

Concept Note

Investment in skills and labour force for human development 2017 Round Table Implementation Meeting (RTIM) Pre-consultation

13 October 2017, Crowne Plaza Hotel Vientiane

1. Background

- The 2017 Round Table Implementation Meeting (2017 RTIM) on 22-23 November 2017 will feature a **dedicated panel discussion** and a **plenary policy dialogue** on ‘investment in skills and labour for human development’. In October 2017, a Pre-Consultation Meeting (PCM) on this topic will be held to refine and prioritise the areas for dialogue, and to bring forward policy insights and identify concrete actions for support in this sector.
- ‘Investment in skills and labour for human development’ has been chosen as one of the four focus areas of the 2017 RTIM because, even though Lao PDR has made significant progress on human development and on the human assets index - one of the three criteria for LDC graduation - there is no room for complacency. As highlighted in the latest National Human Development Report, heightened commitment to human development, including the development of human assets, is needed not only **to reach LDC graduation thresholds** but also **to face post-graduation challenges** and **to reap the benefits from Lao PDR’s** integration into the Asian Economic Community.
- Investing in human development and expanding human capabilities for the creation of a skilled labour force is one of the main objectives of sustainable and inclusive human development. It **enhances people’s freedom, opportunities and choices and contributes greater value-added within an increasingly knowledge-based economy.**
- In this context, Lao PDR needs to develop **job-relevant technical skills**. **Lao skilled labour** is lagging behind, and **higher value adding jobs** are being taken up by **economic migrants** from neighbouring countries. A more strategic role of the government in vocational skills development is needed to develop policies, set standards, invest in training materials and instructors, improve public information about the training system and among training providers, as well as carrying out training evaluations. Important lessons can be learned from advanced ASEAN countries on how to involve the private sector in apprenticeship programmes, on-the-job training and partnerships that help bridge the demand and supply of labour to ensure its technical relevance to industry demands and standards.
- Efforts to address these issues in the Lao PDR for LDC graduation are guided by the 8th **5-Year Socio-Economic Development Plan** (NSED, 2016-2020), which includes the following relevant outputs:
 - Improved public/private labour force capacity;
 - developing entrepreneurs, technical experts and professionals; and
 - promoting and developing the youth.

Targets for each output are included at Attachment A.

- The NSEDP also acknowledges the **Sustainable Development Goals (SDGs)** as a key development priority. SDG 4: Ensure inclusive and quality education for all and promote lifelong learning, SDG 8: Promote inclusive and sustainable economic growth, employment and decent work for all, and SDG 9: Industry, innovation and infrastructure, are all directly relevant to skills and labour development. Targets for each Goal are included at Attachment B.
- The Lao Government adopted a National Human Resource Development Strategy (NHRDS) to 2025 to provide a supporting framework for implementation, oversighted by the National Human Resource Development Commission. The NHRDS aims for Lao PDR to develop human resources to be the main driver of sustainable socio-economic development in line with development directions, to become industrialized and modernized, to be able to integrate and compete with the region and internationally both in terms of quantity and quality, and to enable people to get access to social services and improve people's living standards.

2. Objective and outcomes

- The overall **objective** of the PCM is to bring forward policy insights and identify concrete actions for labour force development to be conveyed by the Government and development partners at the panel discussion and plenary policy dialogue during the 2017 RTIM.
 - The desired **outcome** of the PCM is:
 - Agreed priority areas for policy dialogue and recommendations for action to accelerate the implementation of the National Human Resource Development Strategy and the National Socioeconomic Development Plan, particularly to:
 - help drive private sector development;
 - make the Lao national labour market more diverse and competitive; and
 - take advantage of the demographic dividend.
- ❖ In addition to the PCM, World Food Day consultations on “Change the future of migration - Invest in food security and rural development”, will contribute findings to the RTIM on “investment in skills and labour force for human development.” Moreover, it is suggested for the **upcoming consultations on the day of the girl child (11 October) to provide additional contributions.**

3. Participants

- The PCM will be led by the Ministry of Education and Sports (MOES) and the Australian Government. The Australian Government will provide lead facilitation support.
- Invited participants will include: key members of the National Human Resource Development Commission, the Ministry of Agriculture and Forestry, Ministry of Planning and Investment, Ministry of Foreign Affairs, Ministry of Labour and Social Welfare, the Lao Trade Union, Lao Women's Union and Lao Youth Union, and key development partners and UN agencies.

