

A faded background image showing two young women sitting at a desk, looking at a computer monitor. The woman on the left is pointing at the screen, and the woman on the right is looking on. The monitor displays some text, but it's not legible. The overall tone is educational and professional.

Future Skills

Credit Suisse APAC Landscape Mapping Study

Final Report
22nd August 2019

JUSTCAUSE

Purpose of this document

This document is a **landscape map of Future Skills** in Asia outlining the **main issues** faced by youth to develop the skills to create a productive future. It is intended to inform Credit Suisse's investments in Future Skills in Asia.

This covers 2 regions in Asia spanning **8 focus locations**, namely:

- East Asia covering China, Japan and Hong Kong SAR, China; and
- Southeast Asia covering Indonesia, Malaysia, Philippines, Thailand and Vietnam

First, this document provides a **regional overview** outlining:

- Concept of Future Skills
- Key issues facing youth in Asia in developing skills they need
- Insights into the landscape of Future Skills players

Second, for each of the **focus locations** this document identifies:

- Main issues faced by youth to develop their Future Skills
- Gaps faced by disadvantaged youth
- Government policy priorities and initiatives, and key stakeholders such as government and/or industry bodies
- Notable initiatives by INGOs, development agencies, foundations, corporates

The landscape mapping is primarily based on interviews with **59 Future Skills experts** from across Asia. The rich, practical insights gained from these interviews were corroborated and supplemented with a **review of relevant literature**.

Table of Contents

- [Executive summary](#)
- [Regional landscape map](#)
- [Location landscape maps](#)
 - [China](#)
 - [Hong Kong SAR, China](#)
 - [Indonesia](#)
 - [Japan](#)
 - [Malaysia](#)
 - [Philippines](#)
 - [Thailand](#)
 - [Vietnam](#)

Executive summary

Executive summary (1 of 2)

Future Skills equip disadvantaged youth with the skills needed to lead a productive life, either by accessing formal employment through a job or by creating their own employment through entrepreneurship. This is a major challenge in Asia and one that is receiving growing attention by donors, governments and non-profits.

Needs: Main issues facing disadvantaged youth in developing in Future Skills

- There are more than 750 million young women and men aged 15 to 24 years in Asia Pacific, accounting for over 60% of the world's youth
- While significant strides have been made to improve access to education for youth, the transition to productive livelihoods in the form of employment or entrepreneurship is a major challenge
- The youth unemployment rate in Asia-Pacific (APAC) is approximately 10.5%, more than double the unemployment rate of the total working age population
- In particular, in many locations in Asia there remains a **high proportion of youth not completing education or training and high inequality of educational outcomes**, especially from low income and marginalised communities
- Additionally, **poor quality vocational education and training and lack of decent work prospects** mean that youth face both poor educational outcomes and vulnerable employment conditions
- Across the region there is a **critical mismatch between skills of youth to workforce skills needs** - manifesting in youth unable to find employment and companies unable to find people with the right skills - particularly soft skills such as communication, adaptability, problem-solving which are becoming increasingly important in light of the rapidly changing nature of economies and technological disruptions

Executive summary (2 of 2)

Landscape: Existing organisations and initiatives currently addressing these issues

- There is **strong and growing donor interest** in Future Skills in the region with a number of private and corporate philanthropists identifying youth employment and skills as a priority area including international foundations (e.g. Asia Foundation), global banks (e.g. JP Morgan, Citi Foundation) and technology companies (e.g. Microsoft, Accenture)
- Despite this growing attention, there are **limited regional partners with a singular focus on youth employment** and unlike other fields (e.g. climate change, education), youth employment programmes are typically location specific or embedded in a much larger development organisations such as Plan International, Save the Children, World Vision
- However, there are a **large number of small grassroots organisations in the region, some with promising and innovative solutions** to meeting local needs. However most face significant difficulty scaling due to lack of funding or connections
- Across the board, there is **greater need to actively engage the private sector** as “supply side approaches continue to dominate” where non-profits focus on building the skills of the youth, without effective engagement with understanding what companies are looking for on the “demand side”. There is also a need to invest in building **stronger impact management capabilities**, as most current reporting focuses on number of youth “reached” rather than actually demonstrating impact.

Regional landscape map



Future Skills enable youth to lead productive lives and are critically important to youth as individuals and to societies at large

- Future skills equip youth with the skills needed to lead a productive life, either by accessing formal employment through a job or by creating their own employment through entrepreneurship
- Youth unemployment can lead to detrimental impact on later earnings e.g. One year of unemployment before the age of 23 can lead to a 23% lower salary compared to peers ten years later ([McKinsey and Company, 2014](#))
- Youth unemployment creates significant economic and social cost to society e.g. the price of the skills gap in China is expected to be as high as USD 250 billion by 2020, (ibid., 8); in Indonesia, there could be a gap of USD 8 billion a year by 2030 ([McKinsey Global Institute, 2012](#))

While significant strides have been made to improve access to education, the transition to productive livelihoods is a major challenge

- There are more than 750 million young women and men aged 15 to 24 years in Asia Pacific, accounting for over 60% of the world's youth ([UNESCAP](#))
- While significant strides have been made to improve access to education for youth with net enrollment in secondary school education in Asia Pacific above the global average, the transition to productive livelihoods in the form of employment or entrepreneurship is a major challenge. (ibid.,)
- The youth unemployment rate in Asia-Pacific (APAC) is approximately 10.5% ([ILO, n.d.](#)), more than double the unemployment rate of the total working age population ([UNESCAP, n.d.](#)).
- While APAC's youth unemployment rate is the lowest among other regions, there is wide variation across the region (see Fig 1.) and it does not account for young people who are working in the informal sector or in vulnerable employment, which represents the majority of youth in many developing countries ([Aspen Institute](#))



Youth unemployment rates in APAC locations

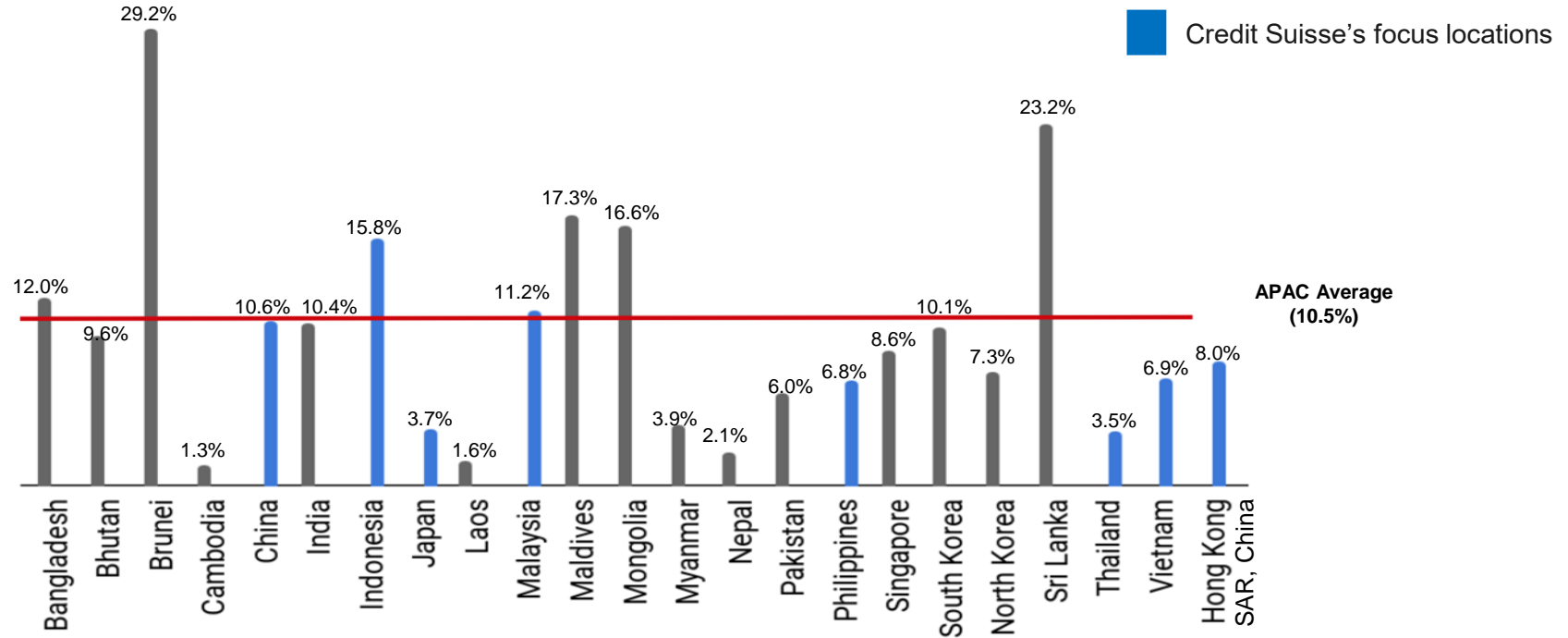


Fig. 1
Sources: [ILO, 2019](#) and [ILO, n.d.](#)



- 1 Strong progress has been made in improving access to education opportunities in Asia, but in many locations there remains a **high proportion of youth not completing education or training and high inequality of educational outcomes**, particularly from low income and marginalised communities
- 2 **Poor quality vocational education and training and lack of decent work prospects** mean that youth face both poor educational outcomes and vulnerable employment conditions
- 3 **Mismatch between skills of youth to workforce skills needs** - manifesting in youth unable to find employment and companies unable to find people with the right skills - particularly soft skills such as communication, adaptability, problem-solving which are becoming increasingly important in light of the rapidly changing nature of economies and technological disruptions

High proportion of youth not completing education or training and high inequality of educational outcomes



- Secondary schooling is considered the most effective path for young people to develop the foundational skills needed for work and life ([WEF, 2014](#)), however, in roughly $\frac{1}{2}$ of the locations in East, Southeast and South Asia, less than 50% of youth in recent cohorts have completed upper secondary education, including general or TVET-track programs, well below the OECD's average of 82% ([ADB, 2015](#)) (refer to Fig. 2)
- Indonesia, Philippines and Vietnam have the highest number of Out-of-School children in Southeast Asia: approximately 1.7 million, 582 thousand, 689 thousand primary school children respectively ([UNESCO, 2017](#))
- High inequity in education outcomes eg. In Indonesia, almost 80% of youth from the richest households were enrolled in upper secondary schools or higher education, as compared to 20% from the poorest households ([Head Foundation, 2016](#)); In Thailand, higher education attainment rate for those living in poorer households is 11%, despite this group making up 30% of the population ([UN ESCAP, 2018](#))

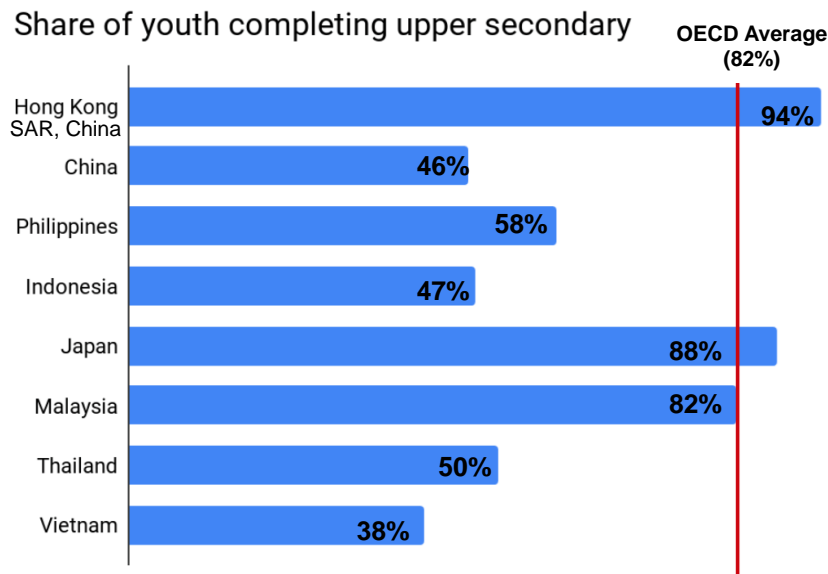


Fig. 2

Source: [ADB, 2015](#)

(Note: figures based on estimated readings from source report)

