



International
Labour
Organization

► **Employer organizations** in the governance of TVET and skills systems



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and skills systems

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► Abbreviations and acronyms

ANDI	Asociación Nacional de Empresarios de Colombia
APINDO	Asosiasi Pengusaha Indonesia
BCCI	Bahrain Chamber of Commerce Industry
BUSA	Business Unity South Africa
CAPMAS	Central Agency for Public Mobilization and Statistics (Egypt)
CCIA	Chamber of Commerce and Industry of Armenia
CFM	Centres de Formation aux Métiers (Cameroon)
CGEA	Confédération générale des entreprises Algériennes
CGECI	Confédération Générale des Entreprises de Côte d'Ivoire
CIS	Commonwealth of Independent States
CNP	Conseil National du Patronat du Sénégal
CNPM	National Confederation of Employers of the Republic of Moldova
CONFIEP	Confederación Nacional de Instituciones Empresariales Privadas (Peru)
CPC	Confederación de la Producción y del Comercio
CFTs	Centros de formación técnica (Chile)
DHET	Department of Higher Education and Training (South Africa)
DVET	Directorate of Vocational Education and Training (Viet Nam)
ECAM	Employers' Consultative Association of Malawi
EO	employer organization
ERASMUS	European Community Action Scheme for the Mobility of University Students
ETF	European Training Federation
FCEF	Fiji Commerce and Employers Federation
FEI	Federation of Egyptian Industries
FEI	Employers Federation of India
FKE	Federation of Kenya Employers
FUE	Federation of Uganda Employers
GAN	Global Apprenticeship Network
GDP	gross domestic product
GICAM	Groupement Interpatronal du Cameroun
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GEA	Georgia Employers' Association
HCLM	High Council for the Labour Market (Egypt)
HCTE	High Council for Technical Education (Egypt)
IDB	Inter-American Development Bank
INET	National Institute of Technical Education (Argentina)
IOE	International Organisation of Employers
JCI	Jordan Chamber of Industry
JEF	Jamaica Employers Federation
JIA	Kyrgyzstan business association
KNQA	Kenya National Qualifications Agency

KNQCS	Kenya National Qualifications Classification Standard
LMIS	labour market information system
MEYI	Ministry of Education, Youth and Information (Jamaica)
MINEFOP	Ministère de l'Emploi et de la Formation Professionnelle (Cameroon)
MoE	Ministry of Education
MoLISA	Ministry of Labour, Invalids and Social Affairs (Viet Nam)
NITA	National Training Authority (Kenya)
NQF	national qualifications framework
OECD	Organisation for Economic Co-operation and Development
RUEA	Republican Union of Employers of Armenia
SADC	South African Development Community
SENA	Servicio Nacional de Aprendizaje (Colombia)
SENCE	National Service of Training and Employment (Chile)
SETA	Sector Education and Training Authority (South Africa)
SMEs	Small and medium-sized enterprises
SSCs	sector skills councils
TEMPUS	Trans-European Mobility Programme for University Studies
TEVETA	Technical, Entrepreneurial and Vocational Education and Training Authority (Malawi)
TVET	technical and vocational education and training
UIA	Unión Industrial Argentina
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNQF	Ugandan National Qualifications Framework
WBL	work-based learning
UPS	Union Patronale Suisse
VCCI	Viet Nam Chamber of Commerce and Industry
VET	vocational education and training
VIMOSZ	Hungarian Hospitality Employers' Association

► Background

This report is Phase II of the “Employer Organizations and the Governance of TVET and Skills Systems” project which represents a collaboration between the Skills and Employability Branch (SKILLS) and the Bureau for Employers’ Activities (ACT/EMP) of the International Labour Organization (ILO). SKILLS is actively engaged in research and technical assistance to strengthen skills development systems and promotes tripartite approaches to skills development through its work. ACT/EMP is responsible for maintaining direct relationships with the employer constituency in the ILO member States, with a role in facilitating the reflection of employer priorities in ILO policies and programmes on one hand, and to promote the ILO agenda among employers’ organizations on the other. ACT/EMP’s function involves supporting the ILO governance bodies as well as technical cooperation to strengthen policy influence, and services to respond to members’ needs. Skills policy is one such area.

This report follows a Phase I literature review on the involvement of national employer organizations (EOs)¹ in the governance of skills systems conducted in 2017 (ILO 2019a).

Around 40 EOs from the network of employer and business membership organizations in ILO member States were approached to participate in this study. They were based in countries of the Pacific and Oceania; the Caribbean; Latin America; Africa; South and South-East Asia; the Commonwealth of Independent States (CIS) and Europe. In all, 28 EOs in 27 countries took part (see Annex I for the full list).

A questionnaire based on the themes and findings of the literature review was developed (see Annex II). The EOs were asked to participate in a video, audio or in-person interview based on the questionnaire. Where this was not possible or preferred, the EO completed the questionnaire in writing.² In each case, the participating organization was provided with both the literature

review and the questionnaire in advance of the interview. EOs were also given the opportunity to confirm quotations appearing in this report before publication.³

The questions were grouped into six themes. These were, in order – the national operating context; policy and strategy; labour market information and planning; work-based learning; quality assurance (and national qualification frameworks –NQFs); and globalization. This report reflects selected aspects from within the first five themes.

The project looked at the experience of EOs involved in governance arrangements⁴ of skills systems, including but not limited to involvement in:

- policy and coordinating apex bodies in the skills development system;
- regulatory bodies related to the quality assurance of training organizations and the development and recognition of skill standards, curriculum and qualifications;
- apprenticeship councils or boards;
- councils or boards of national or sectoral training funds; and
- national labour market observatories or other fora involved in skills anticipation.

In addition to the qualitative findings of this study, the report integrates a sample of the literature from the earlier review, and a selection of additional recent literature.

The findings of the research could assist the ILO in developing a guide to support the active involvement of employer organizations in skills development issues. These knowledge products would contain the outcomes of the research along with concise fiches and training materials, developed in conjunction with the International Training Centre of the ILO in Turin, to support employers’ organizations.

1 The EOs represented in this study reflect a range of levels of employer association within their respective countries – from supra-apex large confederations, to chambers of commerce and industry (of which there may be several in a country), to EOs which represent an industry sector (one case per country).

2 Interviews in languages other than English, Spanish or French were facilitated by colleagues from the ILO “Applying the G20 Training Strategy Project”, who also translated the EO contributions into English for use in this report.

3 Where the interview was conducted in English, Spanish or French.

4 While looking at EO participation *in governance arrangements* is the *raison d’être* of this study, occasionally presenting EO general participation skills or TVET systems was relevant to the discussion.

► Executive summary

Fostering and maintaining systems, processes and behaviours to ensure good governance in skills systems requires strong and active collaboration between governments and social partners. This picture remains an aspiration for many employer organizations (EOs) around the world. For the 28 organizations that contributed to this report, not all were able to lead and participate in their respective skills systems fully, although all expressed a willingness to do so. Few felt they operated as true equal partners in a tripartite system, although most had a moderate to significant advisory role. Ensuring good governance in vocational education and training is a crucial but difficult task due to it being a complex policy area located at the intersection of education, training, and social, economic and labour market policies, contributing to socio-economic national goals while balancing regional development (ETF 2013). This being so, the case for EOs' involvement in governance arrangements, given that the skills needs of enterprises are evolving rapidly, is compelling.

The nature and extent of EO involvement in such arrangements, the success factors and barriers for more effective engagement, and the impact of participation on the skills system are presented in this report, and frequently in the EOs' own words. Those with active governance roles within a structured tripartite system help guide strategy and policy areas upon which a skills system may touch. They may co-create national skills strategies; assist with development of the quality assurance systems and national qualifications frameworks (NQFs); play an active part in labour market information systems; shape and guide the direction of sectoral/training funds; and be instrumental in the success of work-based learning. The scope of EO influence tends to align – unsurprisingly – with the extent to which they feel that they are taken seriously as partners in policy formulation or system settings, or whether they act in an advisory capacity only. EOs being “at the table” of apex bodies in a governance role (generally a legislated one) vis-à-vis being an occasional advisor/stakeholder often leads to demonstrably different outcomes for TVET and skills systems and for the EOs themselves.

When asked about effective strategy-making and policy development for skills, EOs most often referred to poor system coordination as the most significant obstacle. A multiplicity of government agencies responsible for aspects of a skills system, including the management of training quality and delivery, was commonly found – as well as big coordination gaps. Many EOs spoke of the need for a better legal or regulatory framework to coordinate the system, which might involve either a change or clarity in government agency leadership, or the creation of new dedicated agency, or the promotion of an NQF as a coordinating mechanism. However, EOs often reported that more effective system coordination was happening at the sectoral level.

The establishment of sectoral skills councils, or similar, is an emerging institutional trend which aims to improve the quality and relevance of skills training and assessment – often with leadership from employers, or their deep involvement. Overall, of the EOs interviewed for this study, many have played (or are playing) a role in the setting up, or in the coordination, and capacity-building of these sector organizations. Generally, the less-mature skills systems have instituted just a small number of sector bodies which seek to address the skills needs of the main industries in that country. Sometimes the impetus comes from major regional, national (or transnational) employers who have immediate business needs, and/or the interventions of international donors. It is common for EOs and their members to be well-represented at the governance level on sectoral skills bodies.

In the area of financing, many countries have established skills funds or national training funds, which are statutory, quasi-autonomous bodies under a general umbrella of a government ministry and, more immediately, of management councils with varying degrees of stakeholder representation (Ziderman

2016). Overall, EOs' assessment of funding scheme performance, and of scheme management by governments, was poor to adequate. EOs generally feel that they do not have much influence over the direction of the disbursement of funds – including some instances where they have representation on a relevant governance body. Not uncommonly, EOs had influence over the design of the skills funding schemes at the inception phase, but few had an ongoing oversight role. At least a few EOs observed that without adequate labour market and skills data, it was anyway difficult to advocate for impactful skills funding interventions. Where there are disbursement rules endorsed by EOs, levy systems are considered to be operating well – with subsidies and other incentives given to those who contribute to the levy system. In short, concerns centre on the direct and indirect value employers get from any levy system rather than the governance of the funds per se, although the issues are related.

The lack of optimal labour market information and planning – including the absence of any definable labour market information system (LMIS) – served as a point of frustration for many EOs. Of the EOs interviewed for this study, very few were involved in LMIS governance arrangements, for the simple reason that the overall systems for national labour information and planning were under-developed. The EOs' main role was in coordinating and encouraging members to collect and provide data where a functioning LMIS existed, or otherwise in the commissioning of sectoral or other types of research on an ad hoc basis. While EOs may have been participating in governance arrangements in other areas of a skills system, insufficient data about skills and the labour market means decision-making is done in the absence of a strong evidence base – an issue of which the EOs are acutely aware.

The quality of vocational education and training remains a challenge in many of the countries surveyed. All EOs – to a greater or lesser extent – saw a gap between the needs of the labour market and the skills available. A major trend in the reform of TVET and skills systems has been the introduction of quality assurance interventions, often linked to the introduction of NQFs, aiming to bring greater transparency of information to users of the education and training system, and attempting to bring the labour market, education and skills closer together. With a few exceptions, the countries surveyed were on the path to, or had already established, NQFs. Of these, several EOs were keen to see more rapid progress on latent work being progressed by governments, and a number were involved at the governance level or played an advisory role. Many EOs had been, and continue to be, strong advocates for the establishment of NQFs. Where NQFs exist, or are in development, most of the EOs noted that they played a strong role in the early development phases, but not all continued to do so during implementation – due to either the absence or weakness of tripartite structures. International donor quality-related skills projects were frequently cited as the impetus for EO involvement through the design and delivery phases of system interventions.

Work-based learning refers to all forms of learning that take place in a real or simulated work environment. Apprenticeships (formal and informal), internships/traineeships and on-the-job training are the most common types of work-based learning, which demands close collaboration between social partners, enterprises, public authorities and TVET institutions.⁵ “Quality apprenticeship” training systems are where the employers play a leading role in their development and implementation (ILO 2017), and such systems cannot expand and become a recognized pathway from school to work without the strong involvement of employers (OECD 2015). Overall, of the countries examined, only a small number operated national apprenticeship systems. Fewer still had institutional structures which allowed for the representation of employers in the governance arrangements. However, apprenticeship schemes commonly exist at the enterprise level – often informally, and based on a vocational tradition, or via local private sector initiatives coordinated by an EO, or initiatives arising from multinationals requiring specific skills. These arrangements typically do not have national or sectoral governance arrangements, the mechanisms through which EOs most typically engage directly.

5 See: https://www.ilo.org/skills/areas/skills-policies-and-systems/WCMS_465065/lang--en/index.htm

Although not particular to skills development or TVET, a couple of other cross-cutting themes emerged that have significantly shaped the way employers engage, or will need to engage, with skills systems. Firstly, there are challenges with frequent changes of government – in particular, regular changes in ministerial leadership (within an electoral cycle) resulting in the need to re-establish relationships, and restart advocacy. While this may be anticipated or unavoidable, it results in a slowing down or derailing of strategies and skills reform programmes. In several jurisdictions, skills and labour market reform programmes supported by development actors or international donors have frequently been a catalyst, bringing EOs firmly into skills system governance arrangements. However, several EOs raised the ongoing challenge of sustainability in the post-intervention phase, with government commitment to engaging employers often waning over time. This is a significant factor and highlights that much work is still required to support government efforts to maintain the engagement of social partners in skills development.

Skills and TVET systems exist at the nexus of several key social and economic policy areas, made significantly more complex when coupled with the rapid pace of change in labour markets at a time of major technological innovations and urgent social and environmental challenges. One of the themes which emerged through the study concerned EO capacity to engage in governance arrangements effectively. Several EOs in the less-mature skills systems were still in a phase of trying to mobilize members about the *need to engage* and the *different ways* to engage – for example, about the benefits (for both businesses and nation) of strategic labour market planning and skills anticipation.

Only a few EOs in the study were engaged across the full spectrum of skills and TVET system policy domains and activities. Several EOs, especially those in smaller-sized and better-coordinated systems, were able to extend their capacity by tapping effectively into their membership and networks. This study captured the theme of employer organization capacity only incidentally, and further analysis would be key to understanding how employers might best size and service their engagement in skills system governance arrangements where tripartite approaches exist, and perhaps understand the opportunity costs better where they do not.

1



► 1. Introduction

The need to increase the engagement of employers in skills systems has been known for many years. The 2001 UNESCO and ILO revised Recommendation for Technical and Vocational Education and Training for the Twenty-first Century emphasized the need for partnerships in the sphere of policy, planning and administration. The Recommendation states that “although governments carry the primary responsibility ... in a modern market economy ... policy design and delivery should be achieved through a new partnership between government, employers and others” (ILO and UNESCO 2002, 13). It highlights the need for partnerships “to create a coherent legislative framework to enable ... a national (TVET) strategy” and that TVET “is an investment, not a cost, with significant returns, including the well-being of workers, enhanced productivity and international competitiveness (and) therefore funding ... should be shared to the maximum extent possible” (ILO and UNESCO 2002, 13). To achieve this, “it is desirable that governments streamline their own public institutional framework ... to coordinate ... [and] create an effective partnership with the private sector” (ILO and UNESCO 2002, 14). The Recommendation goes on to say that “relevant stakeholders should be actively associated in policy formulation and in the planning process, corresponding structures, both national and local, taking the form of public agencies or consultative or advisory bodies” (ILO and UNESCO 2002, 14).

Shortly thereafter, the ILO Human Resources Development Recommendation, 2004 (No. 195) recognized the importance for member States to engage social partners and enterprises across most skill system areas. The Recommendation covers key skills system and policy domains, for example involving social partners in defining “a national strategy for education and training, as well as establish a guiding framework for training policies at national, regional, local, and sectoral and enterprise levels”(para. 5a).

Fast forward 15 years to 2019, where the ILO Centenary Declaration for the Future of Work states that we are “at a time of transformative change in the world of work, driven by technological innovations, demographic shifts, environmental and climate change, and globalization, as well as at a time of persistent inequalities, which have profound impacts on the nature and future of work, and on the place and dignity of people in it”(3). The report of the Global Commission on the Future of Work 2019 also calls for a forging of “a new path [which] requires committed action on the part of governments as well as employers’ and workers’ organizations ... [who all]... need to reinvigorate the social contract to meet the challenges we will face in the future ...” (ILO 2019b, 10) and recommends “that all countries establish national strategies on the future of work, relying for their development on existing institutions for social dialogue or, as necessary, establishing new ones” (ILO 2019b, 55).



What is skills governance?

There is no singular definition of skills governance, but in general terms governance is about the processes by which decisions are made, prioritizing a strategic rather than operational approach.

In an expansive definition, Hawley-Woodhall et al. (2015) see skills governance as a system aimed at balancing the supply and demand of skills, which provides a basis for further economic development. Stakeholders from the public, private and third sector are involved in implementing and using the skills governance system. It includes planning and controlling – to different degrees – the national, regional and local offer of education and training, and mechanisms for assuring the quality of education and training. They define skills governance as seeking “to build on and optimise the individual competencies of the (future) workforce. It comprises a negotiation perspective, which represents the needs of employers’, [future] employees’ and the education system goals ...” (Hawley-Woodhall et al. 2015, 5).

A simpler definition centres on the concept of “multilevel governance”. Leney (2015) cites the European Training Federation (ETF) multilevel TVET governance model which involves “TVET policy-making management based on coordinated action to effectively involve TVET public and private stakeholders at all possible levels (international, national, sectoral, regional/local, provider)” (10), and that “good multilevel governance in (TVET) aims to reinforce interaction and participation of such stakeholders while improving relevance, accountability, transparency, coherence, efficiency and effectiveness of (TVET) policies” (Leney, 2015, 11).

In a report which outlined the TVET governance arrangements in member countries, the ETF categorizes coordination mechanisms into four types. This typology is helpful to further analyse skills and TVET governance arrangements – to parse system needs, and in turn inform priorities for interventions in each of the four domains:

1. Legislative or normative oriented (for example, VET legislation and other training regulations – national, regional tripartite agreements; skills policies regulated by labour laws, national qualification frameworks).
2. Institutionalized policy advice or policymaking oriented (for example, national agencies and other supervisory (tripartite) bodies; national/sector/regional skills councils; steering or joint social partner committees; inter-ministerial working groups).
3. Public-private structure oriented (for example, social dialogue arrangements; collective bargaining agreements for skills development/provision at sectoral and company level; public-private arrangements for funding vocational skills, work-based learning arrangements).
4. Knowledge creation oriented (for example, performance-based indicators and benchmarks; evaluation and monitoring tools; institutionalized information offices (such as observatories); recommendations, joint opinions, declarations, frameworks of action (soft regulations); occupational standards). (ETF 2019)

The model could be interpreted as a hierarchy where the first “orientation” provides the foundation of skills/TVET systems. The second has the processes and structures to support greater collaboration across these foundations. The third is about relationships and collaboration to support the processes and structures, and lastly, the orientation describes a system being finessed, and thereby creating a feedback loop. This approach may provide a useful framework to analyse interventions to improve participation of employers in skills systems governance arrangements, supporting the design of skills strategy, policy and programmes. This typology of skills system coordinating mechanisms has helped inform the final recommendations of the present report.

2



▶ 2. The experiences of employer organizations in the governance of skills systems

Good governance of skills policymaking and management requires coordinated action to effectively involve public and private stakeholders at all possible levels – international, national, sectoral, and at regional or local levels. There is evidence that where success has been seen in engaging employers, a high level and long tradition of social dialogue – hence, more meaningful engagement – tends to be an underpinning factor (ETF 2013).

