Some provinces have poverty rates over 60% (Son La, Hoa Binh, Bac Can) and 70% (Ha Giang, Lai Chau), while in Ho Chi Minh City (HCMC) the poverty rate is 1.8%. In general, poverty rates are higher in areas of lower population density.
16 Figures refer to total, not implemented capital.
In 2005, Vietnam’s vocational training network was made up of 236 vocational training schools and colleges (with 8000 teachers), 404 vocational training centres (with 7000 teachers) and 800 other institutions participating in vocational training. By 2010 this network is expected to expand to 380 vocational training schools and colleges and 700 vocational training centres (and 800 others as before).

4.1.3. Labor Market and Challenges for Skills Development

- Administrative reform and restructuring economy;
- Foreign direct investment – opportunities for using skills, but unequal throughout the country;
- Income inequalities between areas and rural-urban migration;
- Labor export – 400,000 Vietnamese are currently working abroad, mainly in Korea, Taiwan, Malaysia and Japan brings remitting about US$1.6b/year;
- WTO membership (January 2007) and skills development – how to adapt skills development strategies to the new WTO context;
- Poverty reduction and skills development - there is a need to keep in mind vulnerable groups (especially since Vietnam is a socialist country). Challenge is what kinds of skills to provide to these groups.

4.1.4. Donors’ Interactions in Skills Development

- Targeted budget support for Education for All;
- National targeted poverty reduction programme;
- Programme for socio-economic development of mountainous areas (P 135);
- Hanoi Core Statement (Harmonization);
- Many other partnerships programs related to sectoral development, poverty reduction and good governance.

4.1.5. National and International Donors’ Interactions in Vietnam: The Case of Mixed Patterns of Skills Development

The typology of 3 approaches (see Langstaff, Weyer and Carton, this report) provides a useful conceptual framework for skills development and for international cooperation in skills development. The focus on which approach and the sequence depends on specific situation in a specific period of time. The evolution from one approach to another depends on the development starting point.

In Vietnam most agencies (e.g. KOICA, JICA) use the growth approach, sometimes framed as a ‘pro-poor growth’ or ‘growth and equity’ approach. Most ‘Western’ agencies tend to use the poverty reduction or governance approaches in Vietnam, while most NGOs – because of their limited scope – tend to focus on poverty reduction approaches (see Fig.1). The ‘governance approach’ is new for Vietnam (and there are no terms in Vietnamese for ‘governance’).

In Vietnam there appears not to be a move from a poverty reduction approach to a growth approach (see Langstaff, Weyer and Carton, this report); rather, both approaches are used at the same time depending on the area where an intervention takes place. In a poor area the poverty reduction approach is used in the first instance, whereas in a big city like HCMC the growth approach is used. The governance approach runs parallel to both these other two approaches.

Fig 1. Mixed Patterns of Skills Development in Vietnam
4.1.6. Concluding Comments

- Skills development should be seen in the context of the development level of each country.
- A pragmatic approach in international cooperation should be sought bearing in mind the comparative advantages of partner countries.
- The Vietnamese government has a strong motivation to learn and take over the transfer of knowledge and skills.
- Knowing the motivation and the interests of individual international agency, Vietnam is trying to operationalize the Hanoi Declaration on Harmonization and Alignment.
- A requirement for capacity-building is that ‘recipients’ should take the ‘driver-seat’ in cooperation (ownership, participation, transparency and accountability).
- Strong coordination among international agencies is needed.

Other Relevant Resources

4.2. DONOR ACTIVITIES IN THE FIELD OF SKILLS DEVELOPMENT IN LAO PDR

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4.2.1. Economic Context
During the five-year period 2001-2005, the Lao economy maintained rapid and sustained expansion with GDP growing annually by c.6.2%. GDP per capita in 2006 was US$490. Since the introduction of the New Economic Mechanism in 1986, the industrial and service sectors have experienced high growth levels but agriculture still makes up the largest sectoral share of GDP (45% in 2005, compared to 28% for industry and construction and 26% for services). The private sector has become increasingly important in each sector of the economy. 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.

4.2.2. Skills Development System and Policy Context
The Decree on the Development of Vocational Education promulgated in 1998 serves as guidelines for the training providers to implement Technical and Vocational Education and Training (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-skilled level, (iii) skilled worker level and (iv) technician level. Skills training is delivered through formal, non-formal and informal approaches.