Poor quality vocational education and training and lack of decent work prospects



Poor quality vocational education and training

- Vocational teachers lack appropriate training in vocational pedagogy; most have an academic degree but are lacking in industry experience ([BMZ, 2015](#)) eg. in Malaysia, vocational teachers in public skills training institutions are engineering graduates from universities where learning is mostly theoretical, contrary to the vocational curriculum that requires 70% to be that of skills training ([JTET, 2018](#))
- Lack of emphasis on practical experience is similarly reflected in the curriculum of vocational education eg. in Indonesia, among top vocational schools only 51.8% of vocational training time is spent on practical instruction, in comparison to some of the world's leading vocational institutions that spend up to 75% of instructional time (refer to Fig. 3) ([APC, 2017](#))
- Lack of involvement from private companies undermines TVET's ability to enhance the employability of graduates eg. in Indonesia, less than a ¼ of companies conduct formal in-house training for TVET students to gain industrial experience ([WEF, 2016](#))
- Lack of effective monitoring and evaluation for TVET, especially in developing countries (ibid., 68)

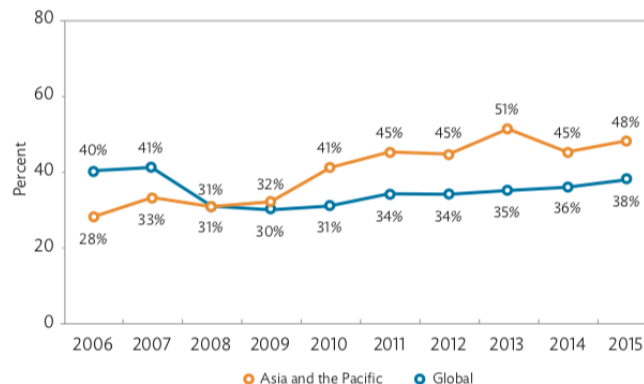
Lack of decent work prospects

- Youth unemployment rate does not account for young people who are working in the informal sector or in vulnerable employment, which represents the majority of youth in many developing countries ([Aspen Institute, ILO](#))
- While tighter government regulation on decent work for youth is needed, companies often lack the immediate capacity to adhere and therefore avoid hiring youth workers in the first place
- This leads many youth into more vulnerable employment where there is a lack of decent working conditions, adequate social security and 'voice' e.g. Most tier 1 factories only hire workers above 18 years old, pushing juvenile workers into lower tiers or informal sector ([CSR CCR](#))



- Paradox of youth unable to find employment, alongside increase in incidence of employers reporting difficulties in filling vacancies from 28% in 2006 to 48% in 2015 (refer to Fig. 2) ([Manpower Group, 2015](#))
- In light of technological disruptions in the workplace and the changing nature of economies in Asia, strong vocational skills ([World Economic Forum, 2016](#)), as well as strong soft skills like learnability and adaptability ([ILO, 2018](#)) and changemaking skills like agency and problem-solving ([AT Kearney, n.d.](#)) are becoming increasingly necessary
- Governments are increasingly shifting their focus from traditional to vocational education to develop technical skills, however, current education systems do not adequately prepare youth for the soft and life skills needs ([ILO, 2018](#))
- Non-profits note financial education as critical component of skilling programmes e.g. “we successfully upskilled the youth and increase their salaries, but we found that they actually ended up poorer because they suddenly had money to spend and went out and bought the most expensive mobile phones” (Expert interview)
- In low-income and lower-middle income countries in APAC, lack of qualification appears to be an issue; a considerable proportion of jobs are held by persons who do not have the education deemed necessary for the job ([ILO, 2018](#)); consequently, there is a surplus of low-skilled workers and a shortage of mid-skilled workers to fill critical jobs ([ADB, 2015](#))
- In upper-middle to high-income countries, over-certification appears to be an issue eg. In Malaysia, up to 95% of young graduates are over-certified for their current jobs ([KRI, 2018](#))

Figure 14: Difficulty Filling Vacancies in Asia and the Pacific (%)



Source: 2015 Talent Shortage Survey (ManpowerGroup 2015).

Fig. 2
Source: [Manpower Group, 2015](#)

Key insights on Future Skills landscape in Asia (1 of 2)

| Insight | Description |
|---|---|
| Strong and growing donor interest in Future Skills in the region | <ul style="list-style-type: none">• Several experts, donors and non-profits noted Future Skills as an “emerging, critical area” attracting growing attention e.g. non-profit leaders noted “there’s a surge of active interest - are donors suddenly all talking to each other now?”, “we are finally getting traction on access to employment for youth”• Growing number of private and corporate philanthropists are identifying youth employment and skills as a priority area - typically international foundations (e.g. Asia Foundation), global banks (e.g. JP Morgan, Citi Foundation) and technology companies (e.g. Microsoft, Accenture)• Corporates also making important commitments and starting initiatives to address Future Skills gaps e.g. employer-led coalitions such as Philippines Business for Education, International Tourism Partnership's Youth Career Initiative• Many governments are prioritising vocational skills training and international development agencies are active in providing large technical assistance programmes including GIZ, ADB, USAID |
| Despite growing attention, there are limited regional partners with a singular focus on youth employment | <ul style="list-style-type: none">• Few mature, global or regional partners positioned to implement youth employment programmes across multiple countries (expert interviews, market scan, Aspen Institute)• Unlike other fields (e.g. climate change, education), youth employment programmes are typically location specific or embedded in a much larger development organisations that do not have a singular focus on Future Skills (expert interviews, market scan, Aspen Institute)• In developing countries in particular, there are typically a very small number of large iNGOs and local corporate foundations addressing Future Skills, which already attract strong donor, corporate and government support - particularly in Indonesia, Philippines, Thailand, Vietnam |

Key insights on Future Skills landscape in Asia (2 of 2)

| Insight | Description |
|--|--|
| However, there are a large number of small grassroots organisations, some with promising and innovative solutions to meeting local needs | <ul style="list-style-type: none">• Large number of small grassroots organisations (typically the “sub-contractors”, or delivery partners of larger organisations) face difficulty scaling due to lack of funding or connections, but often have deep understanding of local contexts and needs• In part this is a reflection of the funding priorities of major donors to fund programmes run by organisations with existing capacity to produce “shovel-ready” robust proposals and effectively report and communicate impact, as well as lack of donor interest or capacity for longer term investments in organisations to develop these capacities (Note that across the board, impact typically continues to be reported as “number of lives touched or reached”, few robust impact evaluations and some experts acknowledged “no real truth or transparency in reporting”)• Disparity between iNGOs/large corporate foundations and grassroots organisations also underlines importance of local private sector and government support and connections in building scale and sustainability, which unlike iNGOs and local corporate foundations, grassroots organisations typically lack• Opportunities to invest in innovative ideas and building capacity of high potential smaller organisations (e.g. Habi Education, GreenEdu, Learning Farm, Fantastic Dream) as well as opportunities to support larger organisations and networks with a strong reputation for building in-location capability and empowering local partners (e.g. Friends International) |
| There is greater need to actively engage the private sector | <ul style="list-style-type: none">• “Supply side approaches continue to dominate” where non-profits focus on building the skills of the youth, without sufficient effective engagement with the private sector “demand side”• While supply-side is important, particularly for disadvantaged youth who often need to develop socio-emotional competencies and basic job readiness skills, experts noted a greater need to focus on demand side• Opportunities to build capacity in the sector through investing in supporting non-profits to test demand-driven principles e.g. a number of non-profits in Hong Kong SAR, China looking to replicate Generation model, an industry-led vocational training bootcamps• Mobilising private sector is a critical area where CS has opportunity to leverage a unique strength as a convener across multiple industries in private sector |

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Location landscape maps

China



Summary

- Youth unemployment rate stands at 10.6% ([ILO, 2019](#)), comparable to the regional average of 10.5 ([ILO, n.d.](#))
- However, youth unemployment rate is about 2.4 times higher than the national unemployment rate of 4.4% ([ILO, 2019](#)) (refer to Fig. 1)
- Crucial issues include the lack of quality in education and training, the lack of popularity of TVET, and the prevalence of graduate underemployment
- Clear national priority to achieve educational equity in compulsory education and promote vocational education

Main issues faced by youth in developing future skills

Mismatch between education system and industry needs

- Traditional educational institutes over-emphasise academic achievements and neglect soft skills like critical thinking, self-awareness and social skills (expert Interview)
- Employers report a lack of soft skills as a major challenge in their staffing ([British Council, 2015](#))
- Vocational schools are mainly government-run schools and so are more focused on performance indicators as set out by the government rather than market-oriented related performance development (expert interview)

Quality of vocational institutions is lacking

- Lack of training in specific labour skills; curriculum of TVET is too narrow eg. only focuses on entry-level skills instead of skills like adaptability and innovativeness that are necessary to move up in a career ([NCEE, 2015](#))
- Many vocational schools have low quality teaching standards and often cannot provide the students with the soft skills and labour skills that they need for employment ([China Quarterly, 2015](#)); faculty significantly lacks industry experience eg. most TVET faculty do not come from industry ([NCEE, 2015](#))
- Private vocational education suffer from differential treatment - lesser student-per-capita funding, lower status of teachers, more difficult higher education admission policy as well as less access to the tuition-free policy (Yang 2018)
- As a result, benefit of attending vocational schools is low and with the opportunity cost being higher than seeing a direct employment, many drop out of school ([China Quarterly, 2015](#))

Youth unemployment rate compared to national unemployment rate, 2019

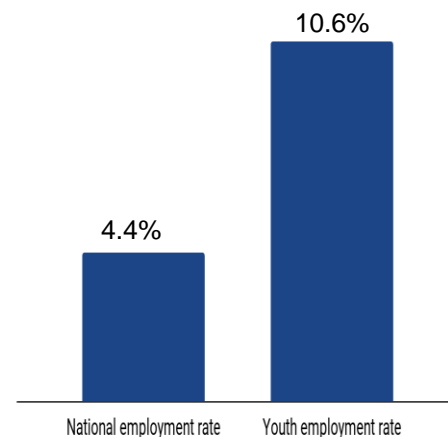


Fig. 1
Source: [ILO, 2019](#) & [ILO, 2019](#)

Landscape map: China (2 of 4)



Main issues faced by youth in developing future skills (continued)

Greater societal focus and value placed on academics over vocational skills

- Persistence of deeply rooted cultural mindset that “those who do mental labour govern those who do manual labour” contributes to education being seen as “academic reading” while vocational education being perceived as low-status ([NCEE, 2015](#))
- Only those who are unable to continue their journey in traditional education proceed to vocational education, resulting in a social stigma that “only bad students seek vocational education” (expert interview)

Gaps faced by disadvantaged youth

Rural youth face significant barriers in education, hindering employment prospects

- High opportunity cost for rural youth to remain in school - wages for low-skilled work is increasing and rural high school fees are high ([ILO, 2016](#)); cumulative dropout rate across all windows of secondary education may be as high as 63% for rural students ([Stanford FSI, 2015](#)), keeping rural youth in a long term trajectory of menial and low-skilled work ([ILO, 2016](#))
- Quality of education in rural areas lag far behind the city (Expert interviewee, 2019); Shortages of teachers especially in mountainous, inaccessible and remote areas eg. over 60% of the schools are at a significant distance away from the students' villages ([China Daily, 2018](#))
- Opportunities for rural youth to access college is approximately 1/7 that of urban youth ([The China Quarterly, 2015](#))

Rural youth migrants struggle to be competitive in cities, entrenching them in the cycle of poverty

- Rural migrant workers often filled the most menial and lowest paying jobs in urban labour markets ([World Bank, 2016](#)), resulting in a gap between per capita income earned by rural migrants and urban residents (refer to Fig. 2)
- Many rural migrants struggle to adjust to the new environment eg. over ½ of 960 rural migrants residing in Chongqing struggle to find stable jobs due to their unfamiliarity with the city and their lack of social networks ([Foreign Policy, 2018](#))

Youth with disabilities' employment prospects are significantly compromised by employers' reluctance to be inclusive

- Only 34% of urban and 49% of rural individuals with disabilities with the ability to self-care were employed; those employed are often marginalised in low-paying positions that able-bodied employees refuse to take on (ibid.)