To improve governance models and processes, there is a need to increase the vertical and horizontal participation⁶ of employer organizations at all stages of the policy cycle (Leney 2015). At the national level, an environment encouraging private sector engagement in skills development requires a policy framework that fosters consultation, information sharing and capacity-building, but also has a long-term vision for private sector collaboration and ensures adequate funding (UNDP 2017). Employers becoming involved in a skills system will help build innovation opportunities and improve value chain competitiveness; increase productivity and competitiveness of enterprises; foster comparative advantages through a commitment to inclusive growth; and increase the employment of workers with relevant skills. However, current evidence of these outcomes is more apparent at the enterprise level, and less so at a sector or national industry level (UNDP 2017).

As mentioned in the background to this study, EO participation in the governance arrangements of skills systems was captured across the following broad domains:

- ▶ Policy and coordinating apex bodies in the skills development system.
 - ▶ Regulatory bodies related to the quality assurance of training organizations and the development and recognition of skill standards, curriculum and qualifications.
 - ▶ Apprenticeship councils or boards.
 - ▶ Councils or boards of national or sectoral training funds.
 - ▶ National labour market observatories or other fora involved in skills anticipation.
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2.1. Partnerships for strategy and policy

The nature and extent of EO involvement in the governance arrangements, the success factors and barriers for more effective engagement, and the impact of participation on the skills system are presented in this report, and frequently in the EOs' own words. Those with active governance roles within a structured tripartite system help guide strategy and policy areas upon which a skills system may touch. They may co-create national skills strategies; assist with development of the quality assurance systems and national qualifications frameworks; play an active part in labour market information systems; shape and guide the direction of sectoral/training funds; and are instrumental in the success of work-based learning. The scope of EO influence, tends to align – unsurprisingly – with the extent to which they feel that they are taken seriously as partners in policy formulation or system settings, or whether they act in an advisory capacity only. EOs being “at the table” of apex bodies in a governance role (generally a legislated one) vis-à-vis being an occasional advisor or stakeholder often begets demonstrably different outcomes for TVET and skills systems.

⁶ Vertical participation refers to the subject matter expertise required of employer organizations, in this case around TVET and skills systems and related policy and strategy. Horizontal participation considers the authority to engage in a structure, system or process – in this case, the governance of skills/TVET.

Focusing on the high-level policy and strategy settings, the barriers and challenges encountered by the EOs essentially centre on an inadequate or absent legal or regulatory framework, particularly one which establishes system coordination and clearly spells out the role of employers. The changes called for by the EOs involve either clarifying government agency leadership or establishing a new specialized agency or coordinating body with defined private sector participation. At the political level, the EOs have in many cases experienced frequent changes of government or ministerial leadership, which has had moderate to significant impacts on skills system reform initiatives or on EO awareness-raising and advocacy programmes. On the administrative level (i.e. ministries and their departments and agencies), many employers reported frustrations at the slow pace of skills system reform implementation, and disappointment about advice and views not being adequately “taken on board” in policymaking. Even where formal partnerships or tripartite-type arrangements exist, employers experience challenges negotiating divergent interests between government and EOs.

The higher performing and more mature skill systems with strong national level tripartite approaches – underpinned by system-level strategies and coordinating bodies or mechanisms – are better positioned to grapple with complex policy domains in a challenging global climate. The Singaporean, Swiss and Jamaican EOs were particularly noteworthy for their experiences of high levels of engagement.

Singapore operates a well-developed and coordinated tripartite system in TVET and skills development. The Singapore National Employers Federation (SNEF) and other employer organizations play a critical role in shaping skills system strategy and associated policy areas. In the 2016 Budget session, Singapore announced a US\$4.5 billion industry transformation programme that aimed to integrate different transformational and restructuring efforts by enhancing partnerships among Government, companies, industries, trade associations and labour movement (Goh 2018). The Future Economy Council (FEC) drives this transformation and is chaired by the Deputy Prime Minister and Minister for Finance, with Council members from government, industry, unions, and educational and training institutions. The FEC oversees the implementation of the recommendations put forth by the Committee on the Future Economy (CFE) and builds on the work of the earlier Council for Skills, Innovation and Productivity, including SkillsFuture initiatives and Industry Transformation Maps (ITMs). By 2018, ITMs were developed for 23 industries under six clusters. Together, the 23 industries cover over 80 per cent of Singapore’s GDP (Goh 2018). The Singapore EO (SNEF) was positive about their ability to engage in national skills planning, and noted that

- ▶ every five years in Singapore we do a stocktake of our strategic direction and of our future economy. We have a Committee focused on the future economy. Employer organizations are part of the committee – including our President. There are also business owners who represent different business sectors. Together with the government and the workers union – National Trade Unions Congress – they look at the charter for the next five to ten years. Looking at what skills sets are needed, what are the challenges in terms of manpower, the business landscapes, reviewing training grants, and necessary subsidies etc. ... With the new “Industry 4.0” our members have recognized the need to transform themselves, and to learn new skills for the future of work.

SkillsFuture Singapore (SSG) is a statutory board under the Ministry of Education (MOE) which coordinates the implementation of the national SkillsFuture initiatives. The SkillsFuture Singapore Agency Act 2016 (SSG Act), sets out the board membership, and empowers the SSG board to form committees.⁷ The EO notes that being a part of the Singapore tripartite system means that

- ▶ skills development always constitutes a very large proportion of discussion when it comes to manpower planning. Recently in Singapore there has been some emphasis on developing the skills set of individuals as part of the lifelong learning under SkillsFuture. The Government values learning and skills development as a very important factor and allocates a large amount of their budget into learning, training and development. When it comes to human resources and industrial relations, we are the employer organization which is greatly involved, but at times we work with other Chambers of Industry and other trade associations to come to meetings. But if ... [they do not] ... we can usually

⁷ See: <https://www.skillsfuture.sg/>

represent the interests of all the employers. In Singapore, we really do have this tripartite system in action – especially with regard to feedback to Government being coordinated by EOs through the EOs. We may have one-to-one meetings, but ultimately the feedback to Government will be one voice. It is easy for the Government to channel through us, and we disseminate it down. Information goes up and down, and we need to respect that it goes both ways.

In **Switzerland**, employers have long had a legislated role in a tripartite system, supported by a culture of social dialogue. The Swiss system is an open system, based on a partnership between the State at the national level, and the regional level. Union Patronale Swiss says

- ▶ we have 26 cantons (regions) ... and you will find the four same actors – national and regional agencies, employers, and unions. There is a strong tradition of a ‘tripartite’ relationship. This is something we have formalized, and it is strong and efficient at all levels. If, for example, there is a new draft law relating to vocational education and training we are required by law to be involved at its conception – it cannot progress without the involvement of the EO.

The engagement of employers is further embedded in the Swiss system through its parliamentary structures and processes. The EO says that

- ▶ representative stakeholders are invited to Parliament at the beginning of the law-making or policy process. The employer organizations are almost always invited. At the same time, there are permanent extra-parliamentary commissions which, as the name suggests, involve all stakeholders outside Parliament. These number around 150 ... [and] therefore trade unions, big companies and SMEs, and the Cantons are represented. The commissions relate to skills number around 10 to 15. This model allows for the possibility to present and defend positions, permanently, and between three and five are held per year.

In **Jamaica**, the mandate for TVET and skills development lies with the Human Employment and Resource Training (HEART) Trust/National Training Agency (NTA), a statutory body that reports to the Ministry of Education, Youth and Information (MEYI). The HEART Trust was formed by an Act of Parliament in 1982 and reformed in 1991 when it incorporated the NTA. HEART/NTA is responsible for TVET in schools and in all the TVET colleges and vocational training institutions across Jamaica. It is also responsible for implementing the National TVET policy developed in 2012 by the MEYI, reporting regularly to the MEYI through the Board of Directors. That Board includes permanent secretaries from both the MEYI and the Ministry of Economic Growth and Job Creation as well as representatives from various economic sectors and the National Council for TVET, which is the body responsible for assuring quality in the TVET system (UNESCO and ILO 2018). The Jamaican Employers Federation (JEF) says that

- ▶ the relationship with all the departments, agencies and ministries is one which we have cultivated and maintained over the years, and highly treasure. We work very closely with HEART Trust/NTA and operate through a Memorandum of Understanding which is renewed every three to four years. If there is any need for collaboration, we would go to HEART as a first port of call. Why? Because the vocational skills we will require for the future of work will have to be certified and assessed by HEART. JEF has had a representative on the HEART Board over the years. This is as a policy directive given that the expertise and experience reposes in the employer organization. JEF, as a tripartite partner, collaborates with the other partners – whether it be on a project, or on an advisory group. Programmes and policies relating to education, skills training and work readiness have the input and contribution of employer organizations.

Other EOs reported mixed experiences, even though tripartite-type agreements and structures were in place. There are several national arrangements which are under review, or where system refinements are taking place. In instances where employers cannot find the skills they need in the labour market, EOs often – and unsurprisingly – emerge as the strongest and most persistent advocates for reform, especially by seeking to review (or formalize) a tripartite relationship or partnership with government.

In **Côte d'Ivoire**, in 2007 and 2009, partnership agreements were signed between the private sector and the Consular Chambers respectively with the Ministry in charge of Higher Education and Scientific Research and the Ministry in charge of Technical and Professional Training. Among the main objectives of the agreements were quality improvements (such as through better teaching in vocational training by including practitioner experts), as well as actions supporting the broader goal of better matching national economic and labour market needs with the skills and training systems. There was some commitment to shared financing articulated in these agreements. Under the leadership of the Confédération Générale des Entreprises de Côte d'Ivoire (General Confederation of Enterprises of Côte d'Ivoire – CGECI) and the participation of the Consular Chambers, the economy was structured into professional branches⁸ led by “Professional Branch Committees” and supervised by the National Council of Professional Branches housed at the CGECI, which is the body which supervises all the committees of the 13 professional branches. The relevant bodies have been set up but are yet to be formalized by a regulatory framework, despite there being ten years since the agreements were signed. The EO reflected on the situation, and said

- ▶ if we share the premise that government approaches, strong leadership, clear strategies, active partnerships, accurate data, high quality and sufficient funding are important for a demand-driven system of skills and TVET, it must be said that in the case of our country, the political will that translates into strong government actions, the clear strategy that should flow from policy and program coherence, accurate data and a robust funding system, remain challenging for the time being. This is the choice we made when we accepted a partnership agreement with the public sector. This partnership breaks the wall that separates the public and private sectors ... [in addition] ... the private sector participates in the work of the management boards of public universities and *grandes écoles* as well as in some sectoral training centres ... the problem of skills development remains unresolved given the scale of the national economy's needs, which is essentially informal (93.6 per cent) according to the 2016 employment survey.

The EO added

- ▶ while employers are looking for the skills they need in the labour market, schools are training in skills where work is unable to be found. So, there is a kind of paradox. To solve this paradox, the private sector and the Consular Chambers on the one hand, and the Ministries in charge of skills development, decided to open a dialogue to resolve the issue ... It must be pointed out here that the difficulties in implementing the political will are not the result of our choice to accept a partnership agreement with the public sector. These challenges are more related to priorities and administration issues.

In **South Africa**, Business Unity South Africa (BUSA) contributes formally across the country's key skills system structures, including the National Skills Authority, Quality Council for Trades and Occupations, Human Resource Development Council and the National Artisan Development Advisory Body. Employers are also informally involved in the structures through the projects that they initiate and support with individual TVET and non-governmental organization (NGO) bodies. South Africa provides an example of a centralized system where the national government Department of Higher Education and Training (DHET) oversees the strategy development and policy implementation for post-school education and training and takes the leadership role from a strategic to an operational roll-out level. The EO observes

- ▶ while there are levels of social dialogue at a strategic, policy and operational level, employers are not always engaged as equal partners. While policy “consultation” does occur, the level and intent can be questioned on the part of government (e.g. levy grant reduction process). There are platforms in which social partners engage however, but government tends to have the final say on strategy, policy

⁸ The EO notes: “There is no legal definition of the Professional Branch. However, the Professional Branch may be understood as an entity which groups together the structures (enterprises) of the same sector of activity (similar and/or related activities) having convergent concerns regarding qualifications, dialogue, studies, and research and human resource development ... The Vocational Branch is not a council of employers since it is composed mainly of representatives of the private sector (production) and representatives of the public sector of training (teachers) in view of the skills development dialogue.”

design and development and skills system coordination and roll-out ... South Africa has a National Skills Development Plan where employers were engaged for four years on the policy development but very few [of their] considerations were included in the final strategy. This shows ... the *implementation* of the structures is ...not effective and gives rise to the lack of appropriate consultation and evaluation of inputs received.

In **Algeria**, an Economic and Social Growth Pact was concluded around 2014 between the Government, employers via apex bodies, and employees through unions. The document brings together stakeholders to establish strategic partnership alliances. The aim is to place the companies at the centre of any economic policy. The objectives of the Pact include accelerating the processes of economic reform, stimulating industrial development, creating a favourable business climate, bringing the national training system into line with the needs of businesses and the national economy, among others. The commitments of each of the parties are clearly stated, including action plans with operational objectives and backed by measurement indicators. However, according to the Confédération générale des entreprises Algériennes (CGEA), “the results of implementation have been poor. Furthermore, there have been 22 tripartite meetings since 1990 to date and several bipartite meetings, but without many concrete results. EOs are usually consulted and there is a dialogue which has been put in place, but there are still difficulties in implementing the resolutions discussed.”

- ▶ Also, the focus in Algeria has tended to be on quantitative outcomes rather than the qualitative. Although small and medium-sized enterprises (SMEs) represent a large part of the economic fabric in Algeria, their needs are not being well met through the existing vocational training centres. The private sector, which is around 55 per cent of total employment in Algeria, has responded by managing their own training system and recruitment and bypassing, for example, the National Employment Agency (ANEM). The CGEA has also helped elaborate a multi-year training plan which has been submitted to regional directorates of the *wilaya* (regions), and as there has been some difficulty in setting up the regional dialogues, the process required additional CGEA interventions from Algiers.

Viet Nam provides another example of the shift towards formalizing partnerships at the national level. A national strategy for skills development was adopted by the Prime Minister and led by the Ministry of Labour, Invalids and Social Affairs (MoLISA). Employers are mentioned in the Strategy as important stakeholders to help improve the quality of training. A Memorandum of Understanding was signed in 2018 between the Directorate of Vocational Education and Training (DVET), and MoLISA and the Viet Nam Chamber of Commerce and Industry (VCCI) to strengthen activities between the two agencies. The VCCI notes that they have increasingly been involved in providing advice from a business perspective to MoLISA and other government agencies during the policymaking process. The EO observed that in order to further institutionalize the role of employers in vocational training, Viet Nam’s revision of the 2012 Labour Code includes a Chapter IV on skills development to enhance the role and responsibilities of enterprises. During this process, with support from the ILO, the VCCI and other business associations have been actively participating by leading and coordinating inputs from members. At sectoral level, there have been ongoing discussions about the establishment of Sector Skills Councils (SSCs), led by both the DVET and the VCCI. The VCCI notes:

- ▶ Viet Nam is promoting better engagement of employers in skills activities at the national, sectoral and local levels with support from development agencies (ILO, GIZ, Australian Embassy). A draft Terms of Reference for the SSCs has been reviewed by stakeholders, with the VCCI and other business associations as key facilitators. Piloting activity on development of assessment tools for Front Office and Housekeeping occupations have shown to be an effective PPP collaboration – a model could be replicated to deliver other useful tools for skills improvement of industries. At local level, there have been a few PPP initiatives that come from grassroots level, in different forms, such as development of training programmes, providing facilities for practicum training, receiving interns, and so on.

Senegal's Conseil National du Patronat du Sénégal (CNP) advises that the Government has initiated a more participatory approach to policymaking in recent times. Although the country has not yet reached the level of the more mature systems, the CNP sees the direction of participation and engagement as "on the right track". Underpinned by multi-year strategies, each government department in Senegal has its own Sectoral General Policy Letter, providing guidance in that policy domain. Employers are invited to most technical meetings concerning higher education and vocational training, although the final decisions are taken by the public authority. The private sector is also represented on the Boards of Directors of numerous universities and they participate in the development of curricula for certain public higher education institutions.

The CNP felt that one of the main challenges of engaging with the various government agencies is the bureaucracies being protective of their area of responsibility. This in turn has a negative effect on coordination matters, causing delays in negotiation with the private sector and project implementation. The performance of the education system has also suffered from strong administrative and institutional weakness, which has resulted in a cycle of creation and dissolution of ministries responsible for specific education sectors. The CNP observed

- ▶ in Senegal, there is a habit of saying "*we cannot have a strong state without a strong private sector, and vice-versa*". The partnership that has been initiated with the Government allows the private sector to dialogue and cooperate with the public structure in charge of the development of skills systems, however the high divergence of interests has a considerable impact on the effectiveness of such partnership, generating major delays in the delivery rate of construction and rehabilitation projects.

Regardless of the challenges, it is important for the CNP that this partnership exists.

In **Kenya** employers are represented in governance arrangements across the skills system as a result of helping to identify and champion institutional and policy reforms, including with the support of international development agencies. Involvement at the sectoral level is particularly active through not only participation and membership, but through chairing roles on various committees. The Federation of Kenya Employers (FKE) says that

- ▶ lots of reforms are happening in skills development ... to ensure better linkages between industry and training institutions. Under the National Industrial Training Authority (NITA) we have six Sector Training Committees. We are a member of the Board of NITA, and because of that we guide lots of issues in skills development. We also chair some of the sectoral committees, and so are very much involved. This is a recent initiative after we started raising issues such as the gap between labour market supply and demand, skills gaps, new technologies and training. There is now an appreciation that you need to involve the employers in most of the activities. We developed a range of advocacy initiatives focusing on the need to have skills developed which are linked to the needs of the labour market ... [as there is a need to] feed back into the curriculum, [and for learners] to have practical experience in industry, [as well as] the flow of technology through research. The NITA provides the leadership of the sector councils, which is a tripartite body – employers, workers, and government. At the political level there is an understanding that there a need for a better governance of the industry. Kenya has a challenge as a developing country... as the State is financially constrained. But this also creates an opportunity for the private sector to play a role, especially through public-private partnerships.

Uganda has had a period of reform since about 2009, undertaken with strong involvement from employers, including the Federation of Uganda Employers (FUE). These reforms were initially supported by the World Bank and Belgian Technical Cooperation

- ▶ and set up a process which led to a ten-year strategy for TVET – in Uganda it is called "BTNET". The 'B' is for Business and is meant to capture the idea of individuals going into business, as well as trying to promote enterprise. The strategy itself was put in place in 2012, and the Ministry responsible for education spearheaded the process, and coordination. It was developed through the support of the World Bank, and they created several focus groups and several panels ... the FUE was deeply involved throughout the strategy development process ... and coordinated the views of the employers. The



strategy is a clear reflection of what the employers would like to see happen ... In terms of opportunities the Government is generally willing to work with the private sector, and the private sector is recognized as the driver of change. FUE was the Chair of both the Interim taskforce for Skilling Uganda and final Skilling Uganda Reform Taskforce that was put in place to provide strategic guidance for the implementation of the BTNET strategic plan 2012/2013 to 2021/2022. FUE was involved in the dissemination of the strategy and facilitating employer engagement throughout the process. A Secretariat was established that saw the establishment of five sector skills councils where FUE was involved. Following the change in government strategy, a new policy for TVET was developed and approved ... FUE was also recently elected as the Co-Chair of the TVET Policy Implementation Working Group.

