

JOINT MISSION
TO REVIEW ILO INITIATIVES
FOR DECENT WORK AND ASEAN IAI PRIORITIES
ON LABOUR AND EMPLOYMENT

PRELIMINARY REPORT

May 2003

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JOINT MISSION TO REVIEW ILO INITIATIVES FOR DECENT WORK AND ASEAN IAI PRIORITIES ON LABOUR AND EMPLOYMENT

Preliminary Report

1. This report is intended to provide a basis for further discussions between the Association of South East Asian Nations (ASEAN) and the International Labour Organization (ILO) on ways of improving cooperation on labour and employment issues. It builds upon discussions and consultations between the organizations over the past 12 months and has been prepared by a joint review team comprising representatives from the ASEAN Secretariat and the ILO. As part of the review, discussions were held with representatives of government, employers and workers organizations in Vietnam, Lao PDR and Thailand about programs and needs in those countries and the scope for ASEAN-ILO cooperation in these countries and in ASEAN generally.
2. The report concludes that there is considerable scope for cooperation and collaboration between ASEAN and the ILO and makes specific recommendations as to how this might be developed over the next two years.

THE JOINT REVIEW

3. The purpose of the joint review was to explore potential areas for ILO-ASEAN cooperation within the framework of the ILO's decent work agenda and ASEAN's Initiative for ASEAN Integration (IAI) Work Plan component on labour and employment and other current and proposed programs.
4. The joint review included:
 - Analysis and review of the IAI work plan and other ASEAN programs, and the progress with implementation;
 - Examination of the development of decent work country programs in ASEAN countries;
 - Identification of possible areas for joint ILO-ASEAN program development; and
 - Conduct of a joint ILO-ASEAN study mission to Lao PDR, Thailand and Vietnam to discuss with governments, employers and unions the priority needs in the labour and employment fields and the possibilities for ILO-ASEAN cooperation in addressing these needs.
5. The joint review team comprised:
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6. The terms of reference for the joint review were agreed between the ASEAN Secretariat and the ILO in December 2002 (*Attachment 1*). In discussions, there were five areas identified as possible areas for future work and collaboration between the ILO and ASEAN. These were:
- Skills training network and vocational training;
 - Overseas employment administration;
 - Tripartite Seminar on Implementation of the ASEAN Free Trade Area (AFTA) and the labour and employment impacts;
 - Strengthening social security/social protection; and
 - Informal economy.

These areas were identified having regard to the IAI Work Plan and potential complementary work being undertaken by the ILO in various ASEAN countries. The relevant parts of the IAI Work Plan are attached (*Attachment 2*). Also attached is a matrix prepared by the ILO as background information for the review, listing information regarding ILO country programs and activities in ASEAN countries (*Attachment 3*).

BACKGROUND TO THE REVIEW

7. At the ASEAN Informal Summit in Singapore in November 2000, the Initiative for ASEAN Integration (IAI) was launched with the aim of narrowing the development gap within ASEAN and enhancing ASEAN competitiveness. Subsequently, ASEAN Ministers in July 2001 adopted the *Ha Noi Declaration on Narrowing the Development Gap for Closer ASEAN Integration* with focus on four main priority areas:
- i. *infrastructure,*
 - ii. *human resource development,*
 - iii. *information and communication technology, and*
 - iv. *regional economic integration.*
8. The IAI Work Plan is targeted at assisting the new member States of ASEAN, namely Cambodia, Lao PDR, Myanmar and Vietnam (CLMV). It was formulated on the basis of a needs assessment of the countries, and was endorsed by the Foreign Ministers of CLMV countries in February 2002. The Work Plan covers 2002-2008 with specific objectives, expected outputs and implementation timeframes for each of the four priority areas. It is expected to be a main management tool for ASEAN to engage in dialogue

with its partners for development cooperation. This partnership process has started with financial support from Japan for a series of meetings during the preparation of the IAI Work Plan, followed by an ASEAN dialogue with China, Japan and Korea, which was held in Tokyo on 12 August 2002.

