



International
Labour
Organization

► International experiences of modernizing the organization and operation of employment services: Implications for Viet Nam



► **International experiences
of modernizing the organization and
operation of employment services:**

Implications for Viet Nam

December 2025

© International Labour Organization 2025.
First published 2025.



Attribution 4.0 International (CC BY 4.0)

This work is licensed under the Creative Commons Attribution 4.0 International. See: creativecommons.org/licenses/by/4.0. The user is allowed to reuse, share (copy and redistribute), adapt (remix, transform and build upon the original work) as detailed in the licence. The user must clearly credit the ILO as the source of the material and indicate if changes were made to the original content. Use of the emblem, name and logo of the ILO is not permitted in connection with translations, adaptations or other derivative works.

Attribution – The user must indicate if changes were made and must cite the work as follows: *International experiences of modernizing the organization and operation of employment services: Implications for Viet Nam*, Geneva: International Labour Office, 2025. © ILO.

Translations – In case of a translation of this work, the following disclaimer must be added along with the attribution: *This is a translation of a copyrighted work of the International Labour Organization (ILO). This translation has not been prepared, reviewed or endorsed by the ILO and should not be considered an official ILO translation. The ILO disclaims all responsibility for its content and accuracy. Responsibility rests solely with the author(s) of the translation.*

Adaptations – In case of an adaptation of this work, the following disclaimer must be added along with the attribution: *This is an adaptation of a copyrighted work of the International Labour Organization (ILO). This adaptation has not been prepared, reviewed or endorsed by the ILO and should not be considered an official ILO adaptation. The ILO disclaims all responsibility for its content and accuracy. Responsibility rests solely with the author(s) of the adaptation.*

Third-party materials – This Creative Commons licence does not apply to non-ILO copyright materials included in this publication. If the material is attributed to a third party, the user of such material is solely responsible for clearing the rights with the rights holder and for any claims of infringement.

Any dispute arising under this licence that cannot be settled amicably shall be referred to arbitration in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL). The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of such a dispute.

For details on rights and licensing, contact: rights@ilo.org. For details on ILO publications and digital products, visit: www.ilo.org/publns.

ISBN: 9789220428818 (web PDF)

DOI: <https://doi.org/10.54394/XHEW7586>

Also available in Vietnamese: *Kinh nghiệm quốc tế về tiến trình hiện đại hóa dịch vụ việc làm: Một số gợi ý cho Việt Nam*

ISBN 9789220428825 (web PDF)

The designations employed in ILO publications and databases, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the ILO concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers or boundaries. See: www.ilo.org/disclaimer.

The opinions and views expressed in this publication are those of the author(s) and do not necessarily reflect the opinions, views or policies of the ILO.

Reference to names of firms and commercial products and processes does not imply their endorsement by the ILO, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval

© Cover photo: ILO

► Acknowledgements

The International Labour Organization (ILO) gratefully acknowledges the State Secretariat for Economic Affairs of Switzerland (SECO), the Norwegian Agency for Development Cooperation and the Ministry of Human Resources and Social Security (MOHRSS) of the People's Republic of China for their financial support of this research initiative. This support was delivered through the ILO Productivity Ecosystems for Decent Work programme and the Promoting the Global Development Initiative with a Focus on South-South Cooperation in Employment in ASEAN (ProSSCE-ASEAN).

This research report was prepared in 2024 and finalized in 2025 by Javier Omar Rodriguez, an ILO consultant, under the guidance of the ILO Country Office for Viet Nam in collaboration with the ILO Decent Work Technical Support Team for East and South-East Asia and the Pacific and ILO's Employment, Labour Markets, and Youth Branch. Technical guidance and inputs were provided by Gulmira Asanbaeva, Fredy Guayacan, Phu Huynh, Michael Mwasikakata, Anna-Karin Palm Olsson, Nguyen Thi Le Van and Felix Weidenkaff. Overall guidance and support from Ingrid Christensen, who served as Director of the ILO Country Office for Viet Nam at the time of the research, and Sheng Ling, Project Manager of ProSSCE-ASEAN are gratefully acknowledged.

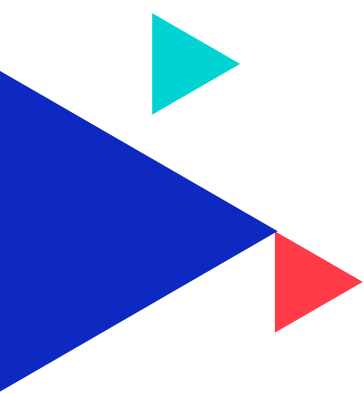
The ILO also warmly thanks the representatives from Viet Nam's Ministry of Labour, Invalids and Social Affairs, now the Ministry of Home Affairs, in charge of public employment services who provided inputs and feedback on the research initiative, including on the key findings and implications during a validation meeting in 2025.

The contributions from and interviews with representatives from public employment service institutions in other countries are acknowledged, including the National Employment Agency of Cambodia, MOHRSS, the Employment Service Division of Malaysia's Social Security Organization (PERKESO), Indonesia's Directorate of Manpower Placement Development (BINAPENTA), and from the Special Administrative Unit of the Colombian Public Employment Service.

The content of this research report reflects the institutional and administrative structures in Viet Nam prior to government restructuring that took effect from 1 March 2025. This report was also prepared prior to adoption of the revised Employment Law in June 2025 and is a timely contribution to inform its effective implementation.

► Contents

Acknowledgements	3
Abbreviations	6
Executive summary	8
1. Introduction and background	12
2. Scope and methodology	14
3. Governance of employment services	16
4. Public Employment Service (PES)	26
5. PES service delivery channels	38
6. PES funding mechanisms and sources	46
7. Management of PES personnel	50
8. Managing PES partnerships	54
9. Regulation and operation of Private Employment Agencies (PrEA)	62
10. Implications and considerations for Viet Nam	68
References	73
Annex 1. Selected country best practices	78
1.1 Governance of employment services	78
1.2 PES functions and services	79
1.3 PES service delivery channels	83
1.4 PES funding mechanisms	85
1.5 Management of PES personnel	87
1.6 Managing PES partnerships	89
1.7 Regulation and supervision of PrEA	92
Annex 2. List of countries reviewed	94



► List of figures

Figure 1. Degree of autonomy and decentralization of PES in selected countries	19
--	----

► List of tables

Table 1. Legal instruments governing PES in focus countries	17
Table 2. Levels of government and openness of PES networks in focus countries	22
Table 3. Type and characteristics of PES partnerships around the region	60
Table 4. Overarching legal instruments regulating PrEAs in the region	63

► List of boxes

Box 1. Good practices in management structures, accountability and PES reform	78
Box 2. Good practices in service delivery channels	79
Box 3. Good practices on outreach, LMI, joined-up services with employers and employment and entrepreneurship support	83
Box 4. Good practices on funding sources and mechanisms	85
Box 5. Good practices in training of PES personnel	87
Box 6. Good practices on PES partnerships	89
Box 7. Good practices on PrEA supervision and reporting	92

► Abbreviations

ACPES	PES of all autonomous communities (Spain)
AI	Artificial Intelligence
ALMP	Active Labour Market Programme
ASEAN	Association of Southeast Asian Nations
BINAPENTA PKK	Directorate General of Manpower Placement Development and Employment Opportunity Expansion of the Ministry of Manpower (Indonesia)
CBO	Community-Based Organization
COVID-19	Coronavirus Disease-19
CSC	Civil Service Commission (the Philippines)
CTEP	Cambodia Team for Education Programme Organization
DOLE	Department of Labor and Employment (the Philippines)
DSDE	Department of Skills Development and Employment (Lao People's Democratic Republic)
EC	European Commission
EIS	Employment Insurance System
EPL	Employment Promotion Law (China)
ESB	Employment Security Bureau (Japan)
ESC	Employment Service Centre
ESD	Employment Services Division
ESE	Employment Service Enterprise
ESO	Employment Security Office
ESP	Employment Support Programme
EU	European Union
GAA	General Appropriations Act (the Philippines)
GDP	Gross Domestic Product
ILO	International Labour Organization
JEED	Organization for Employment of the Elderly, Persons with Disabilities and Jobseekers (Japan)
JESA	[Japan's] Employment Security Act
KEIS	[Republic of Korea] Employment Information Services
KESA	[Republic of Korea] Employment Security Act
LESA	Lao Employment Service Agency Association
LGUs	Local Government Unit (the Philippines)
LMI	Labour Market Information
LSWDO	Labour and Social Welfare District Offices (Lao People's Democratic Republic)

M&E	Monitoring and Evaluation
MHLW	Ministry of Health, Labour and Welfare (Japan)
MIDA	Malaysian Investment Development Authority
MLVT	Ministry of Labour and Vocational Training (Cambodia)
MOEL	Ministry of Employment and Labour (Republic of Korea)
MOHA	Ministry of Home Affairs (Viet Nam)
MOHRSS	Ministry of Human Resources and Social Security (China)
MOLISA	Ministry of Labour, Invalids, and Social Affairs (Viet Nam)
MOLSW	Ministry of Labour and Social Welfare (Lao People's Democratic Republic)
MOM	Ministry of Manpower (Indonesia)
MOU	Memoranda of Understanding
NCIV	National Competency of Public Employment Services (the Philippines)
NEA	National Employment Agency (Cambodia)
NEP	National Employment Policy
NESS	National Employment Support System (Republic of Korea)
NGO	Non-Government Organization
NSSF	National Social Security Fund (Lao People's Democratic Republic)
NTES	Chile National Training and Employment Service
OECD	Organisation for Economic Co-operation and Development
OSS	One-Stop-Shop
PDL	Provincial Department of Labour and Social Welfare (Lao People's Democratic Republic)
PERKESO	Malaysia's Social Security Organization
PES	Public Employment Services
PESO	Public Employment Service Office
PESOMAP	Association of Managers of Public Employment Service Offices (the Philippines)
PESSU	Public Employment Service Special Administrative Unit (Colombia)
POEA	Philippines Overseas Employment Administration
PrEAs	Private Employment Agencies
PWD	People with Disabilities
RM	Malaysian Ringgit
SEA	Spanish Employment Agency
SEF	Special Employment Fund (China)
SENA	National Training Service (Colombia)
SME	Small and Medium-Sized Enterprise
TVET	Technical and Vocational Education and Training
UI	Unemployment Insurance
UNEDIC	French Unemployment Insurance Fund
VAMAS	Viet Nam Association of Manpower Supply
WAPES	World Association of Public Employment Services

► Executive summary

Effective employment services play a pivotal role in connecting workers to decent jobs, enhancing workforce resilience, and fostering inclusive economic growth, especially in the face of the profound transformations shaping today's changing world of work.

Viet Nam is undertaking substantial reforms to modernize regulatory and institutional frameworks governing its labour market with a view to making it more competitive and efficient.

On 16 June 2025, Viet Nam's National Assembly adopted the revised Employment Law, marking a key step forward in strengthening the country's employment and labour market policies. The adoption reflects Viet Nam's commitment to inclusive, sustainable, and future-ready socio-economic development. This amended law covers key areas such as job creation, labour market information (LMI) systems, vocational skills development, public and private employment services and unemployment insurance. In the context of employment services, realizing productive employment and decent work within the framework of international labour standards is essential, particularly the ILO Employment Policy Convention, 1964 (No. 122) and ILO Employment Service Convention, 1948 (No. 88) ratified by Viet Nam as well as the ILO Private Employment Agencies Convention, 1997 (No. 181), yet to be ratified by the country.

Sweeping nationwide institutional and administrative reforms witnessed in 2025 also have implications for employment services, especially the merger of the Ministry of Labour, Invalids and Social Affairs with the Ministry of Home Affairs, from 1 March 2025, as well as the reduction in provincial-level units from 63 to 34 in July 2025. Importantly, this research report reflects the institutional and administrative structures in place prior to government restructuring from 1 March 2025.

This report aims to provide key insights from international experiences of modernizing employment services and identifies implications for Viet Nam's employment services. This analysis will also serve as a contribution as part of ILO's Decent Work Country Programme 2022–26 in Viet Nam. As such, it aims to contribute to evidence-informed decision-making in the design, implementation and monitoring of effective employment services in Viet Nam. This analysis focuses on the governance of employment services, the regulation and operation of Private Employment Agencies as well as Public Employment Services (PES) partnerships, core functions and services, management of personnel, funding mechanisms and service delivery channels.

The research compiled and analyzed regional and international policies and management of public and private employment agencies, including practices in Cambodia, China, Indonesia, Japan, Republic of Korea, Lao People's Democratic Republic, Malaysia and the Philippines and from other regions. Additional countries' experiences are presented in the annex.

Selected key findings of this research are summarized as follows:

Legal frameworks governing PES in East and South-East Asia tend to favour decentralized, open and multi-stakeholder participation in the provision of employment services. A diversity of approaches coexist in PES governance which adhere to or gain inspiration from ILO Employment Service Convention No. 088 (1948) and Private Employment Agencies Convention No. 181 (1997). Legal instruments governing employment services vary across countries, with overarching employment laws regulating employment service functions in Viet Nam as well as China, Indonesia and Lao People's Democratic Republic. In contrast, employment services functions in Japan, Republic of Korea and Malaysia are under the scope of social security or employment insurance-focused laws. PES in Cambodia and the Philippines are governed by specific PES laws or decrees.

Decentralized employment services governance systems pose tradeoffs between local responsiveness and coherence, cohesion and service standardization. Decentralized employment services networks – such as those in China, the Philippines and Viet Nam – have the advantage of greater proximity to labour markets and users, which allow flexibility in implementation, but must cope with heterogeneous capacities, approaches and quality standards. More centralized PES, such as those in Cambodia, Indonesia and Malaysia, encounter fewer challenges with homogeneous service standards, but struggle with deployment, access and coverage.

The scope of services and users in most countries has expanded from basic intermediation and LMI, to include advanced and intensive services for a more diverse set of beneficiaries. Most PES legal frameworks in the region support national employment policies and provide the basis for development of flexible and responsive strategies to address different employment needs and contexts. As such, they assist the job-ready with basic services, but also prioritize those disadvantaged in the labour market. This means PES legal mandates are increasingly incorporating broader social and economic goals in connection with labour market interventions.

PES service models in the region are converging and evolving towards integrated case management approaches. Although PES functional service areas are still often organized around basic and advanced services such as job search support, training and other benefits such as unemployment insurance claims, many PES have adopted a one-stop-shop (OSS) service model. This means job counsellors are first line advisors to assess needs and refer jobseekers to specialists under one case management approach. **Entrepreneurship and self-employment support are increasingly incorporated into PES portfolios to cushion jobseekers against long-term unemployment or weak job demand.** PES are increasingly incorporating self-employment and entrepreneurship support programmes to assist displaced workers and jobseekers with limited attachment to the labour market, as well as individuals with time constraints for regular jobs.

Diversified PES employment service delivery channels are balancing traditional in-person delivery with digital and remote services to cater for different audiences and needs. Although digital channels are ubiquitous in the region, in-person channels remain the backbone access point for employment services delivery to most jobseekers. To address the limitations of physical service points, many countries have implemented remote and itinerant services.

Despite constraints in securing permanent and adequate staffing levels, professionalization of PES personnel is increasingly evident. Some countries resort to contracting temporary PES staff to cope with budget constraints and the limited availability of job employment specialists, in the face of private sector competition for talent. **PES staff professionalization is advancing in some countries, including through collaboration with private employment agencies (PrEAs) to develop, exchange and adopt industry-validated standards for training, skills and competencies for employment services professionals.** According to international experiences, the background of PES line staff influences their effectiveness in engaging and delivering results for jobseekers.

Transparent, agile and reliable funding mechanisms are crucial for PES to achieve mandated goals. All countries face budgeting constraints to finance PES, with most relying on central government funding from national treasury budgets. Cost-sharing between national and subnational governments, creation of earmarked or contributory employment funds, and multiple independent funding streams are some strategies used regionally to finance PES. Mainstreaming employment services and Active Labour Market Policies (ALMP) in national budgets and national development plans ensures due consideration for PES budget allocations among national priorities.

PES reform efforts demand identification of needs and effective approaches from a holistic perspective. This includes governance systems that combine a strong central coordination role with responsive downstream service implementation structures. International experiences illustrate that the PES reform agenda entails addressing system-wide governance aspects including partnerships, systems modernization and internal reorganization of resources. This strengthens frontline services by automating back-end process and rolling back central responsibility over implementation, for instance in the Philippines, in favour of a steering and coordination role. **While digital technologies present opportunities for improved access and delivery of ES, they require human-centred designs and good governance of AI and other modern technologies.** Regardless of the use and choices of technological solutions, the most relevant lesson from these experiences is the need to develop a coherent framework to incorporate ethical, accuracy and privacy concerns within the overarching PES strategy of service provision to augment rather than substitute human-centric services.

Building effective partnerships with specialized agencies is crucial to delivering intensive ES. A key area is supporting target groups with complex employability barriers, including people with disabilities (PWD), citizens with criminal records, the elderly and long-term unemployed. Legal frameworks at country-level could promote such joined-up services through effective collaboration with other specialized government agencies, including health, and social assistance and development institutions to address the employability needs of these groups. **Current PES legal mandates and other government regulations enable partnerships with government and non-government organizations, including PrEAs, for implementation and delivery of services.** While PES are striving to improve collaboration with PrEAs and employers, they need to better grasp the needs and perspectives of relevant partners, including understanding the commercial motivations for collaborating with PES and how shared values and gains can be created within the boundaries of social justice, equity and fairness that underpins PES activities.

While regulatory approaches for PrEA authorization and supervision incorporate principles contained in ILO Convention No. 181 (1997), they can be enhanced to balance collaboration, compliance and facilitation of PrEA functions. In the region, laws and regulations governing PrEA authorizations and licensing are detailed, with good practices requiring PrEA applicants and staff to hold accredited certification in human resources or employment service management, and undergo a mandatory training course on country-specific PrEA legal obligations. Recognition under ILO C181 Article 7.1 that PrEAs shall not charge directly or indirectly, in whole or in part, any fees or costs to workers, requires close attention for the design, implementation and monitoring of employment services and related policies in the region.



1. Introduction and background

Viet Nam is undertaking substantial reforms to modernize regulatory and institutional frameworks governing its labour market to optimize competitiveness and efficiency. Central to these reforms is revision of the 2013 Employment Law to update Viet Nam's PES in response to socio-economic development and industrial policies centred around workforce upskilling amid the fourth industrial revolution and the country's transition to an upper middle-income economy by 2030 and a high-income, industrialized nation by 2045. This revision is critical to address challenges posed by rapid technological changes, accelerate the transition to sustainable development, and learn lessons from the COVID-19 pandemic.

To realize these gains, Viet Nam's National Assembly on 16 June 2025 adopted the revised Employment Law (2025), marking a key step forward in strengthening employment and labour market policies. The adoption reflects Viet Nam's commitment to inclusive, sustainable, and future-ready socio-economic development. This amended law covers key areas such as job creation, LMI systems, vocational skills development, public and private employment services and unemployment insurance. In the context of employment services, realizing productive employment and decent work within the framework of international labour standards is essential, particularly the ILO Employment Policy Convention, 1964 (No. 122) and ILO Employment Service Convention, 1948 (No. 88) ratified by Viet Nam as well as the ILO Private Employment Agencies Convention, 1997 (No. 181), yet to be ratified by the country. Key articles in the reform address critical functions related to the operation, management and roles of Viet Nam's Employment Service Centres (ESC), Employment Service Enterprises (ESE)¹, skills development and management of LMI.

The Employment Law (2025) strengthens the employment service system—public and private—by expanding its mandate to actively connect jobseekers with job opportunities, provide career counselling, deliver recruitment and placement services to employers and support reskilling and upskilling efforts. It defines employment services to include job counseling and placement, labour supply and recruitment, LMI, and skills training. These services are delivered by public employment service centres and licensed private employment service enterprises. Public centres are mandated to provide free services to jobseekers and employers, along with administering unemployment insurance (UI). All service providers must meet specific legal requirements regarding infrastructure, personnel, and licensing. PES, through public employment service centres, will continue to serve as the primary contact point for receiving and processing UI claims. They will also assist jobseekers with job search processes and monitor compliance with periodic job search reporting requirements.

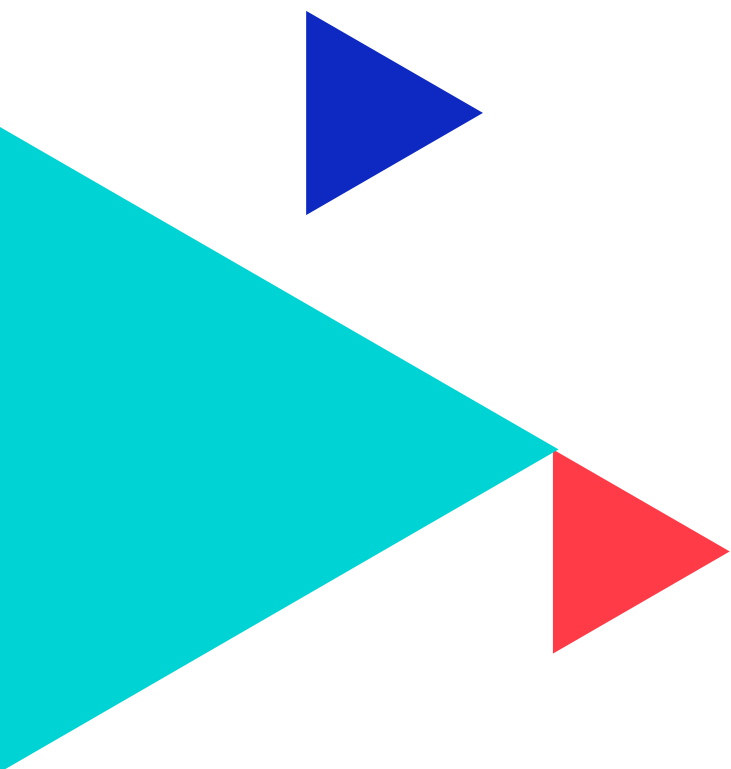
Among the most notable changes are provisions concerning adopting policies for job creation in the digital and green economy, support for PWD, women, the elderly and ethnic minorities, in step with job creation in rural areas, employment formalization and policies to respond to economic crisis, natural disasters and pandemics.

In summary, the Employment Law (2025) marks a pivotal step in Viet Nam's efforts to modernize its labour institutions and aims to strengthen PES to contribute to a more inclusive, resilient, and efficient labour market, capable of supporting Viet Nam's socio-economic development goals.

¹ Under Employment Law (2013), ESC are public non-business units established by State management agencies or socio-political organizations, and must be established under the Prime Minister-approved master plans and satisfy prescribed conditions on physical foundations, equipment and staff (Article 37). ESE are established under the Law on Enterprises and must possess a valid employment service license granted by the provincial-level State management agency in charge of employment.

To support the realization of these goals, this research analyzed regional and international policies and management of PES and PrEA, including practices in Cambodia, China, Indonesia, Japan, Republic of Korea, Lao People's Democratic Republic, Malaysia and the Philippines and from other regions, including Africa, Europe and Latin America.

The analysis is organized in seven sections covering different aspects of the regulatory framework, functions, management, operations and financing related to public and private employment services. The primary objective is contributing to an informed discussion and analysis by authorities and relevant stakeholders towards optimizing Viet Nam's employment services and guiding the effective operationalization of the Employment Law (2025). In addition, the analysis is intended to serve as a reference point of good practice for other countries in the region.



2. Scope and methodology

The analysis presented in this report covers the legal, administrative and policy dimensions of employment services in selected East and South-East Asian countries and some other regions (see Annex 1 & 2). It was developed using available primary and secondary online sources from official sites of selected countries' governments, primarily those of PES and national labour, employment or social security authorities.

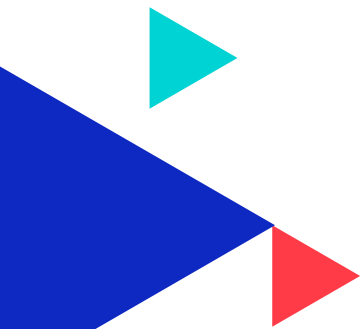
In addition to these primary sources, a desk review was conducted covering national and international reports, briefs, and technical notes on PES from the ILO, Asian Development Bank, Organisation for Economic Co-operation and Development (OECD) and the World Bank, amongst others. To ensure the relevance and utility of information, no sources prior to 2014 were used.

To supplement the desk review, semi-structured online interviews were conducted with representatives from institutions in charge of PES, including with officers from the National Employment Agency of Cambodia, BINAPENTA, MOHRSS, PERKESO and the Special Administrative Unit of the Colombian Public Employment Service.

The analysis sought to identify both trends as well as good practices in policies and practices in seven main topics: governance, regulation of private employment agencies, management of partnerships, type and range of services, management of PES staff, funding and budgeting mechanisms as well as service channels. Each of these topics was boiled down into sub-sections to analyze regulations, policies and draw good practices from the region and beyond.

The selection of eight focus countries from East and South-East Asia provides a regional perspective to account for institutional similarities as well as a mix of emerging economies with a variety of governance systems and levels of development to account for differences in labour market practices and policies relevant to Viet Nam. Other countries' practices from the region and further afield (Africa, Europe and Latin America) were also analyzed to spotlight relevant good practices and key trends, including similar reform efforts in Colombia and Spain. This pertinent information can inspire improvements and reforms in Viet Nam and regionally.

Limitations encountered included availability of official data and comparable statistics, as well as language differences in names and precise denominations of programmes or institutions. In addition, as interviews to corroborate or expand on secondary or indirect data sources were only feasible with half of the countries under analysis, the effective retrieval and reporting of information was not always possible.





3. Governance of employment services

Governance of employment services encompass both the regulatory framework and resulting organizational structures and practices implementing employment services within the scope of certain employment policy goals and strategies (Avila and Rodriguez, 2021). These legal or statutory mandates define an array of policy issues that employment services can address, whether labour shortages, skills gaps and mismatches, frictional unemployment or social welfare, amongst others. Addressing such issues depends on factors, such as political consensus or government institutions' labour market role as well as government centralization or decentralization and respective administrative impacts on institutions.

A recent ILO global report on PES examined governance systems from three angles: autonomy including legal status, decentralization and management structures (ILO, 2023b). To identify trends and draw good practices in employment services governance, the following analysis will cover these three dimensions for countries under review and good practices from others beyond the region.

Regulatory approaches governing PES: autonomy, centralization and decentralization

In terms of the regulatory framework and legal status, the region is heterogeneous in both type of instruments governing ES, and the degree of autonomy and decentralization since regulatory approaches show important variations among countries, reflecting inherent differences in legal systems. In Japan, Republic of Korea and Malaysia, employment services are regulated under laws governing social security or unemployment insurance systems, signaling the important role and linkages between employment activation measures, including reemployment and retraining, with social welfare.

China, Indonesia and Lao People's Democratic Republic, on the other hand, regulate employment services activities within the broader scope of overarching labour or employment laws. This is also the case in Viet Nam through its 2025 Employment Law, which generally provides a broad description of the authority, roles and activities of ES, supplemented by guidelines, directives or ministerial decrees detailing other aspects of employment services management. This approach offers the advantage of a more flexible regulatory framework, which can be updated periodically and is responsive to changes in the economic and social context via secondary regulations.

Cambodia and the Philippines adopt a different regulatory approach through specific laws (Public Employment Service Act in the Philippines, and Royal Decree No. 67 on the National Agency for Employment in Cambodia) that details the employment services roles, responsibilities and management in these two countries. This approach seemingly offers advantages in terms of greater visibility and institutional relevance of employment services as government bodies are specifically charged with delivering a set of labour market and employment policies.

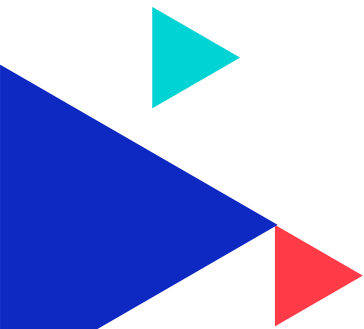


Table 1. Legal instruments governing PES in focus countries

Country	Legal framework or instrument
Cambodia	Royal Decree No. 67 on the establishment and launch of the National Agency for Employment as a special agency under the Ministry of Labour and Vocational Training (MLVT). Its main goals: provide LMI and occupational guidance and training (pre-employment).
China	Employment services are regulated by the Employment Promotion Law (2007), Chapter IV on Employment Services and Management. Employment Contract Law of 2007 (reformed in 2012) (Genghua, L. ILO, 2013) and Government Procurement Law of 2002 (Avila, 2018) also underpins the regulation and operation of employment services intermediaries.
Indonesia	Law N. 13 (2003) on Manpower Affairs in Chapter VI concerning Labour Placement. Regulation of the Minister of Manpower No. 39 (2016) concerning placement of labour.
Japan	The Employment Security Act governs the organization and operations of ES.
Republic of Korea	Employment Security Act (Article 3) states the government has a duty to direct and supervise job placement services. Article 11, Framework Act on Employment Policy. The State shall establish and operate ESO by region.
Lao People's Democratic Republic	Labour Law (N.43) of 2013 , Section III of Chapter 1, addresses participants and their responsibilities within a national recruitment system.
Malaysia	Employment Insurance Act 800 (2017) , Article 67 on functions of employment services officers, including reemployment placement programmes with job searches, counselling, matching and placement, career advice and vocational training to analyze and collect LMI.
The Philippines	Public Employment Service Office is governed by the Public Employment Service Office Act No. 8759 (1999) and its reform in 2015 through the Republic Act 10691.
Viet Nam	Employment Law No. 74/2025 provides regulations on the management, organization, and operation of employment service centres and employment service enterprises (Articles 27 and 28).