The FUE was one of several countries in this study which found that political changes have affected the direction of skills systems reforms, also indicating that

- ▶ a lot of the government initiatives are run with the support of donors like the World Bank who appreciate the role of the private sector ... initially, a Skilling Uganda Taskforce was in place which was being led by the employers; they were essentially chairing it. One of the key objectives of the Taskforce was to put in place a coordinating mechanism. The Taskforce completed their work and submitted their report which recommended putting in place a skills development authority (already

in the strategy). The Government was not interested in establishing new statutory authorities, and in its place a TVET Council is being created including a TVET policy approved by Cabinet. The policy framework itself has been finalized, and employers are part of the management board.

Jordan has been “moving towards a tripartite system of industrial relations as part of a national strategy to develop a knowledge-based economy and society with improved education, training and skills supply, and a National Employment Strategy was adopted for 2011–20” (ETF 2014, 3). The Jordan Chamber of Industry (JCI) operates in a tripartite committee, sitting on the Board of Vocational Training Corporation, and on the TVET Council (headed by the Minister of Labour). This Council is responsible for the Accreditation Centre for Vocational Training Centres and for executing the human resources strategy. There is also a new skills-related law currently progressing through parliamentary processes. The JCI notes the current picture as one of “scattered islands” and the new law “aims to organize all the efforts” by having all activities under a new Human Resources Council, and includes a specified role for employers including the JCI. The JCI is also currently involved in the development phase of sector skills councils (SSCs), with three under its purview – Chemical, Garments and Furniture. There are additional SSCs existing “outside” the JCI, with other industry partners, focusing on Renewable Energy and the Environment, and Tourism and Hospitality. The JCI highlights that

- ▶ skills is one of our major concerns due to the persistent levels of high unemployment (18.7 per cent in 2018). Our partnership with the Ministry of Labour is one of the best in terms of public-private dialogue, although specifically in the area of skills, it is not that clear. There will be two phases in our relationship – one before the new law, and that which we are looking for after the law. The changes might help to increase engagement. They are looking at management of the vocational training system and contributing to the curricula – but we are still in the early part of this work. The sector skills councils might help and we have the ILO technical assistance with this, in addition to partners from different regions and different donors as well.

Tripartite social dialogue on labour and employment takes place in **Malawi** with the active engagement of all actors including government, employers and employees. The responsibility for skills development in relation to the labour market is under the Ministry of Labour, Youth, Sports and Manpower Development. For management of TVET activities, the Government created a special body to manage the Technical, Entrepreneurial and Vocational Education and Training Authority (TEVETA) formed under an Act of Parliament in 1999. The Employers’ Consultative Association of Malawi (ECAM) is under the TEVETA Act and a board member of TEVETA and therefore “has a say at policy level”. The ECAM is also involved in many skills development technical working groups and in a number of skills development initiatives at various levels. It provided one recent example where it was involved in the consultations for the establishment of a Higher Education Qualifications Framework, and

- ▶ it can thus be said that there are genuine efforts to engage employers. In terms of skills development on TVET, TEVETA accredits courses and service providers. Trainees are usually attached to industry for practical aspects to their learning. But the industry is not involved in the development of the curriculum and there is little or no quality assurance role played by the industry. There are indications that graduates coming from TEVETA institutions lack various skills that are needed by industry. The industry therefore complements the skills acquired through on-the-job training. The participation is not as effective as we would have wanted. We would like the industry to be more involved in governance as opposed to only having one member on the Board so that the industry itself largely influences the inputs and decisions that are taken. Currently the Board of TEVETA is largely composed of government appointees who do not represent industry interests and are therefore unlikely to effectively implement programmes that respond to industry needs. We need to move towards reforming the TEVETA Act and Policy to models that allow more industry participation at all levels of TVET processes.

Skills policy in **Cameroon** is defined by a framework document, namely the Strategy Document for Growth and Employment (2010–2020). This provides a framework for government departments upon which to base their respective strategies. The Groupement Interpatronal du Cameroun (GICAM) notes that the “strategy is not demand-led but rather supply-driven”. The GICAM was not consulted

for the conceptualization of this first phase of the framework strategy. During 2019, the Cameroonian Government launched consultations for the second phase of the Growth and Employment Strategy Paper (DSCE) which runs from 2020 to 2027.⁹ For this second phase, the Ministry of Economy, Planning and Spatial Development has announced that the process will involve consultation with researchers, private entrepreneurs and civil society actors as part of the development of the framework document.

In terms of governance, the EO advises that the private sector is called upon at an advisory level, although currently

- ▶ there is a clear imbalance in terms of representation, which makes it difficult for the private sector to have their interests and demands heard. Most of the time when consultations are held, the number of representatives from the private sector is very low; it is therefore challenging for the private sector to influence the proposals made by the various ministers. Tripartite discussions are usually focused on the issue of workers (safety, health, social security, workers' rights) rather than on the employment policy itself ... the private sector is involved both at an advisory level and is represented in Boards of Directors. There is no further engagement of the private sector otherwise. Where the private sector is found to have a more active role, it is within development cooperation programmes.

Partnership and social dialogue need to occur at all levels across the skills system – national, regional (and/or local), sectoral and often at education and training institutes too. Employers can shape the development of skills or TVET strategies, as well as many other initiatives and programmes of work. When reforms to the skills development system in **Armenia** began in 2008, one of the priorities identified was the need to strengthen and institutionalize a social partnership. The VET Development National Council was established, as a tripartite consultative body responsible for guidance on the development of the national VET system. The Council includes representatives of social partners: ministries, trade unions and employer organizations. The Council consists of 21 members with seven seats allocated each of the tripartite partners, and the Republican Union of Employers (RUEA) advises that

- ▶ the social dialogue in the VET sector is well defined ... the participation of social partners (employers and trade unions) in the development of the VET sector in Armenia is being organized at the following levels:
 - ▶ National level: National Council for VET chaired by the Ministry of Education.
 - ▶ Local level: The social partners have seats in the governing boards of VET colleges.
 - ▶ Sectoral level: Sector skills councils which are involved in the approval and validation of qualification standards.
 - ▶ Provider level: Involvement of social partners in working groups and advisory bodies.

Employer organizations have an equal number of seats together with the representatives from the Government and trade unions, as well as at the local/regional level as part of the TVET institutions' management boards.

The Armenian Chamber of Commerce notes that the country has developed a draft TVET Strategy for 2019–2022, and a 2019–2024 plan is being prepared by an Inter-Agency Working Group. This process includes employers, although the coordination and development of the TVET strategy, as well as the Skills Strategic Plan, belong to the Ministry of Education and Science.

Georgia sees active participation of the EOs through the various committee structures under central government agencies supported by a tripartite model, but also reflects on opportunities to improve the impact of their advocacy programmes. The Georgian Employers' Association (GEA) advised that they

⁹ See: <https://agencecamerounpresse.com/economie/la-seconde-phase-du-document-de-strategie-pour-la-croissance-et-lemploi-dsce-en-preparation.html>.

- ▶ work mainly with companies who are members, and ... in a tripartite way with government, [and] trade unions. We participate in committees under the Ministry of Labour, Social and Health and also the Ministry of Economy and the Ministry of Education. The ministries are working on economic and business issues in our country, together with the Ministry of Finance. We have working groups and committees. Through these committees we can provide our expertise on our issues around business. For example, with the Ministry of Education we are working on issues of education in Georgia, and with the Ministry of Labour we are working on labour issues and other issues like laws for tax reforms ... We are also working on the issues regarding small to medium-sized enterprises in Georgia ... With the Georgian Parliament we are working on legislation ... the participation in [these] committees is under our legal department. We are also in the skills development council under the Ministry of Education. The GEA and our member companies are involved in ... priority sectors ... in making competency standards. The Ministry of Education considers our recommendations which arise from these groups ... We have been involved for a long time (in a tripartite way) but more recently we have been trying to improve our advocacy ability and negotiate better with the government ... as sometimes the information and recommendations are not picked up well.

The GEA highlighted the role the European Commission has played in the country over the years in guiding and strengthening the Georgian skills and TVET system. The EO also reflected on the legacy of its political and social history which continues to influence its culture of social dialogue in its skills system, as well as the impacts of contemporary political change, noting that

- ▶ there are a lot of directives from the European Commission which Georgia has set up under law ... There is quite strong participation by employer organizations, through committees and other fora, but while the representation of employers is fairly strong, the influence of employers is less so. I would say that the culture of partnership is a little bit less than ideal. We also have to consider the legacy of the Soviet era not that long ago, and the relationship between the partners of the private sector and government has little history. So, the culture is not well-developed, [and it] has to be built step by step. Moreover, there are a lot of changes in both the Government and the ministries in Georgia, and you have to [continue to] push, even from the starting point of understanding what a social partnership is, and what the culture of social dialogue is. Last year, about every four months, we had changes in the Minister of Education. As you can imagine, with changes in minister there will be changes in priorities. It is difficult in this environment to continue to advocate. With regard to the current strategy which is valid until 2020, the new ministers are making amendments [although] the core directions are still the same.

The governing body for education, work and production in **Argentina** is the National Council for Education, Work and Production (CONETYP).¹⁰ It is a tripartite, consultative and advisory body created by the Professional Technical Education Law No. 26,058. Its purpose is to advise the Minister of Education on all aspects relating to the development and strengthening of professional technical education,¹¹ and to articulate its policies with those of other areas of the State. The Unión Industrial Argentina (UIA) considers that

- ▶ a generalized diagnosis is that the dialogue between the education and labour systems could be more frequent and better articulated. Companies have difficulties in finding workers who meet the requirements of the job to be filled, and young people have a higher unemployment rate compared to adult workers ... Within the context of CONETYP, the EO does not intervene with regard to the training quality offer. Rather, they participate in the national institutions as advisors, where they can bring their demands, and present projects ... [and several] demands have been presented at the level of the CONETYP, but sometimes these remain difficult to implement due to political and institutional challenges. From an employer perspective the CONETYP is not active enough. State programmes

¹⁰ See. <http://www.inet.edu.ar/index.php/conetyp/composicion-de-la-conetyp/>.

¹¹ The Government runs the technical secondary schools in each of the 24 jurisdictions that make up the country. Each province has in turn a version of the Council replicated with the competent authorities. There are also trade union training centres, while a private body looks after the demands for training made by the State and companies.

and funding are also usually not very stable. The school and the training system make efforts to link these two worlds of labour and skills, particularly in the case of the technical education school ... In some specific areas, the employers collaborate in building families of professions, and frameworks of reference at the secondary and vocational (tertiary) training levels. There is still a lot to be done on the side of vocational training, tertiary degrees and non-university higher education.

Colombia's National Training Service, Servicio Nacional de Aprendizaje (SENA), is a long-standing public institution offering free training. The EO, Asociación Nacional de Empresarios de Colombia (ANDI) membership constitutes a large number of companies, representing almost 50 per cent of the national GDP. ANDI has strong governance representation in the TVET delivery system, and says that

- ▶ within the SENA, the private sector has a considerable influence over the public policies – they have several members represented in the Board of Directors as well as members who created various sectoral committees. In each sectoral roundtable there is a representative of the ANDI, (or of a company affiliated to ANDI), which allows the private sector to have an influence on the curriculum and the orientation of the skills that will be required.

The EO in **Chile**, Confederación de la Producción y del Comercio (CPC), is a confederation of six organizations or branches – industry, construction, banking, agriculture, mining and commerce. The private sector is very active in the delivery of training in Chile, but it is the three ministries – the Ministry of Education, the Ministry of Economy and the Ministry of Labour – which are responsible for developing TVET policies. Other institutions responsible for the administration of formal and non-formal TVET systems include regional councils, ChileValora, the National Service of Training and Employment (SENCE), and the Higher TVET Institutions and the Production Development Corporation. (UNESCO 2018a). While the CPC does participate in the governance on SENCE, they note that

- ▶ from the Confederation we have been trying to make more people see the importance of the relationship of education, training and business, signing agreements with public and private entities so that we can work together. We are trying to be recognized in the country as leaders in this area and we have been involved in making proposals to the Government on legislation. One of the main problems we have detected in working together is that the different actors involved often operate as islands. At the level of governance and regulation we tend to be invited to give an opinion, and in the last 20 years we usually participate in private–public committees formed by the Government ... employers are playing an active leadership role in terms of skill building of workers in Chile, constituting skill councils by sector: a total of five are led by employers. Notwithstanding, it should be noted that the Chilean training system is led by SENCE ... and that the efforts of the private sector are channelled through intermediary entities of nominated Technical Organizations of Training (OTICs).

The main actor in the **Republic of Moldova** for skills governance and policymaking is the Ministry of Education (MoE) and its authorities and bodies, including the Directorate of Technical, Vocational and Secondary Specialized Education; the Vocational Education Development Centre; and the National Agency for Quality Assurance in Professional Education. Among social partners, the Chamber of Commerce and Industry has mainly a consultative role (ETF 2017). Several strategies have also been developed, including the National Development Strategy Moldova 2020; the National Regional Development Strategy; the Development Strategy of Small and Medium Enterprises 2012–20; the Domestic Trade Development Strategy of Moldova 2014–20; and the Classification of Occupations in Moldova. All these raise issues around reskilling and entrepreneurship (ETF 2017).

The National Confederation of Employers of the Republic of Moldova (CNPM) notes that its main role in the skills system is around quality assurance – relevant content and procedures. With regard to employer engagement in the skills system, the CNPM observed:

- ▶ the MoE, usually when producing documents, consult about everything with employers, but we [only] respond to those subjects which are of interest. We are trying to collect some data about the status of the system, and this shows work is needed. One of the basic subjects we are trying to promote is the

synchronizing of the supply and demand. Our members are complaining all the time, the youngsters who are leaving the vocational education and training schools and higher education are not well prepared. The second point is the concern from employers about having no other options in terms of recruits. This is where the effort is and there are sectoral committees which have been created by the trade unions and employers. We as an organization are not there, but our members always inform us. The sectoral committee is directly involved in developing occupational standards and in approving them. At the lowest level, the enterprise level, usually we have a tradition at the institutional level, that the industry is invited to participate in the exam assessment. This is the system, and there is room for everyone to participate – if you have the capacity and you have the knowledge.

Uniquely, of the EOs participating in this study, the EO in **Fiji** – the Fiji Commerce and Employers Federation (FCEF) – report that their previously broad-ranging engagement in a tripartite manner has declined in recent times. The Fijian skills and TVET system is led by the Fijian Government through their various tertiary education centres. The National Qualification Framework is overseen by the Fiji Higher Education Commission. The EO advised that

- ▶ private sector involvement, until recently, always had a permanent place on the councils or boards of tertiary institutions – namely the Fiji National University which runs all our technical courses and our apprenticeship schemes and also our higher education course. As of a year ago we no longer have a presence on the board directly but some of our members do. Membership organizations like ourselves have fallen off the list and so have the trade unions. These bodies were largely, in the past, the tripartite bodies. A new board was announced recently and is largely made up of academia and a few business people (individuals) from around Fiji and abroad. Government runs the main training institutions.

Fiji is also “currently reviewing the national skills strategy, which is kept by the Fiji Higher Education Commission and the Fiji National University”. The EO involvement in the strategy review has been focused on bringing “intelligence from the ground level to the decision-making process. We have been doing this very successfully through our involvement on the various councils and boards, to the extent where in terms of in-service training we have chaired the Fiji Training and Productivity Commission.” A remaining role for employer organizations with regard to the skills governance arrangements in Fiji can still be found, however, as

- ▶ we still operate effectively at the national level on a body called Employment Relations Advisory Board (ERAB) which is tripartite – this is mandated by ILO. We still exist in that space, but in the last few years it's the other spaces which we have been falling off. In ERAB, our primary role is to advise the Minister on changes to the relationships or laws that govern management and employee relationships. We, as the employer organization, have been playing a mediation role between trade unions and the government in recent times. The ERAB has been effective in the past though, on issues of minimum wage, labour reforms, and labour reviews where all parties have come together to reach consensus.

In other jurisdictions, sustaining TVET and skills system reform programmes can be a challenge, often due to the political environment. The private sector and industry associations have responded by innovating, attempting to meet the “demands of the market” and building their own sectoral focused systems around it. The EO in **Peru**, La Confederación Nacional de Instituciones Empresariales Privadas (CONFIEP), observes that they have

- ▶ no national skills system set up in Peru. The Ministry of Labour has been doing some work in building a set of skills and competencies [but it is] very isolated from the educational system and the outside employer organizations. There isn't really a proper governance system, with the participation of educational institutions, EOs and government working together ... Peru is one of the few countries in Latin America where private-for-profit education is allowed. Around 70 per cent of enrolment is in private education ...The TVET sector is highly regulated with regulations about

curricula, competencies and skills ... With the last change in regulations, with the new Technical and Vocational law, it has become more flexible because the Ministry understood that the labour market is changing at a fast pace, and institutions need to have more flexibility ... [but the main] initiatives are coming from the industry associations – like the mining sector ... which is building a system with a competency framework, assessment, and (probably) certification ... Each institution mostly has their own employer connections – like “consultative councils” with representatives from EOs.

One of the problems we have in Peru, is a political problem – we change education ministers just about every 18 months on average ... because education is a political football ... The same thing tends to happen with the Labour Ministry, and when they change the head of the Ministry, that means other new people come in. It is not easy to work on a long-term system if we have this political quality ... Every time there is a change ... [we] would present ourselves and explain our agenda to the Minister who may – or may not – have relevant knowledge and experience in skills and vocational education. This may explain why we haven’t been able to build something more robust in the system ... [and also] ... means that all the projects that have been going on, die, and new projects get started.

The Employers Association of **Indonesia**, *Asosiasi Pengusaha Indonesia (APINDO)* notes that

- ▶ in terms of a national skills strategy we have a government regulation (number 81) which broadly translates into English as “the national system and mechanism for learning”. Our reflection is that now we need more than this strategy, and that there should be better linkages between a strategy which focuses on the training system and an industry strategy. Under the Ministries of Human Resource Development and the Ministry of Manpower, the EO has frequent discussions on this issue. Fortunately, very recently we signed – between the Government and the employer organizations – a commitment to an “Initial Study” about this issue. The intent is to follow up with a White Paper. The next step after that would be a concrete Action Plan. The Ministry of Manpower, the labour unions and employers are discussing this issue as well.

Currently there is no national skills strategy in **Egypt**, but the Federation of Egyptian Industries (FEI) is “trying to raise the issues with various actors” and comments that

- ▶ Egypt is still lacking an umbrella for a national skills system. Enterprise TVET Partnerships (ETPs) which were created by the “Technical and vocational education and training reform – Phase I” (TVET I project) with European Union and Egyptian Government co-funding created 11 partnerships. These included formal and informal entities, and ETPs. It worked quite well during its lifetime, but during the exit phase they started to fade, one after another. Why did they fail? It was due to the lack of financial sustainability and a plan not being there, as well as there being no legal framework (such as decrees and so on). The second phase, the TVET II project is helping flesh out the above two challenges ... [there is a] TVET strategy developed by the TVET II project, but is a document which is not yet published, and buy-in from different stakeholders is still needed.

EOs are clearly engaged across the policy and strategy development process, although often without defined skills legislation, an overarching national strategy, or a skills apex body. Even within the jurisdictions where EOs operate in a formal partnership with governments, these partnerships are often “works in progress” as governments (the administrative bodies) are typically reluctant to share power. The resulting situation is that EOs tend then to act in an advisory capacity on a needs – government needs – basis. Where EO participation in skills governance arrangements is ad hoc or low, they are generally active in particular skills system domains, such as in quality assurance (such as setting up sectoral competency standards and assessment), responding to the needs of the private sector, and often doing “work-arounds” in a malfunctioning system. Where strong tripartite arrangements and coordination mechanisms do not exist, EOs have become keen advocates for improved skills system coordination and formal partnerships.

2.2. Skills system coordination

Poor system coordination was among the EOs' most cited obstacles in skills systems. Frequently there is a multiplicity of government agencies and other actors responsible for different aspects, functioning in an ill-coordinated and fragmented manner. Many EOs spoke of the need for a better legal or regulatory framework to coordinate systems, which might involve either a change or clarity in government agency leadership, or the creation of new dedicated agencies, or the promotion of a national qualifications framework (NQF) as a coordinating mechanism. While coordination issues are touched on throughout this report, several specific experiences are highlighted here.

UNESCO and ILO (2018) found that following a review of the international literature, there were six broad mechanisms used by governments to coordinate and oversee the range of functions of TVET and skills development. The first four types involved leadership by an education ministry, a labour ministry, a dedicated TVET ministry, or a TVET-focused agency or non-departmental public body. The fifth mechanism, which is increasingly common for employer engagement, is through a coordinating council or similar body – although in some cases the delivery of skills and TVET may be the responsibility of the particular line ministry. Lastly, in some systems responsibility for delivery may be disaggregated across line ministries without a permanent centralized coordination mechanism.

Seeking to improve coordination across the skills and TVET system, **Hungary** set up a coordinating mechanism with broad membership focused on innovation, as well as several coordinating bodies at the sectoral level. Firstly, an amended Act on Vocational and Adult Training opened the way for establishing sectoral skills councils (SSCs) in Hungary in 2017. A sectoral skills council can be considered representative in Hungary if at least 51 per cent of its members are economic stakeholders working in the same sector. SSCs establish their own procedures and are coordinated by the Hungarian Chamber of Commerce and Industry (and the Hungarian Chamber for Agriculture for its own sectors). There is a plan for 20 sectoral skills councils to be set up for 41 economic sectors – at least half a dozen had been set up or were in train during 2018.¹²

To address system-wide coordination needs, in 2018 Hungary also set up a VET Innovation Council (SZIT)¹³ which has wide-ranging membership including governmental bodies, VET institutions, teachers, chambers of commerce and industry, employer/business associations, trade unions, and representatives of large companies and advocacy bodies. The mission of the Council is as a debating and advisory body, and in cooperation with the main VET advocacy bodies, it is expected to support demand-driven transformation of the VET system. It will formulate proposals for policy decision-making and support implementation of initiatives in VET and adult learning. The EO participating in this study, the Hungarian Hospitality Employers' Association (VIMOSZ), shared their experience of participating in this council:

- ▶ employers are involved in the working group meetings of the Vocational Innovation Council. These meetings focus on specific areas of vocational education, and the Hungarian Industry Association (Business Hungary) has put forward delegates. Our association sent delegates in three of these groups. There seems to be very good coordination via these groups. These are always headed at the general manager level of the ministries, or by someone in charge of the focal area. The meetings are usually very informative with around 25 experts gathered ... after exchanging in three to five meetings, we seem to have become very efficient. The people around the table – including representatives of vocational schools, private schools and big companies like Audi – have a lot of knowledge with wide-ranging expertise. The contributions of employers and practitioners mean that the solutions are more practical than they otherwise might have been. Sometimes the Secretary (of the Ministry) joins the working groups and so there is an opportunity to have very direct and efficient engagement. It was a positive process ... [but] sometimes, what we thought was that the outcome of the working groups wasn't reflected in the actual decision(s) by government. There might have

¹² See: <https://www.cedefop.europa.eu/en/news-and-press/news/hungary-sectoral-skills-councils-linking-quality-vet-jobs>

¹³ See: <https://www.cedefop.europa.eu/en/news-and-press/news/hungary-vet-innovation-council-new-driver-change-vocational-training-0>

also been communication issues at the end of the process, and perhaps also the Government has an imperative to seek an immediate result. Particularly in the domain of education, any changes can be likened to directing an aircraft carrier where it is not possible, or optimal, to turn things around quickly because the results will be questionable. But other than that, we were very grateful for the process because it was educative.

UNESCO and ILO, in the report *Taking a Whole of Government Approach to Skills Development* (2018) suggest that the positive impact an integrated HRD system can have on inter-ministerial coordination is demonstrated in **Jamaica**. The country benefits from having developed Vision 2030 Jamaica – National Development Plan, which is an inter-ministerial initiative. The policies and strategies of the Ministry of Education, Youth and Information are influenced by Vision 2030 and in turn guide the operations of HEART/NTA, the body responsible for TVET and skills development. As an inter-ministerial initiative, Vision 2030 also has a highly structured, inter-ministerial coordination mechanism with high-level representation and a super-ministry providing oversight. Having TVET and skills development as a constituent part of a wider HRD system provides a level of support to inter-ministerial coordination not seen in the other case studies. The experiences shared by the EO support this observation.

Indonesia has two main coordinating ministries – the Ministry of Human Resource Development and the Ministry of Economic Affairs – which have an overarching role in the skills system. There are various government agencies which oversee TVET delivery. The Directorate General of Secondary Education of the Ministry of Education and Culture (MENC) supervises vocational senior secondary schools (SMK) throughout Indonesia, while the Directorate General of Higher Education (DGHE) oversees all tertiary institutions. The DGHE merged with the Ministry of Research, Technology and Higher Education (MORTHE) in 2014, and the latter is now responsible for the tertiary institutions (Lee Kuan Yew School of Public Policy



2016). District and municipal governments are involved with the development of SMK at the regional level. The National Professional Certification Body (Badan Nasional Sertifikasi Profesi) is responsible for the certification of skills, and the accreditation of professional certification agencies and assessment centres. The Ministry of Manpower, together with the Ministry of Industry and industry associations, oversees the National Competency Standards at Work for the various occupations. (Lee Kuan Yew School of Public Policy 2016). In an attempt to better coordinate the system, a National Vocational Committee was established a few years ago, under the Ministry of Manpower. APINDO participates in the Committee and while

- ▶ the Chair of this committee is from an employer organization, the membership comes from government, labour and EOs. On training and education, we are still discussing how to unify the system by bringing more closely together the Ministry of Education and Culture and the Ministry of Manpower – so that a single committee is created. This is the focus of discussion with the two main coordinating ministries – the Ministry of Human Resource Development and the Ministry of Economic Affairs. When (these agencies) call a meeting, we always attend. There are two big employer organizations in Indonesia – one of them is us (APINDO) and the second one, the Chamber of Commerce. Fortunately, as EOs, we have members in common – sometimes they wear an APINDO hat, and sometimes the Chamber. Both organizations tend to have equal voice of influence. We are a member of the National Vocational Committee, as APINDO. There are 14 members of the National Vocational Committee which meet occasionally, but the working groups meet more frequently. Under the Committee, there are currently skills pilot projects in two regions, and we expect that this year we'll expand to 17 provinces (Indonesia has 44 provinces).

There are several systems which have a coordinating mechanism in place, whether at the sectoral level or a national level, but report less than optimal implementation or supporting processes. Kenya and Algeria offer examples of this.

The EO in **Kenya**, FKE, reflected that although a mechanism may be in place at the sectoral level, there are missed opportunities to harness these structures without an effective coordinating structure,

- ▶ at the moment, in the skills councils we have under the NITA, employer contributions are linked to the number of staff and they support training for the workers. The LMIS is designed to be used by the widest possible range of employers, beyond that of NITA. We need better coordination across the various employers and organizations to understand what data is available.

Employers frequently observe that national skills development systems do not meet their needs, and in the absence of robust systems, employers are responding. **Algeria** provides an example. The CGEA notes that effective participation requires continuous social dialogue on all aspects of skills development, and the bringing about of new ways of working requires improved system coordination and capacity,

- ▶ and that over the last decade, there have been several tripartite settings where EOs in Algeria have had opportunities to be involved in national skills development. A Vocational Training Partnership Council with the Minister of Training and Vocational Education was set up as an advisory body responsible to support the development of the national vocational training policy. Although the [CGEA] is represented in this entity, progress on skills development has been slow from an employer perspective. The Council may lack the capacities needed to become a real platform for dialogue capable of triggering reforms and shaping policy ... after six to seven months since the last meeting, little has been considered or implemented. In order to develop a shared vision and common objectives there is the need to further enhance inter-ministerial coordination and dialogue ... The governance system is underdeveloped, with a lack of administrative flexibility ... Government has policies or strategies for skills development [and the] private sector has been involved in the development of the strategic plan with the Ministry in charge of vocational training and the Ministry of Higher Education. It's one thing is to be involved in the development of a policy or strategy, but it's another thing to actually implement policies or strategies – an aspect in which the private sector is not sufficiently listened to or involved.

The issue of lack of adequate coordination has plagued the **Colombian** system. The EO, ANDI, has developed *Policy Books for a New Industrialization* where they address the topic in a dedicated chapter.¹⁴ The EO noted that the governance of the Colombian skills development systems is

- ▶ still characterized by a considerable lack of coordination ... while government and the EOs have set up a dialogue on the issues of skills development, there is still a communication gap between the public and the private sectors on training and qualifications offerings vis-à-vis the needs of the labour market. Vocational education is currently under the Ministry of Education, and we feel there should be much greater coordination between the Ministry of Education and the Ministry of Commerce on this issue. Despite a high-level of participation and engagement by employers, through roles on the board of SENA, the Directive Councils of universities, and the various committees related to skills development, the absence of coordination with the public sector represents a major challenge for the private sector.

In **Chile** the EO (CPC) noted that there is no agency that coordinates the various public and private efforts in training in labour and skills, and they have

- ▶ raised the need to build qualification frameworks as tools that facilitate such coordination. For example, we generated a first qualification framework for maintenance activities that can serve as guidance for all the training carried out by the different bidders. Another framework is being built for logistics activities, understanding that both are activities that are transversal to many productive and service sectors, and therefore a source of much employability. The important thing is to achieve an adequate articulation between all the entities that intervene in this field, a matter that we have raised with force to the national authorities.

Egypt has a plethora of ministries, agencies and industries which are involved across the national skills system. In addition to ministries, such as the Ministry of Manpower, and Ministry of Education, there is also

- ▶ the Supreme Council for Human Resource Development, under which there is a High Council for Technical Education (HCTE), and a High Council for the Labour Market (HCLM). The Supreme Council is chaired by the Prime Minister, the HCTE by the Minister of Education, and the HCLM by the Minister of Manpower. Under the three Councils, all stakeholders are represented, but the Councils have been there a long time, from five to twelve years. How efficient are they? Without having “executive arms” these councils will end up with a lot of recommendations and lot of blah blah, especially in TVET. TVET is scattered among many ministries – the Ministry of Industry, the Ministry of Social Solidarity, the Ministry of Manpower, the Ministry of Tourism, the Ministry of Petroleum, etc. Each ministry has part of the vocational training system. There is a strategy for national education, but for vocational education it is missing. There should be three levels of governance – the macro level, meso level and micro level – under which a decentralized system should operate. Egypt is still rigidly centralized. It is difficult to reach the grassroots levels with the reforms, and so reforms will remain at the fanciful strategic level.

In **Cameroon**, since national efforts are

- ▶ spread over five ministries of education, training, and youth, as well as other ministries, the governance of skills development system suffers incoherence and inconsistency. Overall, there is limited collective engagement across education and training ministries, and other ministries that provide specialized skills. This lack of coordination makes it challenging for the private sector to understand, assess and engage on government policies in relation to skills development.

Where whole-of-system or inter-ministerial coordination mechanisms do not exist, it is evident that skills and TVET systems will continue to struggle to close the gap between the policy domains of labour and education. A coordinating mechanism that captures the various levels – national, regional, and sectoral

14 See: <http://www.andi.com.co/>.

– provides a platform for EOs to engage in a tripartite manner, bringing together a range of policy areas at the nexus of skills. The pre-conditions for effective coordination are discussed widely elsewhere in the literature, and each system may interpret the evidence and seek its own response. However, it is clear that fragmented systems have high opportunity costs, and demands on EO capacity to service and engage in a fragmented way is significant (and sometimes ineffectual). Tackling the question of a national skills coordination mechanism, where it is not present, could be considered a priority.

2.3. Financing

Attempting a greater responsiveness to national labour market needs, many countries have established skills funds or national training funds. In these systems, “a range of mechanisms exist for raising funds from the private sector towards the cost of skills development, and these generally form a national training fund which is a source of financing, outside normal government budgetary channels, dedicated to developing productive work skills” (Dunbar 2013, 27). Most funds are statutory, quasi-autonomous bodies under a general umbrella of a government ministry and, more immediately, of management councils with varying degrees of stakeholder representation (Ziderman 2016).

UNESCO’s 2018 report on the private sector contribution to funding skills development outlines the positive externalities of training levies. These include creating a means for under-educated members of society to continue to train (building human capital) and that such contributions are a useful tool in a context of market failure and the under-provision of continuing education. However, UNESCO notes the potential distortions which can be found despite the potential of training levies to contribute to skills development. In particular, levies could raise the cost of employing people, leading employers to either reduce the number of workers they employ or compensate for the additional cost by paying lower wages. Wherever the evidence lands on the balance between positive externalities of training levies vis-à-vis the potential distortions, having tripartite governance arrangements supporting the design, management and administration would better contribute to more effective implementation, helping to ameliorate the distortions.

Overall, EOs’ assessment of funding scheme performance, and of scheme management by governments, was “poor” to “adequate”. EOs generally feel that they do not have much influence over the direction of funds disbursement – including some instances where they have representation on a relevant governance body. Not uncommonly, EOs had influence over the design of the skills funding schemes at inception phase, though much less commonly had enduring oversight. At least a few EOs observed that without adequate labour market and skills data, it was anyway difficult to advocate for impactful skills funding interventions. Where there are disbursement rules, levy systems may be seen as operating well –with subsidies and other incentives given to those who contribute to the system. In short, concerns centre on the direct and indirect value employers get from any levy system

Switzerland and Singapore were among the few EOs participating in this study where there are robust institutional and governance arrangements embedded in funding and levy systems, supporting (and being supported by) a culture of shared decision-making, an openness to system co-investment, and tangible skills and training outcomes.

Financing by the State (national and cantonal) in **Switzerland** is in the order of 3.3 billion Swiss francs per year, but in addition there are training funds which can be regional or sectoral,

- ▶ a company has to pay something for this fund, but you don’t find it in all the sectors. Decisions are taken together with the trade unions (with employers). And the training fund arrangements are captured in the Labour Collective Agreement in the point or chapter on education – an obligation to pay something annually. It’s not top down, not a decision taken in Bern, but decided at the regional and branch level. A typical example might be where a fund is managed by the trade union representative, and they decide to how to distribute the funding.

An employer levy system operates in **Singapore**, and the EO also notes an additional unique initiative “where the Government offers SkillsFuture Credit for Singaporeans which is given to every single

Singaporean from the age of 25 who attends courses which are approved under the SkillsFuture Programme. It makes them responsible for their own training and aims to develop a culture of personal responsibility and development. This Programme has less than two years of implementation". On the question of the conduct (and culture) of Singapore's levy scheme, the EO highlights that employers

- ▶ all contribute to a skills development levy, the SDL, so they know that a pot of money is being set aside. The Government contributes as well. [We find that the result], over time, shapes the thinking of the employers about investing in employees' training. Even though we have a subsidy, whether it is high or low, the employer pays a part of the training. It has built a behaviour and a value set that skills development is important in our economy. Very interestingly, we do not export our workers – we are on the receiving end – and yet we are also developing our people.

The remaining EOs report a rather mixed set of experiences about training fund schemes and levy system outcomes. Frequently, the level of participation in the existing institutional/governance arrangements, according to most of the EOs interviewed, generally falls short of expectations.

Several countries have recently carried out, or are undertaking, funding system reforms – such as is the case in countries such as Armenia, Fiji and Uganda, although in the case of Fiji the training component of the skills levy scheme has been de-emphasized.

The **Armenian** Chamber of Commerce notes that in 2012 "a national Training Foundation was established... to attract employers' funds for skills development. However, currently big structural changes are anticipated by the end of 2019 in the skills development system, with the reorganization of a number of institutions including the national Training Foundation." RUEA, the other Armenian EO, is of the view that "since the training processes [are carried out] in the premises of VET institutions where the technical and soft conditions are poor, we consider that the trainings are not effective, hence the system is not yet effective".

New skills-related legislation in **Uganda** is set to establish a funding system through training levies. Presently, there is no national framework for skills financing, but there exist some subsector systems. The EO talked about

- ▶ an example in the insurance area [where] a proportion of policy premiums go to training. There have been proposals for tourism, but these have not been implemented ... some efforts by certain sectors, but these are not working. We carried out consultations, in 2012 and 2013, with employers, as we wanted to understand the appetite for paying levies, and how the training levies would be managed ... essentially employers agreed with the idea. As a Federation we would want the government to have a training levy in place, but the management of the levy and the setting up of the skills development fund would be private sector led ... [not] a fund managed by government. The new levy should take into account the existing levies already being paid by employers, such as those in the insurance industry. The prognosis for the new law is difficult to tell at the moment, as the discussion of the new policies and laws are yet to be complete, but likely not before 2020.

The **Fijian** system of skills financing targets in-service training, with employers committing 1 per cent of their payroll to a levy, which is compulsory by law, to support skills training. The levy had been in place for several years and followed the Singaporean model, but since January 2019 that has changed – the 1 per cent is now split into three, with 0.1 per cent going to training, while 0.4 per cent is directed to a no-fault accident claim system (ACCI), and the other 0.5 per cent goes to private medical practitioners so that employees utilize it without paying for the medical services. There are two training funds, called the Tertiary Education Loans Scheme (TELS) and "Toppers". The first is a loan scheme, and the second a full scholarship. The aim is to increase participation, including technical education. The EO went on to note that "we are fortunate to have a Chair from the private sector in this position" and that "employers get 150 per cent tax rebate from the Government for sending people for training" but that "SMEs may not see any benefit in this scheme if their business is not doing well".

South Africa has a 1 per cent skills development levy on enterprises whose payroll exceeds 500,000 Rand per year (roughly equivalent to US\$32,000, to which all employers contribute. The money is collected by the revenue service and disbursed to the Sector Education and Training Authority (SETA) and the National



Skills Fund. Although employers sit on SETA boards, the EO reports that they “have very little control over the disbursement of the funds and are told that once the levies are paid over, the monies are no longer employer funds but belong to the State, which is a challenge as the spending does not always address employer skills needs”.¹⁵

The CGECI in **Côte d’Ivoire** is represented within the management committee of the Fonds de Développement de la Formation Professionnelle (FDFP) by four members. This fund manages two types of taxes: the tax on continuing vocational training and the apprenticeship tax, although “the latter is rarely used because of the inadequate regulatory framework. Consequently, employers have requested the Government to reform the apprenticeship decree. The decree has been issued, but its operational framework still needs to be put in place.” The FDFP is administered by a tripartite management committee where the Government – in a departure from the rules – has a greater proportion of representatives than do the social partners. Since 2007, the social partners have been advocating for reforms of the FDFP with the aim of making it more responsive and closer to the requirements of companies in need of training projects – both continuing training and apprenticeships.

Cameroon operates a National Employment Fund where companies contribute through levies. The GICAM notes that the fund does not work as it should. There is a divergence of views between the private sector and the government agency responsible for administering the fund, so that “companies are therefore reluctant to further contribute to the fund”. However, the private sector is represented together with many other ministerial representatives in the National Employment Funds’ Board of Directors. The low proportion of private sector representatives vis-à-vis the public sector makes it challenging to have influence on the objectives or the strategy set by the Government.