9. On 15-16 August 2002, an IAI Development Cooperation Forum was convened in Jakarta to develop and strengthen partnership with ASEAN dialogue partners, donor agencies, international and regional organizations, NGOs, business councils, and other interested institutions. The ILO participated in the forum and was represented by the Regional Director for Asia and the Pacific, Mr. Y. Nodera. There was a follow-up meeting with representatives of the ASEAN Secretariat to discuss possible areas for ASEAN-ILO cooperation.
10. ASEAN gives priority to the IAI Work Plan and is seeking donor and technical support to move forward. Among the four main sectors identified, human resource development (HRD) is a core area for possible ILO-ASEAN cooperation, especially for Cambodia, Lao PDR and Vietnam.
11. The HRD sector covers three main areas:
 - Capacity building for the civil service sector
 - Labour and employment
 - Higher education.
12. The labour and employment area is based mainly on the ASEAN Labour Ministers' vision and mission statement adopted in May 2000 and the work program adopted in 2001. The work program gives particular emphasis to the labour and employment impact of economic downturns and the economic integration of ASEAN. Priority areas of the work program include HRD in the context of globalization; HRD planning and labour market monitoring; enhancing labour mobility; strengthening social security and social protection; and strengthening tripartite cooperation. The IAI identifies the following key main labour issues in the transition of CLMV countries to market economies: (i) inadequate skilled labour; (ii) increased cross labour border movements; (iii) inadequate system for skills testing/certification and accreditation of training institutions; (iv) social security reforms; and (v) inadequate or lack of mechanisms for conciliation and social dialogue.
13. The IAI Work Plan component on labour and employment places emphasis on five main areas: (i) informal sector; (ii) employment promotion, HRD planning and labour market monitoring; (iii) enhancing labour mobility; (iv) strengthening social security; and (v) strengthening tripartite cooperation. Though specific projects have been identified, there is potential for joint development and cost sharing of those proposals based on the interest of donors and development partners. At this stage, ASEAN has received support from AusAID for a labour mobility project and from Japan for an industrial relations project. UNDP also recently confirmed funding for a package of proposals under the ASEAN-UNDP Partnership Facility which includes project components on a) studying the impact of trade liberalization on human development (including poverty and

employment), and b) human resources development planning and labour market monitoring. Several projects on vocational training are under funding consideration by the ASEAN Foundation. The ILO has had discussions and shared experience to assist with the design of the ASEAN industrial relations project, and may provide further assistance in the implementation including through existing ILO Declaration industrial relations projects in several ASEAN countries.

14. The ILO's decent work strategy aims to "promote opportunities for all women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity" (*Decent Work: Report of the Director General*, Geneva, International Labour Conference, 1999). It brings together the four strategic objectives of the ILO: fundamental principles and rights at work, employment, social protection and social dialogue. The ILO Asian Regional Meeting, held in Bangkok in August 2001, called upon all ILO member States in the region to "define through a tripartite process, a national plan of action for decent work, that integrates fundamental rights at work, greater opportunities for women and men to secure decent work, social protection, including occupational safety and health standards, for the greatest possible number of workers, as well as increased social dialogue."
15. The ILO's decent work agenda and national plans of action on decent work in ASEAN member countries, being developed as a follow-up of the conclusions of the ILO Asian Regional Meeting may serve as platforms for identifying cooperation frameworks between the ILO and ASEAN at country and inter-country levels. As the goal of decent work must have regard to national circumstances, decent work actions plans should be formulated through a process of dialogue and consultation and should identify practical and effective strategies to promote decent work in the country concerned. These plans can provide a strategic framework for government, employers' and workers' organizations, together with the ILO, to work in partnership in addressing identified needs and priorities. The decent work strategy takes into account gender and development as cross-cutting issues in the world of work and provides a platform for social inclusion and poverty alleviation.
16. There have been difficulties in the relations between the ILO and ASEAN in recent years, even though all ASEAN countries (except Brunei Darussalam) are members of the ILO. These relate to the forced labour issue in Myanmar and the resolution passed by the International Labour Conference in 1999. Following the adoption of the recommendations of the ILO Commission of Inquiry on forced labour in Myanmar and the response of the Government of Myanmar to those recommendations, ILO participation in technical cooperation involving Myanmar is limited to activities specifically aimed at the elimination of forced labour (see *Attachment 4*).
17. The Sixteenth ASEAN Labour Ministers Meeting (9-10 May 2002, Vientiane, Lao PDR) noted progress made towards the elimination of forced labour in Myanmar in cooperation with the ILO. The Ministers welcomed the agreement between the Government of Myanmar and the ILO on the establishment of a Liaison Office in Yangon as a major step forward in the process of dialogue and cooperation between Myanmar and the ILO. The

Labour Ministers called upon the ILO to consider removing the measures taken against Myanmar. Currently negotiations between the ILO and the Government of Myanmar are taking place on a possible plan of action for the elimination of forced labour in that country. However no agreement has yet been reached on such a plan.