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 fragmentation of the governance of the TVET system, with responsibilities currently being shared by many stakeholders. The definition of the terms ‘skills’ and ‘skills development’ are not yet familiar to many stakeholders.17

TVET programmes in Lao PDR are coordinated by the Ministry of Education but TVET delivery is shared among a number of government institutions and a number of private vocational institutions. The main ministries concerned include Education and Labour, but private actors are also involved (e.g. employers and other private training providers and mass organizations like the Lao Women’s Union (LWU) and the Lao Revolutionary Youth’s Organization (LRPYO)). The TVET system in 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. One of the government aims is to encourage private enterprises to provide TVET and, by the end of 2004/05, there were over 100 private training centers in operation in the country.

17 ‘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 consultation with many stakeholders, ‘Skills Development’ has been translated in Lao as Phatthan Thaksa Simeu which refers not only to the labour sector but to other sectors as well.
The skills training provided by different agencies, both public and private, has 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 (NGPES), 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.

4.2.3. Donor Activities in Skills Development
Donor activities in skills development include efforts to develop skills through relatively short, mostly part-time, and sometimes ad-hoc, programmes and courses. The areas of donor interventions include TVET, skills development, rural development, poverty reduction, income generation and governance. Donors have supported TVET activities in the Ministry of Education (through the Department of Higher, Technical and Vocational Education and Training and the Department of Non-Formal Education), the Ministry of Labour, the Ministry of Public Health (support to vocational schools for the handicapped and other vocational training centers), the Ministry of Agriculture and TVET activities of mass organizations (e.g. the LWU and the LRPYO).

The priority areas for support to skills development in Lao PDR include: capacity building, governance, poverty reduction, rural development, commercialization and industrialization and modernization.

4.2.4. Approaches of Skills Development and Skills Training
Skills development is delivered through multiple approaches, including:

- Initial Vocational Training conducted by the formal vocational institutes.
- Integrated vocational training - skills training combined with income generation by organizing micro-credit finance, SME training, language, counseling on gender issues, community based training, family planning etc. (e.g. LWU approach).
- Dual Training in cooperation with public and private enterprises.
- Competency-based training.
- Mobile skills training through the mobility of trainers.
- Training-cum-construction used by BAFIS GTZ (developing theoretical skills in conjunction with practicing the acquired skills).
- The Lao Extension Approach used by the Lao Forestry and Agriculture Extension Service (this approach suggests that extension activities in the Lao PDR should be decentralized, pluralistic, participatory, needs-based, integrated, gender-sensitive, group-based and sustainable).
- Local Development Approach (identification and analysis of requirements, preparation of suitable curricula and training modules, identification of training kits, delivery of training, monitoring the impact of training and
The experiences drawn from different projects shows that there are core skills that could be categorized into at least 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.

4.2.5. Interactions between National Skills Development Policies and Donors Activities

One of the major challenges for the donors so that they provide optimal support to the country to realize the commitments of the Millennium Declaration and the MDGs is the need for stronger alignment of their assistance with national priorities and needs.

The national skills development policy is connected with the NGPES 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.

To enhance the effectiveness of foreign aid and in accord with Paris Declaration, a joint declaration 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. 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. In this respect, the government exercises effective leadership over the development policies, strategies and coordinates development actions by translating the priorities of the sixth National Socio-Economic Development Plan (NSEDP VI) (2006-2010) into operational programmes.

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

Strengths of donor involvement in skills development include that: projects and programmes were designed in accordance with the NGPES and NSEDP; steering committee and project management team were set up; monitoring and evaluation, midterm review and wrap-up meetings allowed activities to be assessed and lessons learned; and the possibility of extensions or additions to projects.

Weaknesses of donor involvement in skills development include that: the terms of reference for consultants was not clearly defined; management of activities is weak; language proficiency of some local partners is lacking; 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 regular internal and external evaluation.
4.2.6. Issues on Interaction between Skills Development Policies and Donors Activities

- Terms for ‘skills development’ and ‘governance’ need clarification and agreement;
- Lack of government-donor and donor-donor coordination on the support of skills development activities;
- Lack of a systematic skills development plan;
- Lack of an information system;
- Lack of systematic monitoring and evaluation of skills development;
- Budget constraints;
- Aid coordination.