Approximated mean household income per capita (in yuan)

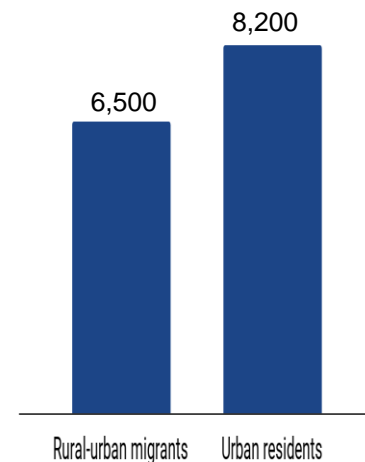


Fig. 2
Source: [World Happiness Report, 2018](#)

Landscape map: China (3 of 4)

Critical to note



Policy priorities and initiatives

Clear national priority to achieve **educational equity** in compulsory education and **develop vocational education** to build up a skilled workforce. Recent initiatives include:

- The **Special Teaching Post Plan for Rural Schools** from 2006 is a special fund for recruits graduates from universities to work for three years in rural schools in central or western China; in 2015, around 90% of teachers who finished the programme stayed in their posts ([OECD, 2016](#))
- “**Made in China 2025**” was first proposed in the 2015 Government work report. The policy focuses on innovation, artificial intelligence, strengthening of foundation, green development and accelerating the shift from a manufacturing nation to manufacturing super nation. “Made in China 2025” is China’s first ten-year action plan for the country’s strategy on accelerating the development of a professional skilled labourforce that is urgently needed for the expanding the manufacturing industry (State Council, 2015).
- The **National Vocational Education Reform Implementation Plan** puts forth the strategy of transforming the vocational education model: from focusing on quantity to quality; from government-led to enterprise-led; transforming from traditional education institutes by integrating vocational skills education and increasing vocational education opportunities ([State Council, 2019](#))

Key stakeholders

- Vocational Education and Training is divided primarily between the **Ministry of Education (MOE)**, which focuses on occupational and technical education, and the **Ministry of Human Resources and Social Security (MOHSS)**, which focuses on skills training ([NCEE, 2015](#))
 - Within the MOE, VET is divided between the **Department of Higher Education** and the **Department of Vocational and Adult Education**. The **Central Institute for Vocational and Technical Education**, attached to the Ministry of Education, provides policy advice to the Ministry (ibid., 17)
 - Within the MOHSS, the **Department of Occupational Capacity Building** is responsible for administration of VET programs in technician colleges and skilled worker schools and for developing occupational skills standards, assessing skill qualifications and issuing occupational licenses.
- Ministry of Public Security is responsible for the management of foreign NGOs, including the registration of representative offices and filing of temporary activities etc.
 - iNGOs must open a representative office in China and find sponsorship with an approved government body, Professional Supervisory Unit (PSU)

Landscape map: China (4 of 4)



Notable initiatives by iNGOs, development agencies, foundations, corporates

- iNGOs who provide vocational skills training programmes in China often enter into **partnerships with the national and local offices** (eg. the Ministry of Public Security, Ministry of Education) as well as vocational schools, depending on the type of programme
 - **iNGOs are not allowed to raise funds within China** and funds can only be from foreign sources
 - iNGOs providing skills development for youth include:
 - **Save the Children** provides career guidance, entrepreneurship training and life skills training for disadvantaged youth in urban cities, rural migrants working in cities and minority/ indigenous youth
 - **Plan International** provides life skills and vocational skills training for young people from rural areas who are working in the cities. particularly for girls over the age of 18 years old
 - **Kerry Group Kuok Foundation** provides tuition assistance, career training, corporate staff mentoring and psychological support for young people and street children from poor rural-urban migrant families
 - **Hanns Seidel Foundation** is a German foundation working with China's Ministry of Education to counteract educational bottlenecks in rural areas by providing advisory support and seeking to give impetus to China's education policy
- Major local NGOs providing skills development for youth include:
 - **BN Vocational School (BNVS)** is China's first tuition-free, non-profit charitable vocational school at the senior secondary level. Students acquire technical skills, life skills, social skills and ethics here. BNVS's campuses are being replicated in ten provinces in China and Angola
 - **Better Education Development Center** provides financial education and entrepreneurship training courses for low income children and youth (aged 3-25 years old) who are from the rural and suburban areas to help enhance their ability to be independent and for the promotion of social equality

May be able to provide support through other donation channels e.g. Give2Asia

List of experts: China



| Type | Name (position, <u>organisation</u>) |
|----------------------------------|--|
| Sector experts | |
| | Yao Jiang Shi (Professor and Director, <u>The Center for Experimental Economics in Education, Shaanxi Normal University</u>) |
| Non-profit & foundations leaders | |
| | Cun Tao Xia (National Project Director, <u>Save the Children China</u>) |
| | An Ru Gao (Deputy Director of Beijing Base, <u>Kerry Group Kwok Foundation</u>) |
| | Li Na Lei (Youth Employment Project Leader, <u>Plan International</u>) |

Bibliography: China (1 of 2)



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Hong Kong SAR, China

Landscape map: Hong Kong SAR, China (1 of 5)



Summary

- Youth unemployment rate of 8.0 in 2018 ([ILO, 2019](#)); lower than the regional average of 10.5 ([ILO, n.d.](#)) and declined from 12.2 in 2010 ([ILO, 2018](#))
- Youth unemployment approximately 2.9 times higher than national unemployment rate of 2.8 - slightly higher than Singapore at 2.3 times ([ILO, 2019](#) & [ILO, 2019](#)) (refer to Fig. 1)
- Critical issues include the mismatch of skills with industry demands and the negative perception towards Vocational and Professional Education and Training (VPET) despite increasing need for VPET graduates
- High youth unemployment faced particularly by youth from low-income background, youth with disabilities and ethnic minorities
- Clear policy emphasis on promoting the image of VPET by narrowing the gap between skills taught and industry demands and upgrading campus facilities of VPET providers

Main issues faced by youth in developing future skills

Mismatch between skills and industry demands

- 69% of HK employers said they could not hire the right talent ([SCMP, 2018](#))
- “Hong Kong SAR, China is lagging behind Singapore or South Korea in terms of the education and training the market needs” - McKinsey’s Ngai, managing partner for Greater China (ibid.)

Gap between young people’s perceptions and realities of current labour market

- 60% of youth said that they could not find jobs they liked i.e. flexible working hours, career development, work-life balance, especially so for millennials) (ibid.)
- Fragmented ecosystem of services young people can tap into to improve their employability - “it’s unclear where to go to access services” (Expert Interview)

Greater need for VPET graduates, however negative perception towards VPET persists

- Immediate shortage of skilled workers in certain sectors e.g. the construction industry, with an additional 10,000 – 15,000 required over the next four years ([SCMP, 2017](#))
- In a recent poll, four out of five respondents did not recognise vocational education as a professional qualification for students ([British Council, 2017](#)); in part due to the high regard placed on university education by the local population (Expert Interviewee, 2019)
- Only 51% of secondary school students interviewed for a study were aware of VPET-related career options and articulation (i.e. how content of VPET can be transferred to other institutions like universities) ([EDB, 2015](#))

Youth unemployment rate compared to national unemployment rate, 2019

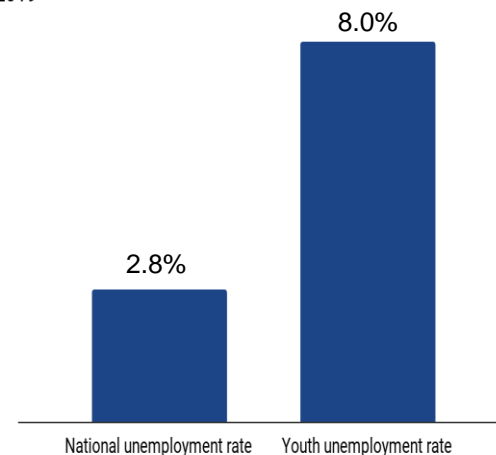


Fig. 1
Source: [ILO, 2019](#) & [ILO, 2019](#)



Gaps faced by disadvantaged youth

Low-income youth face greater hurdles to employment

- Unemployment rate of youth poor households (i.e. households in poverty with all members aged 18-29) stood high at 38.9% in 2016 ([Poverty Relief Gov, 2016](#)), approximately 3.9 times higher than nationwide youth employment rate of 9.9% ([The Global Economy, n.d.](#)) in the same year (refer to Fig. 2)
- Unemployment and poor skills development worse in poorer areas e.g.:
 - Low ranked schools (“Band 3 schools”) are more often located in impoverished communities, further perpetuating the cycle of marginalisation ([Journal of Cogent Social Sciences, 2016](#)); Sham Shui Po, Kwun Tong and Kwai Tsing, being the poorest districts in Hong Kong SAR, China are likely to be one of the most affected regions (Expert interview)
 - Poverty remains a major issue in New Territories ([PLOS One, 2018](#)) and large distance between the New Territories and the urban center is cost prohibitive in terms of transportation costs; few major Hong Kong SAR, China corporations operate in the New Territories ([Journal of Cogent Social Sciences, 2016](#))

Youth with disabilities experience significantly higher unemployment rates

- 28% of people with disabilities interviewed had never worked before – far higher than the city’s overall unemployment rate of 3.4 per cent ([SCMP, 2016](#))
- Of 103 employers interviewed, just 17% expressed interest in hiring people with disabilities over the next three years (ibid.); the negative mindset of employers is likely the greatest hurdle to employment for people with disabilities (Expert interviewee, 2019)

Unemployment rate of youth poor households compared to nationwide youth unemployment rate, 2016

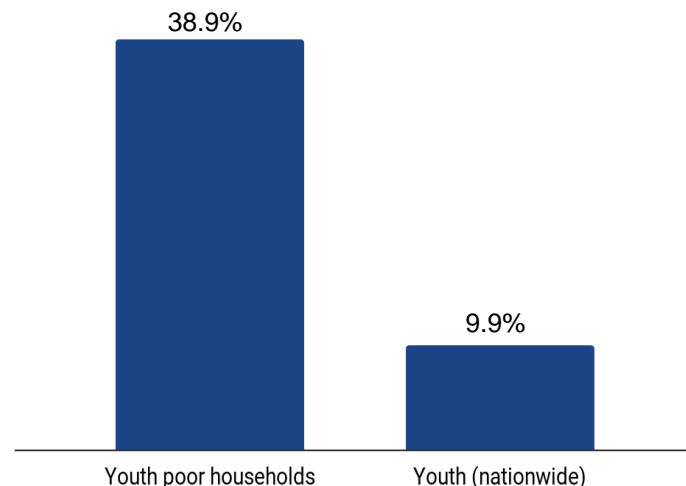


Fig. 2

Source: [Poverty Relief Gov, 2016](#) & [ILO, 2019](#)



Gaps faced by disadvantaged youth (continued)

Ethnic minority youth experience significant language barriers to employment

- In a survey done with 172 ethnically Pakistani, Nepali and Indian youths in Hong Kong SAR, China, nearly 45% and 61% with post secondary education and high school education respectively were unable to find employment ([The Standard, 2018](#)) (refer to Fig. 3)
- Poor grasp of Chinese and Cantonese cited as a key barriers; Cantonese ability has also been cited as top concern in hiring non-Chinese employees for almost two-thirds of firms polled ([SCMP, 2018](#) and [SCMP, 2018](#))

% of ethnic minority youth unemployed based on educational attainment, 2018

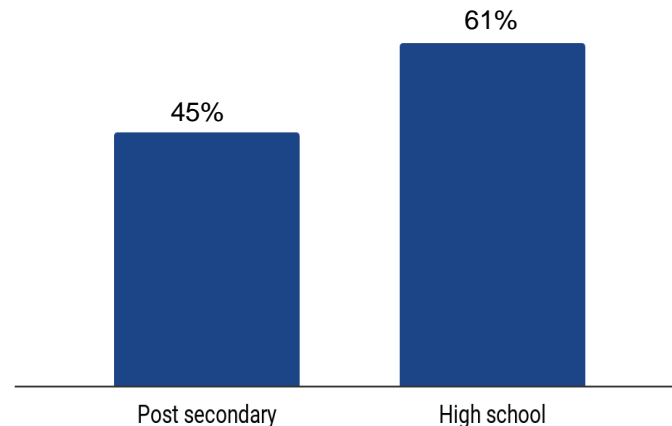


Fig. 3

Source: [The Standard, 2018](#)

Migrants from mainland Chinese struggle to gain meaningful employment

- Around ½ of 1,038 Chinese immigrants surveyed in 2015 did not have a job ([SCMP, 2015](#)); even if they are employed, they are often working in low-skilled jobs eg. based on 2016 census, 70% are making a living by working in low-skilled jobs ([SCMP, 2019](#))
- 60% felt that HongKongers had not been able to tolerate new immigrants and 66% believed locals had many biases and misunderstandings towards them ([SCMP, 2015](#))

