

# SUMMARY DOCUMENT

30 November 2022 | Virtual

**12th Meeting of the OECD Southeast Asian Regional Policy Network  
on Education and Skills**

# 12<sup>th</sup> Meeting of the OECD Southeast Asian Regional Policy Network on Education and Skills

These proceedings summarise the major discussion points from the 12<sup>th</sup> meeting of the OECD Southeast Asian Regional Policy Network (SEA RPN) on Education and Skills, held virtually on 30 November 2022. Participants from ASEAN, partner countries in Southeast Asia, OECD member countries and international organisations joined the event to discuss recent skills challenges and opportunities in the region.

For any questions about this document, please contact: Bart Staats, Policy Analyst, OECD Centre for Skills (SKC), at [Bart.STAATS@oecd.org](mailto:Bart.STAATS@oecd.org); and Kristine Langenbacher, Head of Unit, Local Employment, Skills and Social Innovation (LESI), Centre for Entrepreneurship, SMEs, Regions and Cities, at [Kristine.LANGENBUCHER@oecd.org](mailto:Kristine.LANGENBUCHER@oecd.org).

## ■ Overview of the network

The network aims to foster knowledge exchange in support of national growth and regional integration by encouraging a whole-of-government approach to the design and implementation of skills policies. It builds on the platform of the OECD's [Employment and Skills Strategies in Southeast Asia \(ESSSA\)](#) initiative, which has been networking skills and labour ministries from ASEAN member countries since 2008. With the growing participation by Southeast Asian countries in the OECD's international education surveys ([PISA](#), [TALIS](#) and [PIAAC](#)), [OECD Reviews on Local Job Creation](#), [OECD Reviews on Vocational Education and Training \(VET\)](#) and the [OECD Regional Skills Strategy for Southeast Asia](#), the Regional Policy Network provides valuable comparative data and analysis to help countries in the region build more effective and efficient education, skills and employment policies.

## ■ Overview of the 12<sup>th</sup> meeting

Since the network was established in 2008, annual meetings have been set up to provide a platform for exchange between senior leaders from Southeast Asian countries, OECD countries and international organisations on how to adapt education, skills and employment policies to a rapidly changing environment. After a two-year break due to the COVID-19 pandemic, the meetings of the network restarted in 2021 in a virtual format, with a focus on Skills opportunities and challenges for Southeast Asia in light of megatrends and COVID-19 (see 2021 meeting summary [here](#)).

The 12<sup>th</sup> Meeting, held virtually on 30 November 2022, focused on the topic of “Skills in Partnership” – in recognition that skills systems which are built on strong partnerships can help ensure that the various actors can reap the benefits from skills investment and that no-one is left behind. Key objectives included:

- Strengthening links between OECD and Southeast Asian countries to support Southeast Asian education, employment and skills policies
- Learning from Southeast Asian's education, employment and skills strategies for addressing challenges and making the most of the opportunities presented by globalisation, climate change, technological progress and demographic change.



## Welcome and opening session

### Speakers



**Mr. Alexander Böhmer**  
Head of South and  
Southeast Asia – OECD

Mr. Alexander Böhmer of the OECD Global Relations Secretariat welcomed participants to the event. They represented a wide range of stakeholders from Southeast Asia, including national agencies with responsibilities for skills, education and employment policy, as well as employers, researchers, and international organisations.

**The OECD recognises Southeast Asia as one of the most dynamic regions in the world, and has developed a productive and mutually beneficial relationship with partner countries in the region over the past 25 years.** In 2008, the Employment and Skills Strategies in Southeast Asia (ESSSA) initiative was established, paving the way for the delivery of numerous reports, surveys and events. Since 2014, the OECD has also been implementing the Southeast Asia Regional Programme (SEARP), under which the activities of the Regional Policy Network for Education and Skills and 12 other work streams are subsumed. The network's activities include past in-person meetings hosted by Southeast Asian governments; reviews on education systems and VET; employment and skills strategies; and the integration of ASEAN countries into the OECD's TALIS, PISA and PIAAC exercises. The 12<sup>th</sup> meeting of the Regional Policy Network on Education and Skills builds on this long-standing partnership between ASEAN and the OECD, and provided valuable contributions to the OECD Skills Strategy project in Southeast Asia (OECD SKC) and the Local Employment and Economic Development Programme (OECD CFE).