4.2.7. Lessons Learned and Recommendations

- 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 activities and expand in order to reduce poverty.
- Skills development needs further social dialogue not only at the national level but also at the regional and international level.
- Coordination mechanism could be established at the provincial level by establishing Provincial Skills Development Committees.
- 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.

Further information and resources

SECTION FIVE: CHINA’S EXPERIENCE IN TECHNICAL AND VOCATIONAL SKILLS DEVELOPMENT AND ITS ENGAGEMENT INTERNATIONALLY

5.1. LABOR MIGRATION AND SKILL DEMAND IN CHINA

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5.1.1. Impacts of Rapid Demographic Transition on Labor Supply in China
As the most populous country in the world, China has never run into a labor shortage in its thousands of years of history. With rapid demographic transition and accelerated population aging, is this going to change? The projection based on the census data in 2000 suggests that the working population aged 15-59 would stop growing in less than 10 years while the annual growth of the working population has already declined dramatically. Total fertility rates have decreased from 5.81 in 1950 to 1.34 by 2005. Put together, this data and projection implies that the urban labor supply will depend more on migrants from rural areas. Being used to enjoying unlimited supply of labor, will the impacts of this rapid demographic transition be translated into a problem of labor shortage in China?

5.1.2. Rural-Urban Labor Migration as a Main Source for Urban Labor Supply in China
One way that China differs from other countries, especially from those of developed countries, is its divide between rural and urban areas. As the majority of the population is still living in rural areas, the migration of labor from rural to urban areas can certainly compensate for the impact of population transition on labor supply. In fact China is now experiencing the most rapid process of urbanization in the world. The estimated rate of urbanization is about 1% between 1990 and 2002, and such a process seems to accelerate after 1995. It is estimated that the rate of urbanization is near to 1.4% between 1995 and 2002. In 2006, a 1% increase of urban population suggests that about 13 million working age people will be added into urban labor force, and a 1.4% increase means a number of about 16 million urban labors. Theoretically, such labor migration can serve as a stable source of labor supply for non-agricultural sectors in a relatively long period time, say 20 or 30 years, in China.

5.1.3. Demand for Skills and the Challenges in China
Has China been prepared well for providing Skills Demanded?
The answer is certainly not. There are about 120 million rural migrant workers in China, and this number has increased by about 4% annually since 1997. Most of the rural migrant workers are young males, lack technical and vocational training, and work in the manufacturing and construction sectors. Due to a lack of training and qualified skills, earnings differentials between migrants and urban residents are large, coupled with occupational segregation and wage discrimination. Without status in the

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18 This presentation was based on a very similar article written for Norrag News (NN) 38, available at www.norrag.org.
formal sector, migrants typically do not have access to social protection instruments, nor to administrative or legal mechanisms to ensure their rights as workers.

**Strong Demand for Labor in Urban Areas**
But the reality is not always consistent with the presumption. As the annual growth rate of the population of working age is decreasing and rapid economic growth is creating more jobs, some fast growing coastal areas, especially the economic engines like Zhujiang River delta and Yangzi River delta, have already felt the pains in recruiting qualified labor since late 2003. As a result, the wages for migrant rural workers has increased rapidly, the wages for new rural migrant workers increased from about 600 yuan per month in 2003 to about 1000 yuan per month in 2005, up by 50% within two years, revealed by some surveys conducted by the MOLSS in early 2006. We all know that China’s fast economic growth over last near 30 years is to a great extent contributing to its cheap labor, but will the rapid rise in labor costs undermine the economic competitiveness of China?

**The Key is Not the Quantity of Labor, but the Quality**
The rise of labor cost itself does not say much about the competitiveness of Chinese economy. For example, in 1991, a US manufacturing worker was 40 times more productive than a Chinese worker, but this figure decreased to 10 times in 2000, suggesting that the competitive advantage of Chinese industry seems to have been strengthened, not reduced, during this period. Economically, as long as labor productivity grows as fast as the costs of labor, the competitive advantage will remain. But the pressures on increasing productivity will definitely be translated into a greater demand for higher skilled workers in China. It seems that the number of workers in China is sufficient, but that the number of qualified workers is not.