3. Date and Venue: 13 October, Crowne Plaza

4. Provisional agenda:

08.30-08.50	Opening Remarks	H.E. Mrs Sengdeuane Lachathaboun, Minister for Education and Sports (Co-Chair) H.E. Mr John Williams, Australian Ambassador to Laos (Co-Chair)
08.50-09.00	Update on the National Human Resource Development Strategy - links to NSEDP and SDGs.	Dr Bounpanh Xaymountry, Director General, Department of Planning, Ministry of Education and Sports
09.00-9.10	Recommendations for improving the availability and use of labour market information (LMI) in Laos	Sithanonxay Suvannaphakdy, Monitoring Adviser, Laos Australia Development Learning Facility
09.10-09.20	Labour and Skills Needs in the Tourism Sector	Tony Donovan, Chief Technical Adviser, LuxDev
09.20-09.30	The direction of TVET Policy in Laos	Department of TVET, Ministry of Education and Sports (TBC)
09.30-09.40	Matching Demand and Supply - Employment Service Centres	Bouasy Thammasack, Deputy Director of Employment Promotion Division, Department of Skills Development and Employment, Ministry of Labour and Social Welfare
09.40-09.50	Recommendations for using scholarships to address national HRD priorities	Prof Dr Khamlusa Nouansavanh, Director General Department of Student Affairs, Ministry of Education and Sports
09.50-10.00	Recommendations for improving English language in the civil service	UK and Australian Embassies (TBC)
10.00-10.10	Skills for Business Development: Women Entrepreneurs	World Education (TBC)
<i>Morning Tea</i>		
10.30-12.15	Discussion of recommendations	All participants (moderated by co-chairs)
12.20-12.30	Closing remarks	H.E. Mr John Williams, Australian Ambassador to Laos (Co-Chair) H.E. Mrs Sengdeuane Lachathaboun, Minister for Education and Sports (Co-Chair)
<i>Lunch</i>		

Attachment A

NSEDP OUTPUTS RELATING TO LABOUR FORCE DEVELOPMENT

Improved Public/Private Labour Force Capacity

Targets

- Maintain the unemployment rate at 2 percent.
- Provide skills development to 658,000 people.
- Successfully provide a recruitment service for 716,200 new workers.
- Improve the skills development centre in Oudomxay to be a testing centre that issues skill standards certificates for workers; to improve the skills development centre in Attapeu; and to establish new skills development centres in Bokeo and Sayabouly.
- Develop skills standards for 25 professions.
- Test and issue skill standards certificates for 10 professions in the construction area, 7 professions in automobiles, 6 professions in IT and 4 professions in tourism.
- Complete 100 percent of labour force registration in 306 labour units that employ 100 workers or more.
- Organize a labour skills contest at the national and provincial level at least once a year.

Priority Activities and Projects to Achieve Output

- Develop the workforce to be technically expert in their professions.
- Develop a protection and management mechanism for Lao workers overseas and resolve issues associated with foreign workers in Lao PDR according to the laws.
- Promote research and application of science and technologies and issue skill standards certificates for labourers to build confidence and trust in the labourers and employers, which will help increase jobs and income security.
- Increase international cooperation to mobilize financial and technical assistance on Lao labour skills development to improve the quality of the Lao labour force.
- Strengthen the management of recruitment services and safe labour migration.
- Increase well-regulated and efficient recruitment by collaborating with technical and vocational education and training (TVET) in improving the teaching-learning curriculum, for instance, to be more suitable with the development situation in each period and responding to employers' demand.
- Conduct a labour force and labour market survey within the country.

Implementing Policies and Legal Instruments

- Develop a decree on labour skills development and fund, and a decree on provision of assistance to returning migrants.
- Develop policy and mechanism to ensure that labour force restructuring follows the direction on reducing labour engagement in the agriculture sector and increasing labour engagement in the industry and service sectors.

- Create a clear, adequate and transparent legal framework for the management and protection of migrant labour, with strict and efficient legal enforcement on employment.
- Improve regulations and mechanisms that ensure compliance with labour laws as revised in 2014, and upgrade the capacity of responsible provincial and district staff to ensure effective implementation of these laws.

