

ADB Skills Forum 2012

Challenges and Opportunities for Skills Development in South Asia

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The Potential of Skills Development

- Asian Century vs. middle income trap
- Increased employability, productivity, and income
- Enhancing global competitiveness
- Arresting rising inequality for inclusive and sustainable development
- Innovative and IT enabled solutions

Characteristics of TVET Programs in SA

- Mostly long term, pre-employment training
- Restrictive access: basic education required
- Formal TVET is small
- Strongly centralized administration
- Fragmentation of public provision
- High numbers of NGO/private providers
- Little information available on informal sector

Strengths & Weaknesses

Strengths

- Growing awareness
- Policies formulated
- Apex body formed
- Extensive private provisions
- World class NGOs and training providers
- Qualification framework and CBT evolving
- Performance based financing

Weaknesses

- [Low HDI/GCI](#)
- Low image
- Overall low capacity to train
- Lack of information, skills-gap analyses, tracer studies
- Low internal and external efficiency
- Barriers to entry
- Weak quality assurance
- Low funding levels

Opportunities & Threats

Opportunities

- Demographic dividend
- [Labor mobility](#) and huge global demand/remittances
- Balanced infrastructure and human capital
- Use of technology
- [Potential for inclusivity and to reduce poverty](#)
- Lessons learned from SA and other regions/countries

Threats

- Limited window for demographic dividend
- High youth unemployment and overall underemployment
- Other regions/countries are positioning themselves

Quantity and Quality Imperative

- Countries must look at the numbers to skill/up-skill
 - New entrants to labor force annually
 - Labor force participation
 - Economic sector: % of GDP and % of employment
 - Migrant labor and remittances
 - Unemployment and youth unemployment
 - Small formal and large informal sector
 - Training capacity and training needs

Demographic Dividend: Double-Edged Sword

- Countries must act urgently and strategically
 - Global context
 - [Population profile](#)
 - [Dependency ratio](#)
 - Education profile
 - Training profile
 - [Migrant labor as a percentage of total labor force](#)
 - [Remittances](#)

Balance Between Training and System Development

- Frontloading quality assurance mechanisms
 - Curriculum, testing and certification, training of trainers
- Anchoring expansion on QA principles and demand
 - Collaboration with private sector and employers
 - Diversifying training
 - Menu driven approach informed by skills-gap analyses
- Expanding by creating a market for skills development
 - Career counseling and social marketing
 - Partnership: national and international
- Building on lessons learned and innovative solutions

Institutional Coordination

- Multiple agency situation is a reality: coordination
- Important to establish a common framework for standards and quality assurance
- Agree and apply a set of common principles and parameters for uniformity
- Ensure greater autonomy and accountability
- Separate regulatory and service delivery functions
- Collaborate with private sector and employers
- Synergy with higher education

Diversified and Targeted Funding

- Tap different sources of funding
- Establish predictable funding
- Increase and leverage public funding to skills development
- Target and incentivize reforms
- Institutionalize performance-based financing

Road Map for Skills Development

- Vision and investment plans (5-10 year plans)
- Population and education profile
- Throughputs
- Skills gap analysis
- Skills ecosystem
- Strong coordination and implementation
- Diversified funding
- Strong M&E and tracking system
- Lifelong learning

		Skills Road Map		
		Long Term Plan/Perspective Plan		
Funding & Targeting				Inclusive Growth
		Macro/Sector Plans & Priorities		
		Domestic<->Skill Demand<->Overseas		
		<Demand>Skills Market<Placement>		
Policy Reform		Skill Supply		Institutional Arrangements
		Educational Output		
Geographic and poverty		School Age Population		Gender
		Population Base		
		M&E and Impact Analysis		