Source: Authors

These differences are also derived from the inherent conceptualization of duties as part of each country's employment policy. In **Japan, Republic of Korea** and **Malaysia**, PES is viewed as supporting the broader social security system.

In **Japan**, Article 8 of the Employment Security Act defines PES offices as agencies that serve the public free-of-charge, providing employment placement, vocational guidance, and employment insurance. In **Republic of Korea**, employment offices, which constitute the backbone of PES, are conceived as local employment and labour administrative agencies carrying out employment services, such as job placement and vocational guidance.

In **Malaysia**, according to Article 67 of the Employment Insurance Act of 2017, the functions of the Employment Services Division include conducting reemployment placement programmes, encompassing job searches, counselling, matching and placement, career advice, vocational training, and LMI.

In **China** and **the Philippines**, employment services is seen as playing a broader role in the efficient functioning of the labour market. China's Employment Promotion Law conceives PES as contributing to an orderly, competitive, and open human resources market through provision of free-of-charge services encompassing LMI, vocational guidance and referrals for jobs to jobseekers.

In **the Philippines**, the legal mandate of PES is to contribute to the strengthening and expanding employment facilitation service machinery of the government particularly at the local level in support of full and equal opportunity employment policy, specifically through facilitating job search assistance and LMI.

ES-focused laws in **Cambodia, Indonesia** and **Lao People's Democratic Republic** provide a narrower view of employment services based on specific functions, including LMI, job searches, referrals, placement and training. Viet Nam's PES governance framework is closer to this group of countries, although in practice concentrates a great deal of efforts and activities in support of unemployment insurance policy through supporting registered jobseekers. The Employment Law (2025) provides a broader mandate for employment services to contribute to overall labour market efficiency.

Autonomy and decentralization

Administrative configuration of employment services derived from different regulatory paradigms results in differences in autonomy and decentralization of employment services networks in each country. Decentralization refers to the degree of involvement, delegation and devolution of authority from the national to subnational and local levels of government in the management and delivery of ES.

Autonomy refers to the degree of alignment or flexibility of employment services pertaining to administrative, budgetary and policy decision-making, from which (ILO, 2023a), four legal-administrative practical configurations of employment services can be identified: 1) line departments or divisions reporting to corresponding national employment or labour authorities, 2) semi-autonomous public entities with separate legal status and budget independence, 3) independent employment services managed by boards of directors often with participation of social partners more prevalent in European countries and 4) a network or ecosystem of employment services providers of different legal status, steered through central guidelines, standards and directives.

In the region, the majority of employment services governance systems fall within the first category with moderate to highly decentralized systems. Viet Nam's Department of Employment, China's Employment Promotion Department and the Philippines' Bureau of Local Employment responsible to the Public Employment Service Office (PESO), Indonesia's BINAPENTA, and Lao People's Democratic Republic's Department of Skills Development and Employment fit the first model of line departments or bureaus reporting to respective ministries of labour. However, their legal frameworks prove more decentralized, in terms of the flexibility and power each legal system grants to subnational or local authorities in PES network management.

The **Republic of Korea's** employment security offices (ESO) also fit the first model, but with caveats as they depend on the Ministry of Employment and Labour (MOEL). Employment services is less decentralized with local level job centres operating semi autonomously, but under MOEL supervision and financing. The

Employment Security Act provides that the establishment and operation of ESO are the duty of central government (Yang, 2015).

Lao People's Democratic Republic Labour Law (N.43) of 2013 addresses participants and their responsibilities within the national recruitment system, which grants recruitment network management and supervision responsibilities to the Department of Skills Development and Employment (DSDE), as well as to the Provincial Department of Labour and Social Welfare, which acts as its mirror structure.

Indonesia's Ministry of Manpower (MOM), through the Directorate General of Workforce Placement Development and Expansion of Job Opportunities, sets employment services policy and ensures coordination. However, direct authority rests with regional governments of 34 provinces, that are familiar with local labour market conditions.

Malaysia's Employment Services Division (ESD) is in charge of employment services and as well as Cambodia's National Employment Agency fall more broadly in the second category of semiautonomous agencies with separate legal status, albeit still aligned in terms of policy to their parent ministries. For Malaysia's ESD, it is aligned with the Social Security Organization (PERKESO), a statutory corporate public body managed under a Board of Directors reporting to the Ministry of Human Resources as per the Employment Insurance Act. In the case of Cambodia's National Employment Agency (NEA), it reports to the MLVT. Both countries are among the least decentralized regionally in terms of delegation and devolution to subnational authorities regarding PES management. In Cambodia, front office job centres can be set up by NEA headquarters, including for budgeting appropriations. In Malaysia, PERKESO's board can establish regional and local offices.

China and **the Philippines** are good examples of decentralization. In **China**, the MOHRSS is the peak national body and its Employment Promotion Department is responsible for ES, delivering national policy objectives and guidance, and supervising and evaluating PES activities (Finn, 2020), while allowing subnational (Human Resources and Social Security departments at provincial level) and local levels of government (cities, townships, counties and villages) to set up and manage PES agencies specifically for implementation and service delivery (Avila, 2018). The MOHRSS sets overarching policy objectives, issues administrative regulations and directives to govern the employment services system, while provincial Human Resources and Social Security departments supervise and evaluate PES activities in townships, sub-districts, and communities (Avila, 2018). In the **Philippines**, post-2015 reforms to the Employment Service Act mean local government units have replaced the Department of Labor and Employment's (DOLE) Local Employment Bureau in operating and maintaining PES offices. Importantly, DOLE's regional offices provide coordination and technical supervision, with DOLE guiding the national public employment service network.

Figure 1. Degree of autonomy and decentralization of PES in selected countries

Autonomy	+	Cambodia Malaysia	Belgium Spain
	-	Korea Japan	China Philippines Indonesia Lao PDR
		-	Decentralization +

Source: Authors

Management structures, authorities and accountability of PES

PES management structures, authorities and levels accountability present a variety of practices in the region. However, employment services structures and authorities can be analyzed from the perspective of how atomized or unitary these systems are in terms of authorities involved and the reporting lines, as well as the size and openness of the network to participants outside of traditional PES providers. In other words, is it a purely public or mixed employment services system with participation of non-government employment services providers.

For reference, Article 2 of ILO Employment Service Convention No. 088 (1948) provides guidance on the matter, stating: *"The employment service shall consist of a national system of employment offices under the direction of a national authority"*. While many countries follow this arrangement of network offices under the leadership of a national policy-setting authority, there are some important variations. Two-tier systems are common in many countries, consisting of a national headquarters and a network of exclusively publicly-funded and managed Employment Services Centres (ESCs) located at subnational or provincial levels, directed either by national or provincial labour authorities, as is the case for Cambodia and Malaysia.

In **Cambodia**, the NEA headquarters located in the capital is organized into four units (administration and finance, planning and cooperation, information systems management and information collection and dissemination), which provide support services, including budgeting, procurement, management, planning and evaluation and digital systems to 13 ESCs, one in each province capital, and another ESC attached to NEA headquarters, plus seven mobile ESC. Each of these 14 front offices, also referred to as one-stop service centres, report to the NEA's Administration and Finance Unit and are organized into: 1) registration, job matching and job referrals, 2) information collection and dissemination, 3) career guidance and counselling and 4) administration, finance and planning.

Malaysia has a two-tier employment services model, with the ESD reporting to the Employment Insurance System (EIS) office head within PERKESO. The ESD director supervises 54 employment services branches across Malaysia's 14 states, and 293 satellite offices set up in partnership with other public entities and ministries. Each state has its own directors that report to local government and onto the ESD of PERKESO central office.

China and **the Philippines** have a more atomized, loose and diverse network of employment services providers, with up to five layers of responsibility akin to the current configuration in Viet Nam. For instance, **China** exhibits a highly atomized and open system in terms of participants in the provision of employment services. A five-layer system of governance coordinated by the Ministry of Human Resources and Social Security's Employment Promotion Department, is comprised of community, county, prefectures, provinces and the national level taking part in the employment services network with an estimated 12,000 public service points and 20,000 private employment agencies (Avila and Guangzhe, 2018).

At the same time, given the challenges in coverage for China's extensive territory and population, the Employment Promotion Law of 2007 (Article 33) mandates that governments at or above the county level shall encourage all sectors of society to *"carry out activities in the service of employment in accordance with law, provide better guidance in and exercise stricter supervision over public services for employment and the services provided by job intermediaries."* Under this legal framework in China, frontline PES services are carried out by employment and social security offices in larger cities and through diverse employment service access points, including being contracted out to a variety of private and non-profit organizations.

In the **Philippines**, a central PESO coordinates more than 600 institutionalized PESO offices, while local government units (LGUs) in charge of PESOs in municipalities and cities report to the regional

DOLE office and onto headquarters. Besides, different organizations and entities are authorized to participate and set up employment service offices at the local level, including LGUs, NGOs, CBOs, and educational institutions.

Republic of Korea and Japan have unique structures that balance standardization, accountability and participation of employment services providers under a subsidiary approach with local authorities. In **Japan**, under Article 6 of the Employment Security Act (JESA), the Employment Security Bureau (ESB) reports to the Ministry of Health, Labour and Welfare (MHLW) and operates public ESOs, which offer re-employment assistance, unemployment insurance benefits and public training programmes. Local PES offices, commonly known as “Hello Work” offices, are managed by the ESB through its Prefectural Employment Security Bureaus (OECD, 2015). The JESA’s Article 11 grants jurisdiction to municipal mayors over areas designated by the MHLW as challenging for deployment of ESO and *“acts as an intermediary to relay applications to post job openings from places of business located in designated areas and job-search applications from jobseekers residing in designated areas to the public security office concerned.”* The 47 Prefectural Labour Bureaus ascribed to the ESB and prefectural government entities have increased cooperation in recent years to expand their role in providing employment services under a series of measures. The current network consists of 544 ESO to assist specific types of jobseekers in finding employment (Hamaguchi, 2022). The employment services network is open to participation of other service providers, including educational institutions, according to Articles 26 and 27 of JESA.

The Republic of Korea has a three-tier system including local level job centres under MOEL, responsible for managing employment policies and setting PES guidelines. As mandated by the Employment Security Act (KESA), the establishment and operation of ESOs are the duty of central government (Yang, 2015). The KESA also establishes that the head of each local government may, if necessary, provide domestic job placement, vocational guidance or information services to employers and jobseekers, especially people in vulnerable situations (Articles 4 and 11). This means job centres coexist alongside other smaller and targeted employment offices under other ministries’ or local governments’ spheres of responsibility. Municipalities also support the MOEL by providing job placement and vocational training services at the local level. The MOEL coordinates with various government agencies, private and non-governmental organizations, which also provide employment services under MOEL supervision, resulting in a network of 86 MOEL job centres, 234 local employment agencies, 140 occupation centres for women, seven centres for veterans, 98 welfare plus centres and 258 self-service centres.

Indonesia and Lao People’s Democratic Republic employment services networks, on the other hand, sit between openness and atomization. With Indonesia, the MOM’s Employment Service Centres (ESC) are deployed in every province and supervised by the Directorate General of Workforce Placement Development and Expansion of Job Opportunities (BINAPENTA). Each ESC in the province, district and city has its own authority to conduct labour placement services, but within compliance of MOM guidelines. Article 37 of Law No. 13 (2003) states that providers of labour placement services can include the government institution responsible for labour as well as statutorily (corporate) registered private institutions.

In **Lao People’s Democratic Republic**, the DSDE of the Ministry of Labour and Social Welfare (MOLSW) is responsible for PES. A total of eight job centres are housed under the Provincial Department of Labour and Social Welfare and one Skill Development Centre located in the Municipal Labour Social Welfare Department in Vientiane. Articles 30 and 34 of Labour Law (N.43, 2013) define the authorities and stakeholders that participate in the national recruitment network service, which includes village level labour units and social welfare, district level recruitment centres, provincial, municipality level recruitment centres and recruitment enterprises.

Viet Nam’s ES-related legal framework can be considered a mix of those that regulate within the broader scope of employment laws as in China, Indonesia and Lao People’s Democratic Republic, but also reflect strong social security system linkages as is the case in Republic of Korea, Japan and Malaysia (Table 2).

Table 2. Levels of government and openness of PES networks in focus countries

Country	Tiers/levels	Government levels involved	Openness	Participants
Cambodia	2	National and provincial	Moderate	Public and NGO-run ESC
China	5	National, provincial, prefectures, county, and township	High	Public, NGO, private employment services providers and education institutions
Indonesia	4	National, province, district, city	Moderate	Public and private ESC
Japan	3	National, prefectures, municipalities	High	NGO, private, and education institutions
Republic of Korea	3	National, provincial, municipal	High	NGO, private, education institutions
Lao People's Democratic Republic	4	Village, district, municipal, provincial	Moderate	Public, private, skills development centres
Malaysia	2	National, State	Low	Public
The Philippines	4	National, provincial, municipal, city-village	High	Public, NGO, CBO, education institutions

Source: Authors

PES service standards: Non-discrimination, transparency and quality assurance

Implementing principles related to free and equal access, non-discrimination and transparency also falls under the governance dimension of employment services. Stewardship and enactment of these principles are widespread incorporated in the employment services legal frameworks and practices regionally. Initiatives endorsed or supported by large corporations favouring equal opportunity in employment are also common (ILO, 2022).

ILO Employment Service Convention 088, Article 1 outlines that ILO member states maintain or ensure the maintenance of a free public employment service. While Viet Nam as well as Indonesia, Japan, Republic of Korea, Malaysia and the Philippines have ratified Convention 088, Cambodia, China and Lao People's Democratic Republic have not. However, in the case of China, Article 37 of the Employment Promotion Law establishes the principle of not charging fees for jobseekers and users of employment services, while Article 39 sets general principles for conducting employment intermediary services, such as lawfulness, fairness and openness.

In **Indonesia**, Article 38 of Law No.13/2003 on labour affairs prohibits [government-run] a labour placement service provider from collecting placement costs, directly or indirectly, partly or wholly from labour users. In addition, BINAPENTA and ESC follow strict rules pertaining non-discrimination based on constitutional and legal mandates applicable to job placement, particularly with regards to PWD, elderly and women jobseekers. Articles 5 and 32 of Law No. 13/2003 state: *"Every worker shall have equal opportunity to obtain a job without discrimination and that placement shall be done on the basis of the transparent, free, objectives as well as just and equal non-discriminatory principles."*

Japan's JESA, in Article 3, establishes that: *"No person is treated discriminatorily in terms of things such as employment placement or vocational guidance on the grounds of race, nationality, creed, sex, social status, family origin, previous profession, labour union membership, or any other such characteristic."*

Similarly, in the **Republic of Korea**, Article 2 of KESA states: *"No person shall be treated discriminatorily in job placement, vocational guidance, or decision on employment relations, on account of gender, age, religion, physical conditions, social status, marital status, or any other relevant factor."*

In the **Philippines**, the PESO Act 8759 states that: *“The State shall promote full employment and equality of employment opportunities for all.”*

Malaysia’s MyFutureJobs website, a digital employment services one-stop shop set up by PERKESO in 2020, includes an explicit statement regarding the commitment to diversity and inclusivity, with emphasis on PWD: *“We believe in breaking down barriers to employment, providing tailored support, and creating opportunities for every individual to thrive in the workforce. Our inclusive approach ensures that everyone, regardless of their abilities, has the chance to contribute their unique talents and skills to the workplace.”*²

Notwithstanding these regional employment services principles and regulations to pursue and ensure equal access and opportunity for all users, the level of decentralization in many employment services networks may create compliance challenges. However, there are some examples to note on translating policy into practice with regards to equal access and non-discrimination.

In **China**, these policy principles translate into specific practices, such as ESC being located on ground floors with accessible parking, and sign language interpretation on demand. PES also partner with ESCs set up by specialized public or quasi-public entities operating employment centres dedicated to PWD, such as those managed by the Chinese Disabled Persons’ Federation (Hempel and Hauschild, 2024). Another such example is the Selective Placement Division, ascribed to the Department of Labour of the Government of the Hong Kong, China, that consists of a specialized unit offering free recruitment services, job counselling and job search assistance to jobseekers with different types of disabilities.

In **Cambodia**, to address the employment needs of PWD facing mobility challenges and other target disadvantaged populations, the NEA set up seven mobile employment service units for those who cannot commute to fixed ESC locations. Other extra regional examples include Australia’s Disability Employment Services and Ireland’s EmployAbility, both provided by third party organizations commissioned to provide special job support services to PWD, including job-readiness assessment, job counselling through individual caseworkers, and job search support. In various EU countries, jobseekers with disabilities are channeled to specialized caseworkers to assist them on a personalized case-by-case basis (Ouch, 2023).

Employment service quality assurance

As for the quality of services across regional employment services networks, different challenges emerge based on size and level of decentralization and plurality of participants. In the majority of cases, quality assurance and service standardization is pursued through the issuance and monitoring of standard operating procedures, such as Cambodia’s employment services front offices.

In **Japan**, according to JESA’s Article 32, the MHLW may establish standards concerning the performance of operations for free employment placement services. Article 48 adds the MHLW may give a provider of employment placement services necessary guidance to ensure appropriate administration of its operations. As a result, the national ESO network is capable of immediate responses to challenges (MHLW, 2014).

In the **Republic of Korea**, Article 5 of KESA similarly mentions the MOEL may certify an institution (non or for profit) “which has facilities and equipment that may be conveniently used by employers and jobseekers and contributes to the improvement of employment services for such job offerors and jobseekers by means of job placement services, employment information services, as an institution providing outstanding employment services.” Malaysia follows a similar approach with a uniform service quality across its employment services network, by issuing guidelines and standard operating procedures that every ESD branch must follow, with some flexibility per local context.

² PERKESO MyFutureJobs <https://myfuturejobs.gov.my/>.

Reviewing, evaluating and reforming PES

PES networks in each country should be reviewed in response to important labour market changes or when the PES authority deems assessments of pilot innovations necessary, according to Article 3, of ILO Employment Service Convention No. 88. In recent years several countries in Africa, Asia and Europe have revised and reformed different aspects of PES networks, as a result of labour market changes driven by different factors, such as the COVID-19 pandemic.

Thailand's Department of Employment, for example, used ILO's PES scan methodology (ILO, 2021), to examine its PES Action Plan before launching a pilot initiative in five provincial employment offices. This scan explored PES performance metrics and customer satisfaction, employer engagement and efficiency of internal processes to eliminate task redundancy in the system.

Some African countries such as Kenya (ILO, 2021a), Uganda (ILO, 2022) and Nigeria (ILO & GIZ, 2022) in recent years have conducted similar comprehensive reviews to identify areas for PES reforms. The World Bank considers three important steps to reforming PES: onboarding employers, expanding service access by digital and physical channels and promoting partnerships (Mazza, 2017). In the European Union, PES reforms have been on the agenda since the early 2000s, including performance-based evaluations, increasing service quality, needs identification and profiling for better targeting and tailoring of interventions, integrated approaches for territorial coverage, promoting partnerships, retraining of PES staff, fostering individualized approaches and personalized services as well as implementing service delivery channels based on digital technologies (EU, 2009).

To optimize any PES assessments or reforms, it is vital that these efforts are launched from a solid platform of evidence-based analysis, which in turn requires that PES develops and maintains performance indicators and measurement systems (Box 1, Annex, offers examples of good practices regarding PES reform and modernization).

In the region, **China** has been at the forefront of PES network reforms since 2015, when integration of resources and service connection was achieved at provincial and municipal levels, gradually moving towards a computer-based system, a nationwide standardized service processes, and retraining and professionalization of staff (Avila, 2018). The MOHRSS has promoted service improvements through assessments of customer experience of the system, commissioning independent evaluations and piloting innovations, which has resulted in national guidance that offers a plan for provincial and local governments to accelerate PES development, service improvement and encouraging innovation in online services and development of contractual partnerships (Finn, 2020).

In **Cambodia**, the planning unit collects and analyzes work output data obtained from all relevant areas on an annual basis through reviewing, monitor and evaluating the quantity and quality of work.

The **Republic of Korea's** PES conducts an annual assessment of all employment services providers on a five-level scale. The organizations that receive the lowest ratings are not permitted to continue service delivery the following year, while those achieving the highest rank may be awarded 'outstanding' status. Local labour office and job centres performance is based on a set of input-output quantitative metrics that measure job centres' self-defined goals for each performance indicator. These goals are then evaluated to assess the degree to which such goals were met. With this data, an evaluation committee visits each office to undertake qualitative assessments. Through an online database, the KEIS Evaluation Centre gathers real-time information on services delivered by the agencies, providing monthly and yearly data.

In **Malaysia**, PERKESO monitors performance indicators on a monthly basis, including indicators based on percentage increases or decreases in new employers registered, jobseekers, and job placements. Monthly results are published in online dashboards in the PERKESO website. These targets are crucial to meet the MOHR's mandate and are adjusted based on previous performance. Individual placement targets are also set for employment officers. In the case of job vacancies, each ESD branch must measure the number of vacancies registered on the MyFutureJobs website based on supply and demand.

Governance conclusions and recommendations

From the analysis of PES governance systems and practices across the region and beyond, a common approach emerges: central government entities hold control of employment services to retain policy guidance, standards settings and M&E of PES, while some aspects of delivery, management and implementation are decentralized to sub-national and local governments.

One key advantage of the former approach, as China demonstrates, is placing PES as a central player to achieve wider and overarching national employment objectives, which in turn requires an enhanced status and resource endowments available to PES. As with Japan, while employment services system linkages with social welfare and EIS helps to better fulfill social equity objectives and offer a safety net to those displaced from the labour market, it may also carry administrative costs and bias the system towards assisting eligible EIS beneficiaries, unless a sound functional and efficient system is in place. In the context of Viet Nam's modernization of its employment regulatory framework, it may be worth exploring whether to separate these functions with PES fully concentrated on managing ALMP and basic and advanced ES.

The Colombian model (Annex 1) steers a network of national and subnational, public and private employment services providers, each operating with its own resources and capabilities, but under strict centrally-defined and supervised policies and standards.

These approaches offer the advantage of more flexible and responsive local implementation that can be adjusted to each PES constituent according to local circumstances, but at the same time have uniform quality through national guidance and technical support, with the additional advantage of periodically updating policies based on economic and social changes through secondary regulation and guidelines. This will require developing sound and effective monitoring and communication mechanisms and internal employment services network management systems, as per PES operational in China and the Republic of Korea.

4. PES core functions and services

PES core functions are outlined in ILO Employment Service Convention No. 088 (1949), with Article 6 enumerating these basic functions assigned to PES, and its users, which primarily encompass, in a broad sense, workers and employers.

Job intermediation, expressed in the Convention as “recruitment and placement” is central to the functioning of PES. It stipulates that PES have the responsibility to “*assist workers to find suitable employment and assist employers to find suitable workers*”, register applicants for employment and “*take note of their qualifications and experience*”, conduct skills assessments, provide vocational guidance and training, register employers’ job vacancies, refer suitable job applicants to employers and facilitate mobility of workers whether across industries and countries.

In addition to these intermediation and activation functions, Convention No. 88 also tasks PES with LMI responsibilities, with activities to “*collect and analyze information on the situation of the employment market and its probable evolution*”.

Finally, Convention No. 88 also envisioned a role for PES in assisting with the administration of unemployment insurance and other measures for the unemployed, thus linking PES not only with promotion and management of ALMP, but with passive and welfare measures too.

In the present, PES in general have not only retained these basic functions, but expanded as the labour market becomes more complex to include interventions in the promotion and direct creation of job opportunities, reducing informality, labour market adjustment measures (WAPES, 2015) and increasingly more intensive services for persons in vulnerable situations unable to obtain employment through core services alone (Andersen et al, 2015).

In an international survey of 94 PES conducted by ILO in 2021 (ILO, 2023b), 90 per cent reported performing basic services that included job search support, career guidance and LMI, corroborating the essential core function with job intermediation. However, almost 60 per cent of PES worldwide also reported providing more advanced services such as entrepreneurship and self-employment support, which confirms a trend in terms of the diversification and sophistication of services and target beneficiaries of modern ES.

In the region, all analyzed PES had a mix of basic and advanced or intensive services in their portfolio, but not all PES managed unemployment benefits.

PES target beneficiaries, outreach and promotion

In **China**, Articles 32 and 35 of the EPL mentioned workers or jobseekers in general, but underscored disadvantaged populations such as retrenched workers, women, PWD and recent graduates as key recipients of free-of-charge PES. In addition, the EPL mentioned that PES must encourage employers to use its services (Avila and Tian, 2018). Outreach efforts are not mentioned in the legal framework, but the Chinese Government relies on its vast network of service points such as ESC at village, community, subdistrict and township levels as the main tool for reaching employment services users. In addition,



PES undertake several scheduled national events for the promotion of its services among different target groups, including large job fairs aimed at students in collaboration with educational institutions in specific months on an annual basis (Avila and Tian, 2018).

Cambodia segments its beneficiaries into three main target groups: employers, jobseekers and training providers, due to the NEA emphasis on providing vocational training. In terms of outreach mechanisms, the NEA web page³ constitutes the main outreach platform with more than eight million visitors. In addition, NEA uses popular commercial social media platforms for outreach efforts to promote services and convey public information.

In **Indonesia**, Law No. 13/2003 regulates employment services activities and states that placement services provided by BINAPENTA must be under an equal access rights principle for all citizens. Notwithstanding, some workforce segments are highlighted as priority target groups, such as Indonesian migrant workers, PWD, women and young jobseekers. Outreach efforts are conducted using different tools and platforms, including large-scale regional job fairs, SIAPKerja⁴ website, social media, as well as BINAPENTA service points.

In **Japan**, similar to Indonesia, the legal framework established that all jobseekers are entitled to use ESO (Hello Work) services under a similar equal access principle (Articles 1, 2 and 3). However, Article 16 of the JESA specifically mentions the MHLW may establish necessary standards for implementing employment placement and vocational guidance for physically or mentally disabled persons, new jobseekers, middle-aged and older unemployed persons for whom special considerations must be made to obtain employment. Hello Work offices also specialized in providing services to displaced worker beneficiaries of UI, as well as young jobseekers (OECD, 2015).

Hello Work's offices and brand are well positioned and recognized by most jobseekers in Japan, making it the preferred job search service option in the country, as its placement services are regarded as effective by the type of jobseekers it serves (OECD, 2015). Hello Work also serves employers through a combination of job placement services, employment insurance and employment measures (MHLW 2014).

In **Republic of Korea**, registration with MOEL job centres is mandatory for jobseekers under the EIS to claim benefits and ESC service points, with MOEL websites part of PES outreach tools. In addition, employer targeted outreach identifies potential employers in need of workers. This activity is carried out by a "job opening search team" created in 2016, in charge of spotting businesses that offer employment opportunities (MOEL, 2021). Employment services is open to all jobseekers, but unemployment insurance beneficiaries are a key priority for MOEL job centres. Article 18, the KESA also mentions specific users of placement services with special needs, such as PWD and recent graduate students.

In **Lao People's Democratic Republic** the pool of clients serviced by ESC is focused on jobseekers registered as unemployed. Labour Law No. 43/2013, Article 33 mentions persons in vulnerable situations as priorities for job creation opportunities, including women, PWD, and the elderly. In terms of outreach, job fairs and social media are important channels to reach employers and jobseekers.

In **Malaysia**, users of PERKESO ESD offices include primarily beneficiaries of EIS, students, employers, women, retrenched workers, PWD and ex-criminal offenders. PERKESO uses commercial social media platforms for promotion and outreach.

In the **Philippines**, Republic Act 8759 of 2000 (amended by Republic Act 10691, 2015) identifies jobseekers and employers as key users of PESO services, while Article 6 mentions students and out-of-school youth as recipients of PESO programmes and activities. Other target users include migrant workers and PWD. In terms of outreach activities and tools, regulations issued by DOLE under Department Order 157-16 stipulates that each local PESO must conduct market activities and promote its services, through all forms of media, to all labour market clients.