¹⁵ An ILO and Southern African Development Community (SADC) study, *Assessment of Skills Development Funding in SADC Countries* was being carried out in 2019, looking at training funds and identifying key issues and success factors, and including reviewing institutional arrangements, practices and the role of employers.

In terms of skills training delivery in Cameroon, there are two major initiatives between the public and private sectors - the €15 million Sectoral Vocational Training Centres, and a €10 million project of “Centres de Formation aux Métiers non agricoles en milieu rural”. The EO notes that although the initiatives

- ▶ allow the private sector to get further involved throughout the overall project conception and at the operational level, the private sector still faces bureaucratic hurdles. Given that the financing is managed by the public sector, the GICAM is subjected to complex administrative procedures and large implementation delays (i.e. in the construction of the vocational training centres). Enterprises who wanted to contribute have been discouraged over the years due to the risk of projects being abandoned. Regardless of these challenges, such programmes allow the private sector to be more actively involved and engaged in the development of a training offer which is in line with the needs of the labour market.

The TEVETA in **Malawi** is responsible for the collection and administration of training funds. ECAM has a seat on the TEVETA Board, though its influence on how the funds are used is minimal. On the higher education front, the Government has in place a fund that provides loans to students in public universities. Employers have no role in this. On the use of the TEVET funds, industry has relatively no say on how these funds should be administered. There are calls to reform the TEVET Act and related policy, as employers feel that, although contributing 1 per cent of their wage bill, they do not fully benefit from the TEVET programmes. As such, there are also calls to make the TEVET administration more transparent and accountable in the way it manages the funds and training programmes.

The training fund system in **Kenya** is managed by NITA, although sourced from employers, who contribute per employee per month. Employers are on the Board of NITA,¹⁶ so they have influence. However, the EO view is that

- ▶ a certain percentage of these funds should be directed towards developing capacity of the workers in the contributing companies. Employers are pushing for this, but we are not there yet. There is a higher education loans scheme – a revolving fund for training – which is repayable. Employers also sit on this Board, but most of the influence is around the collection methods of the funds. They are also pushing for funding for, and the acceptability of, vocational training – so that the student is also supported.

In drawing the connection between having access to quality data and the labour market, essentially an evidence base, the Kenyan EO reflected on the fact that

- ▶ if the LMIS is up and running, it will help the decision-making around the direction of funds. We have been pushing the Government to show the long-term development policy they are pursuing under the industrialization policies, and that training can be linked to that ... [it is] possible that the new policy may look at the financing of system.

In **Algeria** all enterprises contribute to the national fund (Fonds National de Développement de l'Apprentissage et de la Formation Continue), equivalent to 2 per cent of the wage bill (1 per cent of payroll for vocational training, 1 per cent for continuing education). The fund has not been very well used to date, mainly due to the complexity of administrative procedures, and the private sector does not have influence over the structure and purposes of government training schemes or over the strategic direction and objectives of publicly-funded education and training.

It is evident that the lack of clear rules on levy disbursement, the inadequacy of quality labour information and skills data, and the absence of impact assessments are among the key concerns of EOs. In short, for most employers the question is on the direct and indirect value they get from the levy system. They often feeling forced to pay to a system that they know does not work. For those businesses that are not benefiting from the levies, they are seen as an additional tax which is simply another cost to doing business. Most of the literature shows that where the system works well, the levy is also tied

¹⁶ In August 2019, the Secretary General of the Federation of Kenyan Employers (FKE) was appointed as the new chairperson of NITA.

to disbursement rules – with subsidies and other incentives given to those who contribute to the system. Many governments keep a monopoly on the disbursement of funds and are not open to impact assessment. This is besides the cost of robust institutional and governance arrangements which ensure private sector and worker participation. In most countries, the reality is an accumulation of the levy fund, which often ends up being directed to other government-driven initiatives which have very little relationship to enhancing skills and frequently have little or no private sector and worker involvement.¹⁷

2.4. Labour market information and planning

The production of labour market and skills intelligence plays a fundamental and important role in an effective skills system. Institutional arrangements vary markedly between countries. Most commonly a government agency responsible for national statistics collects at least some labour market data which contributes to skills intelligence, but there frequently are a range of other actors. A survey in 2017 carried out jointly by the ILO, the European Centre for the Development of Vocational Training (Cedefop), the European Training Foundation (ETF) and the Organisation for Economic Co-operation and Development (OECD) noted: “In every country, the organization that takes the lead in skills anticipation systems will depend on the TVET and skills system governance arrangements” and that

- ▶ a wide range of organizations take the lead: the Ministry of Labour, the Ministry of Education, the Ministry in charge of migration, the Ministry of Finance, the Ministry of Environment, other line ministries, the central bank, the statistical office, regional (sub-national) development agencies, regional and local governments, PES, private employment agencies, special observatories, universities, research organizations or think tanks, employer organizations or individual employers, trade unions, professional associations, and/or sector skills councils. (ILO et al. 2017, 32)

A similar picture can be painted from the findings of this study, but for many countries the LMIS can be characterized by not only significant fragmentation but also sizeable data gaps.

Hawley-Woodall et.al. (2015) observe that in countries with a fragmented approach, forecasts and intelligence are likely to be produced by different actors, but these are not brought together to form a coherent national system and inform planning and resource allocation at a national level. Therefore, the forecasting of skills demand may differ from planning the supply of skills. There is a need for dialogue and exchange between the producers and users of data, because the involvement of a broader range of actors can help to achieve a better coordinated forecasting and intelligence system.

Overall, most employers participating in this study cited the lack of a comprehensive and systematic LMIS, serving as point of frustration for many. Very few were involved in governance arrangements, for the simple fact that the overall systems for national labour information and planning were underdeveloped. The EO's main role was in coordinating and encouraging members to collect and provide data where a functioning LMIS existed, or otherwise in the commissioning of sectoral or other research on an ad hoc basis. While EOs may have been participating in governance arrangements in other areas of the skills system, insufficient data about skills and the labour market means decision-making is done in the absence of a strong evidence base – an issue of which the EOs are acutely aware.

However, there are EOs engaged in the governance arrangements in the planning stages of LMIS activities. The **Singapore** National Employers Federation noted that

- ▶ in the planning stage we work very closely with the Ministry of Manpower to provide the basic [labour market] information. When it comes to more detailed information, they look at the trade associations to represent a particular sector. The Ministry of Manpower is in charge of the labour management information system and works closely with other ministries for other data and partners as well. The other EOs don't play a very specific role in the planning of unless focused at the level of skill-sets.

¹⁷ This paragraph includes background information from the ILO and SADC 2019 Terms of Reference for *Assessment of Skills Development Funding in SADC Countries* (ILO 2019c).

In the decentralized system in **Switzerland**, the EO advised that skills anticipation activity

- ▶ is more a branch function, and as an umbrella organization it doesn't make sense for us to do that for our 90 members, and it also depends on the resources available at the branch level. For example, the Swiss Machinery Industry Association conducts studies, including in collaboration with universities, etc. Other branches may not be able to do such studies in anticipation.

Such studies are not brought together under the Union Patronale Suisse umbrella,

- ▶ as it wouldn't be efficient or particularly coherent. The Department of Education does internal surveys, the Swiss Machinery regularly surveys about one every three months – "SwissMan". We also have reports from the Government: the Swiss department of economics published four to five reports on impacts of digitalization on the labour market and skills ... labour market information and planning is more the role of the State, as the Government has access to the data, for example from the statistics office.

ANDI has a board member on the National Public Service Employment of **Colombia**, which is an entity established under the Ministry of Labour. This service works as an employment observatory and carries out sporadic studies. The Ministry of Education also has an observatory that has attempted to conduct tracer studies, but ANDI stated that "overall, there is not an observatory that has existed over sufficient time and that works efficiently in the country. The aim – which has not been achieved yet – is to group in one network all the employment service providers, which would include private and public providers, universities and the family compensation fund." At the EO level, ANDI conducts two surveys. The first is a "Joint Industrial Opinion Survey", completed monthly, which collects the behaviour, perceptions and main problems faced by companies in the manufacturing sector. The other is the "Human Capital Survey", which is collected every two years about the skills and training needs of the productive sector. The EO noted that these surveys have considerable influence on public policies.

There are several countries where there is a national level system, but it is not sufficiently coherent and/or the lack of data quality and comprehensiveness means limited utility for labour market planning and skills anticipation or forecasting.

In **South Africa**, labour market planning is carried out by the Department of Higher Education and Training (DHET). SETAs support the process of determining and outlining the demand for occupations in their sector through engaging workplaces and stakeholders, and analyse data about sector trends to inform national policy priorities. The EO commented that SETAs

- ▶ prepare sector skills plans based on employer input, but these are not accurate as there is generally a 10 per cent response rate from employers. The labour market information available is therefore not a true reflection of the skills needs of the economy. Data analysis and the decisions made therefrom are negatively affected by the poor quality of the data available and have clearly shown that employer needs are not being met.

In **Cameroon** the National Statistical Institute carries out periodic labour market surveys, every two to five years. Employer organizations contribute in the collection of information and the feedback phases of the studies, and also provide information through qualitative data. However, given the challenging business environment and the low visibility of companies, forecasts are a little difficult to develop. The labour market information is therefore often unreliable. The National Observatory for Employment and Vocational Training (ONEFOP) conducts surveys every year. The GICAM is however sceptical about the methodology used by the observatory, suggesting that the figures reported are often far from the reality. Given the acknowledged weakness of such methodology, recently the public entities have been slowly approaching the private sector for the improvement of data collection.

In the case of **Senegal** the emphasis has been on quantitative data collection. Every year, the administration publishes a collection of labour statistics which includes different quantitative indicators, such as the number of training centres and institutions which have opened, the number of registered contracts and of certificates delivered, among others. The private sector holds meetings with the ministerial department responsible for collecting labour statistics: "The CNP strives to raise awareness

among their members on the benefits of sharing such information... [it] reflects the social report of companies for the actual labour market, however it does not provide any useful information in terms of skills anticipation and forecasting.”

In **Viet Nam**, employers have been consulted through an annual employment survey plan conducted by Department of Employment, MoLISA. The survey aims to show skills needs of the labour market, and review skills quality in industry. However, it does not cover all sectors and industries, and is not well-suited to the informal economy. The development of skills standards and skills assessment has been required to have the involvement of representatives from the private sector in the development and assessment boards.

APINDO notes the siloed data collection activity going on across **Indonesia**, and the need to bring together and coordinate all the efforts, especially in a sectoral manner:

- ▶ The Government already has this kind of information, but when they define and describe manpower planning and labour market information, they need to involve all stakeholders. The main issue is commitment to do so, and the accuracy of the data. Our challenge is how to make it all work. Some business associations have carried out sectoral studies and other types of data collection. As there is no national system as such, the business associations carry out various initiatives for data collection and skills forecasting, but their focus remains on servicing their members. The actors involved in LMIS-type activities are each doing their own activity – the Government, academics, employers. What we need is that each party should sit together, discuss and analyse the data, and make conclusions and recommendations to try to achieve consensus. This could be done in each of the different sectors, like tourism or manufacturing.

There is also no comprehensive and systematic system for analysing skills and competency needs or professional qualifications in **Algeria**. The Ministry of Vocational Education and Training regularly conducts sectoral surveys of employers at the *wilaya* (regional) level to adapt the training map, but companies have only a limited capacity to express training needs and anticipate them. The Ministry had launched activities for the setting up of a Vocational Training and Employment Observatory, but it has not yet been implemented: “The Ministry has also organized several meetings where the private sector had the opportunity to list their demands and recommendations (i.e. to provide the vocational training sector with an observatory, which will monitor the new professions), but no concrete follow-up has been put in place.”

Information about the labour market in **Argentina** is provided by the National Institute of Statistics and Censuses. The primary information of the registered employees is published by the Ministry of Production and Labour from the data of the Argentine Integrated Welfare System. The EOs participate in national surveys and generate their own information: for example, the Centre of Studies of the Argentine Industrial Union which collects data on industries and, in the case of employment, works with public sources. One critique is that the labour market information provided by the private sector is not always reflected in the development of training provision. EOs also participate in studies carried out by other entities, whether qualitative case studies or quantitative studies, or more aggregated, such as several carried out with the ILO.¹⁸

In **Armenia**, data collection is mainly focused on quantitative methods, supplemented by interviews with employers regarding their forecasts and prognoses. Data is primarily collected, analysed and disseminated by the National Statistics Committee and State Employment Agency under the Ministry of Labour and Social Issues. RUEA, one of the EOs, performs a needs assessment among its members each year and collates a list of specializations for each academic year, as forecast by employers. Skills forecasting exercises are relatively new to Armenia and largely driven by international organizations

¹⁸ No additional information could be given on skills anticipation and forecasting.



including the ILO (2014 –15). Skills forecasting was piloted for the first time in Armenia with the direct involvement of EOs (and with the ILO) in three sectors – precision engineering, information technology and food processing. The Chamber of Commerce and Industry also undertakes labour market studies and relevant research periodically, including forecasting. In its view,

- ▶ in order to ensure proper participation of business and government in skills development, long-term activities and strategies should be implemented such as strengthening capacities of business organizations, conducting regular studies and researches on local markets (including forecasting), establishing advanced training centres for training of the trainer, and undertaking visibility activities ...

While there is an LMIS in **Uganda**, the FUE reported that with regard to data collection activities there are opportunities to better coordinate initiatives to address system fragmentation. The EO noted that the Ministry responsible for labour has developed an LMIS framework, so that

- ▶ there is an actual policy framework. In 2017 we did the first work on the manpower survey which hadn't been done since 1989. This has now concluded, and there have been small surveys done with the support of the ILO. In 2013, there was the school-to-work transition survey, then another in 2015. The Ministry responsible for labour set up a unit responsible for the management of the LMIS, but progress is rather slow. There are more surveys done by the directorate of industrial training – labour market assessments – and there are also some where we are involved; the Federation is working with international organizations about labour market needs assessment. Then in the oil and gas sector ... there is a unit in the Ministry which has a committee, and the employers are represented on it.

The CGECI in **Côte d'Ivoire** lamented that their LMIS

- ▶ remains one of the weakest links. Indeed, for the time being and since 2013, there are just ... employment surveys ... that provide macro-data ... but do not provide information on quantitative and qualitative employment projections. The EO is not involved in carrying out such a survey, which remains the responsibility of statistical experts ... It is imperative to build a robust labour market information system based on sectoral observatories ... This would resolve the issues.

Several EOs reported on recently established or emerging activity in developing an LMIS, including the establishment of observatories, sector-based planning in skills anticipation and forecasting, and pilot activity supported by international development actors.

The LMIS in **Kenya** is not highly developed, as it has recently been launched and is not yet at the point where it can guide skills development policy. The FKE noted the need to better understand international best practice, but also that there is the necessary political will for an LMIS to exist in Kenya. The EO led the LMIS work and reports that it

- ▶ highlighted the challenges of employer perceptions and what they are facing. This led to a lot of interest from the Government. We have had a first engagement with the Ministry of Education and are currently trying to put together a team to work together in this policy area. The Ministry of Labour has a unit leading the LMIS as the Federation pushed for it with the support of the World Bank and the ILO on the technical leadership and in putting together the system itself ... The current challenge now is to ensure that there is quality data input into that system, and that employers, institutions and others are submitting the data. It's critical that the Federation supports employers to understand the need to submit data, and then in turn, understand the usefulness of that data ... work is still needed to popularize the system. Also, an assessment has not yet been done on what data exists currently. There is a big need to engage employers so that they can see the benefits and begin to take some ownership. There are a range of options to encourage engagement – whether it's through policy or regulation ... the goal is to have the LMIS performing at the level of anticipating skills.

In **Chile** there are various government initiatives, including a programme which is organizing observatories around the country – these are regional and national. The CPC notes that it is

- ▶ involved in some of the regional observatories. They are still in an early phase, a couple of years, but more information needs to be added so they can be more useful. In the national and the regional observatories, some are better than others. The Government decided to give the role of coordinating to universities located in the regions; through a bid process they were required to invite private sector representatives, as well the committees where the regional guys participate, and the Unions. But they are still at an early stage – couple of years. They began with an important contribution by the IDB [Inter-American Development Bank] but there's a lot to be done. Skills anticipation is still something missing and very difficult to achieve. They are still at the stage of data gathering, but anticipation is still a long way off.

Taking a strategic approach to forecasting, the EO in **Hungary** (VIMOSZ) is beginning to build a picture to inform the design of a skills blueprint, through active intelligence gathering from employers in their sector, collaborating on a European initiative.

- ▶ We are participating in a European initiative called The Next Tourism Generation Alliance. Here, our target is to develop a blueprint for our sector, for three skills areas. These are “digital”, “green” and “socio-cultural”. The blueprint is also to be developed from a strategic point of view and should aim to make possible a replicable process. At the beginning of this year, we carried out research on Hungarian employer views regarding the three skills areas, which included in-depth interviews. We now have a picture of what employers think about the near future. We think that this process is replicable, but for acceptance of such change proposals, the receiving structure¹⁹ needs to be more flexible and is best applied at both the European level and the local levels. Following discussions at the European Council meetings, the European Union seems to be willing to support a repeat of this work across 20 other sectors. Much of the reform under way in the Hungarian skills system is shaped by European frameworks and investment. Our colleagues have learnt about the structures that the European Union are applying ... we have a lot of exchange of knowledge, including high participation in EU student and teacher mobility programmes. This is very useful.

Employers in **Moldova**

- ▶ are represented in all the structures which are functioning on public money - social insurance, medical insurance, and the national employment agency as members of the board. The national employment agency plays a role, in addition to helping upskill and re-qualify, in the creation of a labour market observatory, and there is a wide range of engagement. We have signed an agreement between different stakeholders, all the ministries, and the EOs ... [The observatory would be located at] the national employment agency, but an office coordinated by a high advisory body out of the office of the PM. The observatory was established about one year ago and the agreement signed by three or four [parties].

The current structure in **Jordan** means that the “major source of information is the department of statistics. They collect unemployment data according to international standards (such as the ILO) but for skills and specific issues, they do not have anything from anywhere. We are trying to identify the needs of our members.” In 2018, the JCI attempted to undertake a skills gap analysis for their members. “We do such kinds of things on a sample level [but] need something more fully-fledged. We used to occasionally have, but it came about more as a project by-product.” Current efforts to improve labour market information in Jordan include the development of sectors analysed through the new sector skills councils established with the support of development partners and the Vocational Training Corporation.

¹⁹ The EO notes that “the receiving structure means in this case: state institutions that make the laws, regulations that make the accreditation of training programmes, vocational and higher education schools that are actually too centrally organized, have no independency to decide on training content.”

Egypt does not have a national LMIS, but “we had put it in as part of contract of the ‘TVET I’ project and there have been attempts by the ILO to bring in different stakeholders in Egypt and start thinking which entity”. The FEI acknowledges that in Egypt, it is the Government that is best placed to take a leadership role in an LMIS, and that although the EO is willing to contribute to such a system, there are capacity constraints. The most significant progress in Egypt has been made with the assistance of international expertise, namely,

- ▶ in partnership with GIZ, labour market observatories in five or six governorates in Egypt were established. This is the best so far, as they did it in a very systematic way as per scientific methodology. There has been a report which has been issued periodically which analyses the changes at the governorate level. Jobs with the highest demand are highlighted, including salary scales, etc. ... For us as a business organization, we consider this as the role of the Government – we can correspond with it or contribute to it ... but there is no document in Egypt guiding how this should be done ... [the EO] does not do surveys, as there is no capacity.

