

National TVET Development Plan- 2008

1. Background

The skills of the work force are an important contributor to the economic and social development of the Kingdom of Cambodia. There is a need for continuous expansion and improvement in work force skills to increase the rate of economic growth. The Rectangle Strategy is the approved national economic development framework and the five-year National Strategic Development Plan 2006-2010 (NSDP) is in place to provide more detail. Both of these documents show a commitment to skills development.

The National Training Board (NTB) has the mandate to respond to the NSDP with a National Technical Vocational Education and Training (TVET Development Plan (NTDP). The Directorate General of Technical and Vocational Education and Training (DGTVET) is required to manage the national implementation of the NTB strategy using the national program based budget system as the financial mechanism. This document gives direction to the program based budget plan of DGTVET

A first National TVET Development Plan (NTDP) was approved by the NTB in March, 2006. This plan outlined a two track development approach to TVET with an immediate priority on poverty reduction. Substantial progress has been made in implementing activities focussed on poverty reduction over the course of the last two years. Two financial mechanisms were in place: the National Training Fund supported by funds of Government (now Program Based Fund) and the Education Sector Development Program (ESDP II) supported by a loan from the Asian Development Bank.

This document updates the NTDP for the year 2008. With newly available labour market data, it begins the process of targeting skills investment to areas of economic growth. It begins the annual process of adjusting the policies set out in the previous year based on the lessons learned and achievements over the past 12 months. It builds on success and gives clear program direction for the basis of the program based budget for 2008-9.

2. Context

For the near future, it remains clear that the greatest and quickest gains in poverty alleviation and growth will be possible in rural areas where most of the poor live. The National Strategic Development Plan (NSDP) **“will therefore direct 60% of resources to rural areas with increased attention to productive activities like agriculture, rural development and to health and education to increase and enhance human capital and better contribute to overall development”**¹ The informal economic sector accounts for 90% of employment. The formal sector creates approximately 50,000 new jobs each year while the workforce increases by 300,000².

However over the past year, increasing pressure is evident from young people graduating from secondary school who have few training options. Matching

¹ National Strategic Development Plan, 2006-2010, Draft 8, November 2005

² ADB 4284 Technical Paper, Ann Bartholomew, May, 2004

this is a recurring difficulty in recruiting students to our post secondary TVET institutions. Thus for the year ahead there will be proposals to add to our growing strength in community based skills development and a new emphasis on institution based TVET.

3. TVET System Overview

The National Training Board (NTB) is the APEX body of TVET. Approving policy, setting targets and setting direction, the NTB will have not only a coordinating function but the leadership role in linking a national training program to the needs of the economy as defined in the National Strategic Development Plan 2006-2010. The NTB has representatives from Ministries who provide training as well as from the private sector.

The Directorate General of TVET within the Ministry of Labour and Vocational Training (MOLVT) has the responsibility of supporting the NTB. With 138 staff, DGTVET has 3 operating departments. It is responsible for developing national competency standards and a labour market information system as well as supporting, expanding and assuring the quality of public and private provision of TVET

3.1 Mission of DGTVET

The Mission of DGTVET is:

Under the policy direction of the NTB, i) to develop and sustain a TVET system that meets the needs of the Country for economic and social development as expressed in the Rectangular National Development Strategy,³ ii) to provide Enterprise with a skilled and adaptable workforce and iii) to respond to the life long needs of individuals for decent jobs or self employment by supporting appropriate training

3.2 Mandate of DGTVET

The Royal Government of Cambodia Sub-Decree No. 52 defines this mandate of DGTVET in Chapter 2, Article 3 b- TVET Training:

- To study and develop a national policy on occupations to review the needs of the employment market,
- To prepare and develop an occupational policy based on the national policy for TVET,
- To prepare and develop a National Policy for TVET,
- To prepare a policy and manage TVET systems,
- To screen proposals for the establishment of institutions, centers and schools providing TVET services,
- To control, monitor and evaluate public and private institutions of TVET.
- To coordinate the communications with Ministries, institutions, organizations in the region and in the world to promote TVET in cooperation with the MFA and international cooperation organizations,

³ National Strategic Development Plan, 2006-2010, Draft 8, November 2005

- To cooperate with enterprises and institutions to strengthen and promote TVET,
- To prepare and develop occupation or work standards that meet national and international market needs,
- To prepare and manage testing or examinations, testing the level of competence in all occupations and award or remove licenses or certificates acknowledging the levels of competence based on the results,
- To manage the training of apprentices and the cashier of apprenticeship training