Develop Entrepreneurs, technical experts and professionals

Targets

- Build a workforce in the following areas: building/construction, car mechanics, electrical engineering, civil engineering, mining engineering, geographical engineering, etc., that will enable workers in such areas to run their own business or become a new generation of small enterprises.
- Build a workforce in administration and management, such as business administrators, financial managers, economists and lawyers.
- Build at least one technical school in each province, and upgrade technical schools in some provinces, if applicable, to be colleges that can provide training at various levels in many more ways.
- Create more opportunities to enrol in vocational schools and training courses, for 60 percent of graduates at general education level.
- Build capacity for local firms, especially SMEs in processing industry, handicraft and local traditional products that represent national uniqueness.

Priority Activities and Projects

- Focus on improving and updating curriculum for vocational and university education.
- Improve and expand basic infrastructure for learning and teaching as well as training in different fields of work.
- Improve and develop the coordination mechanism between the public and private sectors in building skilled mechanics and technical staff.
- Improve the data collection system as necessary and disseminate the data regularly.

Implementing Policies and Legal Instruments

- Reform the vocational education system and vocational trainings that will ensure higher effectiveness and efficiency in labour development and training.
- Develop vocational teachers in various professions (technical specialization and pedagogy) at different levels, domestically and internationally, and sufficiently employ them in the vocational and training institutions across the country at some level.
- Develop supporting policy to promote the linkage between production and employment generation by the business operators.
- Develop supporting policy to encourage more secondary graduates, as well as those who lack opportunity to study, to enrol in vocational education.

Promote and develop the youth

Priority Activities and Projects

- Promote technical education to young people and juveniles in urban and rural areas, and especially those disadvantaged by living in rural remote areas or by their gender or ethnicity, and people with disabilities.
- Support job creation for young people and juveniles in urban and rural areas.
- Focus on addressing poverty among young people.
- Pay attention to health care for young people. For example, establish information centres and health centres to disseminate information on contagious diseases such as HIV/AIDS, basic healthcare services, being cautious about having sex before an appropriate age and reproductive healthcare.
- Advocate nutrition principles to young people and juveniles.
- Educate young people and juveniles on the protection of the environment by using modern technology.
- Educate, advocate and communicate information to young people and juveniles to deter social problems.
- Pay attention to deterring and addressing socio-economic impacts on young people from regional and international socio-economic integration.
- Increase social services to reach out to all young people and adolescents, especially those who are disadvantaged.
- Promote the projects that develop the skills and capacity of young people and adolescents, including the people in the community and family units, to be self-sufficient and to reduce poverty.

Policies and Legal Instruments

- Determine policies on promoting talented Lao young people and juveniles to participate in the process of developing the country, job creation and income generation for young people and their families.
- Develop and/or strengthen legislation and policies to protect the rights and interests of young people and juveniles by ensuring their participation in the development process as well as the implementation and monitoring of relevant legislation and policies.
- Further lead the implementation of the strategy on developing young people and juveniles in association with the socio-economic development plan, the strategy on developing each region and young peoples' and juveniles' requirements.
- In the Lao People's Revolutionary Youth Union at each level, each young person and juvenile must promote independence, ownership, self-reliance and self-strengthening, actively contribute to development at the grass-roots level; the implementation should be associated with supporting competitive slogans set by the Lao People's Revolutionary Youth Union to make it widespread at grass-roots level with focus and a pilot area and must have clear success with effectiveness.
- Create and amend the legislation and policies related to the protection of youth and children's rights and interests, by involving them in the development as well as the implementation and monitoring of the relevant legislation and policies

SUSTAINABLE DEVELOPMENT GOALS RELATING TO LABOUR FORCE DEVELOPMENT

Goal 4: Ensure inclusive and quality education for all and promote lifelong learning

- By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university
- By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
- By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations
- By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy
- By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development
- Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, nonviolent, inclusive and effective learning environments for all
- By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries
- By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially least developed countries and small island developing states

Goal 8: Promote inclusive and sustainable economic growth, employment and decent work for all

- Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services
- By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
- By 2020, substantially reduce the proportion of youth not in employment, education or training
- Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms
- Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment
- By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products
- By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization

Goal 9: Industry, innovation and infrastructure

- Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending