Federal Departement of Economic Affairs, Education and Research EAER State Secretariat for Economic Affairs SECO FACTSHEET

Swiss Confederation

Skills for Competitiveness (S4C)

The overall objective of S4C is to contribute to increased competitiveness of industries in selected sectors in Indonesia. This is achieved through better-qualified professionals, educated at five partner polytechnics operating in close and sustainable cooperation with the private sector.

The Indonesian key counterparts are the Centre of Industrial Education and Training (CIET) under the Ministry of Industry (MoI) and the Directorate General for Higher Education Institutions of the Ministry of Research, Technology and Higher Education (MORTHE). Swisscontact (lead) implements this project together with the non-profit association SITECO and the Bern University of Applied Sciences (BFH).

Background

The Indonesian labour market poses one of the major challenges for the Indonesian economy and its future growth: on the one side, the 1.7 million youth who enter the workforce each year outpace the growth in the number of jobs (demand supply mismatch). On the other side, the skills required do not adequately match with the qualifications available through the current Vocational Education and Training (VET) system (skills mismatch).

S4C aims to address this skills mismatch and its approach is aligned to national strategies and based on strong demand from the Government of Indonesia (GoI). S4C shall spearhead an overall breakthrough of VET reforms in Indonesia and support a reinforcement of the relationship between the education system and the local industry, in order to strengthen quality of training and employability of graduates.

S4C's mechanism reads as follows: strengthening the Polytechnics in selected sectors and geographic locations as well as structures and services at the interface between Polytechnics and industry leads to a qualitative improvement of the overall Polytechnics' system in Indonesia. This will result in better-qualified Indonesians employees, able to fill middle management positions within the industry. Companies become more competitive, increase their international market share and therefore provide more and better jobs. This ultimately leads to lower unemployment, increased wealth and inclusive and sustainable growth.

Objectives and Activities

During Phase 1 (2018-2021) S4C is focusing on the achievement of:

a. Polytechnic Development: five selected polytechnics are efficiently managed, and technicians/engineers are trained in selected sectors, according to the needs of the private sector.

Country/region Indonesia

Executing agency
Swisscontact, BFH and
SITECO

Executing agency 2018-2021

Total budget CHF 31 million

seco contribution 26% (CHF 8 million) of the total budget is co-financed by SECO



To achieve this Outcome, S4C organizes workshops at the Polytechnics, where needs and activities are outlined. Identified priorities are curricula development, teacher's education on Competency-Based Training (CBT) and industrial cooperation. In total, sixteen clusters of needs were defined (e.g. curriculum development, CBT training, industrial cooperation, internships, strategic plan, e-learning, quality assurance, career development etc.);

b. Strengthened systems: the GoI, selected sector associations and the Association of Polytechnics and Industry Indonesia (APII) collaborate to develop and strengthen the tertiary dual Vocational Education and Training (dVET) system in Indonesia.

To achieve this Outcome, S4C organizes meetings with the key partners to explore possible collaborations. Some issues which need to be addressed for VET system reforms have been identified, such as CBT, income generation and teacher's certification. Selected issues will be presented and addressed through policy dialogue or knowledge sharing events and the results will be shared with the decision makers as contribution to policy and program reforms.

Results so far

Main achievements during Inception Phase (February to July 2018):

- Design of an intervention action plan defining short-, mid- and long-term intervention areas;
- Formalized commitment of the Polytechnics to implement the intervention action plan for the next 12 months and agreement to the mid- and long-term interventions;
- Set-up of the project team and structures;
- Establish a trustworthy working cooperation with partners and stakeholders;
- Identification of experienced local experts for special topics, such as DACUM, CBT, IR, etc.

The way forward and envisioned achievements

Swisscontact, SITECO and BFH will implement the proposed interventions in collaboration with the Gol, industry, sector associations, APII and higher education institutions. By the end of the current phase, S4C is expected to have achieved the following:

- **a.** the targeted Polytechnics will have management and academic staff prepared to implement a dVET system, effectively leading to better education and training and to increased employability of their graduates;
- b. the issues hindering a dVET system will be addressed and resolved; and
- **c** the best practices and the lessons learned from Phase 1 will be consolidated and documented for the design of a second phase.

For more information and contact details

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SECO Skills development strategy: www.seco-cooperation.admin.ch/skills

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