3.3 TVET Providers and the Supply of TVET.

- DGTVET has 38 Institutes and Centers serving 24 Provinces and offering programs from basic skills training to advanced degrees.⁴ Most of these are specifically mandated to train school drop-outs. The DGTVET Provincial Training Centers (PTCs) reach out to all provinces (as some cover neighbouring provinces without a PTC). They train approximately 2000 individuals each year having had very limited budgets. The Voucher Skills Training System has added significantly to this number but it is not yet part of core, Program based financing
- The Ministry of Women's Affairs (MoWA) has 12 WID centres which provide services to very poor women who are almost all school drop-outs or even illiterate.
- NGOs operate on a very small and localised scale with few exceptions. NGOs move in and out of skills training, depending on donor funds availability and/or donor interest. At present, there may be 12 national NGOs that run institution-based skills training courses.
- Degree granting institutions also run short courses in skills areas on a cost recovery basis (e.g. NPIC, Built Bright University).
- There are many large enterprises in the garment and hospitality industries that offer continuing skill training for their own staff needs.
- Various Government Ministries have their own staff training colleges providing the skilled workers required for Government services (transport, electrical power supply, agriculture).
- There are approximately 60,000 small enterprises that provide skills training, either in the form of apprenticeships against fee and free labour (for non-family members) or through free apprenticeships and unpaid labour (for family members).⁵
- NGO training institutions, at present, turn out approximately 1,000 graduates a year. NGOs operate mainly along the densely populated Y-shaped route Battambang – Siem Reap – Phnom Penh – Sihanouk Ville. Some, however, such as Don Bosco and World Vision, although

⁴ The Cambodia-India Enterprise Development Center (CIEDC) has been added since last year.

⁵ GTZ-ADB Informal Apprenticeship Study, March 2004

being located along the same route, take in trainees from other provinces. With some exceptions, NGOs tend to have short term intervention style programs rather than longer term systemic programs and so Government needs to consider long term training needs outside of NGO contributions.

- Large private enterprises (garments and others) train perhaps 25,000 drop-outs annually.
- Small enterprises every year train an estimated 30,000 within family businesses and another estimated 80,000 through paid-for apprenticeships.

3.4 DGTVET Supply of TVET

Table 1: DGTVET Provision of TVET NTQF Level 3 and above⁶

	Institution	Program	Graduates 2005	Graduates 2006	Graduates 2007
1	National Institute of Business				
		Total (Bachelor)	512	385	Too early
		Total (Higher Diploma)	174	186	210
		Total (Short Course)	0	100	-
		Total	686	571	
2	National Technical Training Institute				
		Total (Bachelor)	0	164	132
		Total (Higher Diploma)	117	69	0
		Total Teachers	16	267	306
		Total (Short Course)	0	60	-
		Total	133	560	
3	Preah Kossamak Polytechnic Institute				
		Total (Bachelor)	57	183	158
		Total (Higher Diploma)	264	308	443
		Total (Certificate 1,2,3)	178	198	165
		Total (Short Course)	224	60	-
		Total	723	749	
4	Russey Keo School of Industry				
		Total Higher Diploma)	74	75	103
		Total (Short Course)	40	60	-
		Total	114	135	
5	National Polytechnic Institute of Cambodia				
		Total (Short Term)	0	296	201
6	Cambodia-India Entrepreneurship Development				

⁶ MOLVT, December, 2007

Center					
		Total (Short Term)	48	258	895
7	Battambang Polytechnic (VTC)				
		Higher Diploma			651
		Total (Certificate 1,2,3)	90	317	315
		Total (Short term)	0	161	872
		Total	90	478	1838
8	Kandal Vocational Training Center				
		Total (Certificate 1,2,3)	180	180	180
		Total (Short Course)	190	270	745
		Total	370	450	925
		Grand Total	2164	3497	

In addition to this growth in the Institutions offering diploma level TVET, PTCs/VTCs offering entry level TVET increased their graduate numbers in NTF/PB Short Courses from 11,506 in 2006 to 19,590 in 2007, a 93% growth in their output.⁷

Policy Implications for TVET

Training in DGTVET Institutions other than PTCs grew by more than 32% between 2005 and 2007. Most of the growth was in students who paid fees for their courses. If this trend continues, beneficiary financing will be the basis of more than half of TVET student numbers at the higher diploma and bachelors level within 3 years. This is consistent with NTDP policy 8.

PTCs are expanding their training beyond the ESDP Voucher Skills Training Program by almost 50% last year reflecting the NTB policy direction in Policy 1.

There is no data on the level of participation of school leavers in non-formal education or in part time studies towards degrees. Especially in Phnom Penh, there is growing evidence that the numbers in these categories is growing rapidly. A study is urgently required to document this trend for policy consideration as it may be the most rapidly growing sector in TVET and with tuition fees, it is a low cost alternative to fully supported public TVET

4. Economic Growth and the Demand for TVET.

The NTB's mandate is to link skills development to the demand for skills from Enterprise and communities. A comprehensive knowledge of economic change which creates the demand for skills, combined with an overview of the work force and the supply of skills is the basic input requirement to meet the mandate.

An economic growth rate of 7.1% was maintained from 1994 to 2004 and then grew to 10.4 % in 2006.. This was primarily attributed to the end of conflict with the resulting opening of the economy.

Table 2: Real GDP Growth by Sector⁸

⁷ DGTVET Data, December 21, 2007

⁸ EIC: Cambodia Economic Watch, Phnom Penh, April 2007

	2005	2006	2007
Agriculture	16.4	4.4	3.1
Industry	12.3	17.1	14.1
Services	12.1	11.4	9.2
Total GDP	13.4	10.4	8.7
Non Agriculture	12.1	13.2	11.1

Expanded data on the growth of Industry is important both to signal the NTB of a potential growing demand for skilled workers at a higher level (NVQF level 4 and 5) and to highlight those areas with the most rapid growth that may require the earliest attention in terms of needs analysis.

Table 3: Growth Rates of Industry