Skills for Prosperity in South-East Asia Programme

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Background

With their rapid economic development in the last two decades, three middle-income South-East Asian countries — Malaysia, Indonesia and the Philippines — have great potential for higher and more equitable growth. However, a lack of higher-skilled labour to drive productivity and innovation in these countries stands as a key barrier to increased prosperity and reduced poverty.

Skills development and technical and vocational education and training (TVET) can bridge this gap. Yet as employers struggle to find workers with the right set of skills, there is a mismatch between what they are looking for and what job seekers have acquired from the skills development and TVET systems. A lack of relevant and demand-driven skills among TVET graduates has forced them to take low-paid jobs or work in fields irrelevant to their academic credentials. Many have remained jobless.

Scarcity of professional skills is also common among women and vulnerable populations who have already endured a lack of access to TVET and subsequently the labour market.

This trend, in fact, offers an opportunity for TVET and higher education (HE) reform in a way that will eventually help young people become future-ready for the job markets of the fourth industrial revolution as well as unlock the full employment potential of women and vulnerable populations. Thus, the Skills for Prosperity in South-East Asia Programme (SfP-SEA) assists governments and employers’ and workers’ organisations in the three countries to achieve this change.

As 178 million youth around the world are employed in sectors hit hard by the COVID-19 crisis and are facing layoffs and severe losses in income, SfP-SEA will work with national partners to develop activities to assist those suffering from the economic fallout of the pandemic.
The programme aims to contribute to increasing national capacity to achieve sustained and inclusive growth through the enhancement of skills development and TVET systems in Malaysia, Indonesia and the Philippines.

To achieve this, the programme works with government agencies, employers’ organisations, trade unions, educational institutions and other partners in Malaysia, Indonesia and the Philippines to facilitate review and reform of the countries’ skills development and TVET system strategies and policies. SfP-SEA provides opportunities for mutual learning among the three countries, the other ASEAN nations and beyond—not only showcasing the results of the pilots and lessons learned from the programme, but also facilitating the sharing of best practices in the region and other parts of the world.

**Expected results of the SfP-SEA Programme:**

- Increased equity in access to TVET, male-dominated job markets and entrepreneurship opportunities for women and vulnerable populations through changes to skills development and TVET/HE system programmes and policies.

- Improved quality of skills development and TVET systems through upgrading curricula and occupational competency standards, capacity development of instructors, promotion of lifelong learning, and improvement in labour market data collection and analysis.

- Improved relevance of skills development and TVET systems through industry-led learning models, including the establishment of sector-specific skills councils and the adoption of apprenticeship programmes by relevant industries.

- Improved cost-effectiveness of skills development and TVET systems through facilitation of multi-stakeholder co-financing of the systems, integration of fragmented and redundant roles among various government agencies in charge of TVET, and reorientation of financing to meet the needs of vulnerable and disadvantaged groups.

- Increased awareness and understanding among regional and global constituents and partners of the need for skills development and TVET systems reform and inclusive growth in the context of post COVID-19 and on-going global transformations.

With these projected results, SfP-SEA aims for systematic and long-term change that would facilitate efforts by Malaysia, Indonesia and the Philippines to achieve shared prosperity. This means TVET graduates will not only become employable but also earn higher wages. Industry will be upgraded and transformed, increasing business competitiveness. Improved curricula will bring about better pedagogy and leadership, which will lead to improvement in learning outcomes in Indonesia, Malaysia and the Philippines.

Ultimately, these benefits will pave the way for increased and inclusive economic growth in the three countries.