## Plenary Presentation: OECD Skills Strategy for Southeast Asia: Skills for Post-COVID Recovery and Growth

### Speakers



**Mr. Andrew Bell**  
Head, OECD Skills  
Strategies – OECD Centre  
for Skills

The forthcoming report, *OECD Skills Strategy for Southeast Asia: Skills for Post-COVID Recovery and Growth*, assesses ASEAN Member States' performance on key skills indicators and identifies opportunities to improve their skills systems in response to global mega-trends and the COVID-19 pandemic. The content of the report is based on the analysis of data on key skills indicators and responses to policy questionnaires, extensive literature reviews, and stakeholder consultations. It presents key insights on the skills implications of climate change, demographic changes, globalisation, migration, and technological change as well as an assessment of the performance of ASEAN countries along three dimensions: (1) the development of relevant skills over the life course; (2) the effective use of skills in work and society; and (3) the strengthening of governance systems.

**Global mega-trends are influencing the supply of skills in Southeast Asia.** Countries in the region are among the most affected by extreme weather events over the past decade according to the Global Climate Risk Index, prompting people to move away from areas damaged by natural hazards and influencing the stock of skills in their old communities, as well as in their new host societies. Furthermore, the rate of population ageing in Southeast Asia is also among the fastest in the world and is expected to at least double between 2020 and 2050, highlighting the need for continued upskilling and reskilling throughout the life course. Intra-regional migration flows in Southeast Asia have also tripled from 2.1 million in 1995 to 6.8 million in 2017, which has helped alleviate unemployment pressures, but at the same time, has also been a loss of valuable human capital in some origin countries.

**At the same time, global mega-trends are also raising the demand for new and higher levels of skills in Southeast Asia.** As the region aims to participate more extensively in global value chains and move up those chains, the demand for higher levels of skills will continue to rise. For instance, the regional gross enrolment rate at the tertiary level increased from 8% in 1990 to 36% in 2017. Furthermore, technological changes, such as digital transformation and job automation, are expected to affect Southeast Asian countries more than OECD countries with available data. An average of 55% of jobs across the region are at risk of automation or have a high probability of significant change in job tasks, with these probabilities rising to as high as 70% in Viet Nam, highlighting the need for opportunities to master new sets of skills.

**These megatrends have underscored the need to strengthen the development of relevant skills in Southeast Asian countries, as identified in the forthcoming report.** While countries in the region have succeeded in increasing gross enrolment rates at all levels of education over the past few decades, many students still struggle to complete initial education and access higher levels of education. For instance, in 2018, the lower secondary completion rate in the ASEAN was lower than that of the OECD by about 15 percentage points, with the likelihood of dropping out being higher among students from low-income households and rural areas. Moreover, among those who are enrolled, a low quality of education is an equally important policy concern. Many schools in Southeast Asia severely lack human and material resources, and these limitations are more pronounced in disadvantaged schools.

**In addition to highlighting the need to build more accessible and equitable education systems, the OECD Skills Strategy for Southeast Asia has also identified opportunities to improve labour market outcomes for the region.** While the labour force participation rate across the ASEAN is higher than in the OECD, the participation gap by gender is larger in the region. With 58% of women participating

in the labour market in comparison to 77% of men, there are missed opportunities for strong and inclusive economic growth in Southeast Asia. In addition to raising labour market participation, it is also equally important for countries in the region to make more effective use of their workers' skills, such as through the adoption of high-performance workplace practices (HPWPs) and reliance on professional management. While several ASEAN countries, such as Singapore, Malaysia, and the Philippines, perform better than the average OECD country in terms of their reliance on professional management, many others lag far behind.