We can see that the extent of LMIS development varies considerably across countries. There are EOs operating in countries which embed employers in a governance role through institutional arrangements. Others have a national system, but it is not sufficiently coherent or comprehensive, making it difficult for employers to engage. In other countries, the establishment of LMIS programmes is under way, including the setting up of observatories, sector-based planning in skills anticipation and forecasting, and pilot activity supported by international development actors. The majority of EOs undertake labour market survey-related activity at least for their members, but often these tend to be ad hoc, on a project basis. EOs have limited capacity to be active collectors of data, support data collection measures, and validate and analyse findings. The need for skills anticipation and forecasting (usually by sector) puts additional pressure on EO capacity.

2.5. Quality assurance and national qualifications frameworks

A major trend in the reform of TVET and skills systems has been the introduction of national qualification frameworks (NQFs) which aim to better regulate the provision of training and provide more transparent information to users of the education and training system. NQFs are an opportunity to demonstrate to industry that its viewpoint matters, in turn creating goodwill and sending a message that government is committed to involving the private sector in decision-making (UNDP 2017). The move to encourage employers to play a role in skills strategy development, governance and the design of skills systems has in many cases been stimulated by the introduction of NQFs based on occupational standards and competence-based curricula (Dunbar 2013).

In a 16-country study of NQFs, Allais (2010) notes that in many countries qualifications frameworks are increasingly seen as a useful policy tool to try and improve the relationships between education and training systems on one hand, and labour markets on the other. Although that report was “able to cite some positive examples of employer engagement with framework development, it also reports ‘serious difficulties’ in some countries with employers being described as ‘passive’ or unwilling to be involved, lacking expertise and knowledge in specific fields and unable to articulate what skills they require now and in the future” (Dunbar 2013, 12). Overall, the study “found little evidence that NQFs have substantially improved communication between education and training systems and labour markets” (Allais 2010, 2). The follow-up study (Allais 2017) focused on labour market impacts and was able to identify “some evidence of impact, including possible indirect effects, such as ways in which qualifications frameworks have improved general understanding of education and training systems, or contributed to standardizing provision, which might in the long term improve how qualifications are used in labour markets”, and corroborating the 2010 report, “we found instances of support [for NQFs] from certain bodies representing employers and/or industry, as well as instances of lack of employer involvement or belief in this type of approach” (Allais 2017, 2–3).

The quality and relevance of vocational education and training remains a challenge in most domains, and all EOs to a greater or lesser extent observed that the gap between the needs of labour markets and skills in their countries require significant interventions. With a few exceptions, countries surveyed for this report were on the path, or had already established NQFs. Several EOs were keen to see progress on stalled efforts or latent work progress by governments, and most are involved at the governance level or have played an advisory role in NQF implementation. Many EOs had been, and continue to be, strong advocates for the establishment of NQFs (frequently with support and technical assistance from international donors). The EOs frequently have a role in quality assurance processes and activities such as accreditation, curricula design, assessment, standards and certification.

The Federation of **Kenya** Employers (FKE) mentioned that their engagement and ongoing advocacy for an NQF helped ensure that the country established a framework. One compelling motivation was the need to understand employee competencies, and to have confidence in qualifications. The Kenya National Qualifications Agency (KNQA) was set up in 2015. The Agency is currently

- ▶ developing and implementing a standard code for classifying educational programmes and qualifications in Kenya. The system, dubbed the Kenya National Qualifications Classification Standard (KNQCS), will be the first of its kind in the continent of Africa. KNQCS, once developed and implemented, will improve the quality of data collected from educational institutions and regulators, which can be used for accreditation and quality assurance, as well as policy and decision-making. It is hoped that ... the country will adopt and use a standard national system of classifying the country's programmes and qualifications.²⁰

FKE has also been helping guide the national framework development “in the right way”. Its role has been to link the inputs of employers and industry as and where required, mobilizing member organizations through its networks. FKE is also represented on the Council of the KNQA, but notes that the momentum of the national framework development and engagement of employers (including FKE itself) is not happening at optimal pace.

Employers are represented on all the governance structures of the skills development system in **South Africa** and have therefore had inputs into the design of the quality assurance system. Overall responsibility still rests with the Department of High Education and Training, and it was observed by the EO that “inputs from business are not always considered or taken on board” despite employers’ engagement.

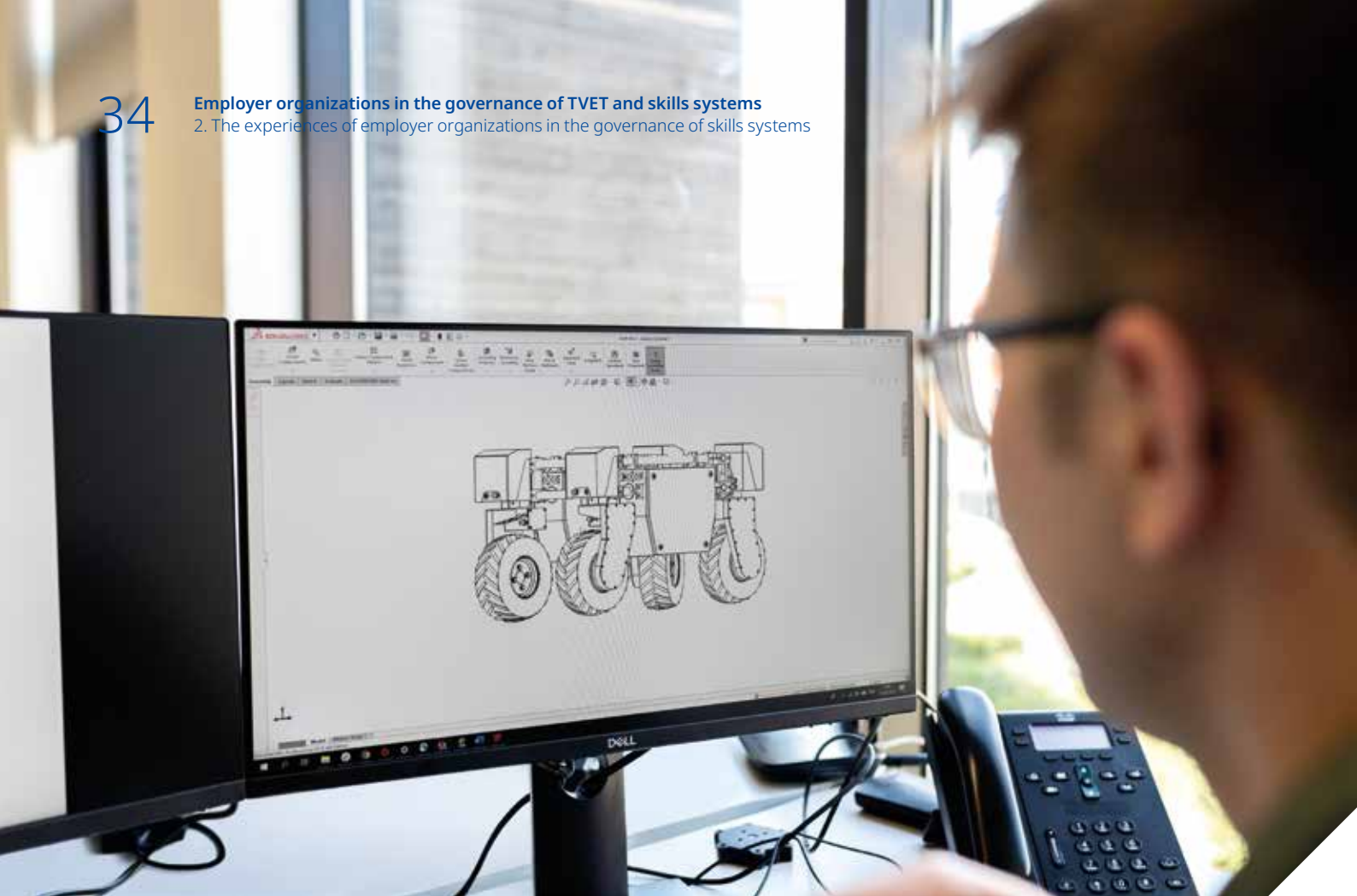
ECAM in **Malawi** was involved in the formulation and validation of the TEVET Qualifications Framework. Meanwhile ECAM is actively involved in the development of the higher education qualifications framework and the national qualifications framework.

For the most part, employers were firmly around the table in the development phase(s) of NQFs, but much less so (or not at all) in governance arrangements which provide oversight of implementation and management. The experience of Jordan and Moldova provide an illustration.

In **Jordan**, JCI was involved in the legislative developments to establish the NQF, but does not have representation on the bodies of quality assurance “despite it being required from our side if we are going to become a provider of education services, where we have to meet all the requirements of the accreditation centres. We were participating at the initial phase, but don’t have any direct role now.”

The process for the development of an NQF in **Moldova** began at the start of 2018, and employers were “a part of the big session run by the Ministry of Education where they presented the NQF. We were invited to give opinion on the document, and some of the members have been there since the earlier days. The biggest problem is teacher quality. This is one of the challenges in operating the dual system; the training side is financed less than the private sector.”

²⁰ See: <http://www.knqa.go.ke/>



For the successful design and implementation of quality assurance systems (and NQFs) the need for sustained and long-term engagement is critical. The experience of **Egypt** has been one of a multi-year reliance on international development actors/donors, and a long collaboration with the Government to set in place all the requirements of the quality assurance regime in skills. The EO tried to establish

- ▶ the quality assurance platform before through a project called the Skills Standards Project which started in 2002. It was a pilot project and scaling it up didn't take place properly [with] no legal framework to identify who is managing the system ... [more recently] we have taken the lead to establish the first sectoral skills councils in engineering industries in association with The European Bank for Restructuring and Construction (EBRD). It is still an initiative we are working on ... we are still forming the board for the Council. They will be autonomous entities but under the supervision of Egyptian industries. They need to generate their own funds – but some could be partially public funding – they need financial sustainability. The NQF legislation has been introduced to Parliament [and] it refers to entities such as the skills councils. From there we can start calling for a national strategy. The NQF provides a platform to build on. It is an implementation tool.

Uganda provides a case study of the experience of policy inertia and inter-ministerial conflict which has, in turn, affected governance reforms and created uncertainty for social partners and development actors alike. The FUE commented on “what we are calling the Uganda Vocational Qualifications Framework (or the UVQF)”,

- ▶ the process started a while back, but it is still hanging although there is provision within the BTVET Act 2008. Within the current 2008 law, the owner is the Directorate of Industrial Training (DIT). In the current reforms... there might be some changes... but there are currently some capacity challenges in human resources and financing. Reforms which are running at the same time create inertia, and often employers are not sure whether to go ahead or wait. Constant reforms create an issue.

In **Chile** there is no national system quality assurance or NQF in place. The governance of higher TVET Institutions continues to be decentralized; each state has its own laws. Most of the TVET institutions in Chile are private organizations, either for-profit or non-profit. They are well-connected to universities and facilitate the mobility of students to higher education. In addition, these institutions appoint representatives from the industry to their Boards of Directors and involve them in the design of the programmes (UNESCO 2018a). With regard to the establishment of an NQF, the Chilean EO has been

advocating for an NQF over the years and are hoping government will approve it soon, at least for technical education. Employers were involved in the development of it through the schools, skills training, education and through public proposals via these intermediary companies. However, the focus to date has been on sector skills councils ... we already have two of these – one in the mining sector, created with mining companies. This was done because there were several important mining projects, but not enough skilled workers. Last year, a second council was created – the Maintenance Council [for machinery and equipment] which is cross-sectoral and covers industries such as mining, forestry, construction, metals, mechanics. We played a leadership role by inviting the companies and keeping in touch with government, giving them the elements they need to work with.

Reducing unemployment is seen, by both by the **Colombian** public and the private sectors, as a key motivating factor in the strengthening of the quality assurance system for vocational education. Even though the private sector has a considerable influence in designing curricula, through technical committees from different sectors of the National Training Service (SENA) and Boards of Directors of universities, the lack of coordination of the national skills system remains an important barrier to more strategic engagement by employers. The quality assurance system, as such, lacks strength. Over the course of ten years, the Government in collaboration with the private sector has initiated the process for setting up an NQF. ANDI has had influence and has worked closely with the Government on the matter, although the results have not yet met expectations from an employer perspective.

EOs are clearly engaged in several national, sectoral or institutional level quality assurance processes such as accreditation, curricula design, competency standards, assessment and certification. Where employers are contributing at the governance level, it appears to be more at the institutional level than through extensive roles on the boards or councils of centralized or coordinating agencies.

The Republican Union of Employers of **Armenia** (RUEA) was involved in the development of the national qualification system within the framework of ERASMUS+ and TEMPUS projects, including review and analysis of the best international (European) experiences. Experts from RUEA participated in accreditation of various higher education institutions, taking account of the needs of employers. Employer representatives, under the Chamber of Commerce and Industry of Armenia, participate “in the final assessment of TVET graduates as one of the mechanisms to assure responsiveness of acquired skills and knowledge to the needs of the labour market”.

The **Senegalese** experience highlights the challenge of managing the process of bringing the private sector into areas where government has traditionally dominated, as they have across the quality assurance system. The private sector is member of several tripartite structures and commissions for quality assurance in Senegal, but according to the CNP,

- ▶ most of them are not operational, which creates difficulties for the sector to participate and reorient quality assurance systems for skills. Certain governmental members in charge of quality assurance generally claim the quality assurance systems for skills as their own prerogative. When it comes to private training, the private sector manages the quality assurance and the development of the curricula.

There are several examples where EOs have distinct roles in aspects of the quality assurance processes, but this is less in a governance capacity, rather in an advisory role – for example in the development of profiles. In **Argentina**, the Ministry of Education – in particular the National Institute of Technological Education (INET) is the validation and certification body. Consultations are done in a tripartite manner, although within this body employers only have an advisory role. The 2005 Law 26.058 for Technical and Professional Education lays the foundation for this engagement and allows for the creation of “professional profiles”: “The INET must, in a consultative manner, establish these profiles for different socio-productive sectors and, based on them, jurisdictions must formulate the corresponding curricula ... these profiles are defined based on an exhaustive analysis of the *competencies* demanded by employers ... [and] also constitute the basis for the national catalogue of degrees and certifications.”²¹

Again, **Algeria** provides another example where there is no direct EO role in the governance of the system, but only in quality assurance processes. The Centre for Study and Research on Professions and Qualifications (CERPEQ), a public entity under the supervision of the Ministry of Vocational Training and Education, is responsible for the quality assurance system. Within the CERPEQ the private sector has a consultative role. Sector specialists are invited to evaluate certain curricula and qualifications. Although their role is purely consultative, when it comes to new professions the private sector has an opportunity to be more involved.

Kyrgyzstan does not have a national quality assurance system, but some active VET schools sometimes invite the business association (JIA) to take part in final exams. **Cameroon** has competency standards for some occupations, but there is no framework for national qualifications, and the private sector provides certification only for private training.

The example of **Switzerland** represents a much higher level of EO engagement– such as involvement in the system when new training organizations are established. The Union Patronale Suisse noted that it participates in meetings when there is something new in the quality assurance system, and that “of our 90 members, each has their own programme of education, for example in trade schools in the construction sector. There are working groups, which belong to the sector; if there is going to be new school, it is usually private. They would be involved in the establishment of the training institutes, curricula, assessments, etc.”

It is evident that the system trend for NQFs continues and that employers are most often engaged significantly at the concept and design phase, but less commonly in a governance role through the implementation and management phase. Several EOs expressed frustration about this lack of ongoing involvement, and have concerns about the direction of the system without their contributions. There were also concerns in some cases with regard to the slow pace of NQF implementation following the establishment of institutional arrangements; for the successful design and implementation of quality assurance systems (and NQFs) the need for sustained and long-term engagement is critical. On the quality assurance processes, EOs are clearly engaged in several national, sectoral or institutional levels such as accreditation, curricula design, competency standards, assessment and certification. Where employers are contributing at the governance level in quality assurance systems, it appears to be more at the institutional level than in extensive roles on the boards or councils of centralized or coordinating agencies.

21 See : <https://www.thedialogue.org/blogs/2016/05/technical-education-in-argentina-challenges-and-opportunities-2/>.

2.6. Work-based learning

Work-based learning (WBL) refers to all forms of learning that take place in a real or simulated work environment. Apprenticeships (formal and informal), internships, traineeships and on-the-job training are the most common types of work-based learning. These types usually – but not always – combine elements of learning in the workplace with classroom-based learning. They demand close collaboration between social partners, enterprises, public authorities and TVET institutions.²² “Quality apprenticeship” training systems are where the employers play a leading role in their development and implementation (ILO 2017), and such systems cannot expand and become a recognized pathway from school to work without the strong involvement of employers (OECD 2015). In a brief survey (ILO 2017) of employer organizations formally engaged in the governance aspects of the national apprenticeship systems, it was found that most countries in Europe have institutional structures which allow for equal representation of social partners in policy design and implementation of apprenticeship training. But this is not a universal experience of EOs in other parts of the world.

Employers’ associations and trade unions come together in many countries, often in the context of sector skills councils (ILO 2017). They can have the following roles and responsibilities:

- ▶ engaging in social dialogue and actively participating in policymaking regarding apprenticeships, particularly at the sectoral level through sector skills councils;
- ▶ building confidence and trust among stakeholders;
- ▶ providing advice to policymakers and assisting member enterprises;
- ▶ informing and encouraging enterprises to offer apprenticeship positions;
- ▶ where appropriate, incorporating apprenticeships into the agenda of collective bargaining and collective agreements;
- ▶ supporting the design, implementation, monitoring and evaluation of programmes;
- ▶ contributing to the development of occupational competency and qualification standards;
- ▶ participating in assessment certification procedures; and
- ▶ providing training for enterprises so that they can deliver quality on-the-job training.

Overall, of the countries surveyed for this report, only a handful operated well-developed national apprenticeship systems, although there are instances of systems which are being built. Fewer still had institutional structures which allowed for equal representation of social partners in policy design and implementation of apprenticeship training. There are also issues where the system is not coordinated sufficiently, in particular where core elements are managed by sizeable ministries (usually those dealing with labour and education). However, apprenticeship schemes commonly exist at the enterprise level – often informally, and based on a vocational tradition, or via local private sector initiatives coordinated by an EO, or initiatives arising from multinationals requiring specific skills. This highlights the fact that employers can be engaged in apprenticeships at different levels.

²² See: https://www.ilo.org/skills/areas/skills-policies-and-systems/WCMS_465065/lang--en/index.htm.

Switzerland's dual system is well-known globally and the EO suggests it is "important to underline that about two-thirds of school-leavers are going into the dual system – it is one of the characteristics of our system. The companies are very active and are one of the pillars of the Swiss model – it belongs to our culture." An illustration of the embeddedness of this high-participation culture is where employers see the system as an investment. For example,

- ▶ SMEs, where one or two or more participate, feel it's important, they see these young people coming not as a cost but as an investment. They spend three years in the company and have good practical experience – and most of these young people remain in the same companies [by way of promotion] ... the branches present apprenticeship opportunities to school leavers or even people in school.

The **South African** experience suggests that the greater the financial stake, the greater the involvement across the governance of the skills system. In South Africa, most SETAs are involved in apprenticeship funding and training, and DHET has a national strategy around apprenticeships (Decade of the Artisan). Employers fund a minimum of 60 per cent of the apprenticeship training cost and are represented on the SETA governance structures. Employers are also represented on the National Artisan Development Advisory Body (NADAB).

Employers have played a crucial role in piloting of a dual TVET system in **Armenia** and are involved in the development of a draft *Concept on work-based learning*. However, "the majority of SMEs cannot afford to invest, and might have difficulties in recruiting a skilled workforce" and currently the contributions of employer organizations "are more of an in-kind nature and characterized by hosting students at premises of enterprises, as a practical mandatory part of the state curricula to have on-job training".