Asylum seekers are legally barred from working

- Children of asylum seekers inherit their parents' illegal status; the government only supports their education until secondary school and, like their parents, are too prohibited from working ([SCMP, 2019](#))
- Almost 13,000 asylum seekers residing in Hong Kong SAR, China as of February 2018 ([HKFP, 2018](#))



Policy priorities and initiatives

- **Clear government emphasis on** promoting a **professional image** of VPET, providing more **information** about VPET and related career, promoting VPET through **Career and Life Planning Education**, providing more **accreditation** for Applied Learning courses and **increasing contribution from industries** (Refer to next bullet point below) ([EDB, 2015](#)).
- [Report of the Task Force on Promotion of Vocational Education](#) outlines recommendations to increase contribution from industries:
 - **Increase collaboration between VPET providers and employers** in the development of VPET courses
 - **Improve human resource strategy** to attract and retain staff eg. better progression pathways and remuneration package
- Recent government initiatives include:
 - Expansion in scope of the **Youth Employment and Training Programme (YETP)** to cover part-time on-the-job training and raise the ceiling of the monthly on-the-job training allowance ([GovHK, 2018](#))
 - “Career Kick-Start” project launched under YETP to provide **youth with special employment needs** with 12-month on-the-job training through placements at NGOs with a view to **enhancing their employability** ([GovHK, 2017](#))

Key stakeholders

- **Labour Department:** Launched YETP, which provides comprehensive training and employment support to young school leavers aged 15 to 24 with educational attainment at sub-degree level or below ([GovHK, 2018](#))
- **Vocational Training Institute:** A statutory organisation and a major VET provider that offers a wide range of full-time and part-time VET programmes which lead to formal qualifications, providing about 250 000 training places every year ([EDB, 2015](#))
- **Employees’ Retraining Board:** A statutory body that coordinates, funds and monitors training and retraining courses and services; targets people aged 15 or above with an education attainment at sub-degree level or below (*ibid.*)
- Industry bodies eg. **Construction Industry Council (CIC)** and **Clothing Industry Training Authority (CITA)** (*ibid.*)
- **Youth Development Commission:** High level steering committee tasked to enable a holistic and more effective examination of and discussion on issues of concern to young people in government ([YDC Webpage](#))



Notable initiatives by iNGOs, development agencies, foundations, corporates

- Experts noted a very **fragmented landscape of youth employment services** in Hong Kong SAR, China - “as a youth you don’t quite know which organisation to go to”. Although there appears to be moves towards consolidation e.g. CLAP for Youth (see below), St James Settlement’s Youth Portal, HKFYG’s concept of evolving M21 into a one stop centre for digital skills
- [The Hong Kong Jockey Club Charities Trust](#), one of the largest community benefactors in Hong Kong, initiated the Career and Life Adventure Planning programme: CLAP for Youth @ JC project - a HK\$500 million cross-sectoral 5-year programme that helps students and non-engaged youth plan their future
- Large financial institutions are active funders of Future Skills, including Barclays, Citi Foundation and HSBC all fund [Changing Young Lives Foundation](#), Hang Seng is the main funder of St James Settlement’s Youth Portal, HSBC funds [HKFYG’s Future Skills Development Project](#)
- American Women’s Association of Hong Kong SAR, China is also an active funder of programmes targeting disadvantaged youth e.g. [KELY](#), [Changing Young Lives Foundation](#)

List of experts: Hong Kong SAR, China



| Type | Name (position, <u>organisation</u>) |
|---|--|
| Donors, government officials and sector experts | <ul style="list-style-type: none">Ruby Yong (Senior Programme Officer, DH Chen Foundation) |
| Non-profit leaders | <ul style="list-style-type: none">Brian Cheng (Chief Operating Officer, <u>Generation Hong Kong</u>)Mark Shuper (Co-founder and Executive Director, <u>Sprouts Foundation</u>)Ken Ngai (Deputy Executive Director, <u>The Hong Kong Federation of Youth Groups (HKFYG)</u>)Wendy Cheung (Senior Manager - Corporate Venture (Partnership and Alliances), <u>St James Settlement</u>)Anderson Yu (Project Management Officer, <u>Fantastic Dream Limited</u>) |

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Indonesia

Landscape map: Indonesia (1 of 3)

Summary

- Youth unemployment rate of 15.8 in 2018 ([ILO, 2019](#)); higher than the regional average of 10.5 ([ILO, n.d.](#)) (refer to Fig. 1) but significantly declined from 21.6% in 2013 ([ILO, n.d.](#))
- Over 3.3 million youth (15-24 year olds) unemployed in Indonesia, and a further 6.9 million in the same age group are not economically active and not in school ([APC, 2017](#))
- Critical issues include high dropout rate, mismatch between education and industry needs and lack of quality of Technical and Vocational Education and Training (TVET)
- Clear government focus on increasing recognition and expanding vocational education to meet industry needs

Main issues faced by youth in developing future skills

Enrolment and completion of higher secondary education remains an issue

- Senior secondary school enrolment has increased by more than 20% since 2003, but still stands at only 60% ([APC, 2017](#))
- 20% of TVET students drop out because of uncertainty over job opportunities (ibid.,)
- High opportunity cost and lack of “mindset” among youth to invest time and effort in education (expert interview)

Mismatch between education and industry needs

- Despite high youth unemployment rate, 60% of Indonesian firms have had difficulties hiring for professional roles ([APC, 2017](#)) and by 2030, Indonesia could face a shortfall of 56 million skilled workers ([The Jakarta Post, 2016](#))
- 48% of employers report gaps in the ability of their skilled workers to think creatively and critically and a further 47% and 48% express that their skilled employees lack sufficient computer literacy and English (respectively) ([APC, 2017](#))

Critical lack of quality in TVET education

- Unemployment rate of vocational school graduates (9.3%) is close to twice that of university graduates (5%), making it the highest compared to other graduates (ibid)
- Employers regard competencies of vocational education graduates as below industry standards; many find that they still have to retrain the graduates they hire ([LKYSPP, 2016](#))
- Poor teacher quality, weak curriculum and outdated equipment cited as critical issues (expert interview)

Indonesia's unemployment rate compared to APAC's average, 2018

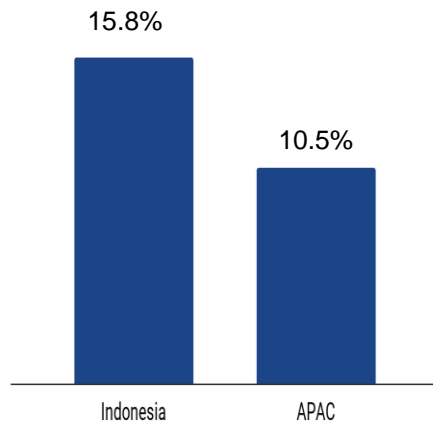


Fig. 1
Source: [ILO, 2019](#) and
[ILO, n.d.](#)

Landscape map: Indonesia (2 of 3)

Gaps faced by disadvantaged youth

Low-income youth face high barriers to even basic education, severely hindering employment prospects

- Children in the poorest quintile are almost 5 times more likely to be out of school as compared to those from the highest quintile ([LKYSPP, 2018](#))
- Basic education enrollment is still low for children from poor families; 57% of parents whose children had dropped out of school identified either cost or work, as the primary cause ([UNFPA, 2014](#))

Rural youth suffer from high drop-out rates, poor education quality and are often in informal employment

- Children in the rural areas are 3-times more likely to be out-of-school compared to those in the urban areas (ibid.)
- 1 in 5 teachers was absent from remote schools, hindering education service delivery and outcomes ([World Bank, 2017](#))
- 80% of informal employment is concentrated in the nation's rural areas ([Indonesia investments, n.d.](#))

Female graduates struggle to attain gainful employment much more than their male counterparts

- 63.1% of the unemployed female population belong to the 25-59 age group, in contrast to 36.3% that of the unemployed male population ([Indonesia UNFPA, 2015](#))
- 57.51% of the total female workforce is employed in the informal sector where incomes tend to be low and unstable and a lack of access to basic protection and services is prevalent ([Indonesia Investments, 2018](#))

Access to formal employment is a hurdle for young people with disabilities

- Approximately 74% of people with disabilities are unemployed ([Binus University, 2019](#))
- Lack of an appropriate job design that accommodates their necessities cited as a key reason (ibid., 105)

Landscape map: Indonesia (3 of 3)

Policy priorities and initiatives

Vocational education has been a government priority since 2005

Government priorities and plans include:

- **increasing capacity of vocational education** e.g. building of 200 new SMK (vocational secondary schools) specialising in agriculture, tourism, infrastructure and manufacturing ([LKYSPP, 2016](#)).
- **expanding the recruitment of teachers** e.g. new law enables degree holders from all disciplines to pursue a career in teaching
- **enhancing reputation of vocational education** e.g. students who graduate from SMK will receive a professional certification to mark their expertise in their respective fields that will be valid and accepted in all ASEAN countries ([Global Business Guide, 2016](#))
- **requiring all SMKs to work with industry partners**

Key stakeholders

- **Ministry of National Education (MNE)** administers formal TVET, specifically the department of Secondary Education
- The **Directorate General of Higher Education** under MNE and the **Ministry of Education and Culture (MEC)** regulates vocational education
- **Teacher Education Institutes (LPTK)** oversees the professionalism of the teachers eg. providing certification, education programmes
- However, education system in Indonesia is decentralised, so **district level governments** have significant level of autonomy over the funding and operations of the institutions within their purview

Notable initiatives by INGOs, development agencies, foundations, corporates

- Strong presence by international development agencies providing capacity building programmes for skills development e.g. Asian Development Bank (Polytechnics Education Development Project), Germany's GIZ (Sustainable Economic Development through technical and vocational education and training (SED-TVET) program), USAID (Higher Education Leadership and Management (HELM) Project, Ready-to-Work Accelerator Programme)
- Active donor support from corporates e.g. Accenture (Save the Children's Skills to Succeed Programme), HSBC (YCAB's 4-year education project 'Anak Bangsa Siap Berkarya), Microsoft (Future Ready ASEAN)
- Large local foundations that are active in vocational education include Djarum Foundation, YCAB Foundation and JAPFA Foundation. Other large local foundations focussed on education include Tanoto Foundation and Putera Sampoerna Foundation.

List of experts: Indonesia

| Type | Name (position, <u>organisation</u>) |
|--------------------|--|
| Non-profit leaders | <ul style="list-style-type: none">• Sihol Parulian Aritonang & Murni Leo (Country Head - Indonesia and Partnership Officer respectively, <u>Tanoto Foundation</u>)• Primadi Serad & Felicia Hartino (Program Director and Education Program Manager respectively, <u>Djarum Foundation</u>)• Susi Hermijanto & Boyke Dimas Kristian (Chief Operating Officer and Head of Program Operations Department respectively, <u>YCAB Foundation</u>)• Maria Harfanti & Jhonshan Jusli (Head of Stakeholders Department and Project Manager respectively, <u>JAPFA Foundation</u>) |
| | |
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| | |

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Japan



Summary

- Youth unemployment rate of 3.7% in 2018 is higher than national unemployment rate of 2.4%, but relatively low compared to the regional average of 10.5% ([ILO, 2019](#))
 - Despite low unemployment rate, unemployment is critical in Japan due to the shrinking and rapidly aging society ([OECD, 2017](#))
 - National concerns include increasing youth poverty, increasing number of Hikikomori (people who withdraw from society) and the rise of youth Freeters (non-regular workers) ([Cabinet Office Japan, 2015](#))
 - National efforts are concentrated on vocational education programs, establishment of job centers specialized on youth and local hikikomori support centers ([Cabinet Office Japan, 2018](#)), traditionally there are very few subsidies and support for startups, especially for NPOs (NPO status made official only in 1998, [JNPOC](#))
-

Main issues faced by youth in developing future skills

Strong educational system, but emerging gaps in jobs skills training ([OECD, 2017](#))

- Strong education completion rate: Fewer than 6% of youth do not obtain upper secondary qualification - one of the lowest across OECD
- 1.7 million youth are NEET (not in employment, education or training), with more than two thirds inactive i.e. not looking for work
- Educational attainment and skills less linked to NEET status compared to other countries - over 1/3 of NEETs have tertiary education
- Vocational training typically provided on the job by employers, but this is increasingly becoming unviable as employers increasingly hire temporary workers and share of workers who remain with their employers for life is declining and rise of Freeters

Lacking self-confidence and social skills

- 320,000 youth in Japan live in acute social withdrawal (hikikomori) and are very difficult to reach by social services ([OECD, 2017](#))
- 14.5% of unemployed youth between 20-24 year olds who want to work, cite lack of confidence in their skills as their reason for not seeking work (this figure is 6.5% for unemployed youth between 15 and 19) ([Cabinet Office Japan, 2015](#))

Limited income support for unemployed youth ([OECD, 2017](#))

- Japanese youth poverty rate is among highest across OECD countries (nearly 20% for 18-25 year olds)
- Youth typically receive benefits only for three months
- Only 0.5% of all young people receive benefits at all (welfare offices primarily support seniors and persons with low work capacity)



Gaps faced by disadvantaged youth

Youth from low income and single parent backgrounds less likely to complete education and remain NEET for prolonged periods

- Low income youth are more likely to not obtain tertiary education and thus stay NEET for multiple years ([OECD, 2017](#))
- Number of single parent households is rising (~12,000 households with 1.7 children on average in 2016, excluding Kumamoto) and average income in these households is less than half that of other households with children. Rate of students entering school is 2.7% less and rate of students entering vocational institution including universities is 14.5% less than in other households with children ([Cabinet Office, 2018](#))

Youth hit by disaster face disruption to education

- The Tohoku disaster has left more than 100,000 children displaced and about 2,000 without at least one parent ([The Guardian, 2016](#))
- 16,500 are still displaced after the Kumamoto earthquake ([Asahi News, 2019](#))
- School attendance is poor due to lack of infrastructure, but also personal reasons (cases of bullying at school have more than doubled after 2011 ([Cabinet Office, 2016](#)), while the number of high school students attending school infrequently have increased by ~20 000 ([Cabinet Office, 2018](#)).