18. At the May 2002 Meeting of ASEAN Labour Ministers, the ILO was officially invited to attend the opening function. The ILO was represented by Mr. R. Dudley, Deputy Regional Director for Asia and the Pacific, who was requested to be available for appointments and/or informal discussions/consultations during the meeting. Mr Dudley held informal discussions with members of all the delegations from the ASEAN countries.
19. The first ASEAN Senior Labour Officials Meeting (SLOM) held from 6-7 May 2002 in Vientiane agreed that ILO's participation in SLOM should be by invitation provided that this attendance is confined to specific items of the SLOM agenda. The next SLOM is scheduled for May 2003 in Indonesia. In this connection, the ILO could suggest topics for discussion at that meeting and the review team has put forward some topics for consideration (see Recommendations below).

JOINT REVIEW MISSION

20. As part of the review, a study mission to Vietnam, Lao PDR and Thailand was conducted on 15-25 January 2003. Discussions were held in each country with government officials responsible for ASEAN labour issues and with representatives of employers' and workers' organizations.

Vietnam

21. On 16 January 2003, the joint review team held discussions with senior officials of the Ministry of Labour, Invalids and Social Affairs in Ha Noi. The top priority of the government is employment. The meetings covered a range of issues including:
 - The progress with the development of a decent work agenda and its relationship to the Comprehensive Poverty Reduction and Growth strategy and development plans for Vietnam;
 - The need for technical assistance to address country specific needs and circumstances;
 - The importance of the informal economy and the need for assistance with regard to training, expansion of social security, improving working conditions and safety, and conducting studies;
 - The need for proper examination and studies of the employment/HRD implications of trade liberalization in Vietnam and other ASEAN countries;
 - Skills training and the development of curriculum standards and models and the recognition of skills in ASEAN countries;

- The involvement of Vietnam in the ASEAN Skills Competition and the benefits of such participation; and
 - The growing importance of overseas employment, efforts to expand opportunities for such employment and the need to develop the skills and to provide protections and training for overseas workers.
22. On 17 January 2003, separate meetings were held with the Bureau of Employers' Activities of the Vietnam Chamber of Commerce and Industry (VCCI) and with the Vietnam General Confederation of Labour (VGCL). The meetings covered similar issues as raised with government officials. In addition, there was discussion about the new labour code, bargaining issues and industrial relations problems; the ILO Industrial Relations project in Vietnam; the implications of the growing private sector; the importance of vocational training; the need to develop the capacity of employers' and workers' organizations to be effective social partners and the need to strengthen tripartite cooperation; and the importance of the informal economy including as a place for retrenched workers from state-owned enterprises to find employment.
23. The VCCI is a member of the ASEAN Association of Chambers of Commerce and the Confederation of Asia Pacific Employers (but not the ASEAN Confederation of Employers). The VGCL is a member of the ASEAN Trade Union Council. Both the VCCI and the VGCL recognize the value of learning from the experiences of like organizations in other ASEAN countries.
24. Meetings were also held with the Country Director of the ILO and the Chief Technical Adviser of the ILO/Vietnam Industrial Relations Project. Vietnam has ratified ILO Conventions 100, 111 and 182 and is presently considering the ratification of the Forced Labour Conventions and Convention 144 (Tripartite Consultation).
25. A detailed report of the meetings held in Hanoi and the issues discussed is attached (*Attachment 5*).