³ The page is: <https://nea.gov.kh/>

⁴ The page is: <https://siapkerja.kemnaker.go.id/>

In terms of practices related to outreach, as a global ILO report based on responses of 64 PES worldwide (ILO, 2022b) shows, most use a blend of outreach tools and strategies, but the pandemic provided the thrust for a more vigorous adoption by PES globally and regionally, of digital technologies such as web-based portals, mobile apps and social media to reach users, specially youth. In the region, according to the ILO report on PES technology use to promote youth employment, China, the Republic of Korea and Japan have strong digital strategies, particularly to engage youth, while Viet Nam is developing necessary elements of such a digital strategy (ILO, 2023c).

Basic functions and services: career guidance, job search assistance and LMI

ES basic functions are underpinned by legal mandates and respond to strategic roles assigned as instruments to support wider employment policy. Such policies can entail different goals, in some cases placing a greater value on building skills for the longer term so-called ‘train first’ strategies. In other cases, they aim at quick activation and reducing unemployment in the short term or ‘work first’ strategies, according to the European Commission.

In general terms, core PES services involve brokerage or matching jobseekers with job opportunities, which require registration of jobseekers and employers’ job vacancies, management and dissemination of LMI as well as job search support and career counselling (WAPES, 2015; Mazza, 2017a). In broader terms, helping labour markets adjust to changes, solving skills misalignment, building and sustaining skills and competencies are functions often assigned to PES (Andersen et al, 2015). PES are also responsible for ALMP to support workers and jobseekers to remain connected to jobs, building skills and advancing transitions towards hiring sectors and occupations (Avila and Rodriguez, 2021). Aside from these basic functions, other more sophisticated ones assigned to PES may include administering adjustment programmes and management of employment welfare or unemployment insurance benefits.

Regardless if individual PES portfolios include core basic services or more intensive or dedicated interventions, all employment services functions ultimately contribute to building and increasing long-term workforce employability, labour market participation, productivity and resilience. Therefore, PES are fundamental actors to the health of labour markets. In the region, different legal mandates reflect these roles and assignments.

In **China**, PES basic functions include acting as a job brokers between labour supply and demand and providing LMI and analysis. Article 35, EPL sets out an array of mandatory services that employment services providers must perform free-of-charge for jobseekers: “(1) consultation on employment policies and regulations, (2) release of information about supply and demand of jobs, guidance rates of wages on the market, and vocational training, (3) vocational guidance and job recommendation, (4) employment assistance to people who have difficulty in finding jobs and (5) registration of employment and unemployment.” In terms of recruitment services, PES must conduct a series of nationwide annual recruitment events targeting specific groups through local employment services (Finn, 2020).

Regarding LMI, Article 34 of the EPL states that: “People’s governments at or above the county level shall intensify the development of information networks and relevant facilities for the market of human resources, establish a sound information service system for such market, and improve the system for dissemination of market information.” Furthermore, Article 43 stipulates that “the State establishes a statistical system for workforce survey and a system for employment and unemployment registration, in order to conduct statistical survey of the workforce resources and of the status of employment and unemployment and publish the statistical findings.”

In **China**, LMI is a service area in constant development, given the sheer size of the country’s labour market and employment services network. The National Public Service Platform for Employment⁵ serves as the primary digital hub for a wide range of users, including jobseekers, students, graduates and employers. The platform’s key functionalities include a searchable national job vacancy database, an online resume

⁵ The page is: <http://job.mohrss.gov.cn>.

builder, and the possibility for applicants to register and submit CVs to specific job offers of interest, while employers can use the platform to post vacancies, search the centralized job bank for jobseekers profiles, and manage applications. The portal features an online job fairs section and enables the MOHRSS to monitor and publish detailed labour market trends, providing real-time data on the number of applicants, job vacancy ratios, and quarterly fluctuations in supply and demand, often visualized through regional heat maps and analytical reports on industry-specific hiring trends. As a companion there is a mobile application “Zhye” App for users which pushes notifications for personalized job matches via mobile devices for jobseekers, while employers utilize it to post jobs and screen candidates. A nationwide information system network for employment services was operating in support of management of job-matching related transactions, including registration of job vacancies and jobseekers, unemployment status, and other social security related issues as an internal LMI management system, while LMI content available to the public encompassed job offers, skills requirements and wage levels (Avila and Tian, 2018)

In **Cambodia**, core services provided by NEA’s ESC include jobseeker registry, career counseling and guidance including career quizzes, career self-assessment for junior, middle and university students, job search assistance and LMI. All basic services related to registry, referrals, job matching are provided in provincial offices by the same standard process. As for LMI services, NEA held status of a “Designated Statistical Unit” since 2010, involving authority to compiling, analyzing data and information to be publicly disseminated. In this regard, an information collection and dissemination division within NEA is tasked with promoting and providing LMI services to students, jobseekers, workers and the public. LMI is provided in a user-friendly website containing different modules for registration of jobseekers and employers, job fair information, job vacancies, labour market indicators and information on training offer, information accessible to jobseekers, students and training providers.

In **Indonesia**, core services comprise job counselling and job search support and matching, including pre-employment skills development training. In only a few years, BINAPENTA’s LMI services capacity has surged with support from the World Bank, ILO and others, creating SIAPkerja, a OSS website spotlighting job trends and vacancies, popular fields of work, job fairs, training providers and information on other BINAPENTA services.

In **Japan**, ESO (*Hello Work*) activities are grouped into three main categories: job placement, activation measures and unemployment insurance. However, placement services for jobseekers are the most demanded service, with Hello Work staff giving priority to this service over others (OECD, 2015). Article 5, JESA enumerates these basic services which include: providing free employment placement services to help jobseekers gain jobs suited to their abilities and give job posters the workforce required, providing guidance and supervision for employment placement, worker recruitment, recruitment/candidate information services, worker supply services, and providing jobseekers with necessary vocational guidance. Jobseekers that visit Hello Work ESC can receive career counselling and guidance on specific programmes (OECD, 2015). In terms of LMI, Article 14 of JESA, states that: *“The director-general of the main Employment Security Bureau must collect information on employment and unemployment based on prefectural labour office and public ESO surveys and reports on workforce supply, and publish that information.”* This legal mandate translates into the active use of information and communication technologies to effectively offer services and information from public ESO, including on subsidies, jobs and labour market trends and outline of services available from ESO.⁶

In **Republic of Korea**, Articles 2 and 9 of KESA defines an array of employment services provided by ESO which includes provision of employment information, job placement, vocational guidance and development of vocational ability. While basic job counselling and placement services are provided free-of-charge to everyone, ESC operate under the EIS integrated approach in which activation measures are linked to unemployment benefits. Therefore, registration, profiling, counselling and referral of terminated or laid-off workers represent a significant aspect of ESC work. Career counselors and caseworkers manage jobseekers’ information and register them into a database that feeds the work net job matching platform and develops individual action plans for jobseekers to rejoin the labour market,

⁶ The page is: <https://www.mhlw.go.jp/english/org/policy/p21-22.html>

often reskilling through vocational training. KESA Article 16 refers to LMI activities by PES: *“The head of each ESO shall collect and arrange various employment information in the area under its jurisdiction on a frequent or regular basis and actively provide such information to job offerors, jobseekers, and other persons who require such employment information.”*

Republic of Korea’s PES have some of the most advanced LMI systems regionally, resulting from collaboration between MOEL departments, including the Republic of Korea Employment Information Services (KEIS), which compiles and systematizes information on individuals, companies, and services that feeds user-friendly platforms such as *Work Net*, containing information on job openings, jobseeker profiles that companies can look to for recruitment and staffing purposes, job and career counselling online and vocational tests. Coordination between KEIS and job centres in terms of flow of LMI takes place internally as both respond to the MOEL, with KEIS having the overall responsibility over LMI.

PES services in **Lao People’s Democratic Republic** include career guidance, job search assistance and LMI, with the latter high on the national agenda, as reflected in a Prime Minister’s decree on LMI. Since 2017, the MOLSW has worked to better integrate and strengthen LMI services. Currently, DSDE’s Employment Promotion Division operates a user interface of the LMIS platform⁷ containing different modules accessed by jobseekers and employers, including jobseeker and job vacancy registration, vacancy announcements, job-matching services, career counselling, periodic labour market trends, analyses and indicators.⁸ Another website managed by the Division of LMI operates with similar functions, but is mostly oriented towards services for those entitled to National Social Security Fund (NSSF) benefits, as part of government labour market policies (Asian Development Bank, 2021). It is important to note that, design, management and implementation of LMI tools involved collaboration between different government agencies, including signing of MOUs for data management and sharing (World Bank, 2022).

In **Malaysia**, similar to Japan and Republic of Korea, employment services are provided under the umbrella of the EIS, introduced in 2018, with close linkages between activation measures and unemployment benefits. PERKESO-supported core employment services include registration of jobseekers and employers, career counselling and LMI. Counselling services provided by employment services officers aim to identify skills gaps faced by applicants and make optimal career choices. Job search assistance primarily seeks to match jobseekers’ skills and competencies to suitable jobs from employers registered with PERKESO. Most services are available at *MyFutureJobs portal*. LMI is made available by PERKESO on the *MyFutureJobs* website including information on all employment services provided by ESD, employment indicators disaggregated by industries, occupations, skill levels, gender, age, education, disability, salary ranges and geographical distribution. There are also labour market trends, including on-demand jobs and a dashboard on employment opportunities. Other macro level indicators published online include distribution of working age population and labour force, by gender and ethnicity. Other relevant labour market indicators can be found on the general employment trends dashboard covering monthly changes in employment growth in stock and age terms, and new hirings by sector. Finally, *MyFutureJobs*⁹ also offers a public dashboard for qualifications and training providers, covering more than 17,000 qualifications and 2,000 TVET-accredited qualifications.

In the **Philippines**, PESO services to jobseekers and employees are referred to in Sections 5, 6, and 7 of the Republic Act 8759 of 2000 and its 2015 reform. Objectives and functions stated in the Act include registration of jobseekers and employers, pre-employment orientation, job counselling, career guidance and LMI. With regards to LMI, Section 5 explicitly refers to PESO efforts to encourage employers to provide information on job vacancies to facilitate exchanges and provision of LMI to jobseekers. LMI is conveyed mainly through the *philjobnet portal*¹⁰, a website under management of the Bureau of Local Employment which supports PESOs and acts as a central repository of information and services, including employer and jobseeker registry, job opportunities, fairs, training suppliers and career orientation.

⁷ Source: <https://www.pes.molsw.gov.la/index.php/en/>

⁸ Source: <https://lmi.gov.la/>

⁹ Example: <https://myfuturejobs.gov.my/>

¹⁰ Example: <https://philjobnet.gov.ph/>

Services to employers

While most PES place jobseekers and workers at the centre of their mission, employers are a key player, especially regarding core services (Mazza, 2017a). Without employers, PES would have a limited set of tools to assist jobseekers. Therefore, most PES have a specific set of services targeted to employers while some others are more demand-driven oriented. As in other parts of the world, common employer services offered by PES relate to finding suitable workers for job openings, through recruitment, pre-screening, referral and matching services (IADB, WAPES, OECD, 2015).

In **Cambodia**, common NEA services available to employers include registry and advertisement of job openings, referral and matching of candidates for job vacancies, organization of job fairs, and scheduling of job interviews in person or online. Services for employers in **Indonesia** and **Lao People's Democratic Republic** are similar to those in Cambodia, including access to jobseekers' profiles registered in platform databases, free publication of job vacancies and matching services.

In **China**, employment services available to employers include registration and dissemination of job vacancies, recruitment and LMI, and the organization of job fairs, as well as participation in ALMP related to social security benefits such as incentives for re-employment.

Japan, Republic of Korea, and Malaysia offer an array of services to employers that goes beyond the basic services of registration of job vacancies and job matching and include incentives and benefits for participating in activation measures for jobseekers including beneficiaries of their respective EISs. In Japan, for example, employers that hire workers through Hello Work are entitled to wage subsidies under different re-employment incentive measures provided by the Employment Security Bureau, including a trial employment incentive (IADB, WAPES, OECD, 2015).

In **Republic of Korea**, ESO focus efforts on tailoring employment services for small- and medium-sized enterprises, including providing pre-employment assessments for referred job applicants, and on-site visits to firms to identify staffing needs. In **Malaysia**, services to employers aside of registry of vacancies, include customized recruitment support for company human resources departments, commonly assistance is also provided to employers through a dedicated PERKESO Key Employers Account to help them find suitable employees through various forms of recruitment, including hosting interviews for employers. In the **Philippines**, employer services include registry of employers' job vacancies, referral and matching of pre-screened job applicants, LMI and activation measures, including subsidized temporary hiring of students or recent graduates.

Advanced services: skills training, unemployment insurance

Most PES regionally provide advanced services in addition to core ones. In most cases, such services relate to provision of trainings or referrals to other support measures through joined-up services or interventions delivered in collaboration with other institutions, government agencies or non-government partners. Notably, only half of the eight focus country PES in the region under review directly managed unemployment insurance benefits (China, Japan, Republic of Korea and Malaysia).

In **China**, re-employment training for long-term unemployed is part of the PES service portfolio, which includes skills appraisals and vocational training and retraining, services coordinated with the Employment Training Technical Instruction Centre, a department that also operates within MOHRSS. Non-government service providers participate in reskilling and upskilling services, including technical and vocational centres. Other advanced services include employment subsidies aimed at employers to incentivize the hiring of jobseekers registered with PES, including tax breaks and vocational training subsidies (Avila and Tian, 2018). Chinese PES manage unemployment benefits and subsidies to eligible

recipients that meet required criteria, including having met required unemployment insurance contributions, being registered with PES upon job loss, and participating in mandatory job search or conditional training activities. In many cases, mostly at local level, unemployment insurance benefits and activation measures and programmes are managed under a OSS service model.

In **Cambodia**, advanced services are primarily focused on closing pre-employment gaps as part of career and job counselling and matching services and include communication, problem solving, and teamwork. In **Indonesia**, jobseekers can access free technical and vocational short training courses offered online by the MOM and other government agencies, free-of-charge, through the SIAPKerja platform.¹¹

In **Japan**, ALMP and welfare benefits are provided by public ESO, with unemployment registry and job search measures mandatory for laid-off workers eligible for unemployment insurance benefits. This is reflected in Article 5 of the JESA, which outlines PES duties, including employment placement or vocational guidance for persons entitled to receive benefits pursuant to provisions of the Employment Insurance Act. In addition, Article 19 stipulates that public ESO must make arrangements for jobseekers to undergo vocational training conducted by public facilities for career skills development. Hello Work offices can determine job readiness of unemployment insurance beneficiaries and assign them to public-funded training measures to strengthen employability (MHLW 2014). However, 80 per cent of training is outsourced to educational institutions and non-government employment services providers, such as Chiba Polytechnic Centre which offers three- to six-month courses on practical skills to support reemployment of Hello Work referred jobseekers (OECD, 2015).

In **Republic of Korea**, Article 13 of the KESA mandates that ESO channel jobseekers into on-the-job skills training programmes provided by development training centres. Usually, advanced services involving retraining tend to be outsourced to TVET institutions. In addition, PES manages unemployment benefits divided into a jobseeking allowance (JSA), a cash transfer benefit for workers' basic living expenses. On the other hand, the employment promotion allowance, another activation measure encourages early reintegration into the labour market. Every eligible laid-off worker must register with their local Job centre to confirm eligibility for unemployment insurance benefits. The laid-off worker must also register in the Work Net platform database and attend in-person interviews where caseworkers and career counselors design customized employability action plans based on jobseekers' experience, skills, and needs. Caseworkers can channel the jobseeker into different activation measures depending on individual circumstances, including income support conditioned to searching and finding a stable job (early reemployment allowance), while the Vocational Skills Development Allowance covers meals and transport costs for registered jobseekers, conditioned to participation in vocational training courses.

In **Malaysia**, similar to Japan and Republic of Korea, core and advanced services are provided by the Employment Service Division, under the EIS office. As a result of this institutional design, activation measures and unemployment benefits are bundled for unemployment insurance beneficiaries as a primary target population. The EIS was established in 2018 to provide unemployment benefits to eligible insured laid-off workers entitled to receive re-employment assistance from the ESD. As part of management of unemployment insurance benefits, activation measures are delivered by the ESD, such as the job search allowance, consisting of a cash benefit for eligible laid-off workers for up to three to six months, conditioned to meeting eligibility requirements including mandatory enrolment in MyFutureJobs platform, and demonstrating being actively searching for a job. Another activation programme, the early reemployment allowance, incentivizes laid-off workers to return to work through a financial award.

In the **Philippines**, PESOs do not manage unemployment insurance benefits, however, some advanced services include employability enhancement trainings/seminars for jobseekers and the Career Development Support Programme, which identifies upskilling or reskilling needs for jobseekers through career and vocational counselling. Other advanced services include administering individual testing and evaluation of jobseekers' skills for effective job referrals, training and counselling.

¹¹ Beneficiaries of the Kartu Prakerja programme, managed by the Ministry of Economic Affairs, supports competencies enhancement for the workforce (employed and unemployed) through subsidized training, can select eligible training courses on SiapKerja platform. <https://www.prakerja.go.id/en/tanya-jawab/tentang-kartu-prakerja#14>

Intensive services: services to persons in vulnerable situations

PES operate under principles of equity and non-discrimination. As such, they target services at individuals facing complex barriers to employment, including long-term unemployed, youth not in employment, education or training, the elderly, PWD and migrant workers. These services are often provided under a joined-up approach (Avila, 2018) where PES join efforts with other specialized governmental and non-governmental institutions with expertise in addressing specific population needs. To better identify and serve these disadvantaged or at-risk groups in the labour market, some PES use profiling tools, including statistical, rule-based or rely on trained case workers criteria to assess, classify and refer individuals to specific or tailored services based on their challenges, barriers and needs (Desiere, et al, 2019).

In **Cambodia**, intensive services are provided with a focus on migrant workers, young students and PWD, and other disadvantaged groups. For young students, NEA staff regularly visit universities and schools to provide career counselling. All students are counseled to prepare for job searches and school-to-work transitions, with the EA assists the placement of students into internship programmes with participant companies, helping students gain on-the-job work experience. For PWD, a national compulsory policy to hire 1 per cent of PWD is in place, with NEA ESCs playing a crucial role in promoting, referring and placing jobseekers with disabilities into companies, in step with individual training and job counselling. For migrant workers, the NEA provides information on safe migration and migration laws and offers a list of foreign companies and jobs duly registered with the MLVT to ensure safe, circular and legal labour migration.

In **China**, Article 35 of the EPL request people's governments to provide employment services and employment aid to people with difficulty finding jobs. Prioritized jobseekers commonly encompass university graduates, rural migrant workers, women and PWD, groups targeted for intensive services, including individual guidance on job-search support and employment training, subsidies, relocation schemes, loans for small business start-ups, and basic income cash transfers (Avila and Tian, 2018). Intensive or individually tailored services are offered through partnerships between PES and NGOs, with PES providing funding to carry out specialized counselling, vocational assessment and training (Hempel and Hauschild, 2024). Examples of these joined-up services include employment services for PWD run by the Disabled Person's Federation. In 2022, the Government of China adopted a three-year action plan to promote employment for PWD, which calls for providing vocational capacity assessments and registration of employment needs.

In **Indonesia**, the SIAPKerja platform offers a series of services for PWD with a view to expanding access to job opportunities, includes guidance on available institutional skills training, job matching services and guidance to employers on hiring PWD.

Japan offers intensive and tailored services to meet the specific employment needs of persons in vulnerable situations, including young jobseekers, PWD and the elderly, given its labour market dynamics and demographic changes. Article 16, of JESA states: *"The Minister of Health, Labour and Welfare may establish necessary standards for implementing employment placement and vocational guidance for PWD, new jobseekers, middle-aged and older unemployed persons, and others requiring special considerations for obtaining employment."* In addition, Article 22 stipulates: *"A public employment security office must provide vocational guidance to PWD, new jobseekers, and others to obtaining employment."* Hello Work segments service clients based on broad population categories and cater to them through specialized service points, such as Hello Work for Mothers programme and Hello Work for Youth and New Graduates (Hamaguchi, 2022). Specifically for youth with no work experience or transitioning from school to work, Hello Work has developed job cafes run by prefectures, with collaboration from educational institutions and business, where aptitude tests, counseling, resume preparation, LMI and job placement tailored services are offered to young individuals (OECD, 2015). According to MHLW, 210 of these Hello Work

for Youth offices provide intensified job search assistance. Japan too relies on governmental and non-governmental institutions in a joined-up strategy to support access to job opportunities for PWD, such as the Organization for Employment of the Elderly, Persons with Disabilities and Jobseekers (JEED) that reports on operations to the MHLW (OECD, 2015). JEED local vocational centres offer vocational rehabilitation services to PWD and promote their hiring. Under the Law for Employment Promotion of Persons with Disabilities, companies with 100 employees are bound to hire at least 2.3 per cent of their total workforce from PWD, and given financial adjustment costs implied for companies, the government offers grants to employers to compensate for these costs. The law also specifies vocational rehabilitation measures, including vocational guidance, training and job placement for promoting vocational independence for PWD.¹²

For elderly persons, the MHLW operates more than 300 Lifetime Employment Support Offices nationwide through co-location with prefectures. At these service points, *Hello Work* offices have a dedicated space for jobseekers aged 55 and above where specialized caseworkers provide customized guidance, job placement services and unemployment insurance benefits (World Bank, OECD, 2018). In addition, under the Law Concerning Stabilization of Employment of the Elderly, JEED carries out outreach, promotion and guidance with employers for the placement, retention and rehiring of elderly jobseekers, including advice and guidance on government grants and subsidies to promote continuous and non-fixed term employment for the elderly.

In the **Republic of Korea**, Article 13-2 of the Framework Act on Employment Policy stipulates the government must identify persons in vulnerable situations to prioritize participation in government-funded employment programmes. Against this legal backdrop, the National Employment Support System (NESS) is a MOEL-implemented policy that addresses complex employment barriers for low-income individuals, youth unemployed and women with limited work experience. Under NESS, tailored employment support services are delivered to jobseekers based on individual assessments of skills and an individual job development plan jointly prepared through in-depth counseling. The job plan may involve job training, internships, resumé and interview preparation and in some cases, a jobseeking promotion allowance consisting of income transfers for up to six months, conditioned on job search activities. The NESS has been implemented since 1 January 2021, with more than 400,000 participants receiving support (MOEL, 2021). For women jobseekers wishing to enter or re-enter the labour market, joined-up special services are available from New Job Centres for Women, established by the Ministry of Gender, Equality, and Family, and MOEL, through contracted out mechanisms. These centres provide key modes of support: individual and group counseling, vocational training, internship, job-matching and placement follow-ups (Avila 2018, World Bank). Under the Act on Employment Promotion and Vocational Rehabilitation for the Disabled, the Republic of Korea Employment Agency for Persons with Disabilities operates vocational education and training centres for this target population to enter the labour market, including vocational competence evaluations, job counseling, placement and internships.

Regarding middle-aged workers, lifelong career planning and in-depth, individualized counseling are provided through 25 Middle-aged Job Hope Centres run in collaboration with non-profits and the most important Republic of Korean industry and trade chambers. These centres provide re-employment and outplacement services to workers aged 50 and over. In addition, the government provides incentives for employers hiring elderly citizens in suitable jobs (MOEL, 2021). Since 2022 an Elderly Employment Promotion Subsidy programme was established with the goal of promoting employment of the elderly (60 years and over) by offering companies a cost-sharing scheme for hiring seniors in medium-sized companies.

In **Malaysia**, the ESD operates intensive employment services for unemployment insurance beneficiaries, including injured rehabilitated returning workers (under a special programme called Return-to-work, under the EIS) and PWD. Some advanced services involve job placement assessments through face-to-face meetings, with employment services officers assigned to PWD jobseekers to support their job search journey. MyFutureJobs webpage contains a special section for PWD with a list of job vacancies

¹² Retrieved from JEED: <https://www.jeed.go.jp/english/disability/index.html>

suitable for PWD for self-service. PERKESO offers a three-month subsidy equivalent to 40 per cent of a minimum wage of RM1500 for every PWD hired by companies for a minimum of 12 months.¹³ PWD are also enrolled in job fairs organized by PERKESO ESD, which conducts pre-screening of PWD profiles before job fairs to support jobseeker-employer interviews. For middle-aged jobseekers, the ESD runs the “MYMidCareer40” programme designed with Malaysia’s labour market ageing transition in mind, by focusing on jobseekers aged 40 and above. The programme aims to help this segment of the labour market with career counselling and job matching through the MyFutureJobs portal. As part of this initiative, middle-aged and elderly jobseekers go through basic job search skills training, including coaching on interview preparation to build their confidence and self-efficacy, which includes participating in special job fairs organized by the ESD to match middle aged and elderly jobseekers with companies.

Another target group facing barriers to employment and subject to intensive ESD support is citizens previously incarcerated, for whom PERKESO ESD operates a second chance programme that matches candidates’ skills profiles with employers, based on fulfilling job requirements. The programme also provides training to close skills gaps through TVET to improve their employability and job readiness. In 2024, a new initiative was launched backed by a special budget allocation to provide financial incentives to employers who employ people in vulnerable situations.

In the **Philippines**, Section 6 of Republic Act 8759 institutionalizing PESO lists includes special programmes for employment of students and out-of-school youth, with activities developed to enhance provision of employment assistance to PESO clients. For out-of-school youth, a priority target group, PESO provides job placement services, especially to those from low-income families. The JobStart Philippines Programme is administered by local PESOs, under the Republic Act 10869 (2016) to help out-of-school youth become job-ready through career guidance as part of an intensive 10-day life skills training, vocational and technical training and on-the-job training internships for up to three months with employers participating in the programme in exchange of grants to cover for training and administrative costs. Participating employers are bound to pay at least 75 per cent of the minimum wage during the internship. For PWD, PESOs offer them the full array of services including career counselling, job search and job placement support, but under a more individualized approach through resident psychologist and specialized case workers in every PESO.

Self-employment and entrepreneurship services

Some employment services have developed self-employment and entrepreneurship support services and skills development for jobseekers, which can help address employment barriers for segments of the population and demand shocks, such as the pandemic employment crises. For instance, a survey conducted by ILO of PES worldwide in 2021 in the wake of the pandemic (ILO, 2023b) revealed that more than half of surveyed PES (56) delivered entrepreneurship and self-employment support, especially prominent in middle-income countries with large portions of informal employment. Jobseekers’ entrepreneurship ambitions can be supported by training to developing business plans, managing suppliers and supply chains, planning and managing business growth, mentoring from experienced entrepreneurs as well as financial support in the form of grants and loans.

In **Cambodia**, although no explicit mandate exists, NEA conducts activities for aspiring entrepreneurs including counselling and technical support services. In 2023, NEA organized a National Career and Productivity Fair where attendants received information and participated in exchanges on entrepreneurship development and productivity.

In **China**, the MOHRSS actively encourages jobseekers, especially young ones, to pursue entrepreneurship opportunities as part of employment creation which, alongside re-employment measures, and skills development for employment, is a pillar of national employment policy. Such policies have been consistent for several years, with the government promoting measures facilitating business start-ups amongst laid-off youth in urban areas (ADB, 2010). Recently, Chapter 47 on *Employment-First strategy*

¹³ In addition, employers must have registered with or paid contributions under the Employees’ Social Security Act 1969 or the Employment Insurance System Act 2017 before 1 January 2023.

of the 14th Five-Year Plan (2021-2025) for National Economic and Social Development and Vision 2035 of China, refers to several measures to “*promote equal employment, increase high-quality employment, support the growth of skill-intensive industries and the development of new forms of employment, and encourage entrepreneurship as a way to create jobs*”¹⁴, bolster flexible employment through multiple channels.” It calls on PES to support community-level public employment and entrepreneurship service platforms.¹⁵ Under these priorities, the MOHRSS announced initiatives and measures in 2024, to boost entrepreneurship among youth and college graduates through launching a four-month nationwide campaign in counties and cities in which those interested in launching a start-up can receive information and services on entrepreneurship training and access loans and grants to develop their business plans.¹⁶

In **Malaysia**, MYFutureJobs contains information and resources on entrepreneur training to level-up business skills prior to launching a business. Self-employment is also promoted by providing digital freelancing training, to acquire digital economy skills.

In the **Philippines**, PESOs provide young jobseekers, unemployed persons, and others in vulnerable situations with self-employment and entrepreneurship programmes involving guidance and trainings, offered by government and non-government employment services providers at provincial, city, municipal levels to create income-generating activities. Self-Employment Bazaars provide PESO users with information on livelihood programmes in rural areas. Box 4, Annex offers examples of good practices on outreach, basic services including LMI, advanced, intensive (joined-up services), services to employers and entrepreneurship support.