Increasing number of youth suffering from social issues ([OECD, 2017](#))

- Number of students who miss school more than 30 days of the academic year has doubled since 1990s
- About 320 000 youth under 30 is hikikomori, ie. under acute social withdrawal and thus difficult to reach by social services
- Low awareness on role of non-governmental services in providing social services to youth (Expert interview)

Cultural and structural barriers facing female youth ([OECD, 2017](#))

- Females earn 25.7% less in wages compared to their male counterparts and are 70% more likely to be non-regular workers
- Prone to miss career opportunities due to common break from work for child care (limited access and affordability of childcare)
- Contributes to gender gap in pension entitlement and women living in poverty ([OECD Gender, 2017](#))



Policy priorities and initiatives (MHLW, 2017)

- **Strong, comprehensive support for youth employment and skills development**
 - Regional support for young jobseekers (Hello Work)
 - Regional youth support stations and job cafes help develop a career plans (175 in Japan)
 - Employee-job seeker matching stations
- **Recent government initiatives include:**
 - Increased support for and creation of vocational schools (eg Technology Colleges known as KOSEN)
 - Electronic career path tracking (job-card)
 - High Student workplace experiences
 - University workplace internship (low participation rate!)
 - Compulsory career path orientation at universities
 - Hikikomori support centers

Key stakeholders

- **Ministry of Health, Labor and Welfare** (enacted in 47 prefectural administrations) runs the following:
 - **Hello Work** (since 2010) job search support for graduates including vocational training for disadvantaged groups, supporting career guidance counselors in schools and universities (57 offices as of 2017), grants and subsidies for employers
 - **Hello Work for Youth** (since 2012, 28 offices as of 2017) intensified job search, interview training, psychological consultations and aptitude tests
- **Ministry of Education, Culture, Sports, Science and Technology**
 - Introduces school reforms, but mostly focused on the management of school employees and programs

Notable initiatives by INGOs, development agencies, foundations, corporates

- Comprehensive system of government provided social and employment support (e.g. Hello Work, hikikomori incentives)
- Few large non-profits e.g. Nippon Foundation (main focus areas include seriously ill children and young adults raised in foster care facilities, financial support for education and vocational training for talented children), Ashinaga (access to education for orphans worldwide) , Japan International Cooperation Agency (JICA) works on skill development, but only internationally
- Multiple ground up initiatives, mostly small due to the short history of non-profits in Japan - more than half of the approximately 51,000 non-profits have less than 5 paid employees and budgets of less than 10mJPY (USD 93k) ([JNPO 2015](#)) and over half of them target health care, public activities and town planning ([Cabinet Office, 2019](#)), “youth” is not defined as a classification category (expert interview). Some efforts to grow and strengthen the sector e.g. ETIC seeks to grow the sector through mentorship, coaching and networking for social entrepreneurs

List of experts: Japan



| Type | Name (position, <u>organisation</u>) |
|--|--|
| Donors, government officials and sector experts | |
| | <ul style="list-style-type: none">• Mr. Ken Motomura Senior Management Officer, General Labor Office Okinawa, <u>Ministry of Health, Labour and Welfare</u> |
| | <ul style="list-style-type: none">• Ms. Yukako Arakaki Division of Personal Work Support, Labor Support and Welfare Centre Okinawa, <u>Ministry of Health, Labour and Welfare</u> |
| | <ul style="list-style-type: none">• Ms Setsuko Miyazato Manager, North Okinawa, Prefectural Child Welfare Centre, <u>Ministry of Health, Labour and Welfare</u> |
| | |
| Non-profit leaders | <ul style="list-style-type: none">• Mr Kei Kudo Chief Executive Officer, <u>Sodateage</u> |
| | <ul style="list-style-type: none">• Mr Mitsuhiko Yamazaki Responsible for Research Section, Division for Social Innovation Start up Support and Project Development, <u>Entrepreneurial Training for Innovative Communities (ETIC)</u> |
| | <ul style="list-style-type: none">• Ms Koaru Natori Director of Communications, <u>Doctors without Borders Japan</u> |

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Malaysia

Summary

- Youth unemployment rate of 11.2% in 2018; more than 3 times higher than the national unemployment rate, 3.4% ([World Bank, 2019](#))
- Critical gaps include quality of school and TVET education and mismatch of skills with industry demands
- High youth unemployment faced by youth from low-income families and ethnic minorities (in particular young Indians)
- Clear national priority to create a higher proportion of skilled workers with a strong focus on increasing enrolment, attractiveness and quality of TVET education

Main issues faced by youth in developing future skills

Quality issues in education system

- Despite Malaysians receiving 12 years of schooling, only 9 years contribute to actual educational achievement ([CIPD, 2019](#))
- Only primary education is compulsory in Malaysia ([Education Act 1996](#))
- STEM skills are viewed as key to Malaysia's ability to be globally competitive, but STEM subjects show a marked decline in quality, quantity and uptake ([CIPD, 2019](#))
- TVET teaching staff lack relevant qualifications and industry exposure: 43% have Malaysian Competency Certificate (MCC) of Level 2 or below, and only 0.4% have MCC of Level 4 or above

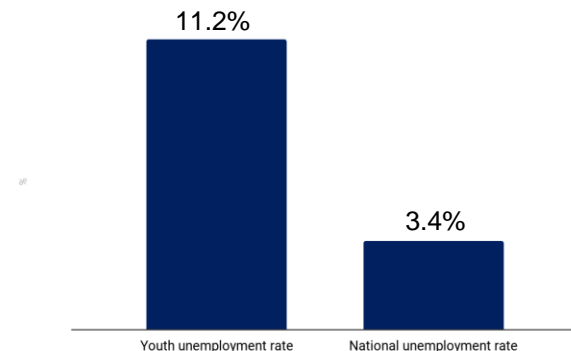
Mismatch between skills and industry demands

- Employers cite graduate skills gap concerns, such as industrial training experience, communication skills, and TVET skills e.g. 90% of companies feel more practical training should be provided for graduates ([BNM, 2016](#))
- Lack of industry participation in TVET curriculum design and programme delivery e.g. multiple contact points for industries as each institution has set up its own linkages

Quantity of trained youth insufficient to meet industry demands

- National goal to have 650,000 students in vocational education by 2025 requires a 2.5 times increase above current levels

Malaysia: Comparison of youth to national unemployment rate



Source: [World Bank, 2019](#)

Gaps faced by disadvantaged youth

Low income youth suffer significantly higher unemployment rates

- 42% of diploma holders from low income families are unemployed, compared to 18% from high income families - finding holds across qualification types (BNM, 2016, see chart opposite)

Indian youth face high unemployment and limitations to benefit access

- 30% of Indian labour force aged 15-19 are unemployed, compared to 14% Chinese and 17% Bumiputera (KRI, 2018)
- Those classified as non-Bumiputera are excluded from advantages under NEP (New Economic Policy) which benefits Bumiputera on the basis that they account for the bulk of the disadvantaged (CIPD, 2019)

Rural youth face lower quality of employment

- Unemployment of rural and urban youth is comparable (15% vs 16% for 15-19 year olds and 10% vs 8% for 20-24 year olds, respectively) (ILO, 2013)
- But more than 30% of rural youth are engaged in agriculture sector as own-account workers and unpaid family workers (ILO, 2013)

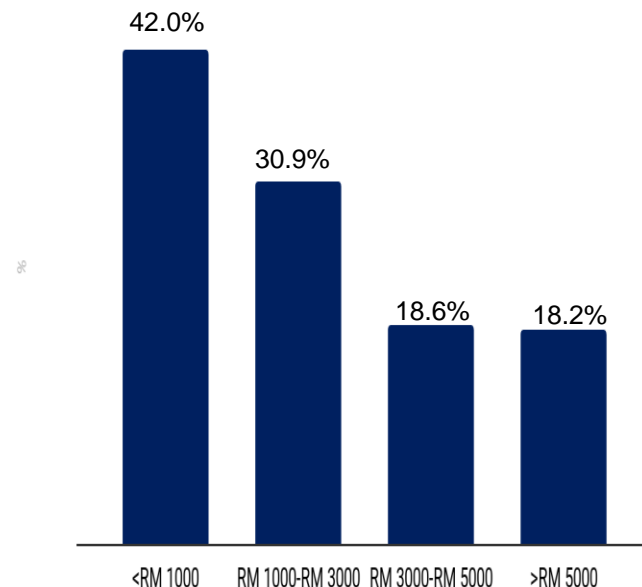
Females are disadvantaged in transition from school-to-work

- Females outnumber and outperform male counterparts at the entry level of education, but have higher unemployment rates compared to young men (10.3% female unemployment, 8.3% male unemployment for 20-24 year olds) (KRI, 2018)

Refugees have no legal right to work and have limited opportunities to access skills education

- Malaysia has over 170,000 refugees and asylum-seekers registered with UNHCR. As Malaysia is not a signatory to the 1951 UN Refugee Convention, refugees have no legal right to work or to access formal education or skills training (IDEAS, 2019)
- Many end up working in informal job market and youth have limited options beyond community schools and UNHCR programs to access vocational-educational or entrepreneurship training. (IDEAS, 2019), (UNHCR Livelihoods Malaysia)

Diploma graduate unemployment rates by monthly family income brackets, 2015



Source: Bank Negara Malaysia

Policy priorities and initiatives

- **Clear national priority** to create a higher proportion of skilled workers including **shift in focus from tertiary to high-quality, industry-led TVET education** e.g. target growth in enrolment being 3x public university enrolment
- **Malaysia Education Blueprint (Higher Education) 2015-2025** outlines strategies and initiatives to transform the higher education system
- Recent government initiatives include:
 - **Increased development expenditure** to public TVET institutions
 - **Increase attractiveness of TVET courses** e.g. developing high technology, high value programs and TVET rebranding exercise
 - **Student loan schemes** to boost tertiary and TVET enrolment e.g. Skills Development Fund (PTPK)
 - In its election manifesto, Malaysia's newly elected government committed to providing the legal right to work to all registered refugees in Malaysia ([Pakatan Harapan](#))

Key stakeholders

- **TVET overseen by 7 ministries and agencies** including Ministry of Higher Education (MOHE), Ministry of Education (MOE), Ministry of Human Resources (MOHR), Ministry of Youth & Sports (MOYR)
- **Qualification of programs in TVET** overseen by:
 - National Quality Assurance Agency for Higher Education (MQA)
 - Department of Skills Development (DSD)
- **Talent Corp** is a government agency that implements initiatives to attract, nurture and retain the right expertise needed to meet current and future talent demands