Lao PDR

26. On 20-21 January 2003, the review team had meetings in Vientiane, Lao PDR with representatives of government, employers and unions. In particular, the team met with Mr. Sayakane Sisouvong, Director General, ASEAN Department, Ministry of Foreign Affairs. Mr. Sayakane is the Chairman of the HRD Working Group under the IAI Work Plan and is currently also the Chairman of the ASEAN Standing Committee's Working Group on IAI. Mr. Sayakane stressed that each of the CLMV countries had their own specific needs and that programs needed to be formulated accordingly. He referred to the importance of capacity building in Lao PDR.
27. The team met with government officials from the Ministry of Labour and Social Welfare, together with representatives of the Lao National Chamber of Commerce and Industry (LNCCI) and the Lao Federation of Trade Unions (LFTU). Priority needs for Laos were

identified as skills development and employment promotion with special emphasis given to technical assistance to build capacity for overseas employment administration and informal sector development. Other matters discussed included:

- The steps being taken by government to find employment opportunities for its citizens in other countries and the need for assistance with the administration of overseas employment;
- Training needs and the problems with curriculum development and skills accreditation;
- Trafficking issues and the various projects including ILO projects working in the Mekong area;
- The limited coverage of social security and the efforts made, with the assistance of a new ILO project, to reform the public sector scheme, to extend the coverage of the private sector scheme and to develop a scheme for the informal sector;
- The need to improve tripartite consultation and to develop employers' organizations;
- Laos is considering the ratification of various ILO Conventions, including Conventions 100 and 111 and 182 (Worst Forms of Child Labour);
- On 21 January the review team also held separate meetings the Lao National Chamber of Commerce and Industry and Lao Federation of Trade Unions. Issues covered included the limited capacity of organizations of employers and workers to take part in social dialogue, vocational training and skills development needs of the workforce, the need for revision of labour laws and problems facing Lao migrant workers. The LNCCI is preparing to organize a Bureau for Employers' Activities, like that established in Vietnam, and is seeking support to promote this as an employers' association. The LNCCI joined the ASEAN Chambers of Commerce and Industry (ASEAN CCI) in 2002. The LFTU has been a member of the ASEAN Trade Union Council (ATUC) since 2000 and has been involved in various ILO training and projects (e.g. collective bargaining, labour standards, child labour and small enterprise development).

28. The review team visited the Skills Development Centre, the government-funded vocational training institute, run by the Labour Ministry, and held discussions with the Director and other staff. It is clear that vocational training and skills accreditation are important priorities for Lao PDR. The ASEAN Skills Competition is seen as an opportunity for testing competency standards of Lao skilled workers in a variety of trades and occupations.

29. The team also met with Ms. Fiona Howell, the Chief Technical Adviser of the ILO Social Security Project in Lao PDR, which is funded by Luxembourg.

30. A detailed report of the meetings and discussions in Vientiane is attached (*Attachment 6*).

Thailand

31. On 23 January 2003, the joint review team held discussions with senior officials of the Ministries of Labour and Foreign Affairs of Thailand. The meeting covered a range of topics relating to the special needs of the CLMV countries, the resources available in the more developed ASEAN States to assist and the possible strategic entry points for ASEAN–ILO cooperation in addressing the objectives of the IAI Work Plan. The discussions covered:
- Assistance by Thailand to Cambodia, Lao PDR and Vietnam in skills development and the role of Thailand as the focal point for pooling information about training and skills standards in these countries;
 - The close cooperation with Lao PDR and Vietnam in relation to social security reform (Thailand has not yet provided technical assistance on social security matters to Cambodia and Myanmar);
 - The involvement of Thailand and all other ASEAN countries (except Singapore and Myanmar) in the ASEAN Skills Competition;
 - The experience of Thailand as both a sending and receiving country for migrant workers and efforts by Thailand to improve its administration of this area; and
 - The limited understanding as to the labour implications of AFTA and the emphasis on skills development in order to meet competitive pressures.
32. A separate meeting was held with representatives of employers' and workers' organizations in Thailand. The topics for discussion were the general areas raised during the review team's mission: skills development, overseas workers, social security reform, AFTA and the informal economy. The need to strengthen the capacity of employers' and workers' organizations in CLMV countries was raised and it was suggested that these organizations should join and participate in the ASEAN Confederation of Employers and the ASEAN Trade Union Council. This would enable them to share experiences and seek assistance from employers and unions in other ASEAN States. There was general support for ILO-ASEAN cooperation in the fields of occupational safety and health, labour relations and collective bargaining and the impact of globalization and trade liberalization.
33. A detailed report of the meetings with government, employers and unions in Thailand is attached (*Attachment 7*).
34. On 24 January 2003, the joint review team met with Mr. Y. Nodera, ILO Regional Director for Asia and the Pacific, and with the Acting Director of ILO EASMAT (East Asia Multidisciplinary Advisory Team). Meetings were also held with ILO officials from the Asia and the Pacific Skills Development Programme (APSDEP) and the ILO/Japan Fellowship Programme.

General Comments

35. From the discussions with government officials and representatives of employers and workers in Lao PDR, Thailand and Vietnam, a number of general comments may be made concerning the matters discussed.
- Labour officials, employers and unions are generally not familiar with issues relating to AFTA and other trade liberalization and regional integration measures. There have been few studies as to the impact of AFTA and industries that might be affected. There is a need for capacity building to assist with the development of policies, programs and strategies to deal with adjustment issues (e.g. skills training, retrenchment and early retirement schemes, and alternative employment opportunities).
 - Decent work action plans are under discussion in Vietnam and Thailand. The plans will focus on country specific needs and priorities, and in the case of Vietnam will need to fit into the national development strategy. As the plans are at an early stage of development, priorities in the IAI Work Plan might be incorporated. This may assist both the ILO and ASEAN in mobilizing donor support for the needed programs, including through joint approaches.
 - Overseas employment is an area of growing importance for Vietnam and Lao PDR and assistance is needed in the administration of schemes and in relation to the training and protection of workers, particularly from countries with more experience in this field (e.g. Philippines).
 - It is important that there be regular and structured sharing of information between the ILO and ASEAN as to programs and projects in ASEAN countries. This will help to avoid unnecessary duplication and improve effectiveness and will assist with the identification of opportunities for working together on the achievement of shared goals.

CONCLUSIONS AND RECOMMENDATIONS

36. On the basis of the work undertaken and discussions held during the course of the mission to Lao PDR, Vietnam and Thailand, the joint review team puts forward the following conclusions and recommendations for further consideration between ASEAN and the ILO.

Conclusions

37. Some of the main conclusions of the joint mission may be summarized as follows.
- (a) There is considerable scope for cooperation and collaboration between ASEAN and the ILO in work on labour and employment issues in the ASEAN countries.
 - (b) The main purpose of the mission was to identify potential areas of collaboration and ways in which ASEAN and the ILO might improve the impact and benefits of existing projects and activities through closer working relationships.

- (c) An important focus of the mission was the Initiative for ASEAN Integration (IAI) Work Plan and in particular the Human Resource Development objectives under that Plan. This is directed at assisting the new member States of ASEAN (Cambodia, Lao PDR, Myanmar and Vietnam) (CLMV), both through donor-supported programs and through assistance from the more developed ASEAN countries. Potential areas under the IAI Work Plan for ASEAN-ILO cooperation include:
- Improving Overseas Employment Administration for CLMV countries;
 - Strengthening Social Security/Social Protection;
 - Examining the implications for labour of the ASEAN Free Trade Area (AFTA) and other trade liberalization measures and changes brought about by the process of regional economic integration;
 - Establishing a Network of Skills Training Institutions and assisting with moves towards mutual recognition of skills and standards; and
 - Addressing issues relating to the Informal Economy, including the extension of social protection.
- These relate to paragraphs 2.15, 2.17, 2.20, 2.21 and 2.23 in the ASEAN Work Plan “*Narrowing the Development Gap within ASEAN: Assisting New Member Countries 2002-2008*”. These parts of the Work Plan have not received donor support to date.
- (d) Another area considered for ASEAN-ILO collaboration is industrial relations. There is a need to strengthen social dialogue including the capacity of employers and workers organizations to participate in policy forum. Cooperation between existing ILO and ASEAN projects and programs on industrial relations also need to be strengthened (including HIV/AIDS in the workplace).
- (e) Promotion of decent work is the key objective of the ILO and action plans have been prepared or are being developed in various ASEAN countries. These plans recognize the different circumstances of the countries concerned and reflect the views of the social partners (governments, employers and workers) on priority areas for action. Although the plans in each country are developed on a national basis, there may be scope for regional or sub-regional collaboration in addressing issues and implementing programs consistent with the decent work agenda of the ASEAN countries.