**Further Challenges for Providing Training in China**
- Training market has not yet been developed and training facilities are insufficient.
- There are too many governmental departments involved in training, such as the Ministry of Education (MoE), Ministry of Labour (MOLSS), Ministry of Agriculture (MoA) etc.
- Segmented labor markets.

**The Need to Provide Training Opportunities for the New Rural Migrants**
It is calculated that there are about 17.34 million people who are first entering into the labor market in 2006, among them about 7.6 million are rural graduates who have educational attainments of junior high school or less. From 2006 to 2010, there would be a total number of 34 million such rural migrants who are eager to find a job in urban areas. Without providing training opportunities for them, it is easily envisaged that the bad situation of the rural migrant workers will remain, the difficulties in recruiting qualified workers in coastal areas will continue, and the prospect of economic growth in China will be undermined. Could we see anything that is more important than providing training opportunities for the new rural migrants in China today?
5.2. THE TRANSFORMATION OF SKILLS DEVELOPMENT IN HONG KONG

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5.2.1. Vocational Training Council (VTC)
The Vocational Training Council (VTC) is a statutory body established in 1982 under the Vocational Training Council Ordinance (VTCO). It is the principal provider of vocational education, industrial training and skills upgrading in support of Hong Kong’s manpower planning and development. It also provides policy advice to Government. Student population is over 160,000 per annum, operating with an annual recurrent expenditure of HK$2.8b (c.US$250 million).

5.2.2. Objectives and Activities
The VTC advises the Government on technical education and industrial training suited to the developing needs of Hong Kong. It develops and operates training schemes needed to sustain and improve industry. These schemes include education as well as skills development schemes. One of the most successful schemes run by the VTC is the skills-upgrading scheme for adults (in-service training). The main bulk of VTC activities, however, are in pre-employment training – at both post- and pre-secondary levels. The VTC also runs an apprenticeship scheme, considered by some as out of fashion, representing one of the major elements for skills training in Hong Kong. The VTC also provides and coordinates skill training for the disabled and establishes, operates and maintains education and training institutions in Hong Kong.

The VTC operates of a number of different training institutions, for example: the Hong Kong Institute of Vocational Education, Training and Development Centres, the Institute of Professional Education and Knowledge.

5.2.3. Training and Development Centres
Skills training takes place mostly in Training and Development Centres where trainees enter after secondary education. Many of these centres were set up in the 1970s when Hong Kong was fully engaged in manufacturing but they are still a major provider of skills in Hong Kong. Training areas include:

- Automobile
- Electrical
- Gas
- Import/Export/Wholesale Trades
- Machine Shop & Metal Working
- Plastics & Tooling Technology
- Retail
- Welding
- Chinese Cuisine
- Electronics
- Hospitality
- Jewelry
- Maritime Services
- Printing
- Textile

5.2.4. Hong Kong’s Changing Economy
- 1950’s: Ship-building
- 1960’s: Plastic and Textile
- 1970’s: Electronics
- 1980’s: Watches, Clocks and Toys
• 2000’s: Commerce and Services
Today most of Hong Kong’s manufacturing industries have moved across the border, mostly to the Pearl River Delta. Hong Kong suffered due to migration and the lack of jobs which had traditionally been based in Hong Kong. The main industry now is finance and tourism.

5.2.5. Shift in Manpower Demand
The rapidly changing pace of Hong Kong’s economy means that it is difficult for the VTC to advise on manpower requirements. In general there has been a shift from engineering to commerce and services; from large organisations to SME/Free-lancers; from a division of labour to multiple personal skills; and from a trade for life to life-long learning.

5.2.6. Change in Skill Training
The VTC remains employment-focused, but with a better balance between skill, knowledge and attitude. In the 1970s the VTC focused on providing specific skills training, but in response to the changing labour market it recognizes that specific vocational training is insufficient and also provides generic and life skills. Skills development also has to be aware of increased environmental concerns and the need to take a broader career perspective (i.e. recognize that industries have moved to the mainland and the opportunities that currently exist because of this).