Notable initiatives by INGOs, development agencies, foundations, corporates

- **International Labour Organisation** provides technical expertise to facilitate and support design of an unemployment insurance system targeted at youth in Malaysia ([ILO, 2013](#))([ILO, n.d.](#))
- **German Development Agency** (GIZ) funds a regional cooperation programme to improve the training of TVET personnel covering international network events, training on regionally relevant topics, collaboration between key ministries and universities
- **The Government of the United Kingdom** launched a [Prosperity Fund](#) which is investing in a [Global Skills Programme](#) in 10 countries including Malaysia to address skills shortages by improving the quality, relevance, affordability and access of TVET.
- With the exception of [HSBC](#) and [J.P. Morgan](#) who are active funders of vocational education programmes for disadvantaged youth, in particular, skills training for low-income and at-risk youth, ([MySkills](#)), ([SOLS24/7](#)), no other consistent support from large corporates or foundations in Malaysia

List of experts: Malaysia



| Type | Name (position, <u>organisation</u>) |
|---------------------------|--|
| Donors and sector experts | <ul style="list-style-type: none">• Cheryl Lim (Head of Asia Education Practice, <u>McKinsey & Company</u>)• May Wong (Manager, Group Communications & Corporate Social Responsibility, <u>Taylor's Education Group</u>) |
| Organisation leaders | <ul style="list-style-type: none">• Keeran Raaj (Managing Director), Sasha Ratnam (Director) - <u>Tech Terrain College</u>• Pasupathi Sithamparam (Founder, Director), Devasharma Gangadaran (CEO) - <u>MySkills Foundation</u>• Nadarajah Kulandavelu (President), Geevan Ramalingam (COO) - <u>Educational, Welfare and Research Foundation EWRF Malaysia</u>• Priscilla Wong (Head of Employability Program), Norman Ng Hui Liak (Marketing Manager) - <u>Dignity for Children Foundation</u>• Chan Soon Seng (Programme Director) - <u>Teach for Malaysia</u>• Arulnandam Sinnasamy (Deputy Director) - <u>Montfort Boys Town</u> |

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Philippines

Landscape map: Philippines (1 of 5)



Summary

- Youth unemployment rate is 6.8% ([ILO, 2019](#)), lower than the regional average of 10.5 ([ILO, n.d.](#)) but more than twice the national unemployment rate of 2.5 ([ILO, 2019](#))
- 1 in 4 young Filipinos are not in employment, education or training (NEET), placing the Philippines second only to Indonesia in Southeast Asia ([ADB, 2018](#))
- Crucial issues include a mismatch between education and industry demands, high number of youth not completing education, youth's vulnerability to precarious and low-skilled employment and the lack of quality in education and training
- Clear government focus on attaining universal access to basic education, as well as on strengthening vocational education and training

Main issues faced by youth in developing future skills

Mismatch between education and industry demands

- Over 40% of post secondary graduates are unable to find work while 30% of vacancies remain unfulfilled (Ramon del Rosario, 2018)
- Educational attainment does not impactfully increase work-readiness e.g. 23.8% of the unemployed were college graduates, 10.7% were college undergraduates, and 26.4% have completed junior high school respectively ([PSA, 2019](#))
- Employment rates of TVET graduates (60.9%) is significantly lower than the passing rate for TVET programmes (88%) ([UNESCAP, 2017](#)) (refer to Fig. 1)
- Lack of skills cited as top reason by companies for difficulties in filling job vacancies ([ILO, 2017](#))
- Lack of focus on future proof skills (e.g. digital) and life skills (e.g. negotiation) within education system (expert interview)

High proportion of youth do not complete education

- Approximately 9% (3.5 million) of the estimated 39.2 million Filipinos aged 6 to 24 years old were out-of-school children or youth (OSCYs) ([PSA, 2018](#))
- 83.1% OSCYs were 16 to 24 years old (ibid.), signalling a lack of pursuit in higher education (vocational and tertiary)

Comparison of TVET passing rate and employment rates in the Philippines, 2017

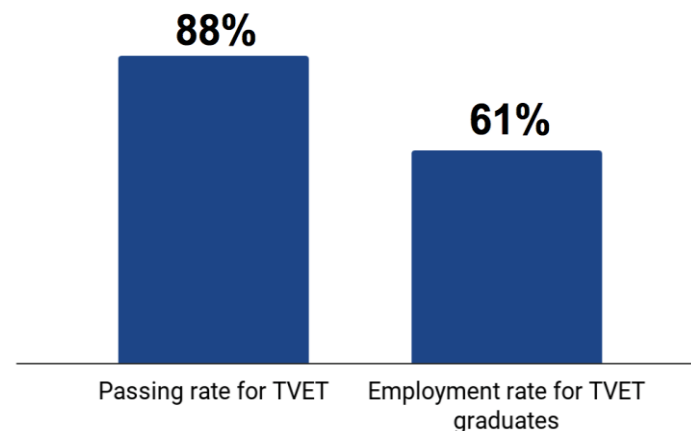


Fig. 1
Source: [UNESCAP, 2017](#)



Main issues faced by youth in developing future skills (continued)

Critical lack of quality in education and training

- “Despite impressive recent increases, the Philippines still spends less on education than many neighboring and middle-income countries, and recent analysis has confirmed the need for more spending to meet national education norms and standards.” ([World Bank, 2016](#))
- Government vocational-education programmes are often not accompanied with follow up or placement support and have underinvested in monitoring and evaluation so impact on job placement rates are unclear (Expert interview, 2019)
- [Enterprise-based training](#) (e.g. apprenticeships, on the job training) continues to account for the smallest proportion of TVET trainees among the different modes of delivery ([PIDS, 2016](#))
- Employers note that most trainers of TVET are unqualified and that industry should be allowed to play a greater role in assessing them ([ILO, 2016](#))

Youth are vulnerable to precarious and low-skilled employment

- In 2013, the rate of [vulnerable employment](#) (own-account workers and contributing family workers, in other words, self-employed) for young Filipinos was 29.7% (1.6m out of 2.2m); young men (32.2%) are more likely to be in vulnerable employment compared to young women (25.3%) ([ILO, 2015](#)) (refer to Fig. 2)
- Informal jobs dominate the economy eg. approximately $\frac{3}{4}$ of all jobs and $\frac{2}{3}$ of urban jobs are informal and many existing jobs only require few skills eg. unskilled workers account for nearly $\frac{1}{4}$ of total employment ([World Bank, 2016](#)), underemployment stood at 15.6% in January 2019 ([PSA, 2019](#))
- Rapid technological advancement will put 48% of all jobs at risk (Ramon del Rosario, 2018)

Vulnerable employment rate among youth aged 15 to 24, 2015

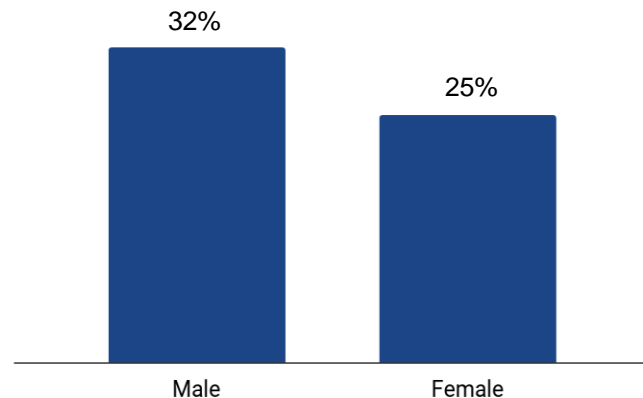


Fig. 2
Source: [ILO, 2015](#)

Landscape map: Philippines (3 of 5)



Gaps faced by disadvantaged youth

Low income youth face significant barriers to education and employment

- One-half of Out-of-School Children and Youth (OSCYs) belong to families whose per capita falls at the bottom 30% ([PSA, 2018](#)) (refer to Fig. 3); children in these families often have to be taken out of school to work in harsh conditions - 3.6 million children from the ages of 5-17 are child labourers, amounting to 15.9% of the entire population ([Borgen Project, 2018](#))
- Many of youth NEET come from low-income households with limited social networks ([ADB, 2018](#))

Rural youth face difficulties accessing employment opportunities and vocational education

- Jobs are concentrated in urban areas and major cities eg. the seven largest urban areas hosted 54% of formal jobs and cities accounted for over 70% of GDP ([World Bank, 2017](#))
- Vocational education is heavily concentrated in the national capital region (28%), and nearby provinces of Regions IV-A (10%) and Region 3 (9%) ([PIDS, 2016](#)); most of the certified trainers are also found in urbanised areas ([ILO, 2016](#))

Female youth are notably underrepresented in education and employment

- 1 in 2 young women with high school education or less are NEET ([ADB, 2018](#))
- Proportion of OSCYs among females (63.3%) is close to twice that among males (36.7%); marriage or family matters (57%) was the main reason ([PSA, 2018](#))
- Only 1 out of 2 women, compared to 3 out of 4 men, are in the labour force ([ILO, 2017](#))

Youth from conflict-afflicted Mindanao especially face bleak employment prospects

- About 70% of employed Mindanawons are informally employed; 34% of workers live below the poverty line ([World Bank, 2017](#))
- 5.2 million jobs needed in Mindanao in the next 6 years (ibid., 5)

Percent Distribution of Out-of-School Children and Youth by Per Capita Income Decile, 2017

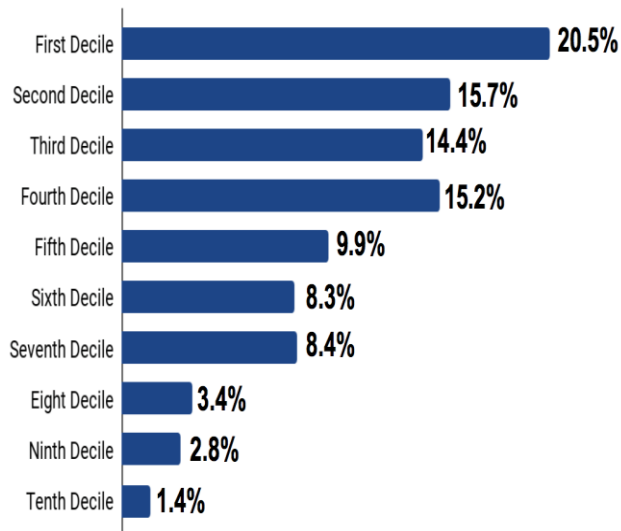


Fig. 3

Source: [PSA, 2017](#)

(Note: In ascending value of the family per capita income, families are grouped into per capita income deciles. The first decile represents the poorest families.)

Landscape map: Philippines (4 of 5)



Policy priorities and initiatives

Clear priority to **provide universal access to basic education and training** for children of school age:

- Budget for education has more than doubled between 2014 and 2017 ([ILO, 2017](#))
- SPES Program 2015 (Special Program for Employment of Students) provides employment program during summer or Christmas vacation to poor but deserving students particularly OSCYs or dependents of displaced or would be displaced but intend to finish their education ([Official Gazette, 2015](#))

Clear shift towards **greater emphasis on vocational education and training**:

- Full implementation of K-12 programme now requires last two years of secondary schooling to incorporate technical and vocational courses (ibid., 16)
- **Jobstart Philippines Program** provides life skills and technical training to high school completers according to market needs
- **DOLE – BLE also has Government Internship Program (GIP)** that provides internships to youth in high schools or technical-vocational and college graduates in national or local government offices
- **Philippine Qualification Framework** aims to encourage learning in individuals and to provide employer specified training standards and qualifications designed in accordance with industry standards.
- By July 2019, TESDA will launch 911-TESDA - a job seeking portal that aims for the public to book workers such as plumbers, electricians and construction workers from the pool of TESDA graduates.