PES services conclusions and recommendations

PES are a fundamental tool of government employment policies and, regardless of context, basic job search support and LMI remain as foundational elements in terms of users and services, as conceived in ILO Employment Service Convention No. 88 (1948).

While differences in clients served and programmes and services arise from specific mandates and challenges faced in each country, but there is a general trend towards building PES capacities, assets, tools and expertise to fulfill not only employment, but also broader social and economic goals. This trend runs parallel to covering a wider set of target groups, prioritizing those disadvantaged in the labour market through joined-up and intensive services. Equity, fairness, inclusiveness and nondiscrimination are guiding principles in legal frameworks of most PES in the region and beyond in terms of access to ES. Almost all reviewed PES legal frameworks mandated prioritizing those facing labour market barriers.

In general, focus countries are resorting to new outreach mechanisms to position PES beyond typical core clientele among the unemployed, to increase awareness among, for instance, students, young individuals, women with caring responsibilities and the rural population. Job fairs and social media outlets should be in Viet Nam’s PES toolbox for reaching these users. While technology and digital outreach mechanisms are sought and implemented by most PES, a balanced mix of traditional (newspaper ads, billboard, radio) and IT-based means should be pursued to cater and tailor messages to different target groups. As demonstrated by examples of different PES in the region, including Cambodia, China, Indonesia, the Republic of Korea and Lao People’s Democratic Republic, forging partnerships with schools and customizing spaces devoted to the young (Job cafes in Japan and Republic of Korea’s Jobs World) are good strategies to deliver employment services to youth.

¹⁴ Entrepreneurship promotion through various means, including PES, was emphasized by Chinese authorities in recent years as a response to challenges such as post-pandemic economic stabilization and in line with reforms aimed at increasing competitiveness and open market policies. https://english.www.gov.cn/premier/news/202010/15/content_WS5f88518bc6d0f7257693daf1.html

¹⁵ Retrieved from: https://www.fujian.gov.cn/english/news/202108/t20210809_5665713.htm#C47

¹⁶ Retrieved from: <https://www.globaltimes.cn/page/202308/1295932.shtml#:~:text=China%27s%20Ministry%20of%20Human%20Resources,to%20a%20notice%20issued%20on>

Employers are key clients of PES. Thus, it is fundamental to collaborate with employers and consider the examples of Republic of Korea, Malaysia as well as Denmark and Sweden (see Annex 1), by creating and preparing specialized service units or teams with the necessary skills and mindset to work collaboratively with employers, building trust on employment services reliability and effectiveness.

In terms of services, legal frameworks in different countries, as currently in Viet Nam, enumerate a set of basic services (registration, job and career counselling, job search support and placement and LMI) as the backbone of ES. Most important is to set overarching goals pursued by PES, so that instruments, tools and programmes can respond to those overarching goals with flexibility to adapt to changing labour market conditions.

Following trends and innovations in the region and elsewhere, is advisable to build a core set of effective services under employability tracks for integrated employment services management, which can be tailored to add upstream intensive services referrals, whenever necessary, based on the needs of different groups. An employment services package within a well-defined employability strategy becomes the organizing framework of the service portfolio, like in Republic of Korea and Colombia, instead of individual and fragmented collections of employment services (Box 4, Annex).

For individuals facing complex barriers to labour market access, evidence shows that joined-up efforts and resources with other government and non-government institutions is an effective way to reduce or share costs and offer better employment outcomes to target populations. In addition, entrepreneurship and self-employment support are increasingly incorporated as part of PES portfolios, both to assist displaced workers, long-term unemployed or jobseekers in areas with weak job demand, as seen in Republic of Korea, Indonesia and Malaysia. Testing and launching joined-up approaches to provide intensive services to target groups with complex employability barriers – including PWD, older workers and those with criminal records – requires building effective and functional partnerships with specialized government agencies and NGOs, but these are endeavours worth pursuing to achieve equity in the labour market.

5. PES service delivery channels

PES should be presented in a national network of employment offices under a national authority, according to Article 2 of ILO Employment Service Convention C88 (1949). Physical service points such as ESC or job centre offices are the most common delivery channels for PES regionally and elsewhere, as they allow jobseekers to receive employment services in person.

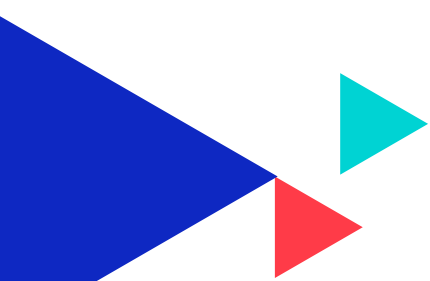
However, as the size of labour markets and their composition, as well as the responsibilities and services of PES have evolved and expanded, other means of delivery have been tested, deployed and mainstreamed, taking advantage of information technologies, from remote and digital channels, such as telephone call centres and web portals, to new platforms and employment services apps. This is opening access to different target populations and widening coverage and equity for individuals facing complex barriers to employment and across labour market transitions (OECD, 2023; ILO, 2023a). In the region, the whole spectrum of service channels is present, from traditional front desk delivery mechanisms to sophisticated and innovative digital channels.

In-person services

ESC, job centres or PES offices have evolved over the years, from labour exchanges providing services for the registry and information for jobseekers and vacancies, into more complex organizations with front and back-office functions supported by information and communication systems and technologies that allow the exchange of information in real time across an entire national network. Despite technological prowess and development of other digital means of delivery, jobseekers commonly prefer visiting PES offices in person to receive personalized attention from a career or employment counsellor, as many require not only LMI, but also mentoring, psychological and emotional support, particularly the long-term unemployed, retrenched workers, the elderly and PWD (Dumora, 2023; ILO, 2020; Avila, 2018).

In **Cambodia**, Article 8 of Decree 67 (2009) stipulates the creation of physical job centres by the NEA when necessary. Currently there are 14 such ESCs, which provide direct in-person employment services to jobseekers and employers, operating under a walk-in policy within working hours for jobseekers. Appointments are facilitated for jobseekers requiring special attention, including career counseling sessions, skills assessments, or vocational training programmes, or for users with limited mobility, including PWD and the elderly. NEA also deploys mobile job centres to extend services to remote or hard-to-reach communities. All offices follow a standard organizing model where the registration, job matching and referral team is mostly responsible for front-office services, involving registration and attention to jobseekers and employers.

China's massive labour market requires an extensive network of employment centres to facilitate access to millions of workers and jobseekers requiring different services according to their situation. The 2018 Guidance on Promotion of All-Round Public Employment Services, issued by MOHRSS and the Ministry of Finance, calls to promote PES for full coverage of citizens and optimize appointment, door-to-door, centralized, agency and remote services. Articles 32 and 35 of the EPL (2007) call for all levels of government to set up public service agencies and encourage all actors to improve the employment



services system covering urban and rural areas. As a result, by the end of 2016, there were 27,000 employment service centres, including more than 5,000 PES offices, which provided services for nearly 700 million people.¹⁷ By 2014, 90 per cent of districts and 95 per cent of villages had employment centres equipped with service windows, and business counters facilities where basic registry and job matching services are provided. Larger provincial-level ESC, including the new recently inaugurated regional ESC in Shanghai¹⁸ provide a wider range of more in-depth and complete in-person employment services portfolio.

In **Japan**, Hello Work offices constitute the main access point for in-person ES, as these offices are present nationwide with more than 500 physical service points (OECD, 2015) which provide walk-in services on regular business hours daily during the weekdays to nearly seven million jobseekers and workers. These offices provide basic employment services as well as social security services for a wide array of target users, however young jobseekers constitute the most frequent users through job cafes as well as eligible unemployment insurance beneficiaries.

In **Republic of Korea**, in-person services are provided by 174 job centres nationwide, in which jobseekers and eligible insured individuals can receive personalized basic and advanced employment services including registration, job counselling, job search support and referrals, as well as processing of welfare benefit since job centres also handle welfare and social security services. All job centres are organized into six divisions, with the job placement and employer services, national employment support and unemployment benefit divisions are responsible for providing frontline services to users, mostly through job counsellors, who represent on average, a third of all staff at each job centre (OECD, 2023).

Lao People's Democratic Republic has a network of ESC and Labour and Social Welfare District Offices (LSWDOs) nationwide, with nine main ESC (one in each province and in the capital), and 148 district offices. LSWDOs are the main in-person contact points where case workers provide core employment services to jobseekers and employers, including registration, job counseling, referral and matching, LMI, information and referrals to training and welfare programmes, as well as services for temporary migrant workers, including information on migration requirements, labour rights and job vacancies (World Bank, 2022).

In **Malaysia**, key in-person service points are PERKESO's 54 ESD branch offices and 293 satellite offices distributed across Malaysia's 14 states, with more than 1,000 case workers and job counsellors who provide different services to EIS beneficiaries, jobseekers, students, employers and persons in vulnerable situations, including registration, job and career counseling, processing unemployment insurance claims, referral to training programmes, job matching, and LMI.

In the **Philippines**, similar to China, there is a vast network of PESOs, comprising more than 1200 offices of which 600 are institutionally recognized by the DOLE, and managed by LGUs, NGOs, CBOs and educational institutions. There, jobseekers, employers, students, displaced workers, returning migrant workers and other PESO users receive in-person core ES, including employment guidance and counselling, LMI, job referrals and placements, which can be delivered without appointments. However, other services related to skills assessments, group employment counselling sessions for migrant workers or students, require appointments to be delivered in person at PESOs.

Remote and itinerant services

In **Cambodia**, given the limited number of physical ESC, the NEA has deployed remote and itinerant service channels to make employment services available to local communities, including a call centre providing information on services, job vacancies, training programmes and LMI. In addition, NEA deployed seven mobile service units which offer the same services as stationary offices. These mobile buses have scheduled routes and visit local communities and educational institutions to bring ES, including career guidance, closer to jobseekers and especially students.

¹⁷ Retrieved from: <https://eng.yidaiyilu.gov.cn/p/21184.html>

¹⁸ Retrieved from: <https://english.shanghai.gov.cn/en-wisEditor%27spick/20240909/e8394d3465e14b0f8dc014a7fcca89e1.html>

¹⁹ Retrieved from: <https://www.phnompenhpost.com/national/ministry-introduces-mobile-centre-faster-job-access>

In **China**, in addition to the vast network of ESC managed by government and NGOs, a national toll-free call centre supplements traditional means of in-person delivery of ES, encompassing LMI, job search support, unemployment insurance and social security inquiries and training programmes. This service covers 90 per cent of all metropolitan areas (Avila, 2018), and received 120 million calls in 2022 (MOHRSS, 2022; Zhang, 2024). To reach other target groups, MOHRSS organizes seasonal thematic events nationwide, such as employment assistance month every January to making services available at grassroots level to jobseekers facing employment barriers on a face-to-face format by job counsellors on a national scale. Similarly, the Spring Breeze Action takes place every March on a national level to take employment services to workers and jobseekers in rural areas (Avila, 2018).

In **Japan**, similar to Cambodia, some prefectures organize, announce and implement mobile Hello Work sessions through deploying mobile or itinerant desks, to supplement stationary service points to take employment services to rural or underserved areas where physical Hello Work offices may not be present.²⁰ In **Republic of Korea** the *Work Net* digital platform, developed by the MOEL's KEIS, operates a 24/7 call centre to assist jobseekers and provide information on ES. In addition, each physical centre has a telephone line that users can contact for information.

Under the campaign "MyFutureJobs on the go!", **Malaysia's** PES organizes a series of itinerant job fairs and career carnival road shows to take employment services closer to communities, in the form of career guidance and job matching, making employment services available outside physical ESC and pitched at young jobseekers and students transitioning from school-to-work. These job fairs are announced by PERKESO so jobseekers can register online to attend in-person and get their resumes matched with attending companies.²¹

Similarly, in the **Philippines**, job fairs are a key mechanism to approach jobseekers, workers and students who do not attend PESOs in person. The DOLE organizes a series of itinerant outdoor job fairs to arrange jobseekers' interviews and job matching with local and overseas employers. In addition, different PESO offices organize group career and job counselling sessions in school venues nationwide to provide information on careers and skills in anticipation of students making the transition into the labour market.²²

Innovative digital service delivery channels

The use of information technologies in PES is not recent. In the past, digital channels for employment services delivery were considered optional to improve access beyond traditional service hours and the need to commute to ESCs. However, the pandemic prompted PES to shift delivery models and channels through adoption of passive (self-service) and interactive (live communication between users and employment counsellors) digital strategies. Those PES that made this leap were in a better position to cope with disruptions that traditional face-to-face delivery models encountered (OECD, 2022a). As technology has become more available and costs associated to acquiring digital services for employment intermediation have trended down, developing countries can provide services to a wider audience than ever before. With automation of tasks using digital technologies, PES can free-up staff to devote for more substantive functions such as meeting users in person (ILO, 2023c).

A survey carried out by the ILO with WAPES, and the OECD in 69 countries (ILO, 2022b), revealed a majority of PES provides some services based on digital technologies, with the most useful IT applications related to registration of jobseekers to provide job matching services. In general, according to survey results, PES perceive the use of IT in an instrumental way under three approaches: increase their performance and expand coverage (90 per cent), reduce operating costs (60 per cent) and respond better to user needs (73 per cent) (ILO, 2022).

²⁰ Retrieved from: https://jsite.mhlw.go.jp/nagasaki-roudoukyoku/riyousha_mokuteki_menu/kyushokuchu/junkai-sodan.html and <https://www.town.shitara.lg.jp/soshiki/7/1323.html>

²¹ Retrieved from: <https://myfuturejobs.gov.my/event/roadshow-myfuturejobs-on-the-go/>

²² Retrieved from: <https://www.pna.gov.ph/articles/1235156> and <https://dumaguetcity.gov.ph/public-employment-service-office-2/>

An ILO multi-country study on the role of technology in PES for youth employment in Asia and the Pacific (2023c) found that most PES in the region have some form of digital strategy focused on digitalization of processes and services. Only the Republic of Korea has a more comprehensive digital transformation strategy, combining different services such as employment intermediation and skills training into a OSS system.

However, the same report asserted that digital transformation required committing financial resources to step-up information capabilities, which requires exploring which investments have positive returns, such as defining which human interactions or labour-intensive process that can be replaced by digital interactions. One investment with proven results is sharing datasets with other government agencies, stakeholders and within PES networks, as the Republic of Korea does, to lessen administrative burdens for PES and clients. This increases the accuracy of data collected and shared. Regardless of potential applications, the use of digital channels by PES for delivery of employment services must be articulated into the wider PES strategy so those with less digital skills are not left behind, while leveraging the potential of digital channels and tools to free-up PES staff from administrative tasks to redirect time and focus on users and especially for those in need of more personalized attention, while allowing PES to overcome traditional service barriers such as geographical and business hours limitations (ILO, 2021b).

Now PES are experimenting with innovative technologies such as AI to improve customer experiences to offer more personalized job support journeys. This is based on PES advantages in terms of collecting and storing massive volumes of labour supply and demand data to improve profiling, job matching and deploying tools such as interactive chatbots to boost responsiveness to PES customers' requests. This, in turn, requires effective legal and governance frameworks to ensure quality, reliability and privacy of data as well as accountability over algorithmic results and recommendations (ILO, 2023d).

In **Japan**, for example, Article 5 of JESA mandates that every public employment security office must take necessary measures to appropriately manage jobseekers' personal information. In **Malaysia**, all ESD branch offices must observe provisions of the Personal Data Protection Act regarding privacy in management of personal data.

Since 2018, **Cambodia's** NEA has developed digital channels for provision of ES, with technical assistance from international partners. Specifically, during the first stage (2019–21) a OSS website was developed, to allow users to access services such jobseeker and employer registry, LMI, training information, and more sophisticated functionalities such as online job fairs and interviews between jobseekers and employers.²³ The now consolidated website²⁴ displays a user friendly interface with several services, including CV and job vacancy searches and self-services for job applicants online job search support and counselling, and online-hosted job interviews. In parallel, Cambodia has developed mobile apps with similar functionalities, including one that allows jobseekers to save preferences for individualized job searches, another to participate in online virtual job fairs which features real-time recruitment by employers and another more specialized in soft skills training with video clips. Despite this impressive leap into deploying innovative digital service delivery channels, which has made PES deliveries more responsive and convenient to its beneficiaries and stakeholders²⁵, the NEA and MLVT encountered challenges that need to be addressed, including labour market accessibility in rural areas, engagement of users online, data privacy, difficulties with users grasping the formal taxonomy used for listing jobs and skills, and digital skills limitations. The MLVT and NEA, however, are pushing ahead to improve the functionality of these systems by exploring AI, intelligent automated search options, and improving job matching and referral functions (Cheachanmolika, 2023).

In China, the 2018 MOHRSS' Guidance on Promotion of All-Round Public Employment Services calls employment services providers to *improve convenient and efficient PES*, specifically through the promotion of intelligent services; and provides directives towards building a unified national information platform for intelligent PES, accelerate the application of big data and cloud service technologies.

²³ NEA, Development of Public Employment Services in Cambodia. Presentation.

²⁴ www.nea.gov.kh

²⁵ Japan-WAPES joint project. Recommendation Report 2019-2021.

The guidance goes further to encourage employment services providers to: *“to promote the informatization of personnel files for mobile personnel and establish and improve the basic information resource database and management service operation platform.”* (MHRSS, 2018). More than a decade ago, the Public Employment Service Division of MOHRSS' Employment Promotion Bureau, developed a public employment recruitment website with 29 provinces able to share information. Data was used to monitor labour market trends, and gain information of certain special groups (ILO, 2014). More recently, in June 2023, under the Digital Human Resources and Social Security Decision Support System 2.0, the MOHRSS issued an action plan to promote full digitalization of human resources and social security systems, through integration of multi-tier social security system (ILO, 2023a).

In **Indonesia**, similar to Cambodia, the MOM has developed and mainstreamed digital employment services into its PES strategy, catching up with the trends towards employment services digitalization in the region. The MOM launched the OSS digital service *SIAPKerja* in February 2022, where jobseekers, employers and workers can access PES, training and social welfare programmes.²⁶ The *SIAPKerja* platform has a series of modules to address different user needs, including jobseeker and employer registration, career and job counselling, pre-employment skills training, visualization of job vacancies, matching and placement, fairs, certification and training. Supplementing the website²⁷, an app format is also available on the Google platform.

In **Japan**, Article 5-2 of JESA highlights the need for public employment security organizations and employment services providers to enhance employment information and technology to coordinate workforce supply and demand. Since the late 1990s, Hello Work has utilized web-based means to deliver LMI to PES users, whereas face-to-face services was the predominant channel given mandatory registration requirements for laid-off workers to claim benefits and receive ES. The pandemic further deepened adoption of digital channels and from September 2021, employers and jobseekers could register online to receive information on jobs and placement services (Hamaguchi, 2022). Currently, an official webpage provides employment services to jobseekers and employers, including job, education and training course searches, as well as a section for job search support for long-term unemployed. The website allows employers to register, post job vacancies and respond to jobseekers' applications. This service was further expanded in 2022 to include functionality to enable employers to directly contact jobseekers to request applications (OECD, 2022b).

Republic of Korea is one of the most advanced countries regionally in terms of development, adoption and deployment of digital channels to provide ES. As the OECD reports, almost every type of service available offline to jobseekers and employers is also available online. Importantly, this availability of employment services via digital channels is the result of a thoughtful medium-term planning involving clear objectives and coordination between agencies. The MOEL rolled out a digitalization strategy of ALMPs in 2023 under a more comprehensive “Plan to Improve Employment Services”, which entails enhancement of online and offline delivery of ES. Under this strategy, three key activities have been defined: 1) establishing a new integrated OSS digital service “Employment24” to provide employment services and ALMPs to jobseekers, employers and unemployment insurance beneficiaries, 2) increasing employment services access to non-physical channels through the national job portal WorkNet, making information on job opportunities from other private portals accessible to users and 3) increase automation of claims of unemployment insurance benefits and subsidies (OECD, 2024a).

Currently, the KEIS-developed Work-Net platform makes it possible for users to access online customized job search services and vocational tests, LMI and other links to training programmes. Work-Net already uses AI to perform job search and matching tasks for users and facilitates direct contact between companies advertising jobs and applicants. This system allows for direct contact between users. This platform is available on the web and as a mobile phone app. Finally, in 2019 the MOEL deployed an AI chatbot service so users can start conversations to request 24/7 job search and counseling support alongside AI to exploit big data-based recommendation algorithms to suggest fitting jobs for users.

²⁶ Retrieved from: <https://www.social-protection.org/gimi/ResultAchieved.action?id=1300>

²⁷ <https://siapkerja.kemnaker.go.id/app/home>

Lao People's Democratic Republic's MOLSW has taken important steps in recent years, as in Cambodia and Indonesia to adopt and modernize digital service channels to expand access to ES. Through Asian Development Bank's technical assistance between 2017 and 2019, the MOLSW's LMI Division developed a web-based LMI system responding to Primer Ministers' Decree No. 13 (Nanthanavone, undated). Launched in 2021²⁸, this umbrella website offers different services, including jobseeker and job vacancy registration, counselling, matching, referrals to skills courses and LMI. Aside from the website, these services are now available on a mobile app.

Malaysia's PES has also strategically invested and developed employment services digital delivery channels. Through MyFutureJobs, the ESD of PERKESO provides services to jobseekers, employers, eligible unemployment insurance recipients and students. More specifically, the portal provides upskilling and reskilling training through 495 registered providers with 6,662 courses across 42 fields, as well as other basic services including jobseeker and employer registration, job and career counselling, searches and matching under a digital OSS approach. To leverage job matching accuracy, the online portal uses AI based on data that identifies proximity between jobseeker and employers, as well as skills-based profiling and matching. In this regard, the matching functions of MyFutureJobs are not limited to job titles and CVs, but rather focuses on matching the skills and competencies of the jobseekers with the job profile offered by potential employers. In 2020, more than half a million jobseekers and almost 50,000 employers were registered with MyFutureJobs portal.²⁹

In the **Philippines**, the PhilJobNet³⁰ is a DOLE platform under a central digital OSS approach managed by the Bureau of Local Employment. The platform offers a service channel to deliver LMI, career guidance and job matching functionalities for external users such as students, jobseekers, and employers. It also provides services for internal users, such as employment counsellors, facilitating information to support daily activities. As a service channel, PhilJobNet offers key features that facilitate job search and placement self-service for jobseekers and employers, for example, jobseekers can receive direct job invitations from registered employers if their profile matches a job vacancy. Employers can post job vacancies, access jobseekers' profiles, run selection processes and participate in job fairs.

Box 7, Annex presents regional and international good practices in service delivery channels, including digital innovations in service delivery of ES.

Conclusions and recommendations

In the region, in-person employment services delivery channels via offices located near major service and industrial hubs have been the preferred mode of employment services provision. This is evidenced by China, Japan and the Philippines having large ESC networks in partnership with local and non-government employment services providers. In contrast, Cambodia, Indonesia, Republic of Korea, Lao People's Democratic Republic and Malaysia deploy ESC and branches in major cities and rural areas.

The traditional physical office channel allows PES to provide services in more personalized environments preferred by older and less skilled jobseekers or those in need of in-depth employment counselling, such as long-term unemployed, those claiming unemployment benefits or attending training, skills assessments or job interviews. However, a one channel approach to employment services excludes other segments of the labour market, such as students not cognizant of PES, rural or semi-urban jobseekers and people with time or mobility restrictions unable to commute to PES offices.

On top of deliberate efforts by PES to adapt service channels to expand access to hard-to-reach target groups through telephone call centres and websites providing LMI for instance, the pandemic crisis created a shift in ways governments implement employment policies, accelerating the massive use of digital means for most services. All reviewed countries in the region have language in legal frameworks and practices in place adopting digital delivery channels and most embrace OSS strategies to service

²⁸ Retrieved from: <https://kpl.gov.la/En/detail.aspx?id=61935>

²⁹ Retrieved from Malaysia's Investment Development Authority: <https://www.mida.gov.my/myfuturejobs-how-it-started/>

³⁰ <https://philjobnet.gov.ph/>

delivery. In addition, digital platforms or web portals are an essential part of the ecosystem that make LMI accessible to users and allow for new information to feed LMI datasets through user-friendly front-end interface access (ILO, 2024a).

The choice of channels to deliver employment services should be carefully considered depending on the types of services and users served. Evidence from focus countries shows that such channels should be flexible in meeting users' needs. Developing a OSS, multichannel management framework is desirable that becomes seamless for users as well as PES staff. While modern AI systems can deliver employment services to key segments of the labour market, specific tasks still require human interactions between employers and jobseekers. In any case, these initiatives require a sound ethical and legal governance framework in terms of privacy and accuracy for statistical profiling and job matching recommendations.



6. PES funding mechanisms and sources

Employment services activities, reach and impacts are limited by the availability of financial resources to fund daily operations. While PES funding is vital to meet operational needs, financing is dependent on government prioritization of employment services in the execution of employment policy (ILO, 2023b; Wang, 2021). However, investments in developing PES capabilities are commonly constrained by limited public funding allocations (Mazza, 2017a).

Funding practices: Legal or statutory basis

Regional focus countries face employment policy funding constraints, with Republic of Korea and Japan devoting 0.07 per cent of GDP to PES operations despite their strong economies, while France or Germany commit 0.25 and 0.31 per cent of GDP, respectively to PES.³¹

Beyond funding levels for ALMP and PES in particular, which may be a function of a country's economy and labour market, regularity of funding allocations is critical for activities to be planned and executed with reasonable time horizons. Therefore, it is crucial to understand how these mechanisms work and whether there are rules conditioning the use of funds and how local PES can allocate funds to serve specific target groups (Avila and Rodriguez, 2021).

For example, in **Cambodia**, different budget sources for NEA operations are statutorily defined in Article 16, Decree 67, (2009). In **China**, PES funding is clearly defined in the Employment Promotion Law. Article 35, EPL states that PES funds must be incorporated into government budgets of equivalent levels, while Article 36 specifies that People's Governments at or above the county level shall subsidize job intermediaries which provide public welfare services for employment. Article 15 details the use of a special employment fund towards supporting national employment policy, including subsidies for job placement, vocational training, verification of occupational skills and supporting PES.

In **Republic of Korea**, Article 45 of the KESA, states: *"That Minister of Employment and Labour may subsidize (via national treasury) all or some of the expenses incurred in providing free job placement services."* The Employment Policy Framework Act also addresses funding mechanisms of employment policies and programmes. Article 11 mandates the State provide support for employment services operations by local governments, whereas Article 18 more clearly commits the national government in subsidizing the operational expenses of units, projects and activities involving supply of data on jobs, work experience, occupational programmes for youth, occupational counselling at national and local levels. Article 13-2 promotes efficiency of government-funded employment programmes, including job centres and MOEL to prepare and evaluate coordination and strengthen synergies between government-funded employment programmes.

In the **Philippines**, Republic Act 10691, Section 5 specifies that PESO funding shall be provided by LGUs from internal revenue allotments and other internally-generated incomes. Likewise, the operation and maintenance of NGO PESOs and job placement offices of education institutions shall be charged against their internally-generated income. The Act goes further in detailing that funds for provision of PESO technical assistance, training and supervision shall be included in the DOLE's budget in the annual General Appropriations Act.

³¹ OECD data for 2021 retrieved from <https://www.oecd.org/en/data/indicators/public-spending-on-labour-markets.html?oeecdcontrol-df9123c98c-var3=2021&oeecdcontrol-20821130df-var6=PUBEMPSEV>

Budget sources and mechanisms

PES financing schemes and budget allocations can come from a combination of different sources, including national and subnational public budgets depending on the governance system, as well as whether funds are earmarked for specific programmes or target groups (Avila and Rodriguez, 2021).

In the same line, Wang (2021) identified four main sources of ALMP and PES funding: (1) government general budget, including budgets for line ministries implementing employment-related policies, (2) unemployment insurance, such as for jobseeking and access to ALMPs, (3) a special employment budget for NEP and (4) external contributions, including funds from development partners. In terms of how budgets are integrated and channeled to PES operations and ALMP implementation, there are more similarities than differences in practices across the region and beyond.

A key study identified and classified PES according to funding sources, ranging from only one source in a majority of countries including Japan, to two such as in China and Mexico and up to five, including the Philippines and Colombia. However, public funding sources, national or subnational, accounted for most PES budget allocations (WAPES, 2017). Despite multiple potential sources, most PES rely on central government funding. According to an ILO survey of 84 countries conducted in 2021, 96 per cent of nations declared that central government budgets were the most important source of funding for PES, whereas unemployment and employment insurance funds were reported by 44 per cent of PES (ILO, 2023b), such as in Malaysia.