**Improving Southeast Asian countries' education and employment policies requires the strengthening of the governance of their skills systems.** The report highlights that countries in the region are generally characterised by lower levels of policy co-ordination across the whole of government than OECD countries, as well as lower levels of civil society participation in skills policy development. These low levels of co-ordination within and outside of government risks lowering the coherence of skills policies, which span multiple policy domains, and can decrease the relevance of school and workplace interventions. These issues are exacerbated by the lack of up-to-date and comprehensive skills data throughout Southeast Asia, which inhibits a full understanding of skills systems' strengths and weaknesses, as well as the strategic, well-planned use of often-limited financial resources in the region.

#### Links to presentations from the opening session

##### [OECD Skills Strategy Southeast Asia: Skills for Post-COVID Recovery and Growth](#)

Mr. Andrew Bell  
Head, OECD Skills Strategy – OECD Centre for Skills

#### Breakout session 1: Apprenticeship: Giving employers a key role in the design and delivery of TVET

##### Moderator



**Ms. Marieke Vandeweyer**  
Head, Vocational Education and Training (VET) – OECD Centre for Skills

##### Panelists



**Dr. Siripan Choomnoom**  
Senior Advisor – Vocational Education Commission, Thailand



**Ts. Shahrul Nizam bin Kasim**, Department of Skills Development, Ministry of Human Resources Malaysia



**Ms. Siriporn Parvikam**, Programme Component Manager of RECOTVET, GIZ Thailand office

**Strong Technical and Vocational Education and Training (TVET) systems are designed in close collaboration with the world of work** - i.e. employers and trade unions - and give learners the opportunity to learn in the workplace. This connection to the world of work contributes to a better alignment between the offer and content of TVET and labour market needs, and smoothens learners' transitions into the labour market. Countries have developed different mechanisms to involve employers in the design of TVET, including at the national, regional, local and sectoral level. Moreover, countries differ strongly in the extent to which they use work-based learning, how it is designed and delivered, and how employers from different sizes and sectors are encouraged and supported to provide work-based learning opportunities. This session will provide an opportunity for participants to discuss how employer engagement in TVET works in their country, as well as recent developments and challenges faced, with the aim to share good practices, identify common challenges and opportunities, and foster collaboration.

**Thailand, for instance, introduced initiatives to strengthen the dual technical and vocational education and training (DVE) system.** Participation in DVE increased sharply in the past few years, accounting now for 20.4% of all TVET learners compared to only 6.6% in 2013. An ambitious target has been set to reach 50% by 2025. Occupational sub-committees have been set up over the years, and

various incentives for employers have been adopted. In order to further expand and strengthen the quality of DVE, various steps have been taken to better align training with the needs of the labour market and to better monitor and evaluate DVE. Initiatives include the linking of TVET programmes to occupational standards, and engagement of skilled industry professionals in teaching and training. Challenges remain in raising awareness about and the image of DVE, bringing SMEs on board, making DVE accessible in all parts of the country, and building the capacity of TVET institutions to form partnerships with the private sector.

**In Malaysia, dual training leads to certificates at various levels and programmes are linked to occupational skills standards – with strong employer involvement.** Apprentices spend 70-80% of their time learning in the workplace and the remaining 20-30% in training centres. The Department of Skills Development acts as the custodian of the dual training system, accrediting skills programmes, issuing certificates and establishing the occupational skills standards. Employers are involved at various steps of dual training design and delivery, from the creation of occupational skill standards to the delivery of work-based learning. Financial incentives are provided to encourage and support employers to provide dual training. Challenges remain to engage industry. Ongoing reforms in the dual training area focus on the use of technology, better alignment with the high-tech sector, and stronger coordination on accreditation.

**The Regional Cooperation Programme for TVET in ASEAN (RECOTVET) project supports 10 ASEAN countries to foster knowledge sharing in TVET, strengthen industry engagement and improve the quality of teaching and training** through funding from the German Federal Ministry for Economic Cooperation and Development. The project was set up in recognition that TVET systems in ASEAN are not keeping up with labour market requirements - especially in light of a changing world of work. The programme supports, for example, the adaptation of TVET to digitalisation, and the introduction of standards for in-company trainers and teachers.