5.2.7. Transformation of Vocational Education and Training
There is an increased cross-over between education and skills development. The VTC operates a multiple entry and exits system alternative to mainstream education and, at the same time, provides the opportunity to move into degree programmes. This helps to attract better quality students into vocational training. The VTC also supports poorer trainees and tries to be accessible to disadvantaged groups (e.g. non-engaged youths and ethic-minorities).
5.3. CHINA’S SUPPORT TO VOCATIONAL TRAINING IN ETHIOPIA

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5.3.1. Introduction
Vocational education in Hong Kong is post form 5 and not school-based. In contrast, the two so-called Asian Drivers, China and India, both have young people engaged in school-based vocational education. In China, just within the Ministry of Education, there are some 20 million youth in upper-secondary schools that have a technical and vocational education focus and about 6 million in upper vocational institutes. Meanwhile, despite India pursuing the vocationalisation of upper-secondary since 1964, the total number of youth currently engaged in vocational education and training is about 200,000, a tiny amount in comparison to China.

The systems in Hong Kong and mainland China are obviously very different. However, this short paper will argue that China might want to look a bit at Hong Kong’s Vocational Training Council (VTC) as a resource base for expertise on vocational training at the same time as the VTC seeks to extend its expertise to the developing world.

5.3.2. China as an aid donor
It is not fashionable in China to talk about China as an aid donor; indeed they don’t use or like the phrase. Rather, China prefers to talk about itself as ‘the largest developing country helping, to the extent it can, other developing countries’ indeed this was exactly how they described themselves at the Third Forum on China-Africa Cooperation, the so called “Beijing Summit”, held in November 2006. Discussion at the Beijing Summit, probably the largest meeting there has ever been on Africa outside of Africa, was very much about China as a partner in a win-win economic cooperation and not directly about aid; although President Hu Jintao did make some unexpected pledges of aid to a number of African countries.

But China has been engaged with giving aid for a very long time in this South-South solidarity, friendship relationship and it has a very persuasive discourse about that. Probably China will want to hold onto this and avoid becoming part of the Development Assistance Committee however much the World Bank in Beijing wants China to become harmonized.

5.3.3. China’s aid to Africa: the example of Chinese aid to Ethiopia in vocational education
The Chinese aid project to vocational education in Ethiopia is the most obvious vocational education project in Africa and the project illustrates many of the things which are characteristic of Chinese aid. Similar to the approach of JICA and KOICA, there is a very significant personnel component in this project; there is a substantial number of Chinese in Ethiopia doing vocational training. Moreover, there are large numbers of people coming to China to receive training. For each of the main areas of

19 From May 2007 Kenneth King will be back at the University of Edinburgh (Scotland) as an Emeritus Professor of its Schools of Education, and of Social and Political Studies.
education that the Chinese are supporting in Africa, the Chinese have resource bases in key universities in China. For example, Tianjin University of Technology and Education is a resource base for vocational education; indeed it is actually a research centre for vocational education in Africa. There are similar research centres for higher education, for distance education etc. in other universities. These resource bases are being used to promote what can be learnt from China in particular areas of education and training.

China is building key vocational schools in Ethiopia according to a ‘China brand’ of vocational education in Africa (Tianjin, 2006). This is not seen by the Chinese as a simple transfer of technology of vocational education but, rather, as a solidarity relationship in which China and Africa collaborate to work out the best way of improving vocational education and training.

There is a need to move from the discourse about what China is doing as an aid donor to examine the reality of the projects on the ground; what does the uniqueness and specificity of the Chinese ‘brand’ look like? Indeed, it is probably true to say that no one has actually looked at Chinese projects on education in Africa before.

**For further information see:**


SECTION SIX: SKILLS RECOGNITION POLICY

6.1. PORTABILITY OF SKILLS AND RECOGNITION AT THE REGIONAL AND GLOBAL LEVEL

Irmgard Nübler
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6.1.1. Introduction
There has been an increased international policy debate on the topic of the portability of skills (POS). The ILO found that this topic was discussed in many different contexts (e.g. in the context of individual employability of workers, the efficiency of labour markets, adaptability of enterprises and economies to technological change). The context of discussion, therefore, is broad and there are different policies related to enhancing the POS. As a response to this emerging debate the Governing Body of the ILO requested a policy paper on this topic. This short paper is to some extent based on this draft policy paper.

6.1.2. The Concept: Portability of Skills
The ILO defines the Portability of Skills (POS) along two dimensions:
i) The transferability of skills - skills need to be transferable between different occupations and different jobs. The transferability of skills (general vocational and technical skills and core skills) is a necessary condition for the portability of skills.
ii) The recognition of skills.
This paper focuses on skills recognition.