In **Cambodia**, NEA finance and planning units prepare annual budget requests as the MLVT budget is the most important and stable source of financing for PES, despite Article 16, Decree No. 67 (2009) stipulating that the NEA create other sources of funding, including training fees and international development assistance, a relevant source of funding for employment services projects.

In **China**, PES is financed by two major sources: local government appropriations and the Employment Fund. The latter was institutionalized by the EPL and is used to subsidize employment services, skills appraisal and training activities as well as social insurance, public work programmes, student internships, and upgrading PES infrastructure (Zhang, Li, & Zhang, 2015; Avila and Guangzhe, T. 2018). The Promotion of All-Round Public Employment guidance issued in 2018 emphasizes strengthening funding safeguards for ES, calling for better coordination in use of employment subsidy funds and other channels, considering target population size variables and increasing the financial guarantee capacity of PES.

In **Republic of Korea**, up to 70 per cent of all labour market measures are funded through the EIS, with 30 per cent from the national government's central budget. The PES budget is set by the MOEL, with inputs from local job centres regarding target definitions and programme design.

In **Malaysia**, ESD budget originates from State and federal governments, with separate budget allocations from the MOHR and Ministry of Finance. Other ministries contribute to joined-up services such as management of satellite centres in rural areas with the Ministry of Rural Development. Other ALMP are financed through the EIS, which has employer and employee contribution rates of 0.2 per cent of wages each and provide unemployment insurance coverage and ALMPs (World Bank, 2020).

In the **Philippines**, PESO rules and regulations (Order No. 157-16) details procedures for preparing PES budgets for employment offices under the responsibility of LGU, which must conduct an annual planning sessions as a basis for setting priorities, defining objectives for 12-month periods and preparing budgetary requirements for local government council approval.

Box 6, Annex offers examples of good practice funding mechanisms in focus countries and beyond in Europe and the Americas.

³² Interview with representatives from the Employment Insurance Division, Malaysia Social Security Organization on 3 September 2024.

Conclusions

PES regionally and globally face mounting challenges to close skills gaps, pursue equity and contribute to full employment with limited resources. However, lessons from PES legal framework and good practices regionally and beyond provide important insights for Viet Nam on sustainable financing mechanisms for PES operations and programmes.

Specifically, three alternative models for PES financing were identified regionally. The first is cost-sharing of PES and ALMP operations between national and sub-national governments as practiced in China, Republic of Korea and the Philippines, with national governments contributing larger sunk investments for system-wide infrastructure such as data systems and national ALMP projects, while local employment services authorities support daily operations, such as wages and office costs.

The second alternative relates to creation of earmarked or special purpose employment funds, usually linked to EIS or unemployment insurance benefits, funded by contributions from employers, governments and workers, as seen in China, Cameroon, France and Hungary (see Box 6).

The third is multiple independent streams of funding, such as in employment services networks with multiple providers seen in the Philippines and Colombia, where each participant in the network secures its own funds to operate from different sources, independently of the national authority coordinating the network. As seen in China and the Philippines, these different approaches to PES funding and budgeting can coexist and overlap.



7. Management of PES personnel

Several studies have spotlighted the criticality of PES staff quantity, skills, motivation, recruitment procedures and training as determinants for employment outcomes of its users. This is evidenced by a Swiss study that found a positive staff-to-user ratio that linked optimized PES staff training with shortening average durations of unemployment for jobseekers. The same study also found that recruiting caseworkers with similar backgrounds to jobseekers had positive impacts on employment outcomes (OECD, 2015). Mazza (2017a) argued that staff upgrades and professional management of PES were key to moving from core employment services to more complete service provision.

Improving PES staff skills is also key to conveying a more professional organizational image to clients and potential employers (ILO, 2023b). Avila and Rodriguez (2021) underlined the importance of adequate staffing and skills to respond to labour market challenges and policy changes. Article 9 of ILO Employment Service Convention, 088 (1949) outlines key PES staff elements, including employment stability, recruitment based on objectively determined qualifications and training. In the region, commendable efforts towards attracting and retaining skilled professionals and career advancement in PES are evident.

Recruitment in the legal framework and in practice

Among countries with available information on recruitment practices, **Cambodia, Japan, the Republic of Korea** and the **Philippines** have PES regulatory frameworks with descriptions of recruitment conditions and practices. In **Cambodia**, Article 13 of Decree 67 (2009), which created the NEA, stipulates that PES staff are considered civil service employees and subject to civil service contractual norms. In this regard, NEA applicants must pass a civil service exam. In **Japan**, Article 4 of JESA specifies that local government heads can assign specialists to provide vocational and job placement services, with standards for assigning a civilian employment counsellor prescribed by the Ministry of Employment and Labour. In the **Republic of Korea**, Article 5, KESA states: *“The Minister of Employment and Labour may nominate a vocational advisor, from among public officials under his/her jurisdiction to take charge of job placement, vocational guidance.”* In ESC staffing, Japan and the Republic of Korea rely on contracted or non-permanent staff³³ more than on regular or stable civil servants (ILO, 2020), taking into account the level of decentralization and networks in both countries.

In the **Philippines**, Republic Act 10691, 2015 Section 7 mentions that appointment or designation of staff in charge of PESOs “Shall be the responsibility of the DOLE to: (c) designate, in consultation with the LGU, NGO, CBO or SUC concerned, a qualified project manager and/or key personnel who shall be responsible for the operation and management of the PESO.” Outside the region, typical entry-level criteria for PES staff involves tertiary degrees, language requirements, and previous work-related experience.³⁴

³³ Up until 2014, non-regular staff employed by Hello Work job centres totaled 60 per cent of total staff, according to MHLW.

³⁴ European Commission job profiles and training for employment counsellors (2012).

Job profiles, competencies and qualifications

For most PES reviewed in the region, job or career counsellors and officers were viewed as key roles as they were in direct contact with PES users. For these roles, different practices and regulations establish job profiles and required qualifications.

In **Cambodia**, the majority of career counsellors have professional backgrounds related to teaching. In **Japan**, Article 9 of the JESA stipulates that *"to ensure that operations of public ESO and other employment security agencies are carried out effectively, personnel exclusively engage in operations at the main employment security bureau, prefectural labour offices, or public ESO must be persons who have the qualifications and experience that the National Personnel Authority prescribes."* Furthermore, Article 9-2 states that *"an employment facilitation advisor is assigned at each public employment security office. An employment facilitation advisor provides employment guidance based on specialized knowledge. The Minister of Health, Labour and Welfare establishes the necessary particulars related to employment facilitation advisors"*.

Similarly, in **Republic of Korea**, the Employment Security Act's Article 6 contains wording regarding skills and competencies of job centre staff: *"The government shall endeavor to secure the professionalism of staff-in-charge by cultivating and assigning public officials having exclusive charge so that the head of each employment security office may professionally carry out his/her affairs, such as job placement, vocational guidance."* Interestingly, Republic of Korea has defined a blueprint for the structure of its offices, each comprising three divisions: i) planning and coordination, ii) job placement assistance, and iii) business assistance. Larger job centres can have additional divisions, but the relevance of this configuration is that different functions require different staff profiles, for example business assistance may require more sales and business acumen from those in charge of handling employers' relations.

In **Lao People's Democratic Republic**, ESC are also structured according to a basic blueprint, consisting of administration and finance, information and training, foreign worker registration, domestic and overseas employment, according to the MLSW. The number of staff in each ESC is contingent on the size of the target population and service portfolio. However, permanent staffing levels are more stable (World Bank, 2020a).

In **Malaysia**, there are 1,000 staff nationwide, with 400 job counsellors. Each office's size and roles vary based on the area's employer demographics, but there is a standard set of functions. Employment service officers' professional backgrounds vary depending on specific functions assigned, but most commonly have expertise or credentials in human resources and management. In the Philippines, Republic Act 10691, 2015, section 7 (d): states that the DOLE is responsible for "setting standards for the establishment and operation of the PESO office, and qualification standards for PESO personnel."

Training of PES personnel

In terms of keeping skills of employment services officers up to date, all countries provide training with some regularity. Cambodia, for instance, conducts training three times a year on specific topics, provided by external partners such as WAPES. In-house training is also conducted for onboarding of new staff covering regulatory aspects and core PES process (Olsson, 2022). In Indonesia, PES staff training is provided to ensure competency test certification. ILO has provided in-depth training to BINAPENTA job counsellors, including on specific requested topics, such as services for PWD and migration.

In **Japan**, **Republic of Korea** and the **Philippines**, training is mandatory and established in respective legal frameworks governing PES functions. For example, in Japan, Article 52 of JESA, states that: *"the government must formulate a plan and establish the necessary facilities to educate and train personnel engaged in employment placement, vocational guidance, and other affairs that it conducts"*. In **Republic of Korea**, Article 40-2 of KESA stipulates that *"the Minister of Employment and Labour, and provincial governments shall conduct education and training for a person who provides job placement services, and those engaged therein, so as to improve professional knowledge and ethics required to conduct job placement, job counselling."*

In the **Philippines**, the DOLE is responsible for delivering training technical assistance for PESO personnel (Republic Act, 8759, 2000, Section 7). In addition, the DOLE works closely with PESOMAP to enhance the skills of PESO managers and staff, through complying with professional certification of its members³⁵, according to DOLE-issued guidelines and standards. In Malaysia, it is compulsory for employment services officers to undergo training based on each profile, supported by a PERKESO-established academy for PES staff. Box 5, Annex presents additional examples of regional and international good practice regarding PES staff training.

Conclusions and recommendations

An effective PES demands professional staff with the necessary competencies and skills to address a variety of jobseekers and employers' needs. Nevertheless, PES in the region and beyond face resource and staffing constraints. Recruiting PES candidates from backgrounds similar to service users may result in optimal outcomes due to empathy and a deep understanding of their needs, particular those who face barriers such as college graduates, women and PWD.

With constraints to public funding, ideally PES staff would work under civil service contracts which requires a legal framework that earmarks funds for wages and professional development of PES staff. This not only ensures job stability and labour rights for staff, it provides career paths and ensures talented individuals are attracted to work at PES, given the status, reputation and benefits of the professional civil service. In terms of professional competencies and skills sets, there is an increasing regional trend towards specialization of employment counsellors, who at most PES are now required to have a university degree in areas such as human resources, management, psychology, teaching, and social work.

As local employment office heads and employment counsellors/case workers play a commanding role in managing and delivering ES, some countries such as Japan, the Philippines and Spain have specific language in PES legal frameworks regarding professional requirements for these roles. The reviewed practices confirm a trend towards specializations of job counsellors, such as in Japan, Republic of Korea, and Malaysia, Estonia and Spain, with skills to work in specific niches with disadvantaged or special target groups such as PWD, migrant workers, women, and youth as well as services to employers.

³⁵ Retrieved from: <https://cip.philjobnet.gov.ph/?updates=114-dole-peso-managers-pass-the-public-employment-service-pes-national-certificate-iv-nc-iv-competency-assessment>



8. Managing PES partnerships

The capacities of PES to effectively service a wide array of clients with different needs is only limited by the extent of its physical, financial and human resources (G20, 2015; Avila, 2018). In this regard, different ILO studies agree that PES partnerships with public and private providers of employment services constitute a viable alternative, by which governments can expand their employment services reach and capacity to deliver existing and innovate new services (Avila, 2018; Finn, 2020; Avila and Rodriguez, 2021). A recent WAPES survey found that strategies for managing partnerships is a key issue for PES globally, including the Asia region (WAPES, 2023).

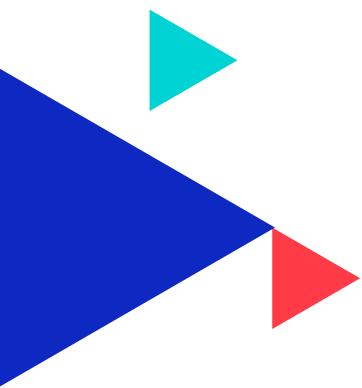
The ILO adoption of Private Employment Agencies Convention, 1997 (No. 181) signaled a paradigm shift in recognition of the role that PrEAs play in the labour market. In fact, Article 13 calls on member States to promote PES and PrEAs collaboration. The accompanying ILO Private Employment Agencies Recommendation, 1997 (No. 188) proposes areas of collaboration between PES and PrEAs, including pooling of information and use of common terminologies, joint projects and training staff.

PES partnerships with PrEA types and scope of collaboration

The regulatory frameworks governing employment services in each country differ in how they promote or facilitate collaboration, alongside the formation of partnerships between public and private providers of ES. The rationale behind pursuing partnerships for both PES and PrEAs boils down to the mutual gains in expertise, information and pooling of resources (Hiebl and Hempel, 2019).

In the region, China, Japan, Republic of Korea and the Philippines provide good examples of regulatory designs conceived to facilitate partnerships between PES and different government and non-government providers of ES, particularly with PrEAs. Outside the region, Colombia and Spain also offer good examples of countries that recently have transitioned into a deliberate policy orientation to foster partnerships as a key component of their employment services strategies.

In **China**, given the explicit goals of employment policy to expand the supply and availability of ES, improving its quality and delivery mechanisms and for access equity among those most disadvantaged in the labour market, regulatory and policy frameworks have evolved over the last decade to embrace partnerships to operate and deliver employment services (Avila and Tian, 2018; Finn, 2020). This stance is articulated, for example, in Article 33 of China's EPL, which states that: *"People's governments at or above the county level shall encourage all sectors of society to carry out activities in service of employment in accordance with law, provide better guidance in and exercise stricter supervision over public services for employment and the services provided by job intermediaries and gradually improve the employment service system covering urban and rural areas."* Under this legal mandate, an ecosystem of employment services providers comprises non-government, for-profit PrEAs and temporary work agencies, non-profit enterprises and organizations, including academic institutions, as well as other government providers, with different protocols, systems and objectives (Finn, 2020).



To keep a reasonable degree of coherence and consistency, the MOHRSS and provincial governments through their Human Resources and Social Security Departments, in charge of employment services maintain the steering function through issuing directives and standards for provision and deployment of employment services by all parties (Avila and Tian, 2018), resulting in a bottom-up oriented employment services implementation ecosystem. In 2018, the MOHRSS and the Ministry of Finance issued the Guidance on Promotion of All-Round Public Employment Services, calling for a diversified service-delivery system led by the government and supported by the involvement of other actors. All localities are required to use bidding mechanisms and include employment services in the catalogue of government service procurement to attract social capital and high-quality resources to participate in the construction, operation and management of government-run PES facilities, including for-profit providers as well as social and volunteer organizations at the grassroots level. Typically, this steering system accommodates two types of partnerships: non-contractual based on informal and collaborative exchanges, and contract-based under formal procurement arrangements. The first type tends to be more common with other government agencies and NGOs, and with PrEAs on a limited scope, (for instance, information exchange) and the later more typical of partnerships with for-profit PrEAs and nongovernment providers, for the delivery of a variety of ES.

Combined, these two forms of interactions between PES and non-government employment services providers sprung a myriad of collaborative partnerships covering activities including career guidance, pre-job training and vocational training courses, mostly for jobseekers facing employment barriers, such as youth, long-term unemployed, and PWD. PrEAs-PES collaboration usually falls under contractual-based partnerships, a growing practice in China since the early 2000s following a government policy trend towards the externalization of public services as a result of market-oriented reforms (Avila and Tian, 2018). The rationale underpinning this externalization in the case of PES and ALMP in China, was driven by the need to increase service supply due to limited public capacity to provide these services, especially at the local level (Avila and Tian, 2018). These limitations in capacity led to reforms in the regulatory framework through the 2002 Government Procurement Law, with a view to provide fairness, integrity and transparency to government tendering process, including in contracting out ES, the main outcome of this policy to foster employment services partnerships is sustained expansion in access and coverage of employment services nationwide (Finn, 2020).

In **Japan**, similarly to China, while recognizing the importance of promoting cooperation in employment services implementation and delivery, public authorities retain a steering function of the overall system, expressed in JESA Articles 16, 33, 36 and 48 concerning the setting and issuing of standards, coordination, methods, guidance and performance criteria by the MHLW for the deployment of employment services by third parties. Aside of these type of collaboration Japan PES (Hello Work) also engages in commercial partnerships through contract-based arrangements for specific employment services usually with for-profit private providers (OECD, 2015).

The Employment Security Act of Japan provides regulatory direction for authorities in charge of supervising employment services to promote cooperation with nongovernment providers in recognition of contributions to improve the labour market and facilitate access to jobs for jobseekers. The collaborative approach aligns with Japanese model of integrated ALMP and social welfare policies, so that partnerships are embedded within the broader policy of strengthening access and coverage for re-employment assistance (OECD, 2015), mainly through outsourcing to private employment services providers. Specifically, Article 1 of the Act stipulates that *“to give every person the opportunity to obtain a job suited to their abilities and to give industry the workforce it needs by enabling public employment services organizations and other such employment security organizations serving the public to provide employment placement services with cooperation of related administrative authorities and organizations.”*

Furthermore, Article 5 of JESA conveys the government's intent to guide non-government providers of employment placement, worker recruitment, worker supply and temporary work agencies to achieve employment policy goals, clearly showing that collaboration can take the form of exchanges of information and guidance between government and non-government employment services providers. In addition, Section 4 of JESA specifically addresses how public ESO may cooperate with schools in the deployment of mechanisms to provide placement services to students.

In **Republic of Korea**, both the Framework Act on Employment Policy and KESA contain provisions that promote active collaboration and partnerships between PES and non-government providers of ES. Specifically, Article 12 stipulates that *"the ESO and private organizations may promote measures concerning provision of employment services through mutual cooperation by jointly promoting or linking them."* In the same vein, Articles 3 and 4 of KESA provide the entire scope of possible collaborative relationships that the government may carry out pertaining *"projects concerning vocational guidance to jobseekers, conveying LMI and training either jointly or by contracting out with free-of-charge and fee-charging job placement services and other specialized institutions, and jointly with the head of each local government."* Jobcentre and welfare centre plus are the main implementing arms of a strategy of co-location, where different public entities provide reemployment and welfare services under one roof in the form of OSSs and in some cases delegating services to specialized not-for-profit providers to address specific target group needs (Finn, 2020).

In recent years, the MOEL has also resorted to outsourcing delivery of job placement services, including vocational training to for-profit and non-profit providers under commercial partnerships arrangements, retaining supervision over performance, quality and standards, while establishing coordination and social dialogue mechanisms to ensure coherence and prevent overlaps between public and private providers (Yang, 2015; Byong 2020; Finn, 2020).

Job placement service delivery to persons in vulnerable situations is outsourced to private employment agencies and non-profit employment services providers with expertise to address the needs of such groups (Yang, 2015). In contrast to China, however, the process of contracting out with PrEAs, in terms of budgetary allocations and steering of tender processes, remains within the control of the central government (Finn, 2020). Employment services providers have limited flexibility and must follow MOEL-defined standards, procedures, infrastructure, personnel hiring, and indicators.

In terms of partnerships for exchanges of data and LMI, Republic of Korea's WorkNet is an interconnected job search platform, fed by 31 public and private job search websites, including PrEA job sites and government-run job centres, under a digital one-stop shop site providing job search and counselling services, especially for youth.

In **Cambodia**, for example, the nexus between NEA and NGOs managing not-for-profit PrEAs is mostly confined to exchanges of information on skilled jobs and candidates. In **Indonesia**, collaboration commonly takes the form of coordinated activities, such as joint job fairs, counselling or socialization about the world of work. The site career hub connects and exchanges information on job vacancies with PrEAs to publicize job vacancies. BINAPENTA can also engage PrEAs in destination countries to facilitate the safe recruitment of Indonesian migrant workers. In **Malaysia**, collaboration is informal, with PrEAs receiving guidance to register at the MyFutureJobs website and in exchanges of information on job vacancies with the ESD.

In **Lao People's Democratic Republic**, while a legal framework enabling partnership practices is not yet as developed, the 2024 formation of the Lao Employment Service Agency Association (LESA) established by 48 authorized recruitment enterprises will self-regulate the employment industry, particularly in recruitment for overseas jobs. LESA and the government adopted a formal agreement to be officially promulgated containing a code of ethics for the self-regulation of recruitment activities of private employment agencies sending workers abroad (ILO, 2024b).

To better understand the benefits of fostering enabling environments for ES-focused PrEA partnerships, it is important to also consider PrEA perspectives on partnerships with PES. A study conducted by the World Employment Federation (2021) with participation of PrEAs from 33 countries including in China and Japan found that access to talent, LMI and labour market improvements were key drivers of PrEAs partnering with PES. Furthermore, PrEAs' concerns about partnering with PES relate to perceptions of PES as partners, their quality of services provided to employers and the value gained from such partnerships, with exchanges of job vacancies and activations of specific target populations the most common objectives of partnerships. Financial compensation for services and procedures related to procurement and tendering were also identified by PrEAs as key issues related to participation in outsourcing of employment services by PES. This highlights the importance of streamlining procurement procedures for ES, and having clear objectives and sound service cost and compensation estimates.

Finally, consulted PrEAs mentioned wage subsidies, recruitment bonuses and tax breaks as the most common government incentives offered to employers using PrEA services for placing unemployed jobseekers. These findings reaffirmed other studies on PES partnerships that concluded that the importance of partnership framework design, flexibility, participation and dialogues with stakeholders as elements for successful PES partnerships (EC, 2013).

PES partnerships with employers

Three different instances of partnerships with employers can be identified from practices examining PES, including collaboration with employers' organizations. The most common are partnerships stem from the fact that most PES focus on assisting jobseekers with different employment needs, including those from disadvantaged backgrounds to find employment, a feature that companies may find appealing to achieve two goals simultaneously: fulfilling corporate social responsibility goals while finding suitable workers, as with India (Finn, 2020), and the Philippines (World Bank, 2023).

In **Malaysia** specialized teams engage employers to facilitate job placements for persons in vulnerable situations. Similarly in **Thailand**, provincial Department of Employment offices establish agreements with companies for hiring returned migrants, PWD and other prioritized groups. A second common type of partnership between PES and employers has the intention of exchanging LMI and creating space for dialogue on employment policies. This usually takes the form of industry-wise association or sectoral councils at national or regional levels, engaging PES on behalf of members, which can lead to specific joint activities or services targets, such as job fairs or recruitment efforts.

In **Cambodia**, the NEA partnered several stakeholders, particularly the Textile, Apparel, Footwear & Travel Goods Association in Cambodia, as well as other industries, to organize large-scale events, including job fairs to showcase nationwide employment and training opportunities that attracted more than 30,000 participants in 2022 (WAPES, 2023) and more than 20,000 in 2023, with the benefit of improving visibility of PES among employers. In the **Republic of Korea**, job centre directors participate in advisory bodies such as the Local Employment Council chaired by the local government governor and the Local Employment Forum (World Bank, 2023).

Another type of partnership between PES and employers involves employers willing to participate in ALMPs managed by PES to facilitate labour market transitions. Participation in these programmes in most cases is not mandatory for employers, but entails benefits in the form of subsidies, tax breaks, brand recognition and wage subsidies upon hiring. While there is the potential to widen perspectives on suitable candidates, cost sharing maybe burdensome, such as providing venues, equipment, training and supervision. Examples of these abound in various countries in Europe including Belgium, Estonia, Latvia, Portugal, Romania (EU, 2023), as well as China, **Japan**, and Republic of Korea. An example of this type of partnerships can be found in Japan, where employers are encouraged to offer employment opportunities to young people with no work experience. In exchange, employers obtain wage subsidies for up to three months, if they provide jobs to young beneficiaries for at least 30 hours of work per week (ILO, 2016).

In **Lao People's Democratic Republic**, the DSDE together with the Ministry of Education and Sports and National Chamber of Commerce and Industry has implemented skills training programmes to strengthen the capacity of skills trainers, coordinators and managerial staff in enterprises to conduct recruitment (ILO, 2023b).

PES partnerships with state and non-state stakeholders

The driving factor behind PES efforts to establish partnerships with other government and non-government actors is commonly to extend or enhance services for disadvantaged or hard-to-place target populations. This makes PES a natural ally for a variety of public and NGOs, such as other government agencies devoted to social welfare and assistance, training and poverty alleviation, educational institutions, CSOs and trade unions that facilitate employment services to underserved or hard-to-reach target populations. This type of partnership often takes the form of “co-location” where different services, including ES, are put together by institutions or organizations under a single roof or OSS (Finn, 2020).

Other partnerships include outreach and activation efforts to reach target groups to achieve labour market integration. Another key reason for partnerships is exchanges of LMI, either for use of partners, such as exchanging information of on-demand skills, skill gaps, training, and job vacancies, or making it available to respective users and beneficiaries.

In **Cambodia**, in 2015 NEA took part in a project promoted by the NGO Cambodia Team for Education Programme Organization, with participation of Germany's International Cooperation Agency (GIZ), job centres, TVET institutes and authorities to assist returned workers and rural youth to gain employment. This organization and NEA focused on connecting jobseekers with companies for employment and training opportunities. Given government emphasis on training, NEA has developed strong partnerships with providers, including TVET institutions, as well as the National Social Security Fund.

China is home to an array of nongovernment, non-profit organizations providing ES, including universities, trade unions, women-led federations and NGOs devoted to inclusion of PWD, which collaborate with PES mainly through non-contractual arrangements such as MOUs or collaborative agreements (Avila and Tian, 2018). For example, every September in partnership with ESC run by tertiary education institutions and universities, the MOHRSS Employment Promotion Department organizes an Employment Month to provide university graduates with career counseling and other employment services to assist school-to-work transitions (Finn, 2020). Similarly, **Indonesia's** BINAPENTA works in collaboration with schools and job training centres to organize special job fairs targeted at students. In Japan, Article 26 of JESA articulates a clear policy for ESO to collaborate with schools to provide students with LMI and vocational guidance. Furthermore, Article 27 of JESA states that heads of ESO may assign public employment security office operations to heads of school with the former's consent. Article 18, JESA also mentions that ESO may collaborate with local public entities, employer organizations, and labour unions pertaining to collection of LMI.

The Republic of Korea has one of the most complete regulatory frameworks for partnerships with non-government employment services providers, resulting from the expansion of ALMP and programmes. This means the government increasingly relies on other partners for employment services delivery given their extended presence in the labour market (Byong, 2020). For efficient governance of these partnerships and to avoid redundancies in service delivery, the government issued a guideline for cooperation among central and local governments, with Article 15 of KESA stating that the heads of employment security offices can cooperate with school directors to run free ES, including vocational guidance for students. In addition, government job centres are co-located with local employment offices or other specialized government agencies providing employment services to specific target populations,

including the Ministry of Gender Equality and Family, which assists in management of Occupation Centres for Women and the Ministry of Health and Welfare, that supports centres that work with low-income individuals, including education institution claimants. Examples of these specialized employment services operated through non-government partnerships include Job Centres for Women that deliver employment services on behalf of the MOEL and under its supervision.

Furthermore, the MOEL commissions LMI services to be delivered in partnership with other government agencies such as KEIS and the Republic of Korea Polytechnic. Under this co-location partnership strategy, job centres have evolved into Welfare Plus Centres, a OSS service in which unemployment insurance beneficiaries receive employment services by labour, employment and welfare agencies. With universities, MOEL Job centres have fostered partnerships to expand staff bandwidth by contracting job consultants through a cost-sharing scheme (Yang, 2015).

In **Lao People's Democratic Republic**, LMI policies are based on MOUs for sharing data with different government agencies, including the Ministry of Industry and Commerce in charge of employer data, the Ministry of Home Affairs that handles population records and the Social Security Organization, for unemployment and social security records.

In **Malaysia**, PERKESO's ESD engages in direct large-scale employment services collaboration with State government authorities, such as organizing job fairs. A key partnership nurtured by PERKESO relates to feeding information from partner sources into the MyFutureJobs portal, a OSS digital LMI site that offers a variety of ES, including national training and qualification programmes, resulting from collaboration with TVET institutions. Another feature of PERKESO ESD partnership strategies is development of formal agreements with universities and other government agencies, such as the Ministry of Rural Development through Rural Community Centres, to operate employment services satellite centres throughout Malaysia, especially in rural places where traditional ESC are not present. These satellite centres provide employment services to rural populations through digital means, in partnership with the Malaysian Communication and Multimedia Commission through the Digital Economy Centre and other agencies.

In the **Philippines**, the PESO network is collaborative by design with a diverse set of providers, including NGO, community-based and educational institutions, along with local governments, in which DOLE regional offices play a crucial role in coordinating the network. Amendments to Public Employment Service Office Act (1999), through Republic Act 10691, introduced a system of recognition to ensure these non-government providers comply with minimum standards of service implementation set by the DOLE, through the signing of MOUs aimed at agreeing mechanisms of mutual responsibility for the establishment, operation, and maintenance of PESOs or placement offices.

