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**POSITION
PAPER**

State Secretariat for Economic Affairs **Skills Development in Economic Development Cooperation**



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What do we mean by *skills development*?

We acquire skills daily throughout our lives whether at home, in the encounter with people, during the formative years of schooling, at work, and in training.

Professional skills are acquired through vocational education and training and lifelong learning. The European Training Foundation defines *vocational education and training VET* as a process that prepares people for the workplace; this process covers vocational education and training (VET) and continuing education and training (CET). VET is organised by state and non-state actors depending on the country

When SECO refers to *skills*, it means both social and professional skills. In its efforts to tackle the skills shortage in developing countries, SECO focuses its activities on continuing education and training and further education (post- secondary and tertiary level) taking into account the needs of the private sector.

This position paper explains SECO's approach to skills development within its economic development cooperation for the benefit of a broader public and partners in Switzerland and abroad.

Jobs at the heart of economic development policy

Over 1 billion people of working age are unemployed or earn so little that they live below the poverty line. Young people are particularly badly affected: over 600 million young people are neither working nor have the possibility of studying. In view of demographic trends, hundreds of millions of jobs would have to be created worldwide. But that alone is not enough: young people and migrants in particular need to be equipped with the skills sought by the private sector to become employable. Moreover, many of those already in the workforce lack the necessary skills to support a dynamic economy that is capable of growing sustainably and which is integrated in the global trade system. There is a shortage of apprenticeships and opportunities for obtaining vocational training and good continuing education for skills development. This is often referred to as the skills shortage.

Technological change spurs need for better skills

Moreover, technological change increases the demand for higher qualifications. Workers without specialised skills¹ will be among the losers. Policymakers and business leaders worldwide must therefore enable the continuous development of specialised skills and provide a conducive working environment.

Why strengthen skills?

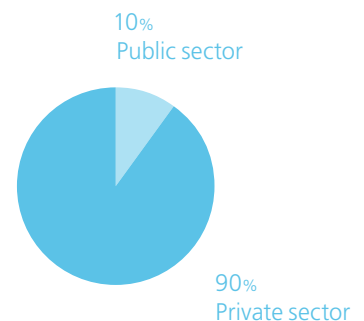
The private sector creates 90% of all jobs worldwide. One of the biggest difficulties for small and medium enterprises in developing countries (especially export-oriented ones) is finding workers with the right cognitive, socio-emotional and job-related skills. This shortage constrains companies more than the legal requirements. Companies underinvest to address this shortcoming because they believe they cannot recoup the cost of training and suspect that well-trained employees may be lured away by competitors. Employees, on the other hand, invest too little in their professional skills because they fear that they will not be adequately compensated for their higher productivity or because there is a lack of information about degrees and employment prospects. Many assume that skills and apprenticeships only lead to manual jobs that are not socially recognised. The free market alone cannot remedy these deficits². Therefore, external funding and public intervention are justified³. Analyses conducted in Asia and Africa show that the various forms of skills development – on-the-job training, entrepreneurship development – increase business productivity and boost the employability of young workers. Skills development increases productivity, wages and a company's return on investment by up to 25% (through improved safety in the workplace, more satisfied and motivated employees, fewer departures and lower operational risks) and can improve a company's reputation.

Climate change and digitalisation pose growing challenges: it will only be possible to reduce harmful emissions if those active in the workforce are equipped with the skills to use or develop environmentally friendly technologies and work in those sectors. If a company wants to remain competitive, it will also have to keep up with the pace of digitalisation: continuous investment in the latest digital trends will become increasingly necessary to stay competitive in global markets. People with the relevant specialised skills will increasingly be sought after on the labour market and the corresponding training and further education will gain in importance.

The role of SECO

SECO is the federal government's centre of expertise for economic affairs. The overarching objective of SECO's economic development cooperation is sustainable inclusive growth to reduce poverty and global risks. SECO aims to achieve this goal by integrating its partner countries into the global economy through economic and trade policy measures.

Skills shortage or inadequate skills –
Workers often lack the specialised skills sought by employers.



90% of jobs are created by the private sector.



Youth unemployment in the Middle East stands at around 25%, the highest in the world. A third of the population in this region is below the age of 15 and a further third is aged between 15 and 29. Unemployment among the region's young population is significant.

The EBRD's Economic Inclusion in the Middle East and North Africa programme supports the private sector in developing tailored training programmes to increase productivity, reduce staff turnover and attract better talent. This helps to expand access to training and employment opportunities for young people, women and populations from disadvantaged regions.

Sustainable economic growth and climate change

Contributing to sustainable growth and combating climate change important goals for SECO and are explicitly mentioned in the International Cooperation. Work is the best way out of poverty. In order to achieve this goal, SECO promotes the acquisition and strengthening of specialised skills that increase productivity and competitiveness in the areas in which SECO is active. In addition, SECO also promotes the professional skills of employees in public enterprises to improve the reliability and quality of public services such as water or electricity supply. In selected partner countries, SECO also promotes dialogue to create a conducive working climate and meet the demand for sector-specific skills. In so doing, it can draw on the expertise within SECO in economic and trade issues and in labour market policy.

Ongoing efforts to limit harmful emissions will lead to structural shifts in various sectors. While demand for staff with the right skills will increase in certain sectors, other economic sectors and forms of production will diminish in importance. In addition, a just transition to a resource-efficient and climate-neutral economy will not only require a sufficient supply of workers skilled in new "green" technologies, but also sufficient further training and retraining opportunities to be able to offer prospects to workers skilled in fields that have lost relevance in the course of the energy transition. This requires close interaction between all relevant actors, first and foremost those from the private sector, vocational education and training and the state.

Strategic framework

SECO's activities to support skills development directly contribute to achieving the goals set out in the UN 2030 Agenda for Sustainable Development: No. 1 (No poverty), No. 4 (Quality education) and 8 (Decent work and economic growth), and ultimately also to goal 13 (Climate action). A strategic goal has been formulated under the parliamentary mandate on international cooperation for achieving *more and better jobs*, under which a substantial part of the activities contributing to skills development is to be found. This is particularly the case for the business line on *dynamic entrepreneurship, strengthened skills and flexible labour market*. However, activities related to SECO's other strategic goals – especially those for enhanced trade and competitiveness, as well as access to reliable public services – also promote skills development.

SECO's interventions are intended to

- encourage technological and/or organisational adaptations within a specific sector (along the value chains supported by SECO, e.g., textiles, tourism, agricultural processing and sectors such as construction or banking).
- promote multi-skilling and skills diversification that enhances employability and/or career advancement.
- facilitate continuous, advanced and specialised training that improves quality and/or promotes higher productivity and competitiveness in a particular sector.



Balancing supply and demand

The Swiss International Cooperation Strategy (ICS) sets the focus for SECO's economic development cooperation on economic growth that benefits all and generates sustainable prosperity. SECO's economic and trade policy competencies enable it to support its partner countries in shaping structural change, developing the private sector and integrating into the global economy.

In terms of strengthening professional skills, SECO pursues a dual-track approach to VET and CET: Curriculums are geared as much as possible to the needs of the labour market and the private sector. In isolated cases, regulatory reforms can be supported to make the labour market more flexible. This requires the social partners to work together to find solutions that serve workers, employers, governments and society as a whole. SECO's interventions build on established concepts and activities such as good governance, business development advice, improvements in labour and environmental standards, securing market access (including free trade agreements) and creating better working conditions.

Economic inclusion

Various measures in the area of skills development are geared towards better economic inclusion – i.e. an economic system that includes the entire population. They are implemented with the private sector, for example, in sectors with a particularly high prevalence of poor workers (e.g. textile or construction industry), or in regions severely affected by poverty, e.g. with many smallholders. Large national and international companies can play a special role in overcoming the shortage of skilled workers.

Gender equality

Men and women should have equal access to skills development programmes. As the SECO-funded impact study on the 'Better Work' programme shows, developing women's skills has a direct positive impact on company productivity (and so indirectly on the sustainability of global supply chains).⁴



Skills
Development

A substantial part of skills development activities contribute to the target outcome of 'improving job opportunities through innovative private sector initiatives'. But other strategic goals are strengthened too, in particular improving framework conditions at the regulatory level or in the area of urban development and infrastructure supply.

Areas of intervention

SECO's interventions are intended to lead to a better level of skills at both the macro (whole economy) and micro (company) levels with a view to achieving higher productivity and competitiveness within a sector. ***The focus is on post-secondary and tertiary levels as well as on advanced work-based training.*** The activities are based on existing elements of the national education system. SECO focuses its activities geographically on the middle-income priority countries.⁵ In addition, involvement in other selected countries of Switzerland's official development assistance is conceivable – based on SECO's objectives and in consultation with the Swiss Agency for Development and Cooperation (SDC) and other federal agencies.

SECO intervenes in three areas:

- a labour market framework conditions at the macro level;
- b national education systems at post-secondary and tertiary level at meso level and
- c training and CET at company/sector level.

The interventions at the meso and company/sector levels build on broad skills development activities in specific sectors in which SECO has long been active (e.g. textiles, tourism, agricultural processing, banking, construction, public economic services), and which correspond to SECO's approach that knowledge transfer leads to skills development. They include numerous bilateral and multilateral development projects along the value chain that address governance, social and environmental issues and which are realised together with international finance institutions and Switzerland's Development Finance Institution SIFEM. The chart below shows examples of ongoing activities in the trade promotion and private sector development area⁶ at all three levels.

Macro level Labour Market Framework Conditions	Meso level National Training Systems (post-secondary and tertiary)	Company/Sector level Work-based training and CET
Productivity Ecosystems for Decent Work (IAO)	S4C – Skills for Competitiveness (Swisscontact)	Better Work (ILO)
Programmatic cooperation in Eastern Europe (IAO)	RESD – Renewable Energy Skills Development Project (GFA)	SCORE – Sustaining Competitive and Responsible Enterprises (ILO)
	Sustainable Tourism Education Project Indonesia (STED)	
		Training components with specific value chain interventions in export sectors



Labour market framework conditions

Cooperation at this macro level is sought mainly with multilateral institutions on diagnostics or comprehensive labour market analysis. Sector wide skills development interventions need to be well coordinated with the policy level and be underpinned by policies that facilitate scaling up training provided by firms (such as training funds, tax incentives, grants, technical assistance, payback clauses). In selected cases (e.g. Vietnam) the work on labour market framework conditions is part of a more comprehensive dialogue on labour and employment issues carried out by SECO's Directorate of Labour seeks to support better alignment of national regulations with international labour standards and complements SECO's activities in the area of skills at the meso and company level.

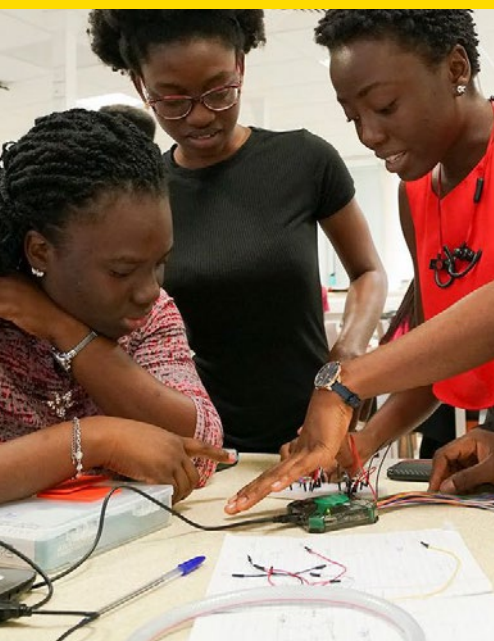
The aim of SECO's interventions in this area is to create a conducive policy environment that provides the relevant skills needed by the private sector and promotes decent work and sustainable trade.



EXAMPLE OF PROJECT IN INDONESIA

Switzerland and Indonesia have maintained a close partnership in the field of vocational education and training for many years. The Skills for Competitiveness (S4C) project reflects this close relationship: it builds on the exchange between SECO and representatives of the Indonesian government, which culminated in a Memorandum of Understanding that forms the cornerstone of the S4C project.

By strengthening five polytechnics in selected sectors and improving structures and services at the point of interaction between the polytechnics and industry, an important contribution has been made to improving the quality and relevance of the entire polytechnic system in Indonesia. The result is better qualified graduates who are able to fill middle management positions in industry and optimise production processes.



EXAMPLE OF PROJECT IN GHANA

Africa needs qualified engineers with a strong sense of social responsibility, leadership qualities and a good understanding of local conditions, who can advance industrial developments. There is a great demand for qualified people, especially from international companies. As specialists in robotics, automation and production, mechatronics engineers are an important driver of industrial development.

The ETH-Ashesi Master Programme is developing the curriculum for the Mechatronics Masters degree at Ashesi University in Ghana. The curriculum will be created with inputs from industry and will also incorporate non-technical competencies, such as leadership and sustainability considerations. Industry partners, including companies from Switzerland, will provide financial support in the form of scholarships, as well as in-kind support in the form of internships and job offers at the end of the programme.

National Education Systems⁷

with a sectoral or institutional approach

The aim is to develop and set in motion short- and medium-term training and CET courses, typically for workers in selected professions, in close cooperation with the private sector and educational institutions.

For educational institutions, the focus is on the following areas: train the trainers; creation of job profiles and curriculums aimed at specialised skills; apprenticeships and dual-track forms of vocational education and training with intensive involvement on the part of companies; examination and certification systems; quality assurance and introduction of sector-specific standards in VET. They should also support the development of national and local centres and organisations of expertise to help define and verify professional skills at post-secondary and tertiary levels.

The aim is to improve productivity and competitiveness at sector level. Exchanges and feedback opportunities between labour market policy, the national education system and the private sector should also be intensified to better meet the needs of companies. Where possible, partners should be trained to use new and greener technologies.

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Training and CET in the workplace

SECO's interventions at the company/sector level cover in-house or work-based training as part of a conducive working environment. These can also be public utilities, for example, in the areas of water and energy supply or public transport. SECO's measures are intended to:

Demonstrate that training pays off for private / public sector firms (company-based training is consistently found to go hand in hand with increased productivity).⁸

Support sector-specific SME development (e.g., in tourism/hospitality, construction or agribusiness) along the value chain to improve product quality, productivity and safety in the workplace.

Promote management skills that go hand in hand with innovation and productivity, which in turn are a prerequisite for transnational or global competition.

Develop specialist skills and encourage retraining and diversification.

Facilitate advanced and specialised training.

Create decent working conditions and support sustainable, i.e. poverty-reducing and resource-efficient work.



SCORE (Sustaining Competitive and Responsible Enterprises):

The SCORE programme strengthens the competitiveness of SMEs by encouraging cooperation in the workplace, compliance with labour and environmental standards and quality management throughout the production cycle. SCORE trains local trainers, who in turn help companies to implement modular training and advisory programmes. The SCORE programme, which is implemented by the ILO in nine countries, including Colombia, Ghana, Indonesia and Vietnam, has received SECO support for over ten years.

These efforts are bearing fruit. Social dialogue in the companies concerned has improved and there are fewer workplace accidents and absences. In addition, over half of the companies have managed to lower their production costs, and 80% report that they have reduced their reject rate. Over half of the companies managed to improve their energy efficiency. In view of Such encouraging results the programme is set to continue.

The aim of SECO's strategy is to improve productivity and competitiveness within a specific sector or economic area, thus strengthening market players within national and global value chains.

Principles of cooperation

When designing specific skill development interventions or projects, SECO applies the following principles:

Engage with a long-term focus to increase the sustainability of impact.

Focus on specific **sectors** and economic areas taking into account the following aspects (not necessarily cumulative): 1. Lack of skills in the private sector, 2. Willingness of the private sector and/or public sector to actively participate in a skills development programme to achieve a better skills match and reduce training costs, 3. Potential of the sector/economic area to grow, 4) Potential for labour absorption, 5) Potential for broad impact.

Labour market-oriented involvement of private sector and public authorities (through functioning and committed local industry associations) to achieve a better skills match and reduce training costs. This may involve **Swiss companies** and experts, but is not compulsory.

Take account of **synergies and complementarities** with other ongoing Swiss projects and/or donors. Promotion of **gender equality and inclusion** through skills-building.

Strengthen dialogue between public and private sectors dialogue incl. social partners to clarify roles and responsibilities in the definition, provision and financing of VET and CET in order to ensure relevance and sustainability of interventions.

Make information on the quality and performance of training providers publicly available and ensure transparency regarding results achieved.

Outsource running of training programmes to public and private companies to stimulate **competition** and quality.

Social impact bonds or other **innovative finance mechanisms** could be used to finance investments and/or services alongside established education vouchers.

Monitoring and evaluation

SECO is committed to strengthening results monitoring as part of its accountability commitment to Parliament and the public in general, but also to learn from experience and improve the impact and sustainability of its interventions. To that end, SECO has defined indicators to aggregate results across various skills development projects:

Number of jobs created, retained and improved.

Measures to improve institutional and professional skills

Number of people benefitting from measures to improve working conditions

These indicators are in line with the Sustainable Development Goals. In addition, evaluations of projects are also regularly conducted to measure if real impact has been reached.

Complementarity with other Swiss actors

Switzerland is known for the quality of its education system and successful dual-track vocational education and training and its comparatively low level of youth unemployment. Although the interrelation between these elements is complex and depends on various factors, interest on the part of the international community in the 'Swiss model' as an effective and efficient education system oriented towards the needs of the labour market is great. That is why various partners in the Federal Administration involved in international cooperation in VET, developed a Strategy Paper on International Cooperation in Vocational and Professional Education and Training.⁹

SECO, the State Secretariat for Education, Research and Innovation (SERI), the SDC and the Directorate of Political Affairs and the Directorate of European Affairs of the Federal Department of Foreign Affairs and the State Secretariat for Migration (SEM) are committed to working together to coordinate their activities in the field of VET. The Strategy Paper emphasises the three strategic objectives of Switzerland for VET activities, namely:

- a Strengthen Swiss VET in the international context,
- b Encourage economic and social development in partner countries through VET, and
- c Successfully position Switzerland at the international level.

In the area of official development assistance, SECO coordinates its activities mainly with the SDC (which runs the most VET-related projects and activities as part of its development cooperation activities) and other FDFA units, as well as with SERI (in its capacity as national authority for VET policy). Given SERI's focus and expertise at the meso level, coordination is particularly close in countries of common interest. Besides state actors, Switzerland has many private sector actors (foundations, consultants, educational institutions etc.), with whom cooperation is ongoing.

VET for social and economic development

The SDC mainly focuses on initial vocational education and training and skills development as well as continuing education and training in formal and non-formal contexts, as well as on the recognition of prior learning.

Their programmes support individual, social and economic outcomes in rural and increasingly in urban areas. The SDC pursues systemic change in the education systems and in labour markets: it supports national education systems in improving effectiveness and promoting inclusion and strengthens the interlinkages between the education systems, the labour market and economic development.

Switzerland as a recognised partner with proven expertise

SERI focuses on the objective of strengthening the profile of Switzerland's VET system in the international context. In order to achieve this overarching objective, SERI undertakes a range of measures to improve international recognition of Swiss vocational and professional qualifications, establish Switzerland as an international partner recognised as possessing specialist expertise, improve the international competences and mobility of Swiss stakeholders, and assure the quality of Swiss VET at international level.

SERI's cooperation activities are carried out on a multilateral and bilateral level. In the latter, SERI prioritises cooperation with European countries and countries with which Switzerland enjoys close economic and educational ties. In the few cases in which SERI's country priorities overlap with the strategic priorities of the SDC and SECO, SERI coordinates its activities with those agencies or takes a supporting role.

The SDC supports formal and non-formal VET skills development and also works on recognition of prior learning.

Conclusions

Decent work is key to fighting poverty worldwide. High unemployment rates in many developing countries are juxtaposed with a lack of skilled labour in companies.

This is where SECO's measures come into play. Everyone benefits from skills development. Workers benefit from improved labour market integration and better pay and career opportunities. Employers benefit from increased productivity and competitiveness. And society as a whole benefits because the economic situation can be stabilised, thereby preventing an exodus of labour.

SECO uses synergies with other agencies within the Federal Administration to ensure the optimal mobilisation of Swiss expertise, thereby strengthening the implementation of Switzerland's strategy on international cooperation in VET and assuring policy coherence.

¹ UNDP: Human Development Report 2015

² Skills and Jobs, lessons learned and options for collaboration (in English), Mai 2015, WBG

³ According to the economist Gary Becker, private sector skills development measures will remain below the required level by society.

⁴ <http://betterwork.org/dev/wp-content/uploads/2016/09/Tufts-University-Final-IA.pdf>

⁵ The scope of this paper covers only ODA activities and does not include Switzerland's contribution to selected EU member states. In a first step SECO will focus on its priority countries in the South.

⁶ The Private Sector Development, Trade Promotion and Infrastructure Financing sections at SECO are heavily involved in skills development activities.

⁷ SERI has expertise and experience at the meso level, which is why there is a need to closely coordinate with its activities.

⁸ Apprenticeships in Spain – a cost-effective model for firms? A cost-benefit simulation study commissioned by the Bertelsmann Stiftung and the Fundación Bertelsmann, Prof. Stefan C. Wolter and Prof. Samuel Mühlemann, 2015

⁹ <https://www.sbf.admin.ch/sbf/en/home/topics/international-cooperation-in-education/strengthening-the-position-of-swiss-vpet-in-an-international-con.html>

Links and publications

Donor Committee for dual Vocational Education and Training

<http://www.dcdualvet.org>

Swiss Forum for Skills Development and International Cooperation

<https://www.fobbiz.ch/home-en>

International Labour Organization (ILO)

<http://www.ilo.org/skills/lang--en/index.htm>

NORRAG – Network for International Policies and Cooperation in Education and Training

<http://www.norrag.org/en/themes/tvettvsd.html>

Organisation for Economic Cooperation and Development (OECD)

<http://www.oecd.org/education/skills-beyond-school/>

Swiss Agency for Development and Cooperation (SDC)

https://www.eda.admin.ch/dam/deza/en/documents/themen/grund-und-berufsbildung/Factsheet-Voc-Training_EN.pdf

State Secretariat for Education, Research and Innovation (SERI)

<https://www.sbf.admin.ch/sbf/en/home/topics/international-cooperation-in-education/strengthening-the-position-of-swiss-vpet-in-an-international-con.html>

Swiss Investment Fund for Emerging Markets (SIFEM)

<http://www.sifem.ch/>

World Bank Group (WBG)

<http://www.worldbank.org/en/topic/socialprotectionlabor/brief/skills-for-jobs>

<http://microdata.worldbank.org/index.php/catalog/step/about>

Skills for Competitiveness (S4C)

Indonesia: Linking VET and labour market needs

Companies and polytechnics are working together to provide demand-oriented vocational training

Switzerland has maintained a strong partnership with Indonesia in the field of vocational education and training since the 1970s. Almost 50 years ago, Switzerland played a part in the establishment of two institutions that continue to provide high-quality vocational education and training to this day: Politeknik Mekanik Swiss, now POLMAN (Politeknik Manufaktur) Bandung, and the National Hotel Institute (NHI), now STP Bandung (Bandung Tourism College).

Challenges facing Indonesia

Over the last three decades, Indonesia's economy has changed significantly. This has resulted in dynamic economic growth, especially over the last two decades. The extractive industries sector has developed strongly thanks to local and international investments, as well as international knowledge transfer. The manufacturing industry has moved from typical low-wage sectors, such as garments, to industries with much higher value added (automotive, food and beverages, machinery and maintenance). While strong economic growth has led to significantly more jobs, higher wages and a better quality of life, there is an enormous shortage of skilled labour because training in specialist skills has not kept pace with the country's economic growth and rapid technological change. The impact of this situation should not be underestimated: more than two-thirds of all workers graduate from university with a tertiary-level qualification. They then enter the labour market with no practical experience and no professional skills.

Indonesia recognises the importance of vocational education and training in addressing the skills gap prevalent in the labour market and for the country's social and economic development. The National Medium Term Development Plan (RPJMN) 2020-2024 clearly prioritises human capital development, with skills development as an important pillar. To meet the needs of the labour market, skills development remains a very important priority for Switzerland's economic cooperation activities in Indonesia.

Description and aims of the project

S4C aims to strengthen the VET system in Indonesia by promoting closer cooperation between polytechnics and the private sector to close the skills gap. This cooperation between schools and the private sector is a key feature of the Swiss VET system and a crucial factor in maintaining the standards and relevance of VET to the labour market.

The project supports polytechnics in Morowali, Kendal and Banten, as well as the Bantaeng Community Academy under the Ministry of Industry and the technical college in Jember under the Ministry of Education, Culture, Research and Technology. Most of the schools are strategically located; they are close to the newly established industrial parks that encourage the economic and social inclusion of young people living in peripheral regions.

S4C helps graduates to be more responsive to the needs of the labour market in Indonesia's priority economic sectors by (1) strengthening school management capacities and processes; (2) adapting curriculums, teaching and learning methodologies to the needs of industry; (3) developing and improving learning centres; (4) expanding teaching capacities in technical skills; and (5) developing networks with industry to provide students with urgently needed structured internship opportunities.

Target group

Polytechnics, businesses, industry representatives, chambers of commerce.

Budget

Current budget:
Total: CHF 32 000 000,
of which SECO contributes
CHF 8 000 000.

Duration

2018–2024 (phase 1)

Regions

Indonesia (Java, where over half of the population lives), South and Central Sulawesi.

Partners

Indonesian government (Ministry of Industry, Ministry of Education, Culture, Research and Technology).

Implementing organisation

Swisscontact, in conjunction with Bern University of Applied Sciences (BFH-CDC) and the Association for Swiss International Technical Connection (SITECO)

Aims

- 1 Five selected polytechnics and community colleges are to be managed efficiently to successfully train technicians/engineers in selected fields to meet the needs of the labour market. The polytechnics will focus on the metal, furniture, wood, and food processing industries.
- 2 The Government of Indonesia, selected industry associations and chambers of commerce will work together to develop and strengthen a tertiary-level, dual-track vocational education and training system in Indonesia.
- 3 Government involvement in skills development measures is crucial to ensure that project structures are anchored in national systems and that they are replicated by national bodies.
- 4 Initiatives related to skills and education address issues that affect a range of stakeholders (different ministries, public and private VET providers, the private sector, students, etc.) and the education system as a whole. This means that the intervention should be designed to cover a longer timeframe to achieve the intended results.
- 5 A continuous analysis and better understanding is needed
 - of the main actors/partners in VET, their programmes, strategies and policies,
 - the individual decision-makers, and
 - to build trusting relationships.
- 6 Key partners should be involved throughout the project cycle to create a sense of ownership, which contributes to the sustainability of the project legacy. Roles and responsibilities need to be clearly defined.
- 7 Scaling: Consideration should be given to support activities in areas with high scaling potential.
- 8 The image of VET in partner countries needs to be strengthened.
- 9 Synergies need to be built with other donors and projects to optimise the use of limited resources and achieve the greatest impact.



Lessons learned

The following are a selection of lessons learned from SDC and SECO activities* that are important for effective implementation of projects in the field of skills development:

VET contributes to economic, individual and social change. The perception of VET urgently needs to be improved.

Switzerland's VET system cannot be directly transposed. It must be adapted to the situation on the ground.

The respective government must be involved in the development of professional skills to ensure that projects are anchored in national education systems and replicated by national bodies.

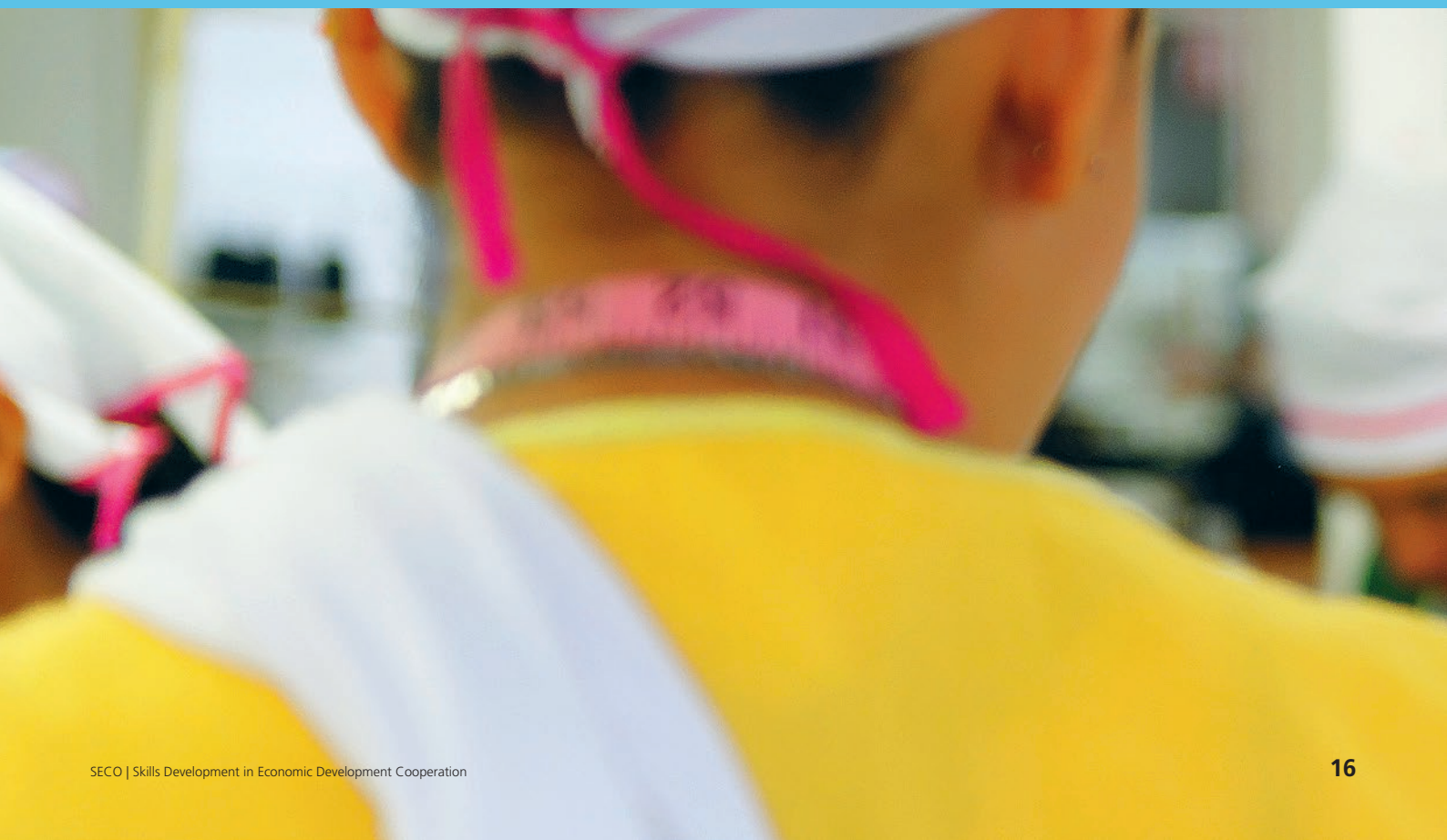
Project design, implementation and evaluation processes need to be more streamlined.

In the inception design phase, political and administrative structures as well as the existing educational cultures of the partner countries must be taken into account. The basic understanding of what is involved can vary enormously from one country to another. It is therefore important to assess at an early stage the level of motivation of the actors concerned to commit to fundamental changes in skills development.

Exit strategies should be developed at early stage (level of credit proposal) to ensure sustainability. The infrastructure and networks for a properly functioning VET system need to be established and financed for the long term.

Consider support measures in areas with scaling potential. The SDC approach to scaling projects through bilateral technical assistance from development banks can serve as a model (i.e. through the Asian Development Bank in Bangladesh).

* https://www.eda.admin.ch/content/dam/deza/en/documents/themen/grund-und-berufsbildung/SDC-Factsheet-Berufsbildung-2020_EN.pdf



Women must have access to skills development. Appropriate measures must be defined and implemented at the macro, meso and micro levels.

Combine technical training with soft skills and work-based training as this leads to better results than classroom-based training alone.

There is a need for rigorous impact evaluations of VET/skills projects/programmes. Initiatives aimed at promoting skills and education involve many stakeholders (different ministries, public and private training providers, social partners, academies, etc.) and the overall structure of the education system. This implies that the intervention should be conceived with a longer timeframe in order to be able to see results. This longer timeframe has to be balanced with the need for short term quick gains to improve the situation rapidly and showcase early results. Interventions must therefore be designed for the long term in order to be lastingly effective. This long-term nature must be weighed up against the desire to achieve short-term successes that quickly and visibly improve the situation.

A sectoral approach involving the private sector allows the focus to be placed on interventions without having to tackle the education system as a whole and can serve as a pilot scheme for other sectors.

Reforming a VET system is complex as it involves many stakeholders with different interests and capabilities. It therefore requires 1. strong commitment and demand on the part of the private sector and 2. strong political commitment from the highest level of government with clearly defined leadership, although these are not the only conditions for success.

It is often assumed that skills profiles or a national qualification framework can be implemented more easily and quickly than, for example, developing a dual-track VET system. This is only partly true. Furthermore, there is a risk that many skills profiles and qualification descriptions for workers are drawn up in certain sectors without these skills actually being implemented or improved. In order to reach a critical mass of companies and to coordinate efforts within a given sector, such reforms are best piloted in concentrated sectors first (small number of large companies).



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