In 2018 the Government of **Uganda** developed a national apprenticeship framework. Some employers have been running their own WBL schemes but without formal recognition as an apprenticeship programme.

- ▶ This process was headed by the Ministry responsible for labour. Now we are looking at rolling it out in the hotel subsector, where we want to pilot it with some employers. The ILO has been a big part of this process, funding and technical support. There were many efforts, but often these are less structured and poorly coordinated. But the new direction is better coordinated, and there are guidelines with a more structured approach."

In **Senegal**, the TVET delivery systems tend to be largely school-based and driven by a supply-side curriculum. CNP comments,

- ▶ the formal technical and vocational education and training system is based more on getting a qualification rather than on acquiring skills and competencies for successfully integrating the world of work, which would bridge the gap between formal and informal apprenticeships,... [due to] the socio-economic pressure of youth unemployment, Senegal is restructuring TVET systems to incorporate apprenticeship and further engage the private sector.

To enable a massive enrolment of young people in the vocational training system, Senegal is currently setting up the dual model

- ▶ as a pedagogical modality in vocational training centres in collaboration with different donors. The dual system goes hand in hand with a strong public-private partnership and through the implementation of this initiative, the role of employer organizations/employers in the apprenticeship system is being reinforced. If this programme initiated by the State of Senegal turns out to be successful, CNP is confident of it being on the right track – although the pace of initiatives is slow.

At the enterprise level, perhaps not surprisingly, we can see that EOs are active in several countries, working in collaboration with global business networks or in partnership with major multinational companies.



The ANDI in **Colombia** has established the Global Apprenticeship Colombia Network (GAN Colombia) with the participation of multinational companies that are already members of GAN Global,²³ such as Telefónica, Adecco Group, IBM, Accenture, Samsung Electronics and Nestlé, among others. These companies will commit to GAN's principles to promote and provide programmes such as apprenticeship training, internships and work experience that become a solution for youth unemployment

Globally, Nestlé is supporting an apprenticeship and work-based learning initiative in which **Chile** is participating at the level of their national system, and the EO (CPC) is

- ▶ leading the work. There more than 100 companies in Chile who have a commitment ... we are hoping to grow the number. Nestlé has been the leader of this, and they have created a strong network with other companies. It is not a government-run model. What we are looking for, as CPC, is that we don't want legal labour problems. There has been a similar programme which was sponsored by the Government, but with a very low number of students. Also, within the 60 VET schools under CPC's purview, there are company-level programmes. There are pre-contract agreements/placements for

²³ GAN is a global, business-driven alliance through which private sector companies, employer federations and international organizations work together to connect education and employment through work-based learning. The goal is to accelerate the acquisition of skills and capabilities for business that can match the pace of change in the world of work. They use the expertise of founding partners, the IOE, ILO, OECD (through OECD-BIAC) and the practical experience of members. GAN Global has 14 major corporates as member companies, and many EOs across all regions of the world make up the GAN network. See: <https://www.gan-global.org/about>.

those who are not already employed by the companies – but can be sent via these companies – and are funded by the 1 per cent levy for skilling.

The dual system in **Argentina** works with the institution connected to the Argentine–German Chamber of Commerce. They have specific career alliances with companies so that young people can undergo vocational training and take their internship or apprenticeship in these companies. EOs such as the UIA are encouraging and supporting members to participate in such a model. The UIA works closely with the Chamber but notes that implementation and attracting more companies is difficult. The EOs are not represented through a board or council. However, they are included in the sense that the national law on education and the national law on technical and professional education state that training can be implemented in companies. The UIA also observed that there is

- ▶ a division since educational legislation is not well articulated with labour legislation ... which causes companies to have bureaucratic difficulties when it comes to incorporating apprentices, interns or young people into their payroll ... A greater coordination of jurisdictional regulations would help to promote ... the participation of companies ... the norms that regulate practices have been developed from the logic of the educational system, without fully considering the norms of labour law ... Companies that do not yet have these programmes lack the incentives to invest the necessary resources ... and often do not know the benefits of implementing them ... [they are constrained by not having] personnel trained to coordinate activities with the educational institution.

Apprenticeship training in **Algeria** is provided by companies and artisans in partnership with public training institutions. Every employer is required to host apprentices in accordance with the law, which establishes the rules applicable to the apprenticeship (duration, contract modalities, and so on). A pedagogical tool for monitoring and evaluation of an apprentice's vocational training in the workplace, and in a public vocational training institution, is available to the apprentice. The apprentice very often remains within the company. Algeria has detailed legislation to support WBL programmes, although the EOs are not represented in the governance aspects in any entity, such as boards or councils.

Other EOs reflected on how their systems have been influenced and how they have evolved over time to meet the varying needs of industry. The **Egyptian** EO (FEI) tells the story of apprenticeship and WBL arrangements, and how they have been involved in the evolution of the system over time:

- ▶ the model implemented more than 16 years ago in Egypt – a dual education model (for instance, two days school, three days factory) in the formal education system – was based on German expertise that has lasted for a long time. Then the TVET-I project introduced another system, a variation on the dual system called “autonomous training system”, which has tried to fill in some gaps of the first model. It introduced the “block model” (for example, one month factory: one week school). There need to be different interpretations of dual systems which fit for small, medium and large firms. We also tried a school within a factory model, and that was very successful. We also had internships for summertime training.

On the governance of the Egyptian system, FEI is a member in of the Executive Committee for Dual Education in Egypt. The Executive Council meets every two months and has a wide spectrum of business associations involved, spread geographically in all industrial zones in Egypt: “At the strategic level, we are there. At the micro level, it is also good. We identify criteria for student selection and employer requirements (and labour standards). All these details are discussed, and clear guidelines developed. It is well-functioning, and industry believes very much in it.”

According to the FEI, there is still much work to do. They note that apprenticeships in Egypt need to be looked at from a wider perspective, as there has not been much action on the informal apprenticeships issue given there are no real initiatives to bring the informal sector in. As well, there is still “a need

to analyse current work-based learning and come up with a new strategy which has better and more fit-for-purpose models according to the type and size of business". Funded by USAID, the Workforce Improvement and Skills Enhancement (WISE) project has "put forward a paper analysing all the methods used and needed, having developed a strategy for new modes to align with different types and sizes of enterprises".

The **Indonesian** EO, APINDO, has helped picked up the lead on promoting the concept of quality apprenticeships in their system:

- ▶ we expect that industries who receive apprentices meet with our recommendations – such as an apprenticeship income, a clear curriculum, and we expect them to have assessment criteria and an assessment methodology, etc., in short, following the ILO guidelines. For this issue we have a pilot project for some industries. This pilot is not enough for us, and we should expand it soon. We are waiting for support from the Government side. On the governance aspects, in our pilot model we have proposed that this apprenticeship scheme be overseen by the National Vocational Committee. So, in the pilot region, we have already established a Regional Vocational Committee. The make-up of this committee consists of regional government, local government, local employer organizations, and the labour union as well as some representatives of civil society. Society in our case is academicians from the universities in the region. Through this Vocational Committee, there are capacity-building initiatives for industry. We expect, with this approach, that quality apprenticeships will grow over time. For these two Regional Vocational Committees, we already have 400 companies involved. There are now more than 600 in-company trainers, already involving 60 per cent of people, starting more than two years ago. Actually, this is very small for us as we have more than 560 regions.

Similarly, in **Viet Nam**, although the apprenticeship system has not yet been established, the VCCI is "planning to take the concept forward together with other agencies (DVET and VGCL)". As a result, it has been acknowledged that there is a need to "revise the mode of collaboration with enterprises in vocational training" under the current Labour Code and which will include "clear definitions on the different types of work-based training that need to be given, together with roles and responsibilities of each of the parties".

Not uncommonly among the EOs interviewed, there continues to be a degree of frustration at the slow pace of system level interventions and policy implementation. According to the **Georgian** Employers Federation, the European Training Federation (ETF) has been supporting the Georgian Ministry of Education in the area of workplace learning and apprenticeships, but the EO expressed a desire to see greater "practical outcomes":

- ▶ through the reform programme, we have seen many documents about work-based learning being produced, but the implementation is the most important ... we feel that it would be good if ETF could be in greater contact with the employer associations, rather than mostly with the Government. We understand why the focus is on working with the Government, as they have this mandate. But working with employer associations, particularly around the establishment of small programmes or projects, would be better as we know where the skills gaps are. For example, when we are discussing the issues around apprenticeship schemes – something which is very important at the moment – the reform programme would benefit from much greater inputs from employers on issues such as business readiness, including the infrastructure requirements and the existing programmes that businesses have. For work-based learning, they say that 30 per cent theoretical knowledge is enough and the balance of 70 per cent is to be implemented in the workplace – but business has to be ready for this. The German model says that the employers have to finance the practical component, but we see this as a significant problem here. The other problem is that small and medium enterprises do not have the financial or human resource capabilities and capacities to ensure the success of this kind of

approach. In the big companies, the local European standard ones, they can afford training centres inside their companies and they are receiving learners, they are retraining, and raising qualifications.

In **Armenia**, although there is no strategy and plan for promoting apprenticeships, a 2019–2025 draft concept and road map for WBL is under development. It outlines targets aimed at apprenticeship policy formulation and setting up of the corresponding legal environment. EOs are promoting the concept of the “enterprise as a place of learning”, which includes components of WBL and apprenticeships.

The **Jordan** Chamber of Commerce and Industry is “trying to enhance their members’ role in on-the-job training, by encouraging interest in apprenticeships and workplace learning from industry”. There is preliminary work to do around changing perceptions of vocational education training, and the Chamber is leading on this.

Among the countries surveyed from the African continent, the GICAM in **Cameroon** notes that apprenticeships “could be an efficient way to deliver training aligned with the needs of private employers, but now it mainly only occurs informally. Until 2018 there was no legal framework for private companies to partner with training centres, and the GICAM has not been involved in the conceptualization of such legal framework.” In **Malawi** most employers are involved in providing apprenticeship space in their workplaces, but there is no involvement in boards and councils at present. The apprenticeship system in **Kenya** is not well-developed, with most activity currently taking place in the informal sector. While the system was active in colonial times, post-independence preferences emerged for graduate university education.

High participation in WBL and national apprenticeship systems by employers tends to be usually found in systems where employers see their participation as both a business and national investment. This approach is frequently found in countries with a long-standing culture of social dialogue and tripartite arrangements. In countries where this is less the case, it may be observed that the greater the financial stakes, the greater the involvement of employers. There are still issues, both real and perceived, about the “overheads” of participating in both the governance and implementation of WBL – this is especially so in SMEs, where work-based activity at the enterprise level is particularly evident, including several examples of international and multinational corporate initiatives in-country, large domestic corporate programmes, and the continuation of long-existing traditional (often informal) apprenticeships in small enterprises such as artisan businesses.



2.7. Employer capacity in skills and TVET system governance

In attempting major skills and TVET system change and in driving that change in a sustained way, a critical mass of organizational and system capacity (and leadership) is necessary to kick-start the process, but also there is additional capacity which is required to be developed and maintained over time. The EOs observed several challenges and opportunities with regard to their capacity to service activity in the governance arrangements of the many and varied domains of a skills and TVET system.

On the question of employer organization and membership capacity, the Federation of **Egyptian** Industries reflected that when they asked,

- ▶ “What does skills governance mean?”, nobody can answer you. They speak about skills not at the strategic level but based on their experiences in their own firms. The employers do not have enough time to study the difference between a modular training package and an ordinary training package. Also, they do not know the difference between an apprenticeship and the other forms of dual education systems. The employers are not supposed to be masters of this, but there should be some knowledge of the lexicon – the dictionary of the world of skills – so that we all speak the same language. This is all related to capacity-building. In Egypt, there are three main business organizations²⁴ which have been involved since the earlier national skills standards work: the Federation of Egyptian Industries,²⁵ the Federation of Construction, and the Federation of Tourism Chambers. They are involved in the different aspects of discussions on skills ... are volunteer organisations, but as boards have changed,

24 Employer organizations in Egypt tend to be under some government oversight, or board appointments by the State. See for example: <https://madamasr.com/en/2016/07/05/news/u/tourism-minister-dissolves-federation-of-chambers-of-tourisms-board/>.

25 The FEI is the national employers' organization and covers almost all, if not all, the sectors in Egypt. It is organized into 20 sectorial chambers, but the Federation of Construction and Federation of Tourism Chambers are not part of it.

the know-how was not left behind ... on managing the skills system. Several key figures involved in TVET- I, and the earlier skills standards project, disappeared due to the elections, replaced by new board members. There is need for greater institutional capacity and capability, particularly at staff level. There are two types of associations – volunteer or staff-driven. The strong ones are the executive-driven organizations. The institutional memory remains in the organization because of less turnover. The board can only interfere at strategic level and implementation/approval of projects.

Specifically, on the issue of their representation in governance systems, the FEI notes that

- ▶ there is a wide range of stakeholders in the TVET/skills system, and the challenge of representation. If the representation is at a too low a level, it is difficult to trust the capacity of that person to convey the contents of the committee ... meetings are always attended by clerks, who are not influential enough within their ministries and institutions.

The EO in **Indonesia** has what might be termed “a getting to first base” problem with awareness-raising and mobilizing their members on the imperative to develop industry and skills strategies, whether national or sectoral. In talking about the urgent need to redefine what industry strategy means in Indonesia and the implications, the EO says that action is required by

- ▶ business associations in Indonesia ... to review their own industries and situation. They should focus on their own industrial development and define what kind of people they need. We can therefore, in turn, define what kinds of skills are required. There are not many business associations which are aware of the need to develop their own strategic direction. Under the Chamber of Commerce there are more than 200 business associations, but the active members number 164. One of the main challenges is getting these associations to do their own industry strategies. There are several challenges. We need to develop our members in terms of capacity-building and funding. We need to review regulations to ensure that they fit our skills system requirements. We must solve these issues, one by one.

Common to many EOs is the ability to extend capacity through harnessing the expertise of members or reaching out to wider networks to supplement capacity. In **Jamaica**, JEF

- ▶ recognizes that there is human limitation in our ability to fully address all the needs and services requested of us. Our members volunteer their skills, services and time. From the wide breadth of skills and experience JEF is able to provide the service to the national bodies as they approach the organization ... In other words, if there is a member who, for example, has skills and knowledge in TVET we would ask them if they would be willing to sit and represent JEF on the relevant advisory board. It then becomes a responsibility, a serious responsibility on their behalf, and once they represent JEF, the reports would be coming to JEF. There are about 40 different committees and boards on which JEF serves, which stretches the resources of our busy volunteers and staff, and we try to manage within the resources we have to ensure excellent service ...

Similarly, in **Uganda**:

- ▶ FUE is not in a position to represent employers on specialized skills issues. This implies that we have to rely on expertise from member companies and the process of nominating these experts might sometimes take long. We have since worked on a list of experts from member companies that we utilize whenever the need arises. In addition, FUE doesn't possess the required expertise to design work-based learning programmes and to effectively engage on emerging skills needs. This could be addressed by building the capacity of FUE to be able to effectively represent the interest of employers. It could also be addressed by establishing a working group for employers to support skills development. Evidence on existing skills gaps and mismatches is not readily available. However, FUE lacks both the technical and the financial resources which are required to undertake such surveys. This could be addressed by working with the Uganda Bureau of Statistics and development partners like the ILO. Skills have the potential to be a major intervention for FUE. However, it would require recruitment of additional staff to focus on skills issues.

There are also the capacity challenges of the SMEs (although not exclusively SMEs) participating in skills governance arrangements, particularly in an ongoing way. Where specific expertise may be required, it is possible to have a system in place (such as budgets) to support project work, for example. The experience of VIMOSZ in **Hungary** is that with regard to

- ▶ capacity to service the work of the sector skills councils, the smaller enterprises have the most challenges – having key individuals missing from the business for three to four hours at a time, for example, can be difficult. Some of our partners from smaller businesses which undertake sector skills council-related activities would have a nominated person, but will need on occasion to put forward a substitute. In the bigger companies, we can expect this to be not so much of a problem. However, where the delegates may be human resource managers, or training directors, they are generally very busy people. If a training director has 4,000 employees in the company, for example, this person will already have plenty to do. But most of the people feel, and are aware of, the importance [of sector skills work] and they try to make available the required capacity. There can be some limitations regarding access and availability of strategic and specific technical knowledge in the skills domain. To partially address this, the Government has invited the Chamber of Commerce to put forward experts whom may have specialized knowledge in the areas of focus. The Councils (working groups) have ready budgets for this, which helps in expediting decisions and developing solutions efficiently – and contributes to the capacities at our disposal.

Several themes of organizational capacity emerged, most often constraints, but there was also some evidence that solutions – partial or otherwise – could be found: for example, harnessing expertise from networks, or considering capacity in the design of skills system governance arrangements. However, there are some seemingly intractable problems in the less mature systems. There are EOs which face challenges in mobilizing their members to dedicate organizational capacity to urgently needed sectoral or industry strategies, for example. Others are challenged by the little technical knowledge of TVET and skills systems amongst employers/members, or where ability to think at strategically at a systems level or national level can be blinkered by employers focused at the enterprise-interest level. There is also the challenge in many countries where EOs are largely driven by volunteer capacity, and with that comes churn and loss of institutional members. There are challenges aligned with the size of the contributing employer/enterprise; micro-enterprises and SMEs experience difficulties with regular skills system level engagements due to the simple lack of available personnel. As well, the level of engagement may differ through policy and reform cycles – periods of intense participation vis-à-vis periodical and predictable participation. Overall, the question of capacity of employers and employer organizations to participate in governance arrangements, often in addition to the wide range of skills system and TVET activities in the various domains, is worth deeper investigation.

3



▶ 3. Conclusions

The ILO's policy brief "Formulating a National Policy on Skills Development" (2011) identified four policy problems in skills which need to be captured in a national strategy:

- ▶ Skills mismatch
 - ▶ Limited involvement of social partners
 - ▶ Poor quality and relevance of training
 - ▶ Weak coordination in the system
-

Around one-third of EOs participating in this study reported operating in a skills system supported by a comprehensive national skills policy or strategy, underpinned by enduring tripartite institutional arrangements. In the absence of national skills development policies, systems are evidently struggling with the four policy problems of skills mismatch, poor quality and relevance of training, weak coordination and limited involvement of social partners.

The ILO (2011) also argued for the need to formulate a national skills development policy, as opposed to merely improving "programmes" of skills development, and the reasons included can be summarized as follows:

1. Bringing coherence to the system
 2. Facilitating coordinated and planned actions and reforms
 3. Facilitating policy coordination and coherence
 4. Clarifying institutional arrangements
 5. Anchoring existing good practice
 6. Pledging political and collective will and commitment
-

Where whole-of-system or inter-ministerial coordination mechanisms do not exist, it is evident that skills and TVET systems will continue to struggle to close the gap between the policy domains of labour and education, and to integrate other policy domains such as trade, regional development and industry. A coordinating mechanism that captures the various levels – national, regional and sectoral – can provide a platform for EOs to engage in a tripartite manner, bringing together a range of policy areas at the nexus of skills, and in turn, addressing the six-point rationale outlined above.

The pre-conditions for effective coordination are discussed widely elsewhere in the literature, and each system may interpret the evidence and seek its own approach to improving coordination. However, it is clear that fragmented systems have high opportunity costs, and create big demands on EOs, including on their capacity to service and engage in a fragmented (and often ineffectual) way. Advocating for a stronger national skills coordination mechanism, where it is not present or is weak, could be considered a priority for EOs.