**The benefits of engaging employers in TVET are widely understood in Southeast Asia**, and the examples from Thailand and Malaysia show that important steps are being taken to involve them in the design of VET programmes and in the delivery of dual training. However, challenges remain to bring a wide group of employers on board. Moreover, TVET continues to suffer from a poor image among certain learners, and more efforts may be required to raise awareness about its benefits – including the fact that dual training allows for earning while learning. Ongoing investments in the quality of TVET can contribute to improving its image.

#### Links to presentations from breakout session 1

##### Thailand 4.0: Dual Vocational Education and Training

Ms. Siripan Choomnoom  
Senior Advisor – Vocational Education Commission, Thailand

##### National dual training system: For nation building

Ts. Shahrul Nizam bin Kasim  
Department of Skills Development, Ministry of Human Resources Malaysia

##### Perspective of Germany's TVET Model towards quality of apprentices

Ms. Siriporn Parvikam  
Programme Component Manager of RECOTVET, GIZ Thailand office

## Breakout session 2: Collaborative skills systems: employers driving better skills outcomes

### Moderator



**Mr. Andrew Bell**  
Head, OECD Skills  
Strategies – OECD  
Centre for Skills

### Panelists



**Mr. Nazrul Aziz**  
Vice President –  
Graduate, Diaspora and  
Industry Partnerships) –  
TalentCorp Malaysia



**Mr. Young Saing Kim**  
Research Fellow – Korea  
Research Institute for  
Vocational Education and  
Training, Korea

**Successful skills governance involves collaboration among a wide range of actors who work together to strengthen skills systems and ultimately advance broader socio-economic development.** Employers have valuable insights about labour market needs, and fostering robust government-employer partnerships can ensure that skills policies are demand-driven and relevant. While employer partnerships have gained traction in Southeast Asia, obstacles to comprehensive employer engagement remain. High rates of informality in the region limit the financial and human resources that employers could devote to education and training programmes for their employees. Furthermore, while employer organisations have proliferated at both the country and regional level, governments in Southeast Asia struggle to incorporate industry actors institutionally in long-term relationships. For example, many countries in the region do not have national legislation or legal frameworks in place to formally recognise the role that employer organisations and labour market actors play in skills policies. There is also room to develop more longstanding government-industry partnerships by establishing more avenues for industry stakeholders to regularly provide input to governance bodies.

**At the regional level, governments in Southeast Asia are already implementing good examples of mechanisms to promote employer partnerships.** Through these initiatives, countries can share successful models for engaging labour market actors in education and training programmes. For example, the East Asia Summit Technical and Vocational Education Training Programme (EAS Summit TVET Programme) promotes models for vocational education tailored specifically to the needs of ASEAN Member States, while also strengthening regional peer learning and economic cooperation. The vocational education model currently in place is based on the successes of Korea's TVET system, while also drawing on those of other ASEAN countries. The programme allows Southeast Asian countries to learn from regional peers about how workshops, employer experts and consulting opportunities can be leveraged to improve job market placement for TVET graduates. Presently, seven Southeast Asian countries are participating in the EAS Summit TVET Programme, with Lao PDR and Cambodia joining in 2022 and 2023 respectively.

**Employer partnerships are also being promoted at the country level in Southeast Asia.** For instance, Malaysia is using a whole-of-society, data-driven approach to their partnerships. TalentCorp Malaysia, an agency created under Malaysia's Ministry of Human Resources, facilitates opportunities for employers, educational institutions, and government actors to collaborate on strategic skills policies. In these collaborations, information and data sharing is critical, helping to ensure the successful alignment of educational and training offers with labour market needs. To foster a whole-of-society approach that engages stakeholders outside of the government, TalentCorp offers a range of programmes aimed at making data on industry demand and skills supply readily available. For example, the Critical Occupations list (MyCOL) is a resource created collaboratively with the World Bank that offers insights on sought-after skills and occupations, allowing educational institutions to tailor coursework and offerings to labour market needs. TalentCorp Malaysia also implements mynext, a talent solution platform containing skills demand and supply data; the National Skills Strategy, a central platform for skills standards and future competencies within industries; and MYXpats, an employment knowledge base for expatriates and potential employers.

**Going forward, Southeast Asia could benefit from long-term interventions that promote industry engagement and ownership of skills systems.** While interest in employer partnerships continues to

grow in Southeast Asia, it is critical that employer engagement occurs through established bodies and institutions with clear operational frameworks. For example, the Malaysian Strategic Industry Academia (IAC) Framework aims to foster co-creation in skills policy between government actors, industry, and educational institutions. The initiative, which was started two years ago, looks within industry sectors for opportunities to foster ownership among employers for local talent development and the creation of a sustainable talent ecosystem. Long-term ownership in skills development ensures that governments can share both decision-making power and financial responsibility for skills systems. In Southeast Asia, opportunities for regional peer learning can support countries as they design these programmes and systems, ensuring that they are responsive to shared socio-economic needs and challenges.

### Links to presentations from breakout session 2

#### Collaborative Skills Systems: Employers Driving Better Outcomes

Mr. Nazrul Aziz

Vice President – Graduate, Diaspora and Industry Partnerships, TalentCorp, Malaysia

#### EAS TVET Network as a Regional Network

Mr. Young Saing Kim

Research Fellow – Korea Research Institute for Vocational Education and Training, Korea

### Breakout session 3: Better Use of Skills in the Workplace: Why It Matters for Productivity and Local Jobs

#### Moderator



**Ms. Kristine Langenbucher**  
Head, Employment and Skills Unit – OECD Centre for Entrepreneurship, SMEs, Regions and Cities

#### Panelists



**Mr. Darjusch Tafreschi**  
GIZ Head of Component – Regional Cooperation for the Development of Technical and Vocational Education and Training



**Mr. Anil Verma**  
Professor Emeritus – Rotman School of Management University of Toronto, Canada



**Ms. Lesley Giles**  
Director – Work Advance, United Kingdom

**Despite an increasing awareness, the effective utilisation of skills in the workplace remains still limited in many ASEAN and OECD countries.** The benefits of fully using skills at the workplace are multiple: for individuals, who have higher job satisfaction and wages, for employers, who experience greater staff retention and innovation adoption, and for places, that gain in aggregate productivity and become more attractive for future investments. Previous OECD work shows that a comprehensive approach that combines short and long-term objectives is needed to ensure that the various actors involved can reap the benefits from skills investments. Going forward ASEAN countries are encouraged to implement strategies to increase skills enhancement and utilisation at the workplace.

**Successful upskilling and reskilling programmes need to be inclusive and learner centred.** In recent years, ASEAN countries have recognised the importance of investing in upskilling and reskilling especially for people from more disadvantaged groups, including those who have been strongly hit by the COVID-19 pandemic. Despite the increasing awareness, concrete actions remain still limited in the area. Effective and inclusive future upskilling and reskilling initiatives should be flexible in terms of delivery, with



modular training being recommended, and should involve people at different skills levels, including managers. Providing all people with the right skills will make societies more inclusive in both OECD and Southeast Asian countries.

**The collaboration between employers and education and training institutions is vital for enhancing the demand for skills and improving productivity.** The value of this type of collaboration is broadly recognised, however some ASEAN and OECD countries often encounter issues in developing it. A successful example from Canada is the Niagara local community college that provides courses to meet local industry demand, offers internships to connect students with the world of work, and conducts research to help local firms upgrade their products and business strategies. In comparison to OECD countries, additional challenges exist in Southeast Asia, where the lack of trust in education and training institutions among employers reduce exchange opportunities. In particular, employers who do not recognise the value of the certifications of their employees and have in-house capability prefer to provide themselves training to them.

**Network of firms can help SMEs access new opportunities.** The limited resources and capacity of SMEs prevent them from fully invest in the skills of their workforce. Examples from both ASEAN and OECD countries show that, when SMEs have the same needs, their cooperation is crucial to accelerate talent pooling and enhance the culture of innovation within firms. However, firms that decide to participate in networks are often among the best performers, it is therefore necessary to secure the engagement of employers from smaller firms, getting them the ownership of the challenges they need to overcome together. While networks tend to have a local or regional dimension, they can also operate at the sectoral level, with the potential involvement of bigger firms in the same value chain that can provide guidance and share resources with the smaller ones.

**Government support and strong private-public partnerships are needed to increase skills utilisation.** A recent study conducted by GIZ RECOTVET in five ASEAN countries highlighted that governments in the region still fund a limited number of upskilling and reskilling initiatives, and companies – generally the bigger ones – implement programmes using their own resources. Effective and inclusive interventions should be a combination of government support and incentives for business, for example through management training and leadership programmes, and business-led actions such as the support to communities of practice and networks, or the development of employer accreditation and awards. In the future, ASEAN countries should try to further develop collaboration between different levels of government and employers to ensure good work standards and incentivise workplace innovation and management improvements.

**Measuring progress on skills utilisation can help firms make the right investments.** Strong and timely labour market information that measures both the supply and the demand for skills can help identify skills mismatches, anticipate future skills needs and guide employers in their future choices. Recently, a Toolbox to support decision making in relation to skills development and training is being developed in the framework of a project conducted by the German Agency for International Cooperation (GIZ) as part of the Regional Cooperation Programme for TVET in ASEAN (RECOTVET) programme. This initiative explicitly takes into account the challenges of female workers, who often work in sectors or jobs more impacted by digital transformations, and tend to face additional challenges in entering or staying in the labour market.

**Going forward ASEAN countries should ensure that their skills systems build on strong partnerships with education institutions and the government, that benefit from the commitment of employers.** In this way it would be possible to orient people towards the skills needed by local firms and enhance their full utilisation. This investment in both skills supply and demand will help countries in the region increase their productivity and become more inclusive.

### Links to presentations from breakout session 3

#### [Better Use of Skills in the Workplace: Why It Matters for Productivity and Local Jobs](#)

Ms. Kristine Langenbacher

Head, Employment and Skills Unit – OECD Centre for Entrepreneurship, SMEs, Regions and Cities

#### [Reskilling and upskilling in ASEAN countries](#)

Mr. Darjusch Tafreschi

Head of Component – GIZ RECOTVET

**Innovative Approaches to Skill Formation and Utilization**

Mr. Anil Verma

Professor Emeritus – Rotman School of Management University of Toronto, Canada

**Policy initiatives and actions to improve skills utilisation – Evidence from the UK**

Ms. Lesley Giles

Director – Work Advance, United Kingdom

**Closing session**

**Speaker**



**Mr. Nadim Ahmad**  
Deputy director  
OECD Centre  
for Entrepreneurship,  
SMEs, Regions  
and Cities

**The discussions of the 12<sup>th</sup> meeting of the SEA RPN highlighted how the effectiveness of partnerships depends on the commitment of employers.** The useful insights on how to foster the engagement of employers and other partners in their skills systems provided by the various countries and organisations who took part in the event could orient future actions in Southeast Asia countries. In particular, priority should be given to further involve firms, including SMEs, develop stronger public-private partnerships and strengthen the collaboration among employers and education and training institutions.

**Several activities have been lined up as a follow-up to the event, which form part of the work on the OECD Skills Strategy Project in Southeast Asia (OECD Centre for Skills) and the Local Employment and Economic Development Programme (OECD Centre for Entrepreneurship, SMEs, Regions and Cities).** Next year's launch of the Skills Strategy for Southeast Asia will be an important milestone in our collaboration in the education and skills area. The findings will be shared prominently in the upcoming OECD Southeast Asia Regional Programme meetings. Going forward, the OECD stands ready to continue supporting Southeast Asian economies in strengthening their skills systems through peer exchange among countries from Southeast Asia and across the OECD.

**The next meeting of the SEA RPN is scheduled to take place in the third or fourth quarter of 2023.**