Key stakeholders

- The education system in the country is governed by three different departments, all reporting to the Office of the President - Department of Education (DepEd) for basic education, Commission on Higher Education (CHED) for higher education, and Technical Education and Skills Development Authority (TESDA) for TVET
- **Technical Education and Skills Development Authority (TESDA)** oversees and implements TVET programs in the country. TESDA programs are implemented through institutions eg. schools and centers, enterprises and community-based initiatives
- **CTEC (Community Training and Employment Coordinators)** are placed at local government units in close coordination with TESDA to coordinate, to promote and implement TVET that are appropriate and in-line with the market demand and people's capability.
- **Department of Labor and Employment (DOLE)** is a key stakeholder in education to employment initiatives including Jobstart Philippines Programme and [Philippines Qualifications Framework \(PQF\)](#)

Landscape map: Philippines (5 of 5)



Notable initiatives by INGOs, development agencies, foundations, corporates

Multilateral organisations have a strong focus on skills development in Philippines

- **International Labour Organisation (ILO)** currently implements a 3 year program since 2017 called “Women in STEM Workforce Readiness Program”
- **Asian Development Bank (ADB)**, funded Jobstart Philippines, a \$5.6M technical fund support for 3 years to provide assistance to youth NEET through provision of the needed financial, technical vocational skills trainings, internships, job matching and job placement programs

A number of international development agencies also have large-scale skills programmes:

- **Australia’s Department of Foreign Affairs and Trade (DFAT)** through its Basic Education Sector Transformation (BEST) Program funded several NGOs and academic institutions that strengthen the quality of K12 basic education
- **European Union**, together with **British Council**, co-financed CSO-SEED (Civil Society Participation in Social Enterprise Education and Development), a 3 year program focused in the Autonomous Region in Muslim Mindanao
- The **Government of the United Kingdom** launched a Prosperity Fund which is investing in a Global Skills Programme in 10 countries including the Philippines to address skills shortages by improving the quality, relevance, affordability and access of TVET
- **SEA-TVET SEMEO Consortium** works together to harmonize and internationalize TVET programs among SEA countries
- EU member countries such as the **German Federal Ministry for Economic Cooperation and Development (BMZ)** funded the ONE TVET Project of Don Bosco Tech that seeks to make TVET accessible to far-flung areas of the country, to harmonize TVET trainings nationwide, and boost youth’s employability by matching the TVET skills to the companies’ needs.

Large local corporate foundations and networks are also active in supporting disadvantaged youth through education and skills development, including:

- **Ayala Foundation** intensively supports the delivery of quality education. It gives priority to hard to reach areas through enhancement of the teachers and principals training program and making academic infrastructures ICT ready to help Philippines’ education system meet UNESCO standards.
- **Aboitiz Foundation** supports and collaborates with DepEd to assist and develop Math, Science, and Tech vocational schools that align their curriculum with the government standards and with the demands of the industry. The foundation does this by improving school infrastructure, providing laboratory equipment, run teachers’ skills enhancement programs, and ICT based learning resources.
- **Philippines Business for Social Progress (PBSP)** with its 260 member companies and CSRs seeks out “near hire disadvantaged youths” in the community and provides them with skills development and livelihood trainings matched to the industry/company needs.

List of experts: Philippines



| Type | Name (position, organisation) |
|--|--|
| Donors, government officials and sector experts | <ul style="list-style-type: none">• Mr. John Christopher Lapiz & Ms. Kaila Sena at Kaira Querijero (Senior Labour and Employment Officers, Bureau of Local Employment under Department of Labour and Employment)• Mr. Alex Macabulos (Officer in-charge, Employment Section, Public Employment Service Office of Quezon City Local Government)• Mr. Elmer Talavera (Executive Director (Director IV), Technical Education and Skills Development Authority (TESDA)) |
| Non-profit leaders | <ul style="list-style-type: none">• Dr Herbert Carpio (Executive Director, Childhope Philippines)• Ms Alexandar Kay (Disability Inclusion Advisor, Scope Global Australia)• Lee Zhihan (Co-founder, Bagosphere)• Mr. Pierre Pecson (Partnerships Manager, Philippines Business for Education)• Ms. Kritzia Santos (Executive Director, 2kk Tulong sa Kapwa Kapatid Foundation)• Ryan Gersava (Founder, Virtualahan)• Gerson M. Abesamis (Co-Founder and Executive Director, Habi Education Lab)• Geomel Jetonzo (Programme Manager for Education, World Vision) |

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Thailand

Landscape map: Thailand (1 of 4)



Summary

- Youth unemployment rate of 3.5% in 2018 ([ILO, 2019](#)), significantly lower than the regional average of 10.5 ([ILO, n.d.](#)); this is considered largely attributed to the major informal sector ([Today, 2017](#))
- Youth unemployment rate is 5 times higher than the national unemployment rate of 0.7% ([ILO, 2019](#))
- Critical issues include the mismatch between skills of youth and industry demands, lack of quality in vocational education despite increasing demand
- Clear national priority to promote vocational study with the aim of developing a skilled force that meets future needs

Main issues faced by youth in developing future skills

Mismatch between skills of youth and industry demands

- 53% of companies could not find candidates to fill openings because of mismatched skills ([SMU & JP Morgan, 2016](#))
- Employees lack the necessary skills in “almost every aspect for a modern workplace” ([TVET Asia, n.d.](#)) e.g. Thailand’s English proficiency has dropped to being 3rd worst in Asia ([Bangkok Post, 2015](#))

Hiring gap most acute for vocational workers

- Hiring gap across all education levels, however highest gap is faced by vocational workers at 23.3% in 2015 i.e. for every 100 vocational workers needed, approximately only 77 are available for hire (refer to Fig.1) ([SMU & JP Morgan, 2016](#))
- 70% of employees are educated to a lower level than upper secondary education ([TVET Asia, n.d.](#))

Vocational education hindered by poor quality, capacity constraints and negative perceptions

- 67,000 vocational graduates expected to be produced over the next 10 years, but only 3,100 can meet labour standards and be employed ([Bangkok Post, 2016](#));
- Curriculum for apprenticeships and internships has not been revised since 2005 to match the job market ([MOE, 2017](#)) Most instructors lack practical experience needed to convey the necessary skills and knowledge to students ([Bangkok Post, 2016](#))
- Many colleges face teacher shortages due to dramatic rise in student enrolments due to government’s policy eg. vocational teachers nationwide needs to increase from 14,000 to 33,000 (ibid.)
- Over 60% of students prefer general academic education over vocational education; it is commonly perceived that vocational education is for academically inferior students ([Bangkok Post, 2018](#))

Hiring Gap of Workers by Education Levels, 2015

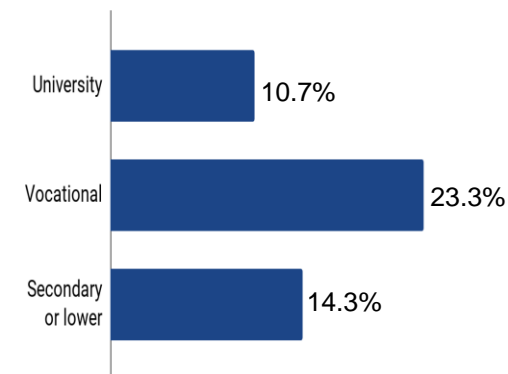


Fig. 1

Source: [SMU & JP Morgan, 2016](#)

Landscape map: Thailand (2 of 4)



Gaps faced by disadvantaged youth

Low income youth struggle to complete and access quality education

- 80% of the poorest students complete lower secondary education, compared to 100% of the richest ([Bangkok Post, 2018](#))
- Though no tuition fees are required from from pre-primary to upper secondary education ([OECD/UNESCO, 2016](#)), transportation cost remains as a significant barrier to attending school for poor students living far away ([OECD, 2013](#))
- Schools located in poorer regions of the country are mostly small and under resourced ([World Bank, 2019](#)) leading to disparity in educational outcomes

Disabled youth face severe barriers in education and employment

- Lack of inclusive education and discriminatory attitudes of mainstream education institutions towards disabled people e.g. 43% of disabled people never received any education (refer to Fig. 2); ([DTN, 2016](#))
- 46% of persons with disabilities are without employment (ibid., 58)

Female youth experience high drop-out rates, severely hindering their employment prospects

- 62% of Out-of-School lower secondary school adolescents are girls ([UNESCO, 2017](#))
- Pregnancy is a major factor why girls drop out of school; reasons included the burden of raising a baby, bullying and enforced dismissal by schools although that is against the law ([The Sunday Nation, 2018](#))
- Around 150,000 teenagers below the age of 19 get pregnant annually (ibid.)

Migrant children face significant barriers in education and employment

- Migrant schools “Migrant Learning Centres” (MLCs) are not officially accredited by the government and MLCs’ teachers do not have a legal right to teach ([FM Review, n.d.](#)), obstructing students’ ability to find work after graduation
- 34% of non-Thai students of secondary-school children are not in secondary school with poverty being a major driving factor ([Unicef, n.d.](#))

Educational attainment of disabled people, percentage, 2016

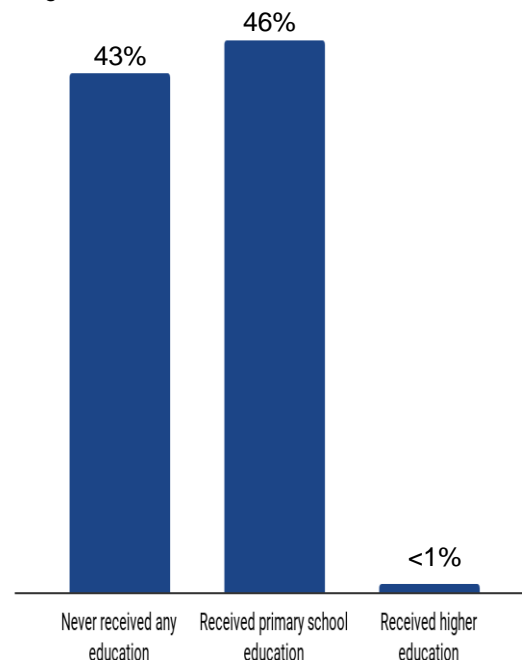


Fig. 2
Source: [DTN, 2016](#)

Landscape map: Thailand (3 of 4)



Policy priorities and initiatives

As part of its 20-year national strategy (2017-2036), the Office of the Higher Education Commission is prioritizing 42% of its 2017 budget on improving and developing **digital technology for education**, and another 41% on strengthening **research and skills development training**

Clear national priority to **promote vocational study** to develop a skilled labour force. The Council of Education (2018) has identified five proposals for **vocational reform** ([UNESCO, n.d](#)) which include:

- Develop the basic skills of vocational students, especially mathematics
- Increase the budget for education, in particular, the budget for supplies to provide quality teaching and learning

Other recent government initiatives:

- Set a long-term target to **increase the ratio of vocational to general education students** from 40:60 to 60:40 over the next 20 years in order to produce sufficient TVET graduates to fill gaps in the workforce ([Bangkok Post, 2017](#))
- Developed strategies like “learn and earn” so that **more low income families can be supported through vocational courses** ([Vocational Training HQ, 2018](#))
- The Office of the Vocational Education Commission plans to invite **500 experts** who work in 10 industries targeted under [Thailand 4.0 policy](#) to become **special instructors** at 900 vocational colleges nationwide ([Bangkok Post, 2017](#))

Key stakeholders

- Main responsibility for education lies with the **Ministry of Education**
- Other ministries, namely the **Ministry of Defence, the Ministry of Interior, the Ministry of Social Development and Human Security, the Ministry of Public Health, the Ministry of Transport, the Ministry of Culture, and the Ministry of Tourism and Sports**, take charge of educational management in specialised fields or in local communities ([MOE, 2017](#))
- **Office of the Vocational Education Commission (OVEC)** under the **Ministry of Education (MOE)** is the main organization responsible for tailoring vocational education and training to the needs of labor markets and national economic growth in accordance with the manpower production policy and the National Economic and Social Development Plan ([UNESCO, n.d.](#))
- Non-formal TVET programmes are the responsibility of the **Office of Non-Formal and Informal Education (ONIE)** under MOE. It is responsible for (1) giving recommendations concerning TVET related policies, plans and strategies; (2) promoting collaboration between stakeholders; and (3) monitoring and evaluating non-formal TVET programmes ([UNEVOC, 2015](#))

Landscape map: Thailand (4 of 4)



Notable initiatives by INGOs, development agencies, foundations, corporates

- **Strong presence by multilateral organisations, international development agencies and INGO** providing capacity building programmes for skills development. Notable examples include:
 - **UNICEF Thailand** engaged with Office of Education Council in the development of the 20-year national education plan. The plan prioritizes achieving equity in education with 100% targets for enrolment and completion, skills development and improving learning outcomes ([UNESCO, n.d.](#))
 - **Asian Development Bank** focuses on improving financial literacy by providing technical assistance to support public-private partnerships and infrastructure development
 - **Japan International Cooperation Agency (JICA)** supports “Thailand 4.0” by developing skilled technicians and engineers through projects such as the Automotive Human Resource Development Academy, the Industrial Human Resource Development Yen Leon (piloting) and King Mongkut’s Institute of Technology Ladkrabang ([JICA, n.d.](#))
 - **GIZ** has been working with OVEC to introduce Dual Vocational Education into Thai countries
- **Corporate networks** are also active. For example:
 - **British Chamber of Commerce** and the British Council serve as major donors across the entire education system with programs devoted to (1) improving quality of teachers in rural areas, (2) sponsoring universities from remote areas, and (3) providing boot camps for English teachers
 - **Thai-German Technical Cooperation** focuses on rural and agricultural development and vocational education, including developing skills education programs in partnership with German corporations in the country;
- Active **industry players** include major banks and technology companies. For example:
 - **Citi Foundation**, Department of Juvenile Observation and Protection and **Plan International** initiated the “Career Development for Youth” Project in 2015. The project teaches disadvantaged youth to understand their rights to be safe and obtain equitable employment opportunities in daily life ([Citi Foundation, n.d.](#))
 - **SHARP Thai Co Ltd and Foxconn Group** in 2018 have joined the OVEC for a three year program improve vocational education using technology and internships. The cooperation will improve teaching and learning, particularly in electrical and electronics technology ([The Nation, 2018](#))