Recommendations

38. The joint review team has sought to put forward a range of options as to ways to strengthen ASEAN-ILO cooperation and collaboration on labour and employment issues. These options need to be considered by the respective organizations and in further discussions.
- (i) It is important that dialogue between ASEAN and the ILO continue. With respect to the ILO’s attendance at the ASEAN Senior Labour Officials Meeting (SLOM), the joint review team recalled the decision of the First Senior Labour Officials Meeting held in May 2002 in Lao PDR that attendance by the ILO would be “by invitation and ... confined to specific items of the SLOM agenda”. Further meetings and contacts

between the ASEAN Secretariat and the ILO Regional Office for Asia and the Pacific could be encouraged, with the ASEAN Secretariat and the ILO extending invitations to each other to participate in important activities, such as conferences or seminars dealing with labour and employment matters.

ASEAN Senior Labour Officials Meeting

(ii) The ILO is considering putting forward possible agenda items for discussion at the next ASEAN Senior Labour Officials Meeting (SLOM), to be held in Indonesia, in early May 2003. From discussions held during the mission, the following items of mutual interest to ASEAN and the ILO might be considered for possible discussion between SLOM and ILO officials, subject to the concurrence of Member Countries:

- Progress with decent work action plans in ASEAN countries;
- Briefing on outcome of the 2002 International Labour Conference, with special reference to the general discussion on the Informal Economy;
- Briefing on major agenda items for the 2003 International Labour Conference; and
- Overseas employment administration and preparations and report for the planned general discussion on Migrant Workers at the 2004 International Labour Conference.

It might also be useful for both the ASEAN Senior Labour Officials and the ILO to have an overview at the meeting of the work of ASEAN and the ILO in the various ASEAN countries.

General Cooperation between ASEAN-ILO

(iii) There would be many advantages for ASEAN and the ILO in sharing of information about programs and activities in the labour and employment fields. This would help to identify possibilities for cooperation, limit unnecessary duplication and improve the effectiveness of the work. In particular, there is scope for cooperation between the ILO Declaration projects on Industrial Relations in Cambodia, Indonesia and Vietnam and the Japan-funded ASEAN project on industrial relations. There should also be discussions regarding ILO country programs for the promotion of the *ILO Code of Practice on HIV/AIDS and the World of Work* and the ASEAN HIV/AIDS programme.

The development of 'decent work' country program frameworks could become an entry point for addressing priority areas under the IAI Work Plan's component on labour and employment. Further, the experience with the development of Youth Employment Networks under the framework established by the UN, World Bank and ILO (e.g. in Indonesia) is of considerable interest to ASEAN. Youth employment is a very high priority of the ASEAN Senior Officials Meeting on Youth and the sharing of experiences by the ILO with the setting up of networks would be of interest to all ASEAN countries.

Cooperation might be pursued through regular meetings between the ASEAN Secretariat and the ILO. A more formal commitment to cooperation and collaboration between the organizations might be given effect through a Memorandum of

Understanding, such as that entered into between ASEAN and the World Health Organization.

ASEAN-ILO Cooperation on Specific Matters

(iv) Of the various matters in the IAI Work Plan, discussions and meetings held during the joint review mission suggest that there is an opportunity for worthwhile collaboration between ASEAN and the ILO in the following areas: social security, skills training and the labour implications of the AFTA.

(v) We have not sought to develop detailed proposals in relation to these areas. Such work will need to follow the consideration of this report by ASEAN and the ILO and decisions taken as to the way ahead. We have, however, sought to assist by identifying practical and useful things which might be done and achieved in the near future in these areas by ASEAN and the ILO working together. These involve limited additional resources for initial activities and/or scope for the development of joint projects proposals for donor funding.

(a) Social Security. The IAI Work Plan refers to the strengthening of social security and social protection both through building capacity for establishing national systems and the sharing of experience. Specific outputs sought include a handbook of social protection systems in ASEAN countries, a directory of services, identified needs in the CLMV countries and a paper on policy options. The ILO has considerable experience and expertise in the development of social protection systems. There have recently been ILO social security projects in Indonesia and Vietnam and there is currently a major project in Lao PDR. There is also a UNDP project in Malaysia and World Bank and ILO assistance to Thailand. The ILO is also undertaking a major effort to improve social protection for workers through its global campaign on Social Security and Coverage for All. There are many common objectives between the ILO's work in the social security field and the ASEAN initiative under the IAI Work Plan of "Including the Excluded: Towards an Integrated Social Protection/Social Risks Management System in ASEAN".