Having a robust skills and TVET financing system is critical to support the implementation of a national strategy, and the participation of employers in the governance arrangements will help steer the investment effectively. As policy debates increasingly focus on the means by which national governments can increase private sector investment in skills development, it is expected that the interest in levy-based training funds will also continue. However, it is evident from this research that EOs have concerns regarding the lack of clear rules on levy disbursement, the inadequacy of quality labour information and skills data, and the absence of impact assessments of fund activities. In short, for most employers, the question guiding their engagement with training funds seems to be whether or not they will obtain

direct or indirect value from the levy system, reflecting the view that they often feel forced to pay in to a system they believe does not work.

For those businesses that are not benefiting from the levies, they are seen as an additional tax which is simply another cost to doing business. Most of the literature shows that where levy-systems work well, the levy is tied to well-designed disbursement rules that include subsidies and other incentives to those who directly contribute to the levy system. Many governments keep a monopoly over fund disbursement and are not open to impact assessments of fund activities. Examples also exist of funds that redirect contributions from employers towards expenditure that would otherwise be covered by government budgets such as the salaries of teachers and trainers. As such, there is evidence that the accumulations in levy funds are often directed to other government-driven initiatives which have very little relationship with enhancing skills and frequently with little or no private sector and worker involvement.²⁶ Clearly, EOs should be closely involved in the design and ongoing operation of levy-based financing systems and other financing mechanisms where contributions, either in kind or in cash, are expected from employers.

We can see that the extent of LMIS development varies considerably across countries, and participation by employers in the governance arrangements is mixed, with the majority of respondents reporting low levels of engagement. There are few EOs operating in countries which embed employers in a governance role through institutional arrangements. Others have a national-level system, but it is not sufficiently coherent or comprehensive, making it difficult for employers to engage. There are skills systems where the establishment of LMIS programmes are under way, including the setting up of observatories, sector-based planning in skills anticipation and forecasting, and pilot activity supported by international development actors. The majority of EOs undertake labour market survey-related activity for at least their members, but often these tend to be ad hoc, on a project basis. EOs have limited capacity to be active collectors of data, support data collection measures, and validate and analyse findings. The need for skills anticipation and forecasting (usually by sector) puts additional pressure on EO capacity.

The system trend for NQFs continues, and it appears that whilst employers are more engaged at the concept and design phase, they are less likely to be involved in a governance role through the implementation and management phase. Several EOs expressed frustration about this lack of ongoing involvement, and have concerns about the direction of the system without their contributions. In some cases there were concerns about the slow pace of NQF implementation following the establishment of new institutional arrangements, and clearly the successful design and implementation of quality assurance systems (and NQFs) requires sustained and long-term engagement. On the quality assurance processes, EOs are clearly engaged in several national, sectoral or institutional levels such as accreditation, curriculum design, competency standards, assessment and certification. Where employers are contributing at the governance level in a quality assurance system, it appears to be more at the institutional level than extensive roles on the boards or councils of centralized or coordinating agencies.

High participation in work-based learning and national apprenticeships systems by employers tends to be found in systems where employers see their participation as both a business and national investment. This approach is frequently found in countries with a long-standing culture of social dialogue and tripartite arrangements. In countries where this is less the case, it may be observed that the greater the financial stakes, the greater the involvement of employers. There are still issues, both real and perceived, about the “overheads” of participating in both the governance and implementation of work-based learning – this is especially so for SMEs. Work-based activity at the enterprise level is particularly evident however, including several examples of international and multinational corporate initiatives in-country, large domestic corporate programmes, and the continuation of long-existing traditional (often informal) apprenticeships in small enterprises, such as artisan businesses.

²⁶ This paragraph includes background information from the ILO and SADC 2019 Terms of Reference for *Assessment of Skills Development Funding in SADC Countries* (ILO 2019c).



There were several organizational capacity themes which emerged from employers, most often constraints. Evidently there were often solutions to these constraints – partial or otherwise: for example, harnessing expertise from networks amongst members or related industry organizations, or considering capacity-building needs in the design of skills system governance arrangements.

Seemingly intractable problems in several of the less-mature systems emerged. There are EOs which face challenges in mobilizing their members to dedicate organizational capacity to urgently needed sectoral or industry strategies, for example. Others are challenged by the small technical knowledge about TVET and skills systems amongst employers/members, or where the ability to think strategically at systems or national level can be blinkered by employers focused on enterprise-level interests.

There is also the challenge in many countries where EOs are largely driven by volunteer capacity. The resulting turnover of members committing to this field, and the loss of institutional capacity, severely hampers the capacity of EOs to remain engaged. This situation is often compounded by the size of the contributing employer/enterprise, with micro-enterprises and SMEs experiencing difficulties with regular skills system-level engagements due to the simple lack of available personnel and competing demands. As well, the level of engagement may differ through policy and reform cycles – periods of intense participation vis-à-vis periodical and predictable participation. Overall, the question of capacity of employers and employer organizations to participate in governance arrangements, often in addition to the wide range of skills system and TVET activities in the various domains, is worth deeper investigation.

4



► 4. Recommendations

The ILO Human Resources Development Recommendation, 2004 (No. 195) provides policy guidelines on human resources development, education, training and lifelong learning. The key message is that skills development is the shared responsibility of government, employers and individual workers, with social partners playing a critical role. Recommendation No. 195 suggests that government is primarily responsible for pre-employment training, while employers are responsible for further training, and individual workers for making use of opportunities for education and training.

Beyond these broad obligations, the role of social partners and civil society organizations should continually be reinforced to support demand-driven training provision (ETF 2019). A national skills strategy should provide a framework for a range of actions within a skills system, including its approach to governance, and provide a framework for the practice of considering employers as equal partners in tripartite-type arrangements for skills policies and practices. Clearly however, that is not always the case.

The sections below are divided into several tiers of recommendations. The first recommendation (a) in each section is about setting up the foundation of skills systems and TVET, while the second (b) establishes the processes and structures to support greater and more effective collaboration across these foundations. The third (c), where present, is about relationships and collaboration to support the processes and structures. This approach may provide a useful framework to analyse interventions to improve the participation of employers in skills systems governance arrangements, supporting the design of skills strategy, policy and programmes.

4.1. Arrangements needing to be legislated and/or normative

Many EOs spoke of the need for a better legal or regulatory framework to coordinate the system, which may involve either a change or clarity in government agency leadership, or a new specialized agency, or implementation of a national qualifications framework (NQF) as a coordinating mechanism.

- a. Recommendation:** That the ILO, IOE and EO affiliates advocate for the employers' role to be clearly established when legal or regulatory frameworks, tripartite agreements or national skills policies are being developed. The *process* of creating these framework and policies should include employers.
 - b. Recommendation:** That the ILO, IOE and its EO affiliates advocate for engagement of employers in NQF development, implementation, monitoring and review through appropriate governance arrangements and consultation processes.
 - c. Recommendation:** That the ILO, IOE and its EO affiliates advocate for social dialogue arrangements or collective bargaining agreements to include issues related to skills development.
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4.2. Institutionalizing system coordination

Poor skills system coordination and strategic policy planning was cited by EOs as among the most significant obstacles to making progress in the skills system. A multiplicity of government agencies responsible for aspects of the skills system is commonly found, which contributes to fragmented institutional arrangements.

- a. Recommendation:** That the ILO, IOE and EO affiliates develop options for new and/or improved coordination mechanisms, at all levels, which may be explored with relevant government agencies.
 - b. Recommendation:** That the ILO, IOE and EO affiliates help ensure that EOs are involved in existing or new coordination measures.
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4.3. Public–private structures and approaches

Whilst informal apprenticeship schemes and partnerships with individual training organizations were reported at the enterprise level, there were few examples of national apprenticeship schemes involving EOs in governance at the national or sectoral level. As well, the performance of national or sectoral training funds is mixed, often not meeting the needs of the labour market, and provide for a limited influencing role by employers.

- a. **Recommendation:** That the ILO, IOE and EO affiliates advocate for “quality apprenticeship” systems where employers are involved with government(s) to lead efforts to implement work-based learning arrangements for their members/employers.

- b. **Recommendation:** That the ILO, IOE and EO affiliates take steps to ensure that employers have a more significant role in the ongoing governance of levy-based training funds and in the design, development and performance review of any other financing mechanisms that require contributions from employers.

4.4. Labour market planning and information

Well-functioning observatories and labour market information systems are a central concern for all EOs, but very few are involved in governance arrangements (usually because systems were underdeveloped, and coordination was poor).

- a. **Recommendation:** That the ILO, IOE and EO affiliates proactively engage with government to ensure that steps are taken to strengthen LMIS systems for skills development and that effective coordination mechanisms are established that involve employers.

4.5. Implementation plan

In order to implement the above, it will be crucial to assess what institutional and policy gaps exist in a particular skills and TVET system, as well as to gather an understanding of the capacity requirements of EOs to build a programme of advocacy and other activities. To achieve this, it would also be necessary to build in a greater focus on skill systems within the capacity-building activities of the ILO Bureau for Employer’s Activities (ACT/EMP) and the International Training Centre of the ILO (ITC Turin).

- a. **Recommendation:** That the ILO and IOE support EO affiliates to tailor an advocacy programme (aimed at governments and/or social partners) which address the gap areas outlined in the recommendations. It may be useful to prioritize, within the advocacy activities, a focus on legislated institutional arrangements and institutionalizing system coordination. The advocacy will need continued engagement.

- b. **Recommendation:** That the ILO and IOE support EO affiliates to analyse and size the organizational capacity requirements for effective engagement across the various domains of skills systems and TVET (including the above advocacy programme); consider strategies to address capacity constraints across the suite of skills governance arrangements and activities; and build considerations of capacity constraints, and mitigating actions, into government and other skills/TVET initiatives which require employer engagement in governance arrangements.

- c. **Recommendation:** That the ILO and IOE support EO affiliates by developing guidance materials which would aid employer organizations in skills development issues. These knowledge products would contain the outcomes of the research along with concise fiches and training materials, developed in conjunction with ITC Turin, to support employers’ organizations.

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► Annexes

I. Participating employer organizations

In acknowledgement and appreciation of the representatives of the following employer organizations that participated in this study.

Algeria	Confédération générale des entreprises Algériennes (CGEA)
Argentina	Unión Industrial Argentina (UIA)
Armenia	Republican Union of Employers of Armenia (RUEA) Chamber of Commerce and Industry of Armenia
Bahrain	Bahrain Chamber of Commerce Industry (BCCI)
Cameroon	Groupement Interpatronal du Cameroun (GICAM)
Chile	Confederación de la Producción y del Comercio (CPC)
Colombia	Asociación Nacional de Empresarios de Colombia (ANDI)
Côte d'Ivoire	Confédération Générale des Entreprises de Côte d'Ivoire (CGECI)
Egypt	Federation of Egyptian Industries (FEI)
Fiji	Fiji Commerce and Employers Federation (FCEF)
Georgia	Georgia Employers' Association (GEA)
Hungary	Hungarian Hospitality Employers' Association (VIMOSZ)
India	Employers Federation of India (EFI)
Indonesia	Employers Association of Indonesia/Asosiasi Pengusaha Indonesia (APINDO)
Jamaica	Jamaica Employers Federation (JEF)
Jordan	Jordan Chamber of Industry (JCI)
Kenya	Federation of Kenya Employers (FKE)
Kyrgyzstan	Business association (JIA)
Malawi	Employers' Consultative Association of Malawi (ECAM)
Moldova (Rep.)	National Confederation of Employers of the Republic of Moldova (CNPM)
Peru	La Confederación Nacional de Instituciones Empresariales Privadas (CONFIEP)
Senegal	Conseil National du Patronat du Sénégal (CNP)
Singapore	Singapore National Employers Federation (SNEF)
South Africa	Business Unity South Africa (BUSA)
Switzerland	Union Patronale Suisse
Uganda	Federation of Uganda Employers (FUE)
Viet Nam	Viet Nam Chamber of Commerce and Industry

II. Questionnaire for employer organization interviews

Section 1. National and operating context

The political, economic and societal context in each country is complex and different. While there are many shared challenges and priorities, there are also distinct features and challenges for different countries and parts of the world. What works in Country A today will not necessarily work in Country B. And what works in Country A today, will not necessarily work in that same country in ten years' time,

particularly if that country's economy is developing fast. In reflecting on your responses to the questions in Section 1, you could consider:

- ▶ whether your country operates a centralized or decentralized public administration system;
- ▶ whether the legal framework determines that TVET is a national or state responsibility;
- ▶ social standing of TVET and skills development;
- ▶ what the dominant economic sectors within the labour market are;
- ▶ the proportion of the formal to informal economy/labour market;
- ▶ demographic trends;
- ▶ the extent of social dialogue; and
- ▶ whether cross-government approaches underpin system design and policy making.

Q1: *Whole-of-government approaches, strong leadership, clear strategies, active partnerships, accurate data, high quality and sufficient funding are important for a demand-driven skills and TVET system. As well, good governance of skills policymaking and management is based on coordinated action to effectively involve public and private stakeholders at all possible levels – international, national, sectoral, regional/local, and provider. There is evidence that where success has been seen in engaging employers, a high level and long tradition of social dialogue – hence, more meaningful engagement – tends to be an underpinning factor.*

From an employer organization perspective, in response to the above statements, how would you describe the approach taken in your country in terms of leadership, strategy, and skills system coordination? Also consider the “level” at which these are undertaken.

Q2: *The size and strength of the private sector is a determining factor in the emergence and consolidation of successful governance reform initiatives for national skills/TVET systems. In low-income countries with a weak private sector representation, the strong role of the government in financing and delivering training suggests that partnerships first need to be negotiated in order to balance the diverging interests. In middle-income countries with an emerging industrial sector, the private sector can assume a more active role which can be fuelled by incentives.*

Reflecting on the relative strength of the private sector in your country, and the share of investment in skills development between that sector and the government, how would you describe the opportunities and challenges in your country? From an employer organization perspective, what would be the nature of the reforms required in order to ensure greater (and more effective) participation of employers in the governance of skills systems?

Q3: *A significant-sized informal sector – the unorganized and self-employed – is present in many countries. The reviewed literature did not take a particular focus on how this sector could be engaged or reflected in how skills systems are governed.*

If the informal sector is a significant component of the labour market in your country, what are your thoughts on engaging the informal sector in the skills governance arrangements? Is this possible?

Section 2. Policy and strategy

To improve governance models and processes, there is a need to increase the vertical and horizontal participation of employer organizations at all stages of the policy cycle (Leney 2015). At the national level, an environment that encourages private sector engagement in skills development requires a policy framework that fosters consultation, information sharing and capacity-building, but also has a long-term vision for private sector collaboration and ensures adequate funding (UNDP 2017). Employers becoming involved in a skills system will

help build innovation opportunities and improve value chain competitiveness; increase competitiveness; foster comparative advantages through a commitment to inclusive growth; and hire workers with relevant skills. Whilst evidence of these links does exist at an enterprise level, it is less evident at a sector or national industry level (UNDP 2017).

Q1: *Thinking about the skills apex body or apex bodies in your country, describe how employer organizations and employers are involved. Participation could include in an informal or formal advisory capacity, a legislated role, board or council representation, inclusion in consultations or other.*

Q2: *Is there a national (or regional, sectoral) strategy/ies for the development of skills in your country? Where does the leadership for this strategy sit? How were employer organizations or employers involved?*

Q3: *How would you describe the coordination of the national skills system? To what extent does it take a whole-of-government approach? What is the main coordination mechanism, or agency, and how are employer organization and employers represented or engaged?*

Q4: *In an effort to be more responsive to more immediate national labour market needs, many countries have established skills funds or national training funds. Most funds are statutory, quasi-autonomous bodies under a general umbrella of a government ministry and, more immediately, of management councils with varying degrees of stakeholder representation (Ziderman 2016). And within these systems, a number of mechanisms exist for raising funds from the private sector towards the cost of skills development; these generally form a national training fund which is a source of financing outside of normal government budgetary channels, dedicated to developing productive work skills (Dunbar 2013). There may be a need to shift the view which dominates amongst employers – seeing themselves as consumers of a TVET system, not as actors (Keep 2015).*

Thinking about skills system funding, are employer organizations and employers participating in the councils or boards of national or sectoral training funds? How would you describe employer influence over the structure and purpose of government training schemes and/or their influence over the strategic direction and objectives of publicly-funded education and training?

Section 3. Labour market information and planning

There are different methods used in skills anticipation and forecasting, requiring different levels and type of engagement by employers. ILO guidance (2015) describes the following:

- ▶ quantitative employment projections by sector and occupation, based on macroeconomic modelling, referred to as “forecasts”;
- ▶ qualitative methods, including focus groups, round tables, expert interviews, foresights and scenario development;
- ▶ surveys among employers, i.e. establishments or enterprises; and
- ▶ tracer studies of school/training graduates and school-to-work transition surveys.

Q1: Describe how the labour market information and planning is carried out in your country. What role do employer organizations and employers play in the national labour market observatories or other fora involved in skills anticipation, skills forecasting, and data collection and analysis?

Section 4. Learning

The engagement of employers is a crucial element for the success of an apprenticeship system. Apprenticeships cannot expand and become a recognized pathway from school to work without the strong involvement of employers (OECD 2015). In a brief survey (ILO 2017) of employer organizations formally engaged in the governance aspects of the national apprenticeship systems, it was found that most countries in Europe had institutional structures which allowed for equal representation for such organizations in policy design and implementation of apprenticeship training. Employers were formal members of apprenticeship boards or councils in Cyprus and Ireland, and in several other countries they were formal members of councils for vocational training (or similar). In other parts of the world, the Dominican Republic and India also offered experiences of employers having representation on boards or councils focused on national apprenticeship systems.

Q1: Describe the role of employer organizations and employers in the apprenticeship system in your country. How are they represented in the governance aspects, such as on boards or councils?

Section 5. Quality assurance

A major trend in the reform of TVET and skills systems has been the introduction of national qualification frameworks (NQFs) which aim to better regulate the provision of training and provide more transparent information to users of the education and training system (UNDP 2017). The move to involve employers in playing a role in skills strategy development, governance and the design of skills systems has in many cases been stimulated by the introduction of NQFs based on occupational standards and competence-based curricula (Dunbar 2013). The quality assurance system also includes a range of regulatory bodies which may be involved in the assurance of training organizations, the development and recognition of skills standards, and also curriculum and qualifications.

Q1: *What role and influence do employer organisations and employers have in the national quality assurance system for skills? Describe how employers engage with the governance of the overall quality assurance system, and for the various elements of this – in particular the regulatory bodies.*

Section 6. Globalization and skills

The governance of national or regional skills systems cannot operate in isolation, as ever greater globalization has created integration across, between and within skills systems in all countries. This is primarily through migration, which can be temporary, for the purpose of sending remittances to the home country; or permanent, to meet country skills shortages; or forced, due to conflict; or circular, where the workforce regularly moves between countries. Multinational and transnational corporations operate across borders and both contribute to, and need access to, a skilled workforce. Tension between interests of the State (national, local) vis-à-vis employers' global interests and/or transnational presence are likely to become more acute in the governance of skills systems.

Given the growing interdependence among countries' economies, systematic and comprehensive skills strategies with global perspectives on how the talent pool of skills is developed and deployed is necessary. This will be of relevance within regions where there is significant labour (and education) mobility such as within Europe, within ASEAN countries, or between South Asia and the Gulf States. The importance of remittances to economic development has become an important consideration in the design and development of national skills systems in some countries.

Q1: *Considering the ever-increasing complexity of national or regional strategies, from an employer organization/employer perspective, what kind of national skills policies and systems settings will be needed for this emerging challenge?*

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