6.1.3. Recognition of skills
When you look at people you can’t immediately see what skills they possess; in this sense, skills are invisible. This means that there is a need to identify and assess the type and level of skills a person possesses. Once assessed, there is a need to communicate information on these skills and this information needs to be considered as credible by the labour market. Only when employers are convinced by the credibility of the information would they recognise the skills (see diagram below).

Institutions play an important role in this process; firstly, institutions develop a reputation over time to provide credible information and, secondly the out-reach of institutions determines the scope of recognition (local, national, regional, global).

6.1.4. Recognising skills at the national level: National Institutions and Standards
Two traditional approaches for skills recognition can be identified:

i) Government regulation in the vocational education and training systems;

ii) Self-regulation or co-regulation in apprenticeship systems (e.g. by chambers of commerce, trade unions, public authorities).

Governments and self/co-regulating bodies set standards in training as well as in assessment and certification of skills. In these approaches skills are assessed by the providers of training.

A new approach is the National Qualification Frameworks (NQF). NQFs meet the requirements of organising skills recognition at the national level by having national public bodies (jointly with stakeholders) which define and classify units of skills and standards. The assessment is by an assessor, which are usually not the providers of training or education; that the assessment is independent of the provision of training is seen as an advantage. Currently there is increasing political demand in developing countries for NQFs. At the same time there is an international policy debate and emerging literature which highlights the challenges and risks associated with implementing NQF (particularly in developing countries!).

The ILO’s contribution with regards to recognising skills at the national level is that of a knowledge broker, to inform the debate on the traditional approaches and on the NQFs and to undertake careful analysis of country experiences to understand both the benefits, challenges and conditions needed to have an NQF or to further develop traditional certification systems.

### 6.1.5. Recognising skills of migrant workers

This issue relates to the high and rising levels of migration of skilled workers. The ILO has recently published two major documents on Labour Migration (2006) and Human Resource Development (2004) which urge countries to promote and ensure recognition and portability of skills of migrant workers.

With regards to how skills recognition of migrant workers is organized, it is possible to identify three approaches. The first is the unilateral recognition scheme which is widely used, but biased (gender, ethnic) (e.g. nurses from Philippines; craftspeople for Malaysia, Brunei, Singapore). The second is the mutual recognition agreements which are formally agreed between two countries, based on reciprocity. However, while these schemes are highly relevant for developed countries, developing countries are largely excluded as there is a lack of trust in developing country’s institutions and negotiations are often very difficult. The third approach, mainly observed in the Americas, relates to Trade Agreements which, in order to facilitate trade in services, provide a framework to encourage recognition of skills of service providers (free trade in services!). These Trade Agreements have a high potential to improve recognition (e.g. for NAFTA, MERCOSUR, AFTA).

### 6.1.6. Recognition through regional integration

ASEAN has decided to develop a common market by 2020 and the recognition of skills is acknowledged as a limiting factor! Where can ASEAN look to see good models from which they can learn? Two models of deep integration can be identified.

In the European Union regional skills recognition is based on the principle of equivalence and the mutual recognition of qualifications and certifications. Mutual
recognition is very strongly enforced; countries are obliged under a directive to recognise each others qualifications (unless there is a major difference – a case which has to be proved by the receiving country and, if proven, the receiving country is obliged to provide additional training). In order to get more transparency into the system the EU has now developed a European Qualifications Framework (EQF) which “translates” national qualifications by linking them to a common framework and classification system.

By contrast, CARICOM (Caribbean common market) has a system of convergence and harmonisation. They have decided to develop a regional training and certification system, to develop regional standards in training and finally to establish a common system for assessment and certification of skills. Work permits have been supplemented by CARICOM Vocational Qualifications; i.e. everyone that obtains one of these qualifications does not require a work permit in order to work abroad within the region. This may help to enforce the common training and certification system.

What lessons can we learn? First, where the training systems of countries are very different or diverse it might be very difficult to harmonise to a common model. Second, the levels of development of different countries in a region (e.g. between ‘new’ and ‘old’ EU members) can result in harmonisation difficulties. Finally, the enforcement mechanism will affect the success of a scheme.
APPENDIX ONE: THE PROGRAMME

THURSDAY FEBRUARY 15th

Venue: Conference Room, Robert Black College, The University of Hong Kong, Hong Kong

Chair: Kenneth King

9:00 – 9:10 Welcome
Nirmala Rao (Acting Dean, Faculty of Education, The University of Hong Kong)

SKILLS DEVELOPMENT IN SOUTH-EAST ASIA:
POLICIES OF NATIONAL GOVERNMENTS AND
INVENTORY OF DONOR AGENCIES’ ACTIVITIES

9:10 – 9:35 Working Group (WG) Background Document
‘International Cooperation for Skills Development in South-East Asia: A synthesis of agency policies and practices’.
Michel Carton (NORRAG)

9:35 – 10:00 Discussion

10:00 – 10:15 Skills challenges facing national governments in the region
and key features of the Regional Skills Network
Trevor Riordan (ILO Bangkok)

10:15 – 10:30 Discussion

10:30 – 11:00 Coffee/tea break

SKILLS DEVELOPMENT STRATEGIES OF AGENCIES IN THE REGION

11:00 – 11:40 Panel: presentation of the skills development strategies of agencies from the region.
Skills development has been a major instrument for growth in countries in the region. What role do regional agencies give to skills development in their interventions? Is it possible to draw lessons from the different models?
JICA (Hara Akira, Japan)
AusAID (Sue Connell, Australia)

11:40 – 12:00 Discussion

12:00 -12:45 Korean International Cooperation Agency (KOICA)
Jeon Jun-ho (South Korea)
12:45 – 13:05  Discussion

13:05 – 14:00  Lunch

14:00 – 14:55  International co-operation in skills development: presentation of two case studies of recipient countries in the region (Vietnam and Laos)
Ngo Huy Liem (consultant) on Vietnam
Manfred Egger (Swisscontact Vietnam)
Phonephet Boupha (Ministry of Education, Lao PDR) on Laos
These case studies will illustrate donor’s strategies in skills development in specific countries and their interactions with national policies.

14:55 – 15:15  Discussion

15:15 – 15:35  Regional initiatives in Skills Development
SEAMEO VOCTECH

15:35 – 15:50  Discussion

15:50 – 16:15  Coffee/tea break

16:15 – 17:50  Working groups
Lessons learned from the previous sessions in terms of:
- Skills development and poverty reduction / pro-poor growth strategies.
- Market – State relations for the provision of appropriate skills for social and economic development.

17:50 – 18:10  Summary Feedback to Plenary

18:10 – 18:30  Approach to Skills Development in Asia
Karina Veal, UNESCO-UNEVOC

FRIDAY FEBRUARY 16th

Venue: Conference Room, Robert Black College, The University of Hong Kong, Hong Kong

Chair: Michel Carton

9:00 – 9:10  Synthesis of the previous day’s discussions
Kenneth King (HKU and NORRAG)
CHINA’S EXPERIENCE IN TECHNICAL AND VOCATIONAL SKILLS DEVELOPMENT AND ITS ENGAGEMENT INTERNATIONALLY

9:10 – 10:05  Labour migration and skill demand in China
Zhang Juwei (Institute of Population and Labour Economics, Chinese Academy of Social Sciences, Beijing)

The transformation of skills demand in Hong Kong
Kin Ki Lo (Vocational Training Council, Hong Kong)

China’s support to vocational training in Ethiopia
Kenneth King, (CERC, HKU)

10:05 – 10:35  Discussion

10:35 – 11:05  Coffee/tea break

SKILLS RECOGNITION POLICY DISCUSSION AND CASE STUDIES

11:05 – 11:30  Portability of skills and recognition at the regional and international level
Irmgard Nübler (ILO, Geneva)

11:30 – 12:00  Discussion

EVALUATION AND FUTURE ACTIVITIES OF THE WORKING GROUP

12:00 – 12:20  The Working Group for International Co-operation in Skills Development seen from East and South-East Asia
Arnauld de Nadaillac (Thai-French Continuing Vocational Education Project, Bangkok)

12:20 – 12:35  Discussion

12.35 -13.15  Policy Impact and Activities of the Working Group
*WG input into the next Global Monitoring Report (KK)
*WG meetings, Publications, Funding and Follow-up (MC)

13:15  Closing of the meeting
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APPENDIX THREE: ABOUT THE WORKING GROUP

1. LAUNCHING THE WORKING GROUP

The Working Group was launched in April 1996 with the following goals:
» to increase the impact of development assistance
» to reduce duplication and fragmentation of effort
» to provide a forum for the discussion and dissemination of new ideas and good practice.

The following themes were identified around which information sharing would be focused:
» conceptual frameworks of skills development (SD) and technical and vocational education and training (TVET)
» donor and national policies
» experiences in programme support to SD
» project design and implementation
» specific examples of donor co-operation
» approaches to evaluation

2. COOPERATION: OLD MYTH OR NEW CHALLENGE?

Cooperation among agencies involved in development assistance is a long standing and commonly agreed objective. However, its attainment has been compromised by a range of factors, not least the rapidly changing global context within which development and assistance are taking place. The notion of cooperation has, thus, to be revisited and a number of questions addressed:

* what is the future of cooperation at a time when competition appears the dominant form of relations?
* what does cooperation mean in a context of many "norths" and multiple "souths"?
* what becomes of cooperation when agencies are decentralising operations and the emphasis is shifting towards the development of southern capacities?
* what effect do attempts to impose intra-sectoral coherence across aid policies have for policies in sectors such as skills development?
* what is the implication of the cross-sectoral nature of skills development for cooperation between agencies?
* what lessons can be learnt from other fora dedicated to agency cooperation?

3. SKILLS DEVELOPMENT: A BRIDGE BETWEEN EDUCATION, TRAINING AND PRODUCTION?

The Group has chosen to use the notion of vocational and technical skills development rather than technical and vocational education and training.

This reflects a concern to take notice of the move away from a focus on the large, homogenising institutions of the state in favour of more varied modalities of skills development which prevail in many countries.
The concept places the emphasis on the exploration of skills development across a range of institutional locations, in education, training and production systems. The process of coming to terms with this is an on-going one, both in the « north » and in the « south. » As far as agencies are concerned, it has led to a variety of responses. Some have chosen to merge their vocational training concerns with their small enterprise programmes whilst others have come to view skills development in both sectoral and instrumental ways.

4. INTERNATIONAL COOPERATION: BETWEEN STATES OR SOCIETIES?

The focus on skills development is part of a wider realisation that development cooperation is not simply an affair of states. A variety of other actors are increasingly involved, both « north » and « south ». Agency policies are increasingly coming to reflect the need to include new constituencies in policy dialogues. However, dialogue, coordination and cooperation within countries is by no means easy. The behaviour of agencies can serve to worsen rather than better the situation. Central to the concerns of the Group is the examination of strategies that donors can promote and utilise in order to strengthen the voices of stakeholders and the mechanisms by which they can be heard.

5. THE WORKING GROUP: TOWARDS PROFESSIONAL AND INSTITUTIONAL DEVELOPMENT?

This Group is intended to enhance the capacity of its members to improve the efficiency, effectiveness and impact of international assistance to skills development. In order for this to be achieved a stable presence of core staff from participating agencies. The personal commitment of these individuals will be as important as their representative roles.

In order to take account of decentralisation within agencies and the imperative for broader dialogues with wider constituencies, the Working Group will focus on the dissemination of information to relevant constituencies and individuals.

6. INTER-NETWORK COOPERATION

By viewing skills development broadly and acknowledging its intersections with other fields, the Group is highlighting an awareness with the need to develop relationships with other groupings. In particular, linkages will be explored with the Donors Committee for SME Development, the Association for the Development of African Education and the International Working Group on Education. The Group intends to explore mechanisms for information sharing across these different networks.

7. MECHANISMS FOR COOPERATION

The groups referred to above each have different modalities of organisation. They exist on a continuum between an informal club and a fully structured organisation. This Working Group is concerned to establish a mechanism for light but effective steering of its activities.
An important consideration when looking at the possible modality of the Group's operations is the potential financial base of its operations. At present a sum of money has been set aside by the SDC for coordination with hosts of each meeting taking responsibility for the costs of delivery of that meeting. It would also be desirable for the Group to be able to develop new funding mechanisms in order that coordinated activities might take place as has been the case with the other networks mentioned above.