Conclusions and recommendations

ES partnerships can take many forms and target different goals. Viet Nam can draw lessons from legal frameworks that promote collaboration with social agents, employers and PrEAs, as well as from practices to implement and manage such partnerships. Box 2, Annex offers examples of international good practice on managing PES partnerships.

Table 3. Type and characteristics of PES partnerships around the region

Type of partnership	Main characteristics	Main objectives and outcomes
Horizontal	Usually between PES and other government agencies and educational institutions. Based on non-contractual agreements or MOU.	• Sharing spaces, resources and information exchanges, but without integration. • Implementing OSS services.
Vertical	Usually between PES and for profit and non-profit ESP, based on formal client-supplier contract arrangements, involving transfer of public funds to perform a public service.	• Contracting out public employment services functions or tasks to reach special target populations or to deploy specialized services. • Test pilots for innovative employment services.
Network	Steered by PES and with participation from different employment services providers, public, for-profit and non-profit at national and local levels, based on shared standards and guidelines, leading to some degree of integration in functions, information and service delivery.	• Expanding the reach and coverage of employment services and grow the network of service providers and points.

Source: Authors

Three types of partnerships can be identified from the analysis of legal frameworks as well as regional and international practices (Table 3).

Horizontal collaboration, characterized by its synergies and co-location of services, may be the easiest path to leverage convergence in purposes, target populations, compatible practices and resources. Horizontal partnerships are usually forged with national and local-level government agencies, international cooperation agencies, educational institutions and NGOs. Japan and Republic of Korea offer good examples and practices, as their legal frameworks governing PES explicitly invoke collaboration with different organizations, primarily with educational institutions to promote career guidance and pre-employment training for young students in anticipation of transitions into the labour market. These types of schemes could also be extended to other youth not in education to ensure they also benefit from collaborative initiatives between employment services and a diverse set of institutions, such as Japan's Regional Youth Support Stations. Horizontal partnerships are best suited to non-economic goals, but where shared value is created, such as collaboration with PrEAs to mutually feed and access LMI systems and when information on jobseekers, skills, training, and other valuable data assets are collectively created and shared between private and public providers of ES, as in the case of MyFutureJobs in Malaysia and the Republic of Korea's WorkNet. This is an area for Viet Nam to explore and draw lessons for potential emulation.

A different type of horizontal collaboration – with employers, industry and PrEAs – involves the creation of informal frequent spaces for dialogue, exchanges of information, and formal tripartite bodies such as PES boards with involvement of industry representatives and consultative councils. The Vietnamese PES could look into emulating such arrangements in its regulatory framework, to promote an environment of collaboration with PrEAs and employers.

China provides a good example of a different approach to partnerships based on a vertical collaboration approach (supplier-client), through contracting out service arrangements, in which primarily PrEAs and other non-government and not-for-profit organizations implement employment services and employment policies, particularly for hard-to-reach and place target groups.

However, in following this model it is important to develop a clear regulatory framework or align PES to existing regulatory frameworks and guidelines in government procurement, as well as develop expertise to manage commercial partnerships throughout the cycle of contracting, implementation, M&E, applying principles of fairness, relevance, transparency and efficiency. Specifically, when devising a system to encourage PrEA participation in partnership with PES, it is important to consider elements to contract parties, including financial viability, flexibility, bidirectional feedback and sharing of information and expertise.

A third partnership model is the ***network integration approach***, present in Colombia and Spain (see Annex 1), and to some extent the Philippines, where the delivery of employment services is taken to a next level of integration of private, public and non-government employment services providers into an official network managed and supervised by central government. To work effectively, all partners must follow the rules and standards defined by a central steering authority. These standards must be feasible to implement with relative ease and avoid creating new administrative and financial burdens.

All three partnership models with government agencies, PrEAs, employers and NGOs yield different benefits and while compatible, they require different approaches. Yet, the most important success factor is developing a specific mandate and framework, as seen in China, Japan, Republic of Korea, the Philippines as well as Colombia and Spain, enabling PES to define objectives and benefits, identify partners, and ensure compatible M&E systems.

9. Regulation and operation of private employment services

Public employment services (PES) and private employment agencies (PrEAs) play key roles in supporting workers in the Asia and the Pacific region.³⁶ The importance of PrEAs in labour markets raises the key question of which governance model to adopt, dependent on regulation(s), supervision and even collaboration with PrEAs.³⁷ To strike a balance between widening employment services options available to employers and jobseekers as well as ensuring that recruitment is carried out with fairness and in line with national legislation and international standards, governments must adopt a sound approach to PrEA-focused regulations.

It is important to note that PrEAs and PES do not necessarily operate within the same segments of a labour market. While a PrEA typically focuses on identifying and selecting job-ready candidates to supply client companies – often medium- and large-sized firms seeking workers, PES generally concentrate on supporting individuals transitioning to the labour market or facing entry barriers. PES play a vital role in helping connect jobseekers with opportunities and supporting inclusive labour markets. This includes targeted services to first-time jobseekers, women, displaced or retrenched middle-aged workers relocating jobs, the elderly, PWD and services to small-sized business lacking human resource capacity to find suitable workers as well as addressing any skills mismatches in the labour market.

More importantly for public policy, is the aggregate effects of PES interventions in the labour market. Recent studies and impact evaluations of PES around the world, including Australia (Böheim, R et al. 2019), Colombia (Pignatti, 2016), Denmark (Ravn and Nielsen 2019), and Kosovo (Elezaj et al, 2019), show significant positive employment outcomes from PES interventions on increasing employability, formality, employment duration and access to job opportunities, while reducing lengths of unemployment on groups such as women, people from rural areas, less educated and younger individuals, results corroborated by OECD applied research. Yet, PrEAs play a role in complementing these efforts to ensure effective labour market facilitation and intermediation.

Regulation, supervision and functions of PES providers

ILO Convention No. 181 (1997) lays out the basic elements for government regulation of PrEAs activities. Out of the regional focus countries, only Japan has ratified the convention, which defines private employment agencies as “any natural or legal person, independent of the public authorities, which provides one or more of the following labour market services:

- (a) services for matching offers of and applications for employment, without the private employment agency becoming a party to the employment relationships which may arise therefrom.
- (b) services consisting of employing workers with a view to making them available to a third party, who may be a natural or legal person (referred to below as a “user enterprise”) which assigns their tasks and supervises the execution of these tasks.
- (c) other services relating to jobseeking, determined by the competent authority after consulting the most representative employers and workers organizations, such as the provision of information, that do not set out to match specific offers of and applications for employment.”

³⁶ Detailed guidance on private employment agencies is available at ILO. Guide to private employment agencies, Second (revised) edition, Geneva: International Labour Office, 2025

³⁷ <https://www.oecd.org/en/about/projects/oecd-ec-project-on-policy-impact-evaluation-through-the-use-of-linked-administrative-and-survey-data.html>

Article 3 of the Convention sets out two main schemes to regulate PrEA operations, consisting of certification or licensing, with countries adopting different approaches based on these two schemes, including a combination of registration and licensing. Table 4 presents different legal instruments regulating PrEAs in regional focus countries.

Table 4. Overarching legal instruments regulating PrEAs in the region

Country	Type of regulation	Name of regulation
Cambodia	Ministerial Decision (PRAKAS)	PRAKAS No: 047/13 February 2013 on Private Recruitment Agency.
China	Labour Law	Labour Contract Law 2013 (Article 40 for job intermediaries and Article 57 for temporary work agencies).
Indonesia	Specific Law	Law Concerning the Placement and Protection of Indonesian Overseas Workers (Law No. 39/2004).
Japan	Employment Law	Employment Security Act No. 141 of November 30, 1947, Chapter III.
Republic of Korea	Employment Law	Employment Security Act No. 16413, Apr. 30, 2019 Arts. 19 to 36.
Lao People's Democratic Republic	Labour Law	Labour Law (43/2013) Chapters 3, 4 and 6.
Malaysia	Specific Law	Act 246 Private Employment Agencies Act 1981.
The Philippines	Labour Law	Labour Code of 1974, and its following amendments (Presidential Decree 1412, 1978) Article 15 and DOLE order 216-2020 and 2017-2020.

Source: Authors

Regulatory instruments

Regionally, countries regulate PrEAs through different legal instruments, but most outline general principles in labour or employment laws. Japan and Republic of Korea regulate fee-charging employment services providers in their respective Employment Security Acts, while China, Lao People's Democratic Republic and the Philippines have specific articles or sections on PREA or labour intermediary regulations in their labour codes. Indonesia and Malaysia have enacted specific laws regulating PrEAs. Labour authorities in Cambodia and China have issued a series of ministerial decrees, administrative directives and guidelines with detailed requirements for authorization and operation of PrEAs.

Another important element contained in ILO Convention No. 181 Article 7 is the prohibition of PrEAs from collecting or recovering recruitment fees from jobseekers. In Malaysia, however, although PrEAs cannot charge fees to jobseekers for job search assistance, certain fees are permitted related to placement and capped to a certain percentage of the first monthly wage, similar to countries in Latin America, such as Honduras.

In the **Philippines**, fee-charging PrEAs cannot recover fees from workers in the domestic labour market, however some fees can be collected for placing a jobseekers abroad in certain circumstances, once the jobseeker has secured employment. In **Indonesia**, charging migrant workers recruitment fees is expressly prohibited, as is collecting fees from workers for job placement services in Japan.

Countries tend to establish different regulatory requirements according to the type of activity or business that PrEAs are engaged in, as well as for fee-charging compared to non-government free-of-charge employment services providers.

In addition, some countries such as the **Philippines** establish differentiated regulatory approaches for job placement agencies with a view to domestic labour market recruiting and job placements abroad. Many countries have additional regulations for recruitment and job placement abroad in an ambition to mitigate the more prominent risks this entails. In the region, there is a broad spectrum of private employment services providers and regulatory frameworks applicable to each category of PrEA.

In **Cambodia** the main PrEA categories under regulation are domestic recruitment and migrant-sending agencies, regulated under sub-decrees 190 and 57. PrEAs in Cambodia can offer services including recruitment for domestic and overseas jobs, job counseling, orientation and placement as well as services supporting for returning labour migrants.

In **Lao People's Democratic Republic**, the Labour Law (43/2013) Articles 36 and 38 establish two types of PrEAs, domestic and overseas, respectively. The MOLSW may authorize non-profit social organizations to conduct domestic recruitment activities, but recruitment of jobseekers for employment overseas is only allowed for authorized recruitment enterprises.

In **China**, the PrEA industry is highly heterogeneous, including head hunting, outsourcing temporary work agencies, talent assessment, and a wide variety of related business both fee and non-fee charging. Services that PrEAs can offer include basic job information and matching, vocational guidance and training, career management, labour outsourcing (temporary work agencies) and even ALMPs on behalf of different levels of government through procurement and contracting-out schemes (Avila and Tian, 2018). Temporary work agencies in China are regulated within the Labour Contract Law, whereby businesses must meet specific conditions to obtain government authorization to operate, including capital and infrastructure requirements. Employers using services of temporary work agencies can only recruit for temporary or auxiliary jobs.

In **Japan**, different categories of PrEAs encompassing fees, those working within educational institutions, and temporary work agencies are outlined in JESA's Chapter 3. PrEAs and temporary work service providers can operate under a license system, whereas other non-government employment services providers may fall under the category of conventional employment placement services, many of which operate online. In March 2022, the Employment Security Act was amended to introduce a notification system to regulate these new business forms (Hamaguchi, 2022), and to ensure the information these agencies provided to the public regarding job offers is accurate and that personal data of users is safely managed.

In **Malaysia**, Act 246 on Private Employment Agencies 1981 is enforced by the Ministry of Human Resources, through the Labour Directorate. Under this Act, three major PrEA categories are authorized under specific requirements: a) job placement services for jobseekers within Malaysia, b) job placement agencies providing services to jobseekers within and outside Malaysia, and foreign domestic workers within Malaysia and c) job placement for jobseekers within and outside Malaysia, and non-citizen jobseekers within Malaysia.

The **Philippines** issues differentiated requirements to regulate agencies conducting recruitment services for domestic and industry workers, and recruitment for jobs abroad. Licensed PrEAs engaged in private recruitment and placement are currently prohibited from job contracting or sub-contracting.

Requirements: Licensing, registry and reporting

Authorization requirements for PrEA establishment and operations display some similarities across countries, with all featuring a registration or licensing system. In terms of registry, **Cambodia, China, Indonesia, Japan, Malaysia** and the **Philippines** require PrEA applicants to be registered as corporations or enterprises under respective trade laws, within corresponding commerce authorities. In **Indonesia**, this registry must be under the modality of a limited liability company. The **Philippines** allows individuals under sole proprietorship to file for PrEA authorization. In all of these countries, PrEAs require either a license, a permit (**Indonesia**) or certification (**Republic of Korea**) to function legally.

In terms of authorities granting authorization, in all focus countries regionally, PrEAs are required to file applications with respective labour authorities at national level. **China** and **Republic of Korea** require registration with local governments or provincial authorities for domestic placement activities. However, for overseas placements, PrEAs must register with respective national labour authorities. In the **Philippines**, PrEAs must file and obtain license to operate domestic placement services from a Regional Office of the Department of Labour and Employment. In addition to obtaining a license, PrEAs engaged in recruitment of workers must separately obtain authorization to recruit. Those PrEAs intending to pursue recruitment and placement for overseas jobs must apply separately for a special license from the Philippines Overseas Employment Administration.

Licensing and permit requirements

Aside from the requirement of being duly registered as enterprises or corporations, applicants are usually required to pay for registration and licensing.

Eligible applicants

In some countries, regulations establish strict nationality applicant requirements. In **Cambodia**, **Lao People's Democratic Republic**, **Malaysia** and the **Philippines**, applicants must be nationals of the respective country and hold the majority of shares (51 per cent in Cambodia and Malaysia and 75 per cent in the Philippines) of the registered corporation to be licensed.

In some countries, applicants' background checks are part of the clearance process to obtain PrEA permits or licenses. In **Japan** and **Malaysia**, no person or corporation who has filed for bankruptcy can file an application to obtain PrEA license. In these two countries and the Philippines, individuals who have been convicted of crimes involving serious violations to labour laws or child labour, trafficking in persons or organized crime are barred from filing for a PrEA license or taking part in licensed recruitment agencies.

Capital, staff and office requirements

In terms of capital, staff and office space requirements, there are some similar regulatory trends in the region. **Japan** requires a healthy financial basis to conduct employment services activities. In **China**, a minimum capital requirement is established for temporary work agencies and PrEAs seeking to conduct placement services for overseas jobs. **Indonesia**, **Lao People's Democratic Republic**, **Malaysia** and the **Philippines** set minimum capital requirements that individuals and corporations seeking PrEA licensing must meet.

In addition, all these countries established requirements for applicants to provide evidence of having adequate office space to offer in-person services to jobseekers and employers. In the cases of **Cambodia** and **Indonesia**, labour authorities require PrEA license/permit applicants to have areas devoted for orientation and training when intending to conduct recruitment for sending workers abroad.

In the case of the **Philippines**, regulations governing employment services for private domestic employment agencies require strict documentary proof of ownership, or lease office space of a certain minimum area (40 square metres) for the exclusive use of the agency.

Regarding staff requirements, all countries specify different degrees of detail in their respective PrEA regulations, the need to demonstrate that applicants have necessary skills to provide ES. For example, in **China**, Article 40 of the EPL requires a certain number of staff members trained with appropriate professional qualifications. Article 47 of **Lao People's Democratic Republic's** Labour Law (43/2013) requires applicant companies for PrEA licensing to have technical staff with clean legal records, and requisite levels of education and expertise.

In **Japan**, Article 32 of JESA mandates that PrEA licensees must appoint a manager with sufficient ability to properly manage and supervise for-profit employment placement services. Finally in the **Philippines**, the

regulations governing PrEA stipulate that to open a licensee PrEA branch, applicants need to present the DOLE regional office with an organizational structure of the branch office, including names of manager and staff members and Department of Justice clearance of branch manager and staff members.

Security bonds and deposits

Security bonds or deposits are also a common requirement for PrEA licensing in the region as well as in many other parts of the world. **Cambodia, Indonesia, Republic of Korea, Lao People's Democratic Republic**, and the **Philippines** all require PrEAs a security deposit to guarantee PrEA duties and liabilities owed to jobseekers as a strict condition for obtaining a license.

License and permit validity

In all focus countries, PrEA licenses or permits are issued for specified periods of validity, with a three-year license common (Japan, Lao People's Democratic Republic, the Philippines), while Cambodia issues five-year licenses and Malaysia for two years. In all countries, PrEA licenses can be renewed for similar period provided that the PrEA is up to date with its obligations and keeps complying with regulations.

Supervision of PrEA and reporting

The legal frameworks pertaining to PrEA also typically encompass supervision of activities, conduct and performance. Supervision and enforcement are usually conducted by inspection bodies or departments within ministries of Labour that issue PrEA licenses. However, in many countries, there are capacity constraints to conduct these inspections (FairSquare Projects, 2021).

Notwithstanding, many countries mandate regular inspections of PrEA, such as Japan in Article 50, of JESA that stipulates *"an administrative authority may have its personnel enter the facilities of employment placement services and inspect its books, documents, and other such items."*

In **China**, local Labour Inspection Departments are responsible for ensuring that temporary work agencies comply with labour contract-related laws (Genghua, 2014) while interim provisions for temporary work agencies introduce remedies and penalties in the event of violations and granted the MOHRSS' Labour Inspection Bureau with responsibility to request agencies rectify any misconduct (Avila and Tian, 2018).

In **Cambodia**, PrEA inspections typically occur twice a year (Business Advisory Council, 2022).

Malaysia's PrEA Act established that PrEAs must retain business records for inspections by a corresponding General Director of Labour, including whether licenses are publicly displayed.

In the **Philippines**, as part of the regular process to authorize and (re)issue licenses, DOLE regional offices conduct physical inspections of an applicant's office(s) and other aspects, such as displaying PrEA licenses in publicly visible places. In addition to ensuring compliance with PrEA regulations, DOLE Regional Director staff can request access to PrEA records during inspection visits.

Monitoring

Aside from inspections, national PrEA regulations outline monitoring of activities, including requiring licensed PrEAs to regularly report activities to labour authorities. In China, temporary work agencies are required to annually submit detailed reports on operations to the local labour authority.

Indonesia's authorized PrEAs are required by authorities to outline measures applied to protect workers sent overseas during three-year cycles. In the Republic of Korea, Article 23 of KESA stipulates that enterprises or persons delivering fee-of-charge employment services must report activities to the MOEL.

In **Japan**, Article 32 of JESA requires that providers of fee-of-charge employment placement services must submit a full business report on activities to the MHLW. In the Philippines, regulations are strict regarding PrEA reports, requiring monthly hard copy submissions in a standard format. Singapore requires the

reporting of PrEA activities every three months to the MOM. In most countries, these reports include jobseeker registry and placement data.

Together, inspections and reports act as a means for labour authorities in charge of employment services to ensure compliance with PrEA-focused regulations to ensure protection of users. When authorities detect violations, they can impose warnings or sanctions including fines, suspension, and definitive revocations of license.

In the **Philippines**, regulations governing PrEA contain a detailed classification of offenses depending on their severity, and apply a progressive system of sanctions accordingly, from warnings to license cancellations. The regulatory frameworks of Malaysia, the Philippines and Singapore in the region, as well as other countries such as Türkiye, consider sanctions leading to criminal prosecutions for serious offenses involving criminal conduct, such as falsifying documents, fraud or trafficking in persons.

In line with most countries regionally, Viet Nam currently has a regulation on PrEA requirements to operate, under Article 28 of the Employment Law (2025) which is further regulated through sub-laws.

Box 3, Annex offers regional and international good practice examples in the regulation and supervision of PrEAs.

Conclusions and recommendations

In terms of obligations incumbent upon PrEAs, practices and prohibition of jobseeker fees must be clearly delineated in line with ILO Convention No. 181 as well as adoption of ILO's definition of recruitment fees, so that employers, users and PrEAs clearly understand what recruitment fees entail.

Consistent with modern practices, ILO Convention No. 181 recognizes the principle that workers shall not be charged, directly or indirectly, any fees or related costs for their recruitment. Under Article 7(1), the Convention contains a general prohibition on charging such fees or costs, in whole or in part, to workers. The general principles help orient the implementation of fair recruitment at all levels, while operational guidelines focus on the responsibilities of specific actors such as governments, PES, labour recruiters³⁸ and employers. Responsibilities for specific actors include protecting workers' rights, addressing forced labour risks, fostering labour market functions and efficient skills matching, reducing the costs of labour migration and promoting development, among other objectives.

These principles and guidelines are accompanied by ILO's Definition of Recruitment Fees and Related Costs which, in line with Article 7(1) of Convention No. 181, recognizes the principle of non-charging of workers. Paragraph 7 of the definition states that: *"recruitment fees or related costs should not be collected from workers by an employer, their subsidiaries, labour recruiters or other third parties providing related services. Fees or related costs should not be collected directly or indirectly, such as through deductions from wages and benefits"* (ILO, 2019). The non-charging principle considers any fees or costs incurred in the recruitment process, irrespective of the manner, timing, or location of collection (Paragraph 6).³⁹

Together, ILO's General Principles and Operational Guidelines for Fair Recruitment and the Definition of Recruitment Fees and Related Costs help promote and support fair recruitment for all workers, complementing international labour standards in offering guidance for PrEA regulations and operations.

With a view to supporting the operationalization of these General Principles and Operational Guidelines for Fair Recruitment and the Definition of Recruitment Fees and Related Costs, the ILO implemented its Fair Recruitment Initiative. Under its umbrella, a wide range of operational tools, research on emerging practices, and advisory services have been delivered to support constituents in better aligning laws and practices with ILO guidance and relevant standards. This initiative places greater emphasis on the practical implementation and enforcement of available guidance, as well as on the adaptation of practices across diverse sectors of the economy and geographic contexts.

³⁸ The term "labour recruiter" refers to both PES and PrES and all other intermediaries or sub-agents that offer labour recruitment and placement services. Labour recruiters can take many forms, whether for profit or non-profit, or operating within or outside legal and regulatory frameworks, see [ILO General Principles and Operational Guidelines for Fair Recruitment](#) (Part I).

³⁹ This definition should always be read alongside the General Principles and Operational Guidelines for Fair Recruitment.

10. Implications and considerations for Viet Nam

Grounded in international labour standards and drawing on international practices and lessons learned from regional focus countries and beyond, the following suggestions may be considered by the Public Employment Service and relevant stakeholders in Viet Nam as part of ongoing efforts to modernize PES and boost implementation of the Employment Law (2025).

Governance of employment services

It is vital any legal mandate provides a clear PES role to support national employment policies and allow for flexible adjustments to employment strategies to address different user needs and evolving labour market trends. With due considerations to social equity and inclusiveness duties, there is an opportunity for Viet Nam to consider ways to enhance PES essential functions besides unemployment insurance benefits administration, so PES can focus on labour market activation and employability.

As such, to optimize its legal framework, Viet Nam could consider the experiences of countries in the region, with two approaches offering advantages and limitations. While China, Indonesia and Lao People's Democratic Republic regulate employment services within the broader scope of employment laws, the approaches of the Republic of Korea, Japan and Malaysia are characterized by the strong orientation and linkages with social security systems.

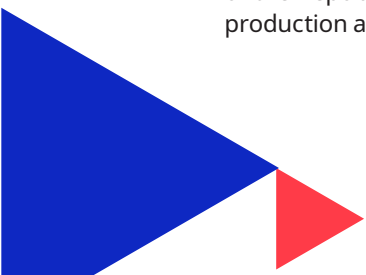
PES core functions and services

Viet Nam's PES may consider maintaining and strengthening a user-centric approach in the design and delivery of its services, continuing a focus on supporting those disadvantaged in the labour market, including youth, PWD, women and the elderly. Therefore, the principles of inclusiveness, equity, fairness and non-discrimination should be emphasized across the employment framework.

As employers are fundamental clients for any PES, Viet Nam could consider strengthening its PES capacities to build trust in the effectiveness of its services for employers, for instance by mandating the creation of specialized service units or teams with the necessary skills and mindset to liaise and work collaboratively with employers.

In terms of services, Viet Nam's labour-related legal framework sets overarching goals pursued by PES. This means strategies, programmes and instruments can be tailored to respond to these goals with flexibility to adapt to changing labour market conditions. As the extent and variety of services are commonly limited by resources and capacity, especially intensive ones catering to clients with special needs, labour-related laws should ideally encourage joined-up services through transparent procurement rules.

LMI is an especially important tool for PES to disseminate information on jobs, careers and training opportunities to assist jobseekers and workers in job searches. Viet Nam could consider strengthening its data gathering and developing digital capacities to grasp the opportunity to promote collaboration between different labour market agents to contribute quality and purposeful data to feed a national LMI system. To ensure consistent data quality and coverage, Viet Nam could benefit from the experiences of the Republic of Korea and Malaysia in developing consistent and clear directives for the collection, production and transformation of LMI across the employment services network.



Given the existing employment services governance framework in Viet Nam, which to a certain degree prioritizes attention to social welfare claims, designing well-thought activation measures may increase in relevance and prioritization as part of developing advanced employment services. Viet Nam's legal framework could promote joined-up services through effective collaboration with other specialized government agencies, including health, social assistance and social development institutions.

PES service delivery channels

As part of implementation of the Employment Law (2025), Viet Nam could consider greater adoption of digital service channels, but this demands development of a sound ethical governance framework, in terms of privacy and accuracy, statistical profiling and job matching recommendations.

While the adoption of technologies could bring efficiencies to PES and allow it to serve a larger number of users, Viet Nam's authorities are encouraged to bear in mind that any efforts towards deepening the use of digital channels must be accompanied by internal efforts to align organizational strategies, including meeting internal staff expectations and promoting digital skills.

In line with regional and global trends, Viet Nam could also strive to embrace OSS strategies to service delivery, which in turn demand efforts to develop homogeneous image, branding, promotion and service protocols across its office network. This is necessary to create a seamless experience for users across its network, coupled with a system to record and measure client satisfaction in different channels.

For Viet Nam, it could focus on implementing service standards in existing channels, including striving to develop homogeneous image, branding, promotion and service protocols across its office network, coupled with a system to record and measure client satisfaction in different channels. Secondly, a proactive stance towards channel diversification as well as convergence towards a OSS service delivery approach may be envisioned, given the existing linkages between ALMP and welfare measures.

PES funding mechanisms and sources

Ensuring adequate and stable funding for operations is the primary prerequisite for PES transformation and modernization. Therefore, Viet Nam could strive for mainstreaming employment services expenses in legal frameworks and implementation, long-term national plans, and annual national budgets. It is important to secure sustainable funding through clear legal mandates and national commitments aligned with overarching employment policy goals.

To meet PES expenses, Viet Nam can explore several funding models including cost-sharing of ALMP programmes and operations between national and subnational authorities, constitution of national earmarked employment funds financed through tripartite or bipartite contributions of governments, employers and workers as well as multiple independent streams of funding and government budgets.

Management of PES personnel

Given the mix of challenges facing the labour market it is important for Viet Nam's authorities to emphasize continued capacity building and the professionalization of PES management and frontline staff, through a framework for a rigorous, competitive and transparent recruitment process and continuous training, including passing competitive selection exams, aligned with civil service regulations.

It is also vital to establish a procedure for earmarking funds for adequate wages, professional development of PES staff and continuous training, including specialized certifications, to maintain professional service standards and avoid staff turnover.

In terms of recruitment, Viet Nam's PES may orientate to hiring core management and frontline staff through a rigorous, competitive and transparent recruitment process, including passing competitive selection exams, aligned with civil service regulations.

In addition, Viet Nam's PES may consider pursuing collaboration with education and training authorities to develop a national competency framework and training standards mirroring those in Republic of Korea, Japan, Malaysia or the Philippines to create a national reference and standard for professional certification of PES staff. To maintain and further optimize professional service standards, continuous training of PES staff that is cognizant of labour market developments and demands as well as mitigating staff turnover is key. Such trainings and specialization of employment counsellor professionalism will also further increase the attractiveness of the job for individuals and of working in PES more broadly.

Managing PES partnerships

PES are increasingly embracing partnerships as a tool to build capacity and overcome resource constraints. Partnerships can take several forms and be forged with different actors from PrEA and employers, to NGOs and other government agencies. Viet Nam has an opportunity to further foster partnerships and potential areas that would benefit from building proactive partnerships underpinned by its new legislation.

Developing institutional capacities and expertise in efficient procurement is an essential part of regulatory efforts to foster a culture of partnerships. In that regard, Viet Nam's authorities could also refer to China's example in terms of promoting clear procurement procedures for ES.

Regulation and operation of PrEAs

Viet Nam may consider thoroughly revising PrEA regulations to reflect regional good practices, ILO's Guide to private employment agencies (2025, Second (revised) edition) and ILO's General Principles and Operational Guidelines for Fair Recruitment, including revision and inclusion of definitions of recruitment costs and ratification, implementation and enforcement of ILO Convention on Private Employment Agencies 1997 (No. 181). This includes the guidelines under Article 7, the convention, that "private employment agencies shall not charge directly or indirectly, in whole or in part, any fees or costs to workers." By committing to fair recruitment practices, Viet Nam can strengthen protection of its workforce, especially migrant and low-skilled workers who are most vulnerable to exploitation through excessive fees or abusive practices. This will enhance the country's reputation in the international labour market, helping it attract responsible employers and investors, as well as expand opportunities for its workers abroad under safer and more transparent conditions.

Further efforts to streamline supervision of PrEA through appropriate licensing, authorization standards and practices could include raising PrEA staff and management standards for quality, transparency and professionalization, and ensuring PrEA due diligence and accountability with employer and jobseeker users.

Going forward, Viet Nam may consider expanding opportunities for collaboration between PrEA and PES in areas such as exchanges of data and information beyond compliance with mandatory reporting requirements and promote self-regulation through adoption of codes of conduct and responsible business behaviour.

Such initiatives could be synergized with further steps to optimize the regulatory framework through adopting regional good practices spotlighted in this report. This also encompasses strict protection of users' consumer rights through prevention of fraud and sanctions in cases of misconduct as well as streamlining PrEA operations and collaboration within the employment services system.

Based on highlighted good practices in the region and beyond, employment services governors and stakeholders in Viet Nam could take the following steps to strengthen PrEA regulations, operations and collaboration with PES as follows:

- As Viet Nam's licensing validity for PrEAs is one of the longest in the region at five years, in contrast to an average of three years, it could explore reducing validity to two or three years to ensure more regular performance and compliance assessments and incentivize good conduct with a view to longer licensing in cases of proven track records if high performance.
- In terms of licensing eligibility, regulations in Viet Nam currently require a university degrees and/or proof of ES-related experience. In line with good practice, regulations could be re-orientated to raise the bar on PrEA professionalization and require applicants and core staff members to pass and hold accredited human resources or employment services management certification, further built on by internal training programmes. A further option is applicants and their teams pass PES-provided courses covering PrEA-related legal processes and obligations.
- In addition to capital and office space requirements to be met by PrEA license applicants, proof of a PrEA ethics-focused code of conduct, user service charter or evidence of abiding by an industry code of conduct, such as that of Viet Nam Association of Manpower Supply (VAMAS), could be required. Furthermore, PrEAs should show proof of a protocol or procedures in place that ensures that jobseekers and workers are fully informed and give consent, service conditions are in place and once placed in a job, their rights and employment conditions are secured.
- To better protect and guide employers, jobseekers and workers, authorities could consider strengthening already robust collaboration with VAMAS currently focused on placements abroad. Further to encouraging self-regulation of the industry, VAMAS-developed PrEA rating scales could be optimized, including recognition of PrEA with good track records.
- To hold PrEA and employer service users accountable, sanctions could be regulated in cases of misconduct or abuse suffered by jobseekers and employees. This would help incentivize good practice and due diligence when entering into private recruitment contracts, especially regarding overseas placements.
- In terms of supervision and reporting, good practice calls for fostering collaboration between PrEA and PES, including compliance with reporting requirements, and exchanges of information. General practices require PrEA to submit regular reports to PES or labour authorities. However, compliant PrEAs seldom benefit from submitting such reports. In response, Viet Nam could consider leveraging PES capacity to aggregate, systematize, analyze and transform data collected from PrEA and return this data to compliant ones and create value in terms of labour market intelligence, to incentivize compliance and encourage exchanges of information on their activities.
- Harnessing rapid advances in technology, jobseekers' and employers' feedback on PrEA performance could be digitally collected for analysis and referrals of clients to PrEAs that act ethically and fulfill their commitment to employers and workers in domestic and overseas placements.
- Viet Nam may consider ratification of ILO Convention No. 181, which could be viewed as a two-fold initiative. Firstly, it would underpin development of national legislation as well as a code of conduct for sectoral actors in accordance with other recommendations featured in this report. Secondly, it would contribute to increase protection of workers and jobseekers using PrEAs as well as level the playing field for PrEA actors, thereby giving recognition to the contributions that PrEAs make to the mediation and operationalization of Viet Nam's labour market.



► References

- ADB. 2021. "Enhanced Employment Service Platform with Matching Tool and E-learning Modules" (phase 1). Lao PDR Pre-feasibility and pilot concept report. May 2021. Asian Development Bank.
- 2010. "Strengthening Equitable Provision of Public Employment Services in Sichuan Province, People's Republic of China." Asian Development Bank.
- Andersen, T., Feiler, L., Schulz, G. 2015. "The Role of Employment Service Providers. Guide to Anticipating and Matching Skills and Jobs." Volume 4. CEDEFOP. International Labour Organization.
- Avila, Z. and Rodriguez, J. 2021. "Public Employment Services Diagnostic Tool and Guide. International Labour Organization. Geneva.
- Avila, Z. and Guangzhe, T. 2018. "Good practices in Using Partnerships for the Delivery of Employment Services in China." Employment Working Paper No. 229. International Labour Organization. Retrieved from: https://www.ilo.org/employment/Whatwedo/Publications/working-papers/WCMS_625176/lang--en/index.htm
- Avila, Z. 2018. "Public Employment Services: Joined-up Services for People facing Labour Market Disadvantages." briefs on Employment Services and ALMPs Issue No. 1. International Labour Organization.
- Böheim, R., Eppel, R., Mahringer, H. 2023. "The Impact of Lower Caseloads in Public Employment Services on the Unemployed."
- Bonnand, G. 2018. "The Reform of Unemployment Insurance in France: a turning point?" ESPN Flash Report 2018/36. European Commission.
- Business Advisory Group on Migration. 2022. "Study of Regulatory Frameworks that promote and ensure Responsible Recruitment of Foreign Workers in South-East Asia. Cambodia, Indonesia, Laos, Malaysia, Philippines, Thailand and Viet Nam."
- Byong, S. 2020. "Employment Policy & Employment Insurance System, Republic of Korea." International Labour Organization. Indonesia.
- Cheachanmolika, O. 2023. "Digitalization of Public Employment Services in Cambodia."
- Desiere, S., Langenbucher, K., Struyven, L. 2019. "Statistical Profiling in Public Employment Services: An International Comparison." Social, Employment and Migration Working Papers. No. 224. Organisation for Economic Co-operation and Development.
- Dumora, F. 2023. "How to Support a jobseeker? Handbook for Employment and Career Development Counsellors. A guide to the collection: Building my Future at Work". International Labour Organization. Geneva.
- Elezaj L., Gjipali, A.; Ademaj, S. 2019. "The Impact on Employment of Active Labour Market Policies: An Evaluation of Public Employment Services (PES) in Kosovo." South East European Journal of Economics and Business Volume 14 (1) 2019, 61-71.
- EC. 2023. "New Forms of Active Labour Market Policy Programmes." European Commission. Luxembourg.
- 2022. "Practitioner Toolkit on Strengthening PES to improve the Labour Market Outcomes of Persons with Disabilities." European Commission ISBN: 978-92-76-54521-7, DOI: 10.2767/034981.

- 2017. “Engaging with and Improving Services to Employers: Thematic paper.” European Commission. Luxembourg. ISBN 978-92-79-77293-1. DOI:10.2767/429908.
- 2013. “Successful Partnerships in Delivering Public Employment Services.” Brussels. Anette Scoppetta. European Commission.
- EU. 2009. “Modernizing and Strengthening Employment Services Good Practice and Strategic Lessons from Equal Working Document.” European Union.
- FairSquare Projects. 2021. “The Five Corridors Project: Exploring Regulatory and Enforcement Mechanisms and their Relationship with Fair Recruitment – Key Recommendations.” Retrieved from: https://fivecorridorsproject.org/uploads/PDFs/5corridors_Key_recommendations.pdf
- Finn, D. 2020. “Public Employment Services and Labour Market Policies in China.” International Labour Organization. Geneva.
- G20. 2015. “Strengthening Public Employment Services.” G20 Turkish Presidency.
- Genghua, L. 2014. “Private Employment Agencies and Labour Dispatch in China.” International Labour Organization. Working Paper. Retrieved from: <http://www.ilo.org/public/libdoc/ilo/2014/485790.pdf>
- Hamaguchi, K. 2022. “Overview of Employment Policy in Japan.” Japan Labour Issues, vol.6, No.38, July, 2022.
- Hempel, K., and Hauschild, A. 2024. “Disability inclusion in Public Employment Services in Asia-Pacific: Current practices and way forward. Prospera Consulting, March 2024.” International Labour Organization.
- Hiebl, J., and Hempel, K. 2019. “Improving Public Employment Services Through Partnerships with Non-Public Providers. Synthesis of international experience and implications for Kosovo.” World Bank.
- IADB, WAPES, OECD. 2015. “The World of Public Employment Services Challenges, Capacity and Outlook for Public Employment Services in the New World of Work.” Interamerican Development Bank. World Association of Public Employment Services. Organisation for Economic Co-operation and Development
- IADB. 2023 “The Digital Transformation of Public Employment Services across Latin America and the Caribbean.” Interamerican Development Bank. Technical Note No IDB-TN- 02774.
- ILO. 2025. “Guide to private employment agencies.” Second (revised) edition. International Labour Organization.
- ILO. 2024a. “Labour Market Information Systems: International Experiences and Considerations for the Revision of the Viet Nam Employment Law.” International Labour Organization.
- 2024b. “Triangle in ASEAN Quarterly Briefing Note Lao PDR (January–March 2024).” International Labour Organization Regional Office for Asia and the Pacific. Retrieved from: <https://www.ilo.org/triangleinasean>
- 2023a. “ILO Global Survey of Public Employment Services.” International Labour Organization.
- 2023b. “Public Employment Services and Active Labour Market Policies for Transitions: Responses to Mega Trends and Crises.” Geneva: International Labour Office. <https://www.ilo.org/publications/public-employment-services-and-active-labour-market-policies-transitions>
- 2023c. “Technology in Public Employment Services to Promote Youth Employment in Asia and the Pacific.” International Labour Organization.
- 2023d. “Regional Operational Guidelines on Fair and Ethical Recruitment in ASEAN. Improving Regulation and Enforcement: A Resource for Regulators.” International Labour Organization.

- 2023e. “Comparative Analysis of the Standards and Procedures on Recruitment and Placement of Foreign Temporary Workers: Canada, El Salvador, the United States, Guatemala, Honduras and Mexico.” International Labour Organization. <https://www.ilo.org/publications/comparative-analysis-standards-and-procedures-recruitment-and-placement>
- 2022. “Employability: Tapping the Potential of Persons with Disabilities in Asia and the Pacific – A guide for Employers.” International Labour Organization.
- 2022a. “Comprehensive Rapid Assessment of Public Employment Services in Uganda.” International Labour Organization.
- 2022b. “Global report Technology Adoption in Public Employment Services Catching up with the Future.” International Labour Organization.
- 2022c. “Training Toolkit on Establishing Fair Recruitment Processes.” International Labour Organization.
- 2021. “Public Employment Services: Diagnostic Tool and Guide.” International Labour Organization.
- 2021a. “Assessment of Public Employment Services and Active Labour Market Policies in Kenya.” International Labour Organization.
- 2021b. “Digitalizing Career Guidance Service.” Policy Guidance Note. International Labour Organization. Geneva.
- 2020. “Public Employment Services and the Future of Work Training Manual for the CIS Regional Network for Youth Employment Promotion.” International Labour Organization.
- 2019. “General Principles and Operational Guidelines for Fair Recruitment and Definition of Recruitment Fees and Related Costs.” International Labour Organization.
- 2016. Youth Employment Policy Summary, Japan. International Labour Organization.
- 2014. “Pro-Employment Budgeting in China: Linking Employment to National and Local Budgets”. Employment Policy Brief. International Labour Organization.
- ILO & GIZ. 2022. “Assessment of Public Employment Services in Nigeria Assessment Report and Recommendations.” International Labour Organization and Deutsche Gesellschaft für Internationale Zusammenarbeit.
- Kawano, K. et al. 2022. “Outcomes of an Employment Support Programme in Psychiatric Day Care Collaborate with the Public Employment Service: a Single-arm Preliminary Study.” *Environ Occupational Health Practice* 2022.
- Langenbucher, K., and Lüske, M. 2022. “Reaching Out and Activating Inactive and Unemployed Persons in Bulgaria.” Organisation for Economic Co-operation and Development.
- Mazza, Jacqueline. 2017. “Reforming Employment Services: Three Steps to Big Change.” World Bank Jobs Blog, 29 November. Washington, DC: World Bank. Available at: <https://blogs.worldbank.org/en/jobs/reforming-employment-services-three-steps-big-change>
- 2017a. “Labour Intermediation Services in Developing Economies. Adapting Employment Services for a Global Age.” Palgrave, McMillan.
- MHLW. 2014. “Employment Security Act.” Article 32 and Article 48-2. Ministry of Health, Labour and Welfare. Retrieved from: <https://www.japaneselawtranslation.go.jp/en/laws/view/4013/en>
- MIDA. 2024. “My Future Jobs: How it Started.” Malaysian Investment Development Authority.
- MOEL. 2021. “Employment and Labour Policy in Republic of Korea.” Ministry of Employment and Labour, Republic of Korea.

- MOHRSS. 2022. "Statistical Bulletin on the Development of Human Resources and Social Security for 2022." Ministry of Human Resources and Social Security, China.
- MHRSS. 2018. "Guiding Opinions on Promoting a Full Range of Public Employment Services." Employment Promotion Division. Ministry of Human Resources and Social Security, China.
- Nanthanavone, T. Undated. "Assessment of the Labour Market Information System in Lao People's Democratic Republic." World Bank.
- OECD. 2024a. Strengthening Active Labour Market Policies in Republic of Korea, Connecting People with Jobs." Organisation for Economic Co-operation and Development Publishing, Paris. Retrieved from: https://www.oecd.org/en/publications/strengthening-active-labour-market-policies-in-korea_44cb97d7-en.html
- 2024b. "A new Dawn for Public Employment Services Delivery in the age of AI." OECD AI papers, June 2024 No. 19. Organisation for Economic Co-operation and Development Publishing.
- 2023. "Organisation of Public Employment Services at the Local Level in Sweden." OECD Local Economic and Employment Development (LEED) Papers 2023/03. Organisation for Economic Co-operation and Development.
- 2022a. "Harnessing Digitalisation in Public Employment Services to Connect People with Jobs." Policy Brief on Active Labour Market Policies. Organisation for Economic Co-operation and Development, Paris. Retrieved from: <https://www.oecd.org/employment/activation.htm>
- 2022b. "The New Workplace in Japan: Skills for a Strong Recovery, Getting Skills Right." Organisation for Economic Co-operation and Development, Paris. Retrieved from: <https://doi.org/10.1787/7c897f52-en>.
- 2018. "Working Better with Age: Japan." Ageing and Employment Policies. Organisation for Economic Co-operation and Development.
- 2015. "Back to Work: Japan: Improving the Re-employment Prospects of Displaced Workers." OECD Publishing. Organisation for Economic Co-operation and Development. Retrieved from: https://www.oecd.org/content/dam/oecd/en/publications/reports/2015/01/back-to-work-japan_g1g4db84/9789264227200-en.pdf OECD
- Ouch, C. 2023. "Digitalization of Public Employment Services in Cambodia." Webinar. National Employment Agency, Ministry of Labour and Vocational Training. World Association of Public Employment Services.
- Palm Olsson, A. 2022. "Training of PES staff." International Labour Organization.
- Pignatti, C. 2016. "Do Public Employment Services Improve Employment outcomes? Evidence from Colombia." Research Department Working Paper No. 10. International Labour Organization.
- Ravn, R., & Nielsen, K. 2019. "Employment Effects of Investments in Public Employment Services for Disadvantaged Social Assistance Recipients." European Journal of Social Security. 21(1), 42-62. <https://doi.org/10.1177/1388262719836797>
- Solahuddin, N. 2023. "Effective Labour Market Information Systems Building a Framework for Collecting and Analyzing Operational Data." Malaysia's Social Security Organization (PERKESO).
- UNESCO. 2022. "Training Sub-Fund of the National Employment. Global Review of Training Funds." Country Briefs. United Nations Educational, Scientific and Cultural Organization.
- Wang, Y. 2021. "From Policy to Results Guidelines for Implementation of National Employment Policies." December, 2021. International Labour Organization.
- WAPES, 2023. "Strategies and Challenges for Public Employment Services." Survey report 2023. World Association of Public Employment Services.

World Employment Confederation. 2024. "Economic Report, 2023."

World Bank, 2023. "A Benchmark - Public Employment Services and Employers." Washington, D.C. World Bank Group.

—2022. "Social Protection Review Lao PDR." Washington, D.C. World Bank.

—2020. "A Silver Lining Productive and Inclusive Aging for Malaysia. Social Protection and Jobs Global Practice." The Malaysia development experience series. Washington, D.C. World Bank Group.

—2020a. "Assessment of the Labour Market Information System in the Lao People's Democratic Republic." Washington, D.C. World Bank Group.

Yang, S. 2015. "The Public Employment Service in the Republic of Korea." ILO Employment Working Paper No. 192. Geneva: International Labour Office, Employment and Labour Market Policies Branch.

Zhang, Y., Li, X., & Zhang, Y. 2015. "Pro-employment Budgeting in China: Linking Employment to National and Local Budgets." International Labour Organization.

► Annex 1

Selected international experiences

1.1 Governance of employment services

- Box 1. Good practices in management structures, accountability and PES reform

Japan, Republic of Korea and the Philippines

Japan, Republic of Korea and the Philippines provide examples of good practice in the steering of decentralized multi-stakeholder ES networks through the establishment of consultative boards and associations.

In **Japan**, Article 53 of the JESA states that the government may establish a liaison council, if necessary, to coordinate relevant agencies' affairs with regard to the employment placement, vocational guidance and surveys on workforce supply and demand. Similarly in **Republic of Korea**, the governance of PES includes an Employment Policy Council at ministerial level to coordinate PES providers and resolve overlapping tasks.

The **Philippines'** PESO stands out for its institutionalization and recognition of PESO offices at the local level in adopting a bottom-up approach. This process consists of two stages, with the first involving the setting up of an office at local level, including those arising from community grassroots and educational institutions, by ensuring it has sufficient staff and equipment to operate. The second phase involves DOLE training and developing capacity of local PESOs alongside evaluations.

In addition, the PESO is evolving into a more coherent and organized ecosystem, including the emergence of the Public Employment Service Office Managers Association of the Philippines (PESO MAP), a not-for profit organization composed of 1,592 local PESOs, 278 job placement offices and 56 NGOs. It elects its officials through elections held in a national congress every three years sanctioned and witnessed by DOLE representatives. The association serves as a platform for sharing knowledge, mentoring and developing the capacity of local PES offices nationwide.

Good practices PES assessment and reform: Sweden

An example from Sweden confirms the relevance of assessment and modernization for PES. Sweden's PES (Arbetsförmedlingen) provides a relevant example in terms of choices available to policymakers in deciding which roles and activities to retain and which ones to deconcentrate or delegate. Since 2019, the Swedish PES has been engaged in a process of reform and modernization to optimize service quality for jobseekers, through increasing options to choose physical or digital channels based on their location and needs, as well as ensuring that local level ES providers develop individual employability action plans based on jobseekers' qualifications.

The core aspect of the reform focused on shifting the preeminent role of PES national authorities from being the direct provider of ES to the public, to that of a coordinator and supervisor of a diverse and integrated network of independent providers, through deploying a policy of service provision externalization (contracting out) with profit and non-profit organizations with expertise in implementing labour market activation measures (OECD, 2023).

1.2 PES functions and services

- Box 2. Good practices on outreach, LMI, joined-up services with employers and employment and entrepreneurship support

Outreach and promotion

In **Cambodia**, a variety of channels and methods are used by the NEA to increase public awareness of its services, including social media and traditional means including TV, radio, billboards, and newspaper ads. The NEA has a dedicated department, the information collection and dissemination unit, responsible for producing and compiling documents, disseminating information, preparing and producing relevant content related to NEA activities.

In **Republic of Korea**, the Job World strategy engages students and familiarizes them with the labour market at a large exhibition facility, while MOEL job centres provide services, such as career guidance.

Out of the region, in Bulgaria the National Employment Agency collaborates with municipalities and schools to reach the unemployed, especially the young, rural and retirement age population. Specially, municipalities reach out to inactive individuals, particularly in remote settlements, employing special community service organizers to facilitate community work. Mandatory registration requirements for benefits help reach jobseekers with ties to the labour market.

Different countries also deploy outreach strategies targeting employers. Intreo (Ireland), the National Employment Service in Mexico, and the Danish PES (STAR) have specific teams, manuals or guidance devoted to identification and classification of underserved employers or companies with potential to offer jobs, formal contacting and service “pitching” procedures, service delivery and follow-ups.

Basic services

A variety of service delivery approaches are taken by countries within the Southeast Asian region and beyond. In Lao People’s Democratic Republic, core services are organized as an employability track, encompassing jobseeker and employer registration and needs assessments to select appropriate services to refer jobseekers to specialists and enrollment into specific programmes.

Similarly in **Republic of Korea**, jobseekers contact job centres follow a support path consisting of organized steps starting with an initial interview in which frontline staff determines whether jobseekers are eligible for welfare benefits or ALMP, then engaging job counsellors, who determine and grant unemployment benefits before referring jobseekers to ALMPs as needed, or in case where the jobseeker is not eligible for unemployment insurance benefits, job counsellors may offer or refer them to job search and career guidance services.

The **Colombian** PES uses an integrated and continuous approach to deliver basic employment services called the employability route, which comprises four steps: registration of the jobseeker’s resume, job guidance and orientation, job search support and referrals and finally a job placement.

LMI services

Regarding LMI services, **Cambodia’s** NEA designation as a statistical unit, **Indonesia’s** launch of its SIAPKerja platform and **Lao People’s Democratic Republic’s** decree on LMI are examples of prioritizing LMI and providing a blueprint towards strengthening LMI as employment services to final users as data intelligence for statistical analysis.

Malaysia and **Republic of Korea PES** are worth noting for their approach to LMI in terms of providing holistic information services to jobseekers and employers that outline labour market trends, including in-demand occupations and skills for jobseekers seek and attain.

Malaysia's PES holistic approach to delivering LMI through the MyFutureJobs webpage is backed by a clear data collection and management framework that emphasizes employment data unification, resulting from PERKESO's EIS Unit's dual mandate to administer ALMP and unemployment insurance benefits. This allows for collection of different data streams from job intermediation and unemployment insurance process through use of equivalent standardized data classification taxonomies for occupations, industries and education. This data collection and analysis in a series of up-to-date LMI interactive dashboards is available on the MyFutureJobs website (Solahuddin, 2023).

In **Republic of Korea**, LMI development is supported by a clear legal mandate emanating from the Framework Act on Employment Policy which underscores the relevance of developing LMI systems to enhance internal management of employment policies and as stand-alone services for the public.

A key challenge faced by PES relates to data collection and processing capacities of PES network stakeholders. In Peru, the Employment Promotion General Directorate of the Ministry of Labour steers a network of local units in each province devoted to collecting, analyzing and producing LMI. Similarly, in Chile, to coordinate the generation and exchanges of robust labour market statistics, a board composed of senior leaders of key government agencies has been formed (ILO, 2024a). A ministry directive ensures that LMI is produced under common national standards by issuing precise guidelines on collecting, processing and publishing LMI. To assist these regional units, a central team in charge of the LMI platform produces a standardized "scripted coding framework" that local employment consultants fill out with local and regional information so all local and regional LMI reports keep the same format, content and basic indicators. This ensures information is aggregated to produce and publish comparable regional or national analysis in the website of the ministry.⁴⁰

Services to employers

Republic of Korea and **Denmark, France** and **Slovenia** all exhibit good practices in positioning and offering specialized services to employers. These countries have designated special teams devoted to handling employer relations. In Republic of Korea, since 2016, the MOEL has operated a job opening search team, tasked with identifying businesses that offer decent job opportunities and tailored support services for recruitment. In 2019, 5,000 companies identified by the job opening search team were targeted for MOEL support, leading to 16,000 successful job placements.⁴¹

Denmark, France, Germany and **Slovenia** have designated staff that handle specific industry or employer accounts. For instance, in Denmark a municipal PES has a specialized department in charge of business relations, divided into sectors related to job creation: services and trade, transport and logistics, construction and public sector industry. Denmark PES "STAR" has implemented a national hotline for large companies requiring recruitment services across multiple municipalities and deployed a specific online tool "VISTAS" for employers to place and manage job orders with the STAR office.⁴²

The **Slovenian** PES, acts as a human resource business partner to companies. Around 20 per cent of PES staff specialize in working with employers, providing expert guidance in formulating job vacancy descriptions and postings, job applicants pre-screening and organizing recruitment and selection interviews, and providing them with advice on employment regulations. Besides, both Denmark and Slovenia uses customer relations software and tools to manage their relationship with employers, classifying them according to intensity of relationship, monitoring service quality and retention of employers (EC, 2017).

Joined-up services

Japan and **Republic of Korea** along with **Estonia** and **Sweden** have developed good practices regarding advanced, intensive or joined-up services to address employment needs of persons in vulnerable situations with complex employment barriers.

⁴⁰ Public information from the Ministry of Labour and Employment Promotion of Peru.

⁴¹ Ministry of Employment and Labour of Korea. Employment and Labour Policy in Republic of Korea 2021.

⁴² World Bank PES Review Workshop Outreach and Intake May 2021.

In the **Republic of Korea**, the ‘success employment package programme’ is good practice related to employment services. The programme consists of comprehensive measures over eight months for individuals from vulnerable labour market segments, including women, young individuals and jobseekers from low-income families. The programme creates an individualized path towards employment that begins with an intensive assessment of individual needs and barriers, then provides the jobseeker with job counseling and even emotional support, in step with career planning advice. The next step involves a training or internship allowance to gain relevant skills and experience to boost employability, with an intensive job search support and placement. According to the MOEL, between 2013 and 2017 the programme employment rate of participants grew from 55 to almost 69 per cent (Yang, 2015; MOEL 2021).

In **Japan**, the Tikumaso hospital in Nagano prefecture developed a unique partnership with the PES to provide joined-up employment support for individuals with mental issues. It involves collaboration between the day care’s interdisciplinary care team, public employment service officials, and the employment and life support centre for PWD. Over three months, the ESP served a small number of beneficiaries facing complex employability barriers. The programme’s goals are to assist individuals with mental disorders in finding employment through a structured programme involving development and acquisitions of social, emotional and business skills, and provision of physical fitness, computer training, and preparatory workplace training.

Workplace training provides participants with the opportunity to practice with an employer of interest, with continuous employment support offered through assertive outreach and self-monitoring worksheets. The ESP showed that 75 per cent of participants found a job within six months of completing the programme. On average, graduates were hired 96.7 days after completing the programme and 77 per cent of participants were in continuous employment one year after hiring (Kawano et al, 2022).

Sweden’s PES has implemented the “Steps to Work” programme, designed to support jobseekers with disabilities to provide holistic and effective support to enter the workforce. The programme entails participation of independent providers, including NGOs and other employment service providers, through contractual schemes such as daily fees with outcome-based targets, incentivizing providers to achieve employment outcomes for participants. To participate, providers must meet specific criteria, including financial capacity, relevant experience and staff qualifications. They must also use specific occupational therapy instruments. These partnerships are crucial for delivering comprehensive support and leveraging the expertise of organizations in assisting PWD. The programme involves several steps including initial assessment of the individual’s needs and capabilities, then suitable service paths are determined based on the created profile, involving six months of tailored support to develop skills and six months of assistance in securing employment (OECD, 2023).

In **Estonia**, the “Work Ability Reform” in 2016 aimed to unlock support for people with long-term health problems and reduced work capacity. The reform created financial incentives for people with health-related limitations to register with the PES, and introduced novel activation measures for this target group, adapting services to their needs (EC, 2022). Before this initiative, few PWD in Estonia registered with the PES as jobseekers. The reform encompasses a broad set of measures aimed to register more PWD with PES for greater activation and employment of this group. Feedback from jobseekers with disabilities also raised the need to fight negative attitudes which create a barrier to greater employment opportunities.

Part of the reform involved the Estonian PES partnering with NGOs which work with PWDs, leveraging their strengths to deliver more personalized and effective employment services for PWDs and providing flexibility to the programme. The PES pays for each counselling session through funds secured by the European Social Fund and Unemployment Insurance Fund. After 12 months of registration, 44 per cent of

newly-registered jobseekers with reduced work ability found a job. The partnership has volume targets for numbers of clients to become active in the labour market, and formal agreements have been put in place to monitor them.