List of experts: Thailand (1 of 1)



| Type | Name (position, <u>organisation</u>) |
|----------------------------------|---|
| Donors and sector experts | <ul style="list-style-type: none">• Ms Piyapa Su-angavatin (Project Officer of Southeast Asia TVET, <u>Southeast Asian Ministers of Education Organisation Secretariat</u>)• Mr Mechai Viravaidya (Chairman, <u>Mechai Bamboo School and Mechai Viravaidya Foundation</u>)• Siriporn Parvikama (Program Manager, Deutsche Gesellschaft für Internationale Zusammenarbeit (<u>GIZ</u>)'s Regional Cooperation Programme to Improve the Training of TVET Personnel (RECOTVET)) |
| Organisation leaders | <ul style="list-style-type: none">• Mr Hartanto Gunawan (Chairman, <u>Wat Arun Rajvararam</u> (Temple of Dawn) Community Learning Centre)• Mr. John McDonough (Country Director, <u>Plan International Thailand</u>) & Piraya Thitinonthachai (Senior project coordinator of Career Development for Youth Program under <u>Plan International Thailand</u>)• Ms. Pan Woot Yee Min (Nam) (Deputy Director, <u>Youth Connect Foundation</u>)• Ms. Sasitorn Oykhram (Moung), (FUTURES Program Manager, <u>Friends International Thailand</u>)• Mr. Thomas Brittner Jr (Director of Higher Education, <u>Child's Dream Thailand</u>)• Mr. Kopyo (Staff, <u>Beamedu Education Foundation</u>) |

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[Additional information on Mechai Foundation:](#)

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<https://www.pbs.org/newshour/show/how-this-thai-educational-movement-empowers-rural-students>

Thai documentary about the Bamboo School with English Subtitles (2017): https://youtu.be/Mn_XBPQWu-c

PBS News hour – Combating Hardship in Rural Thailand (2012): http://www.pbs.org/newshour/bb/globalhealth-jan-june12-thailand_05-17/

Video in English introducing the Mechai Bamboo School (2010): <https://vimeo.com/14067241>

Vietnam

Landscape map: Vietnam (1 of 5)



Summary

- Youth unemployment rate of 7.3% in 2018; compared to the national unemployment rate of 2.17% and accounting for 48% of total unemployment in the country ([World Bank, GSO, 2019](#))
- Vietnam has lower productivity in ASEAN and among the lowest levels in the Asia-Pacific region ([ILO, 2014](#))
- Lack of skilled labour, lack of technology infrastructure, R&D spending, vocational, and technical skills, soft and foreign language skills and the need for labor reforms due to the upcoming free trade agreements ([Vietnam-briefing, 2018](#))

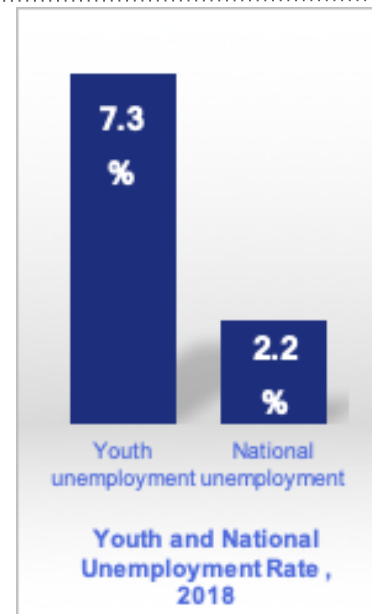
Main issues faced by youth in developing future skills

Significant gaps in productivity and training

- Labor productivity is lower than its neighbours in Southeast Asia—7.5% of Singapore's and 17% of Malaysia's in 2015 ([ADB, 2015](#) & [ILO, 2014](#)).
- High drop out rate - 45% of youth do not complete upper secondary (CSR CCR), more than 83% of workers in Vietnam are “untrained” ([OECD, 2014](#))
- Vietnam ranks 11 among 12 Asian nations in terms of manpower quality with 3.79 points out of 10 points. Meanwhile, Thailand gets 4.94 points and Malaysia 5.59 points. ([Saigon Times, 2019](#))
- According to the 2018 Global Talent Competitiveness Index (GTCI), which assesses countries in terms of their ability to attract, develop, and retain talent, Vietnam ranks 87th amongst 119 countries.

Mismatch between skills and industry demands, particularly in soft skills

- 47% of firms claimed that the education system failed to meet the skill needs of the workplace. ([OECD, 2014](#)).
- Lack of soft skills is making Vietnamese workers less competitive in the international integration process. Only 45% of schools include soft skills in their curricula but they make up a mere 3% of all the courses. ([Saigon Times, 2019](#))



SOURCE: World Bank, GSO, 2019



Main issues faced by youth in developing future skills (continued)

Mismatch between skills and industry demands, particularly in soft skills (continued)

- Labor market increasingly demands a mix of high-quality cognitive, behavioral, and technical skills—skills employers say are rare among graduates in Vietnam ([World Bank](#), 2013)
- Shortage of engineers and managers can be seen in most sectors in Vietnam. Local engineers are not up to date with the latest information and technology, as well as foreign language skills. ([Vietnam-Briefing](#), 2014)
- Majority of youth suffer from vulnerable employment (i.e. informal work arrangements, lack of decent working conditions, adequate social security and ‘voice’) e.g. Only a quarter of working youth in Vietnam are able to find formal employment (expert interview, CSR CCR)

Quality issues in vocational education system

- Teachers and trainers lack required experience or graduate qualification e.g. only 60% of TVET trainers have a bachelor’s degree or above, more than 50% of TVET trainers have no technical or industrial experience ([ADB](#), 2014)
- Curriculum is not relevant to the current industry context e.g. TVET curriculum is 60% theoretical, lack of opportunity to have technical workshops and lack of engagement with employers. ([ADB](#), 2014)
- Poor guidance systems and inadequate information about vocational education and training possibilities means that many upper-secondary students have chosen to pursue higher education rather than take VET. This creates a skills mismatch between what is needed and provided, which in turn hinders productivity ([UNESCO](#), 2018)



Gaps faced by disadvantaged youth

Youth from low income

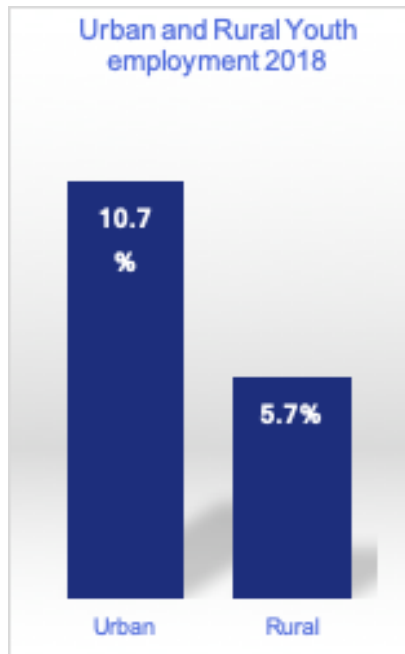
- High drop-out rate, especially in secondary school ([UN](#), 2019). The percentage of out-of-school children from the poorest households was 5.5 times higher for the children of primary school age and 10 times higher for the children of lower secondary school age than those from the richest households. ([UN](#), 2018)
- Those without a secondary education are unable to enter vocational colleges or vocational secondary schools. ([WENR](#), 2017)

Youth with HIV and physical disabilities

- High unemployment faced by youth with HIV, disabilities and from ethnic minorities (Interview with GIZ Vietnam, 2019)
- People with disabilities are 3 times as likely to be unemployed. ([Vietnam 2016 Report Stigma Index](#))
- 75% of Vietnamese people with disabilities live in rural areas. ([UNDP](#), 2018)
- 70% of people with disabilities are of working age, but just 11% of them have stable incomes ([OECD](#), 2018).

Youth from rural areas

- Youth unemployment in urban (11.9%) and rural (5.2%) areas ([GSO](#), 2016b).
- 52.6% of Viet Nam's workers are in agriculture ([MDRI](#), 2019), where productivity, incomes and working conditions are typically low compared to some other ASEAN economies. ([ILO](#), 2014)
- Limited policies/regimes for workers in remote areas ([ILO](#), 2013)



Source: General Statistic Office, Quarterly 1, 2018



Policy priorities and initiatives

- Increasing access to TVET to achieve modernization is a top priority of the Ministry of Education and Training (MOET) with recent efforts including:
 - Launch of Vocational Training Strategy and Innovation Plan
 - Law on Vocational Education and Training (came into effect in 2015)
 - Restructuring TVET network
 - Promoting self-sustainability and self-regulation among VET schools

([Vocational Training Development Strategy 2011-2020](#))
- Specific initiatives that realize the priorities mentioned above include:
 - March 2018, the government introduced Decree No. 49/2018/ND-CP that provides for the accreditation of vocational education. ([Vietnam-briefing](#), 2018)
 - Promotion of VET image as a good option for youth (DVET) ([press](#), 2018)
 - Since 2017, MOLISA has worked with localities to streamline VET establishments & system
 - Provide support to people from ethnic minorities, those in poverty and losing their agricultural land to work overseas (Decree 61/2015/ND-CP)
 - Established a working group to link VET to the labor (market and sustainable employment

([Vietnam Vocational Education and Training Report 2016](#))

Key stakeholders

- The Ministry of Labor, Invalids and Social Affairs (MOLISA) through its sub-agency, the General Directorate of Vocational Education and Training (DVET) is charged with coordinating training provision for elementary vocational training (through vocational training centers), intermediate vocational training (through vocational secondary schools) and higher vocational training (vocational colleges)
- Other ministries such as the Ministry of Construction, the Ministry of Industrial and Trade, and the Ministry of Culture, Sports and Tourism also provide VET programmes in their institutions. Women Union, Farmer Union, and Youth Union have vocational training centres that provide short- or long-term vocational training programmes.
- Other enterprises, local authorities at the provincial level, and private sector actors play an important role in the development of VET. ([UNESCO](#), 2018)



Notable initiatives by iNGOs, development agencies, foundations, corporates

- International development agencies are active in skills development including:
 - German Development Agency (GIZ) funds a regional cooperation programme to improve the training of TVET personnel covering international network events, training on regionally relevant topics, collaboration between key ministries and universities. ([GIZ](#), 2017)
 - The Korea International Cooperation Agency (KOICA) is helping the government build – capacity to establish the national system for skills testing and training ([TVET](#), 2019)
 - The British Council facilitates collaboration with the UK to support Vietnam's Technical Vocational Education and Training Strategy (2020), helping with skills development policy ([British Council](#), 2018)
 - Germany, France, and Switzerland are also providing support to specific vocational training institutes
- Multilateral organisations are also very active:
 - The Asian Development Bank (ADB) helps Viet Nam's labor force meet market demands by improving the quality of national technical and vocational education and training (TVET) institutions. ([ADB](#), December 2018)
 - The International Labor Organization (ILO) is working with the government to provide training to assessors, and helping the government create a labor market information system. ([TVET](#), 2019)
- Limited private international donors in skills development. One notable example includes The Boeing Company and The Asia Foundation in Vietnam launched a project to prepare young adults for careers in IT ([Asia Foundation](#), 2019)



Type

Name (position, organisation)

Donors and sector experts

Pham Viet Ha
(Greening TVET, Sr. Programme Officer, GIZ)

Non-profit leaders

Jimmy Pham
(Founder & Global Ambassador, KOTO)

Moritz Laqua and Van Ngo Hoang Thuy
(Asia External Relations and Fundraising Office / External relations manager, Passerelles Numériques)

Pham Kieu Oanh
(Founder & CEO, Center for Social Initiatives Promotion)

Phuc Huynh
(Founder & CEO, Green Edu)

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