It would seem that much of the information sought to be collected under the IAI Work Plan is readily available from ILO sources and that there is a shared interest between ASEAN and the ILO in identifying policy options and follow-up actions to strengthen social security /social protection in ASEAN countries. These activities might be pursued in collaboration between ASEAN and the ILO using existing expertise and would require only limited additional resources. There would be a need to seek donor funding for implementation efforts.

(b) Skills Training. The IAI Work Plan refers to the establishment of a network of ASEAN Skills Training Institutions to share experiences and best practices and to facilitate harmonization of vocational training methodologies toward the objective of mutual recognition of skills and standards. Specific outputs sought include the development of the following: webpage, handbook on best practices in skills

training, manual on vocational training methodologies, projects to address identified needs of CLMV countries and policy measures to encourage private sector investment in vocational training. The ILO has a specialized program on vocational training – the Asian and Pacific Skill Development Program (APSDEP). The majority of the resources of this program come from Japan and APSDEP conducts a wide variety of activities covering ASEAN countries, including improving its website and the development of regional model competency standards. APSDEP is a regional mechanism to promote vocational training through a network of vocational training institutions in ILO member countries.

It would seem that there would be mutual advantage in the conduct of a meeting between the ASEAN technical team working on skills development and ILO/APSDEP. The meeting would discuss the work being undertaken by ASEAN and the ILO on skills development and examine ways of improving effectiveness and avoiding unnecessary duplication.

For example, ILO is in the process of updating the APSDEP website and could consider a link to the proposed ASEAN skills network homepage. ILO could explore the possibility of ASEAN participation in the development of the Regional Model of Competency Standards (RMCS) in selected occupations and sending participants to the training in new technology conducted by the ILO Turin Training Centre (Italy). Further, a regional study tour funded by Korea on “The administration of Occupational Standards, Testing and Certification” is being planned by the ILO for Cambodia, Lao PDR and Vietnam in 2003. This might be linked to related IAI projects on vocational training and skills recognition.

- (c) *Labour Implications of AFTA*. The IAI Work Plan calls for the conduct of a tripartite seminar on the implementation of the ASEAN Free Trade Area (AFTA) and its impacts on ASEAN labour/human resources. This would raise awareness and inform unions, employers and labour ministries on the possible impacts of AFTA on industries and employment generally. The ILO is committed to the promotion of social dialogue, especially in relation to matters of direct relevance to employers and workers. The ILO has significant programs and experience dealing with labour and employment issues arising from trade liberalization measures and has recently assisted the ASEAN Trade Union Council in the conduct of a Seminar on the Employment Dimension of the Economic Integration of ASEAN (Bangkok, 1-3 October 2002).

There is limited understanding of the labour and human resource implications for ASEAN countries of AFTA and other trade liberalization measures. In particular, it would seem that very few studies have been undertaken which would contribute both to dialogue regarding these matters and the development of policies and strategies to deal with impacts on industries and on the employers and workers concerned. The commissioning of research on the labour implications of AFTA in selected ASEAN countries and the conduct of tripartite national or regional seminars to consider the research findings would be a good starting point in raising awareness amongst labour ministers, employers and workers.

- (d) *Informal Sector*. The IAI Work Plan on labour and employment identifies the informal sector as an important area for collaboration. While it is unclear that piecemeal projects would be able to produce measurable impact, there are several opportunities for linkage which should be highlighted. The preparation of the country Poverty Reduction Strategy Papers (PRSP) could provide an entry point for addressing issues such as employment promotion and income generation for informal sector workers. The ILO is planning various meetings and consultations regarding the informal sector in 2003 and could consider inviting ASEAN representatives and commissioning a paper on the special concerns and problems relating to the informal sector in the CLMV countries. It might also be useful to explore the possibility of opening to CLMV countries the activities planned under the Philippines' UNDP funded project "Development of policy, legislative, and institutional responses for the promotion and protection of workers in the informal sector".

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The joint review team gained enormous assistance and many helpful insights and suggestions from the discussions and meetings held with representatives of government, employers' and workers' organizations in Lao PDR, Thailand and Vietnam. We are most appreciative of the work of the labour ministries and/or foreign ministries of these countries for arranging the programme of meetings and for the time devoted to meetings with us by senior labour and foreign affairs officials.