Entrepreneurship support

In the **Republic of Korea**, the MOEL created a New Job Making Lab, providing guidance, technical support, loans and incentives to young people to start their own businesses. Entrepreneurs can apply to a repayable loan programme that promotes innovative start-ups. For those already with a startup, measures include the voucher programme to support businesses with accounting, tax, labour, patents and scaling-up.

In **Indonesia**, Binapenta has a Directorate for the Expansion of Employment Opportunities, which provides services for independent workers. This is intended for jobseekers who want to become entrepreneurs. Services can be found digitally in the job opportunity expansion system portal (SIAPKerja), with one of the sections dedicated to young talent productivity, which offers a entrepreneurship development programme.

In **Mexico**, its NES offices which respond to local governments and are coordinated by the national PES under the Ministry of Labour, execute the Self-Employment Promotion Programme. Through it, the NES provides financial and in-kind support, equipment and training to small groups of jobseekers to create micro start-ups as a way to support individuals in communities with weak job demand or facing barriers to employment, including women and middle-aged unemployed workers skilled in menial or craft trades.⁴³

⁴³ Public information from the National Employment Service's Employment Support Programme.

1.3 PES service delivery channels

► Box 3. Good practices in service delivery channels

In-person service channels

Different PES in the region and beyond are increasingly adopting the OSS approach for in-person service delivery, which offers several advantages such as clustering different employment services into a single place for convenience and economy of users, exchanging data among services and even agencies, and also reducing cost-delivery for government agencies.

In **China**, based on directive 5 (16) of the Guidance on the Promotion of All-Round Public Employment Services, which stresses the importance of efficient and convenient PES, and calls employment services providers to implement “one door, one window, one network, and one time” handling, the MOHRSS implemented the “one dragon” PES physical centres to deliver different employment and welfare policies under a single roof, where staff from different government agencies, including those in charge of taxes, trade, education, and others provide information and services to citizens in a single place (Wang, 2021).

In a similar vein, the **Republic of Korea** introduced Job Centre Plus in 2013, as an extension to standard employment centres, but organized under a OSS approach, combining traditional employment services with welfare service delivery, highlighting the linkages between passive and activation measures. As in China, these job centre plus are staffed by a variety of institutions, including local governments, and even NGOs responsible for delivering social or employment services for specific target groups in a holistic manner (OECD, 2024a). For example, job matching, vocational training and internship programmes for youth and SMEs are available at these job and welfare plus centres (Yang, 2015).

Itinerant or mobile service channels

Cambodia, Japan and **Malaysia** offer good practices pertaining out-of-office, itinerant or mobile service channels.

Aside from its regular physical branch offices, **Malaysia**’s PERKESO has deployed satellite offices run in partnership with the Ministry of Rural Development through Rural Community Centres, where employment services are co-located to facilitate individualized attention to jobseekers from rural communities outside major urban areas. Services provided by the satellite centres include profiling, registration, and employability programmes, open Interview sessions, and job referrals.

As a result of a different partnership, between the Swedish PES, Finnish Church Aid and **Cambodia**’s MLVT, with funding from the Swedish International Development Agency, the NEA in 2019 launched a new mobile employment services unit, to reach populations with limited access to physical ESC in each provincial capital, such as jobseekers from rural communities and in collaboration with the Union of Youth Federations of Cambodia, the mobile units disseminate LMI and provide career guidance and counselling to students from different education institutions in the country.

Japan, and **Thailand** choose locations for deployment of small employment services offices or booths. With Japan, under the name Hello Work plaza, in public buildings or places with high volumes of people, for instance city halls, community centres and commercial venues, young jobseekers seek employment services. These smaller offices provide core services like LMI, job search assistance and initial consultations, but may refer clients to larger offices for specialized services.

Japan’s ESB also takes a proactive stance to delivering out-of-office employment services by regularly scheduling visits to companies in anticipation of layoffs. Hello Work staff visit selected companies with plans to reduce workforces, to provide legal compliance advice to employers and information on

re-employment options and services for potentially displaced workers, including, outplacement services and skills training (OECD, 2015).

Digital delivery channels

Japan, Republic of Korea and Malaysia are at the forefront in the region in terms of adoption and innovation of digital options to provide employment services to PES users.

In **Japan**, the Osaka Labour Bureau has partnered with Cluster, Inc. a technology company that operates “Cluster” a metaverse platform with more than 35 million event participants. This collaboration has resulted in the implementation of “*Virtual Hello Work for youth*”, a project targeting unemployed youth and those in the process of making the transition from school to work, with a view to creating a novel space for them to familiarize and experience employment support services in the metaverse. In the virtual *Hello Work for youth*, young individuals can use avatar interviews and avatar-based work, under a gamified approach under this “safe” virtual reality environment so that they gain confidence to request employment services.⁴⁴

In **Republic of Korea**, since 2021, employment centres have deployed Job Care, an AI tool developed by the Republic of Korean Employment Information Service, with the objective to improving the process of profiling jobseekers. By exploiting big data from millions of job postings and CVs registered with the PES the AI tool identifies relevant skills gaps in jobseekers applying for a specific job vacancy, and then identifying programmes and ALMP options to close those gaps (OECD, 2024).

In **Malaysia**, the *MyFutureJobs* portal is also using AI technologies to match individual jobseekers with desired jobs based on their profiles, considering skills, competencies, experience and education level. Most importantly, MyFutureJobs has adopted an augmentation approach by which AI is coupled with the concept of human touch, offering one-to-one employment support assistance by ESD career counsellors for individuals facing complex barriers to get jobs, such as long-term unemployed and PWD. Using the skill gap analysis results of candidates from the MyFutureJobs portal, job counsellors are able to improve matching suggestions from the AI by identifying training needs and training options (MIDA, 2024).

⁴⁴ Retrieved from <https://metaversebiznews.cluster.mu/en/blog/business/metaverse/en-blog10>

1.4 PES funding mechanisms

► Box 4. Good practices on funding sources and mechanisms

Cost-sharing

China and the **Philippines** funding mechanisms for operation of corresponding PES are divided between the national government and local or non-government participants, alleviating the expenditure burden for local non-government providers through a subsidiary principle.

In **China**, local government budgets are directed to strengthening PES capacity, including facilities and information systems, staff wages and other running costs, whereas central government funds are directed towards priority national and local employment creation programmes and social insurance subsidies to incentivize employers to retain employees and hire jobseekers registered with the PES (Avila, 2018).

In the **Philippines**, Rule VIII of a DOLE order, establishes that local governments must anticipate and provide necessary funds for operations and maintenance of local PESOs, for which these funds *"shall be charged against the Internal Revenue Allotment of the LGUs and other internally generated income of the LGU concerned."* This rule applies similarly to NGOs and educational institutions running their institutionalized PESOs. In addition, the Department of Budget and Management of the DOLE sets aside funds for technical assistance devoted to training and supervision of the PESO network, under the annual General Appropriations Act of the central government.

Contributory funding arrangements

Cameroon and **Hungary** offers examples of alternative and innovative sources for financing of ALMP employment services through partnerships and mandatory employer contributions.

In **Cameroon**, the public employment service has a unique mechanism to finance its activities and programmes, through a levy of 1 per cent on employer's gross payroll. Private financial sector companies partner with the employment service in leveraging resources to promote employment and entrepreneurship services. In turn, the service provides jobseekers, entrepreneurs and companies with an array of services including entrepreneurship development and startup loans, vocational training and job placement, with special focus on youth and women. A board of directors supervises the service, reporting to the Ministry of Employment and Vocational Training.

In **Hungary**, the 2011 Act set up a training sub-fund within the National Employment Fund to create a dedicated and predictable source of funding for training of workers in the informal economy, youth, women on child-support, disadvantaged jobseekers, as well as employees from small- and medium-sized companies. The Act imposes an employer payroll levy of 1.5 per cent collected by the National Tax and Customs Administration and allotted into a national training fund.

Eligible employers can surrogate the levy by providing training for students through TVET or tertiary education institutions or conducting in-house training for employees meeting certain a training threshold. The government also contributes to financing and in 2019 the fund's most important expense items involved training of young individuals and equipment and infrastructure of TVET providers (UNESCO, 2022).

In a similar fashion, Japan, Republic of Korea and Malaysia as well as France and Spain finance PES activities and programmes partially from special funds made up from employers and in some cases employee contributions to social security systems. In **France**, part of the budget that funds France Travail employment centres comes from a fixed allotment percentage (10 per cent) of the French Unemployment Insurance Fund, which in turn is funded by direct employer contributions to social security and from the government collected general social contribution tax (Bonnand, 2018).

Mainstreaming ALMP

Mainstreaming ALMP and employment services in the national budget: **China**. A Special Employment Fund (SEF) was conceived in 2002 to support the National Employment Policy (NEP), with contributions from central and local government budgets and the unemployment insurance fund. In 2008, with the advent of the Employment Promotion Law, an important step towards mainstreaming employment in national and local budgets was taken, ensuring financial support via SEF for employment policies. So, when a local government implements employment measures within the NEP framework, it can obtain additional support from the SEF.

The MOHRSS, Ministry of Finance and National Audit Office (NAO) share responsibility for managing the SEF, but other national government agencies, local governments and social partners including national trade unions and employers' associations participate in discussions or are kept in the loop regarding allocation decisions. The amount and distribution of SEF are based on a rigorous formula that links NEP goals and targets, using as a baseline labour market and employment policy indicators including new jobs created, number of re-employed, number of re-employed disadvantaged persons, and unemployment rate.⁴⁵

Multiple streams

Multiple streams of funding for PES activities: **Colombia**. Article 5 of the Presidential Decree 2521 (2013) that established the Public Employment Service Special Administrative Unit (PASSU), enlists the different streams of funding available to finance the employment services network. These sources include allotments from the National General Budget through the Ministry of Labour, internal and external credit, resources from national and international cooperation, monetary and in-kind donations.

In addition to these resource streams that finance the Central Unit, each category of employment services provider has its own sources of funding from family compensation funds, which provide employment services to eligible laid-off workers of formal companies, operate through employer and worker contributions, whereas municipal employment services fund their own public employment management agencies from local government budgets. Finally, the National Training Service which provides employment services to graduates and workers who have gone through skills training, finances its activities from the general budget. Hence, the system is self-sustainable as each of the employment services network participants rely on their own secured sources of funding.

⁴⁵ ILO, 2014. Pro-employment budgeting in China: Linking employment to national and local budgets.

1.5 Management of PES personnel

► Box 5. Good practices in training of PES personnel

Training of PES personnel

In **Spain**, a new law (Act 3/2023) that reforms the PES and creates the Spanish Employment Agency (SEA), refers to the professionalization of PES staff, with an emphasis on skills to address the needs of vulnerable jobseekers. Article 30 mandates the SEA and regional PES to maintain a workforce that includes technical and management profiles with sufficient specialization in development of employment policies to different jobseeking profiles, including PWD. To this end, they include training plans for staff to meet the special needs of people with specific disabilities or autism spectrum disorders.

In terms of training, in **Republic of Korea** the MOEL operates a training programme to enhance career counsellors' competencies to improve counselling services for jobseekers through the "Republic of Korea Employment and Labour Education Institution". Specifically, the ministry set up a six-week training course which elevates the professional status and expertise of case workers.

In the **Philippines**, the Civil Service Commission has issued qualification standards for various positions under the Labour and Employment group in PESO. Circular 20 (2019) of the commission establishes the minimum requirements for managers of local PESO offices, as well as for labour and employment officers, including minimum education — usually a bachelor's degree in human resources management, certain years of work experience, and specific training requirements depending on the position.

In addition, the DOLE with assistance of the Technical Education and skills Development Authority developed and implemented the training guidelines for the National Competency of Public Employment Services which defines the competencies, skills, required training, evaluation and certification for PESO personnel.⁴⁶

In some European countries such as **Ireland, Lithuania, and Slovenia**, PES have developed specific requirements regarding competencies and skills acquisition for teams working with employers to equip staff with necessary skills to liaise effectively with the private sector.

Ireland's Intreo employer relations staff must complete the accredited National Recruitment Federation programme to obtain certification as recruitment experts to make services comparable to those from private recruiters. Training includes a four-day module on engaging with companies. In the case of **Lithuania**, training for staff working with employers include understanding employers' needs and interests, providing employers with relevant information, offering tailor-made solutions to employers' needs and communicating the benefits of cooperation between the PES and employers.

In **Estonia**, PES staff training is mandatory and sequenced based on tenure or experience, with all new recruits going through a four-month long training covering technical aspects of the job, including counselling. Staff in their first year receive mandatory training to cover specialized areas such as working with PWD, rehabilitation, mediation and digital skills, while those in their second year receive in-depth training on these and other subjects such as operation of the employment fund and advanced counselling skills (Olsson, 2022).

In 2021, the National Register of Vocational Education and Training in **Australia** issued an updated certificate in employment services qualifications applicable to career counsellors and employment consultants, which contains required training units for the accreditation and certification of professional competency in employment services, including delivering employment services to employers, career guidance interviews, facilitating the empowerment of PWD, and monitoring contracted employment services.⁴⁷

⁴⁶ Retrieved from https://www.tesda.gov.ph/Download/Training_Regulations

⁴⁷ Retrieved from <https://training.gov.au/training/details/CHC41115>

In **Latin America, Colombia** and **Mexico** PES are making efforts in a similar direction regarding staff professionalization. In Colombia, the Special Administrative Unit of the PES has issued an annual training plan for its staff, covering a wide range of topics such as human rights, gender inclusion, digital transformation, and public sector ethics. In Mexico, NES job counsellors underwent a series of trainings with EU and ILO support, including on job counselling to employers, and a programme to certify enterprise service counsellors' competencies with official recognition from the National Council of Skills Certification.

⁴⁸ Public information from the National Employment Service.

1.6 Managing PES partnerships

► Box 6. Good practices on PES partnerships

Colombia

Outside the Asia and the Pacific region, Colombia offers a comprehensive example of fully-fledge partnership strategies embedded into PES governance design. Colombia's PES was reformed in 2013 in the context of creation of a mechanism for protection of the unemployed. By connecting with the ALMP through a passive income compensation mechanism for formal workers who lose their jobs, tripartite contributions to family compensation funds allow unemployed workers to obtain a subsidy for training and job searches for four months.

The reform also created a network of employment services providers under supervision of the Public Employment Service Special Unit (PESSU), formerly a subordinated department of the National Training Service (SENA) of the Ministry of Labour.

Article 25, Act 1636 (2013) creates the mechanism for protection of the unemployed in Colombia, establishing the Public Employment Service and the Network of Service Providers: *"A compulsory service, whose direction, coordination and control is the responsibility of the State. The State shall ensure the quality of the provision of the public service, the expansion of its coverage, and its continuous, uninterrupted and efficient provision. The same article goes further to define participants in the network: which shall integrate and connect employment placement actions carried out by public and private entities, public-private partnerships."*

The network is made up of 186 private schools that provide placement and employment services, many of which are educational aimed at students, while other private for-profit and other non-profit agencies focus on people who face barriers to accessing the labour market.

All participants must provide key basic services free-of-charge: jobseekers resume registration, registration of employers and job vacancies using a national PESSU or their own platform provided it complies with minimum requirements career guidance, preselection and screening and referrals of pre-screened jobseekers to employers. Only Family Compensation Funds are allowed to offer employment services exclusively to laid-off formal employees entitled to support from the unemployment support mechanism.

Network participation is optional for non-government employment services providers, however participants must receive PESSU authorization to ensure compliance with conditions laid out in Decree 1072, including demonstrating financial viability, a service feasibility plan and accessibility infrastructure for PWD. Those authorized must comply with the PESSU operating manual and work plan.

Interestingly, the PESSU does not provide employment services through front offices as its mandate and functions are that of a network coordinator, through fostering partnerships, authorizing participants, exchanging information and ensuring performance standards to keep the network together. Another relevant feature of the Colombian PES partnership network approach is that each participant, including public ones, operate with their own budgets to make the network financially sustainable.

Partnerships within the network allow people facing employment barriers to access employment services through alliances with specialized care institutions, for example for women jobseekers with children. Partnerships also allow the network to identify special target group needs to generate service tools and approaches, as well as increase funding and resources from cooperators, implement pilots and provide specialized services.

Many private network participants have no tools nor expertise to assist people with specific barriers, so they collaborate with entities such as the Ministry of Equality, National Reincorporation Agency, Victim Reparation Unit to develop capacity in specialized services.

France

In France, France Travail (formerly Pole Emploi) is another example of good practice pertaining to partnerships between PrEA, employers and NGOs. France Travail has a specific partnerships strategy based on three pillars: (i) promote services that supplement those once offered by Pole Emploi, (ii) collaboration to accelerate jobseekers' transition into the labour market and (iii) promote actions to overcome obstacles to employment.

An example of partnerships with PrEA is the signing in 2021 of a framework cooperation agreement between France Travail and Prism'emploi, a large PrEA comprising more than 600 members nationally, to address skills shortages and develop synergies between the two networks, for instance, through probationary training opportunities for jobseekers with PrEA clients.

The same applies for NGOs with which France Travail engages in different partnerships, for example, Handipass is a specialized unit within France Travail tasked with providing employment services and support to PWD jobseekers. It also manages partnerships with organizations working in the field of disabilities to identify target beneficiaries and expand the reach of specialized services (World Bank, 2023).

France Travail also promotes partnerships with large national employers through exchange agreements to facilitate exchanges of information on vacancies and jobseekers, national action plans to harmonize cooperation at local level and national framework agreements on recruitment and defining quantitative targets. A less formal strategy is joint meetings with companies that have signed agreements with France Travail, called Club RH, which offers a space for labour market dialogues and networking.

A key element of these France Travail strategies is the commitment of resources to management of partnerships. It has a specialized unit specifically tasked with managing partnerships to ensure labour market inclusion (access to employment services for all) and territorial inclusion (expanding territorial coverage). This unit has 33 staff and it is instrumental in implementation of various agreements through liaising with employers, PrEA and non-government employment services providers. At the territorial level, there is also a network of correspondents who facilitate exchanges of information between France Travail and partner companies, playing the role of focal points for agreements, organizing meetings and monitoring implementation.

Sweden

Another example of PES partnerships with employers is provided by Sweden, where the PES partners with the Swedish Federation of Business Owners (Företagarna) to reach out to small businesses of its more than 260 local associations to offer ALMP, including wage subsidies (World Bank, 2022).

Mexico

In the recent past, the National Employment Service of Mexico (NES) also developed a series of informal partnerships with PrEA, employers and non-government institutions on different levels of formality and collaboration. This includes LMI exchanges and ALMP, incorporating these strategies with the goal of strengthening its service portfolio.

NES-sponsored employment system meetings are a key focus to foster dialogue between NES local offices, local industry and education sectors to exchange information on difficult-to-fill job vacancies and jobseekers facing employment barriers.

Similarly, NES state offices regularly engage in formal partnerships with tertiary education institutions to provide employment services to students and exchange information on skills. With PrEA, the NES has

signed agreements to exchange information on job vacancies, so PrEA vacancies are incorporated into the NES job portal.

With employers, the NES used to run a successful ALMP combining training, an on-the-job skills acquisition programme targeted at graduates of technical or vocational middle schools with no job experience. The NES committed to provide stipends to trainees, health and accidents insurance, and trainers' costs. Employers committed to provide space and tools for young trainees and hired at least 70 per cent of beneficiaries who completed training, usually after three months of training.

Chile

Chile's National Training and Employment Service (NTES) offers good practices related to partnerships with education institutions and employers on LMI management. NTES manages the national labour observatory, a repository of national labour market data trends, provided by regional labour observatory chapters managed by universities in each state or region.

The national PES delineates standards for the collection and presentation of LMI for regional observatories, with university students, alumni and researchers collecting processing and feeding LMI for aggregation at national level to ensure processes remain sustainable.

With employers, the NTES collaborates with sectoral industries to apply an annual survey on skills shortages and factor impeding employers from hiring for certain jobs. Then results are shared with employers and published digitally on the Ministry of Labour website for wider public access.

Spain

This country is implementing a comprehensive reform to its national employment system initiated in 2023, through enactment of Employment Law 3/2023. The law transforms the State Public Employment Service into the Spanish Employment Agency (SEA), with labour market collaboration and partnerships key features of the reform.

Article 8 of the law creates the National Employment System (NES), integrated by the SEA and PES of all autonomous communities (ACPES). It also emphasizes that local entities, public or private, that implement employment policies will collaborate with the NES through coordination and collaboration with public services.

Furthermore, Article 10 creates a national general council for the NES, a tripartite body, chaired by the SEA head and composed of a representative of autonomous communities and members of other government agencies, business organizations and representative trade union organizations, which signals a collaborative design for networks on employment policy and services.

Article 14 creates the Integrated Public Information System of Employment Services (IPISES) as a coordination mechanism to establish common standard protocols for data recording and collection pertaining to ALMP management and welfare benefits implemented by SEA and ACPES and other collaborating entities, with job offers and demand recorded by collaborating PrEA. Therefore, the law conceives the IPISES as a common information network for the entire public and private employment structure, with participants including SEA, ACPES, PrEA and other collaborating entities.

Chapter 3 covers partners collaborating with PES, with Article 25 stating that ACPES determines which public entities collaborate with SEA and ACPES in fulfilling overarching national employment goals. Article 26 establishes that all private entities involved in active employment policies must collaborate and coordinate with public bodies at the relevant territorial and competence levels. While Article 27 addresses collaborative framework agreements as the main tool for partnership implementation under public procurement schemes, SEA and ACPES may enter into framework agreements for public sector contracts with private entities, whether they act individually or jointly.

1.7 Regulation and Supervision of Private Employment Agencies (PrEA)

► Box 7. Good practices on PrEA supervision and reporting

Authorization of PrEA operations

In the region, some reviewed PrEA regulations and procedures stand out as good practices aligned with ILO fair recruitment regional operational guidelines (ILO, 2023b), for instance those related to PrEA staff compliance with certain qualifications and record-keeping.

A wide variety of countries require PrEAs to obtain a permit or license as a requirement to operate legally, including **China, Cyprus, Germany, Hong Kong (China), Italy, Malaysia, Malta, the Philippines, Singapore, Sri Lanka, Spain and Türkiye**.

On the other hand, **Kenya, Mexico, Norway, Peru and South Africa** have chosen to establish registration requirements for PrEAs, which consists of registering with government labour or trade bodies (the Netherlands), providing specific data on constitution and activities, without which they are prevented from operating.

In **Germany** and **Italy**, registration is only a first step in obtaining a temporary employment agency license. In the **Philippines**, in addition to obtaining a license, PrEAs must separately obtain a permit for recruitment.

In some countries, including Honduras and the **Philippines**, stricter rules apply for agencies providing employment services to the foreign labour market than those for domestic jobs, including both, registry and licensing, and a special authorization for sending domestically-recruited workers for jobs abroad.

Protections to users, transparency and disclosure

Cambodia offers a good example of applying fair recruitment practices in regulating PrEAs sending workers abroad. The MLVT ensures temporary migrant workers' rights are respected throughout the recruitment cycle through signing an agreement with licensed PrEAs on duties and procedures for recruitment, pre-departure orientation training, sending and management of migrant workers in accordance with Sub-decree No.190 on sending Cambodian workers abroad.

In the **Philippines**, joint and severe liability applies to PrEAs for any breaches of contract, including unpaid wages, benefits and conditions of work, committed by employers against workers placed or supplied by PrEAs. This promotes greater due diligence by PrEAs regarding companies they work for, a practice also found in United States legislation for temporary foreign worker recruitment, and for PrEA in some provinces of Canada that recruit foreign workers (ILO, 2023d).

Another good practice adopted by a number of countries is to establish systems for online public consultations of registered or licensed PrEA, as well as those that have lost their licensee status. Making PrEA information transparent helps to prevent fraudulent practices, especially in the case of migrant workers, in alignment with ILO fair recruitment.

The **Hong Kong, China**, Department of Labour excels in this area by maintaining and operating a Public Online Access System, where users can consult a list of private employment agencies. This registration is transactional, users can enter the name of the agency and verify it has a valid license.

In similar fashion, the POEA of the Philippines' DOLE is an authority dedicated to overseeing PrEA recruiting workers for overseas jobs. It maintains a website where interested workers can review the status of a PrEA. The list of agencies is constantly updated and includes PrEA whose licenses have expired or been revoked.

Sound management and code of practice

In **China**, a good practice that goes beyond the usual requirements for PrEA licensing is to demand applicants show they have a charter and management rules guiding PrEA services to users. This demonstrates the soundness and professionalism of the business to authorities.

The **Philippines** and **Sri Lanka** stand out for establishing, in addition to formal documentary requirements, the obligation to hold face-to-face interviews with PrEA license applicants.

The PrEA regulations of Japan and Colombia include a unique practice to ensure reliability of applicants, consisting of the requirement to include a business plan with the filing, which must detail services to be provided, target clients, estimated number of beneficiaries and geographical coverage.

Hong Kong, China and **Sri Lanka** have pushed in their statutory rules for adoption of PrEA mandatory codes of conduct. The Sri Lanka Foreign Employment Bureau Establishment Ordinance mandates the establishment of the Association of Foreign Employment Agencies, which brings together all licensed employment agencies in Sri Lanka, and whose functions include developing and monitoring a code of conduct for its members.

Staff competency, training and professionalization

As with Viet Nam, the **Philippines** has PrEA regulations that require managers have at least four years' experience in management of human resources in addition to requiring a university degree for the PrEA director (in Viet Nam, according to Decree 23/2021, the requirement for PrEA managers is holding a university degree and two years of human resources management). In Malta, in lieu of a university degree, PrEA managers can provide proof of six years' human resource management experience.⁴⁹

The regulations of private employment agencies in the **Philippines** and **Peru** indicate obligations for PREAs to provide staff training to detect fraudulent job offers or trafficking in persons. In the Philippines, as a precondition for extending the license, managers and partners must attend a mandatory training seminar on human trafficking issues.

In **Honduras**, to send workers abroad, staff must attend a mandatory course covering PrEA regulations and operational duties pertaining to the recruitment and placement of Honduran jobseekers abroad⁵⁰, a practice to strengthen PrEA capacity to comply with the legal framework in lieu of resorting to enforcing inspections.

Similarly, **Singapore** makes license issuing and renewal conditional on key managerial and operational staff of the applicant PrEA obtaining certification through accreditation of training courses provided by the Ministry of Labour covering domestic employment legislation, including PrEA regulations.⁵¹

Supervision, incentives and performance reviews

Cambodia has developed a performance review system for PrEA, under Prakas 251, 2013, that stipulates a tripartite mechanism to appraise licensed PREAs every two years. The appraisal involves a rating system of each PrEA which includes variables such as recruitment, pre-departure orientation, sending, job placement, management of application of employment contract, problem-solving, and repatriation of workers placed in overseas jobs by the PrEA. If a PrEA obtains the lowest rating of four, it would be temporarily suspended for no longer than a year, during which time the PrEA must address shortcomings to be reappraised to lift the suspension.

To incentivize good performance for agencies already licensed, in addition to requiring implementation of PrEA quality management systems, **Singapore's** Ministry of Manpower has designed a system of demerit points assigned to a PrEA if it fails to comply with or violate corresponding statutes. The accumulation of points is accompanied by increases in the amount the security bond requested. If the demerit score increases, the authority can deduct certain amounts from those deposits as a penalty.

The **Sri Lanka Bureau** for Overseas Employment, with the participation and endorsement of private industry, developed a certification for outstanding overseas recruitment agencies. This recognition that allows them to accrue trust and market positioning among clients.

⁴⁹ <https://legislation.mt/eli/ln/2023/270/eng>

⁵⁰ <https://www.ilo.org/publications/comparative-analysis-standards-and-procedures-recruitment-and-placement>

⁵¹ <https://www.mom.gov.sg/employment-agencies/eligibility-and-requirements/certificate-of-employment-intermediaries-cei#it-is-required-for>

► Annex 2

List of countries reviewed

East and South-East Asia

- Cambodia
- China
- Indonesia
- Japan
- Lao People's Democratic Republic
- Malaysia
- Republic of Korea
- Singapore

Europe

- Belgium
- Estonia
- Denmark
- France
- Hungary
- Ireland
- Germany
- Latvia
- Lithuania
- Netherlands

- Portugal
- Slovakia
- Slovenia
- Spain
- Sweden

Latin America and the Caribbean

- Colombia
- Guatemala
- Honduras
- Mexico
- Peru

Pacific

- Australia

Africa

- Cameroon
- Kenya
- Uganda

ILO Country Office for Viet Nam

📍 Green One UN House
304 Kim Ma Street, Ngoc Ha Ward, Hanoi

✉️ hanoi@ilo.org

☎️ +84 24 38 500 100

🌐 ilo.org

📘 facebook.com/Vietnam.ILO

📷 instagram.com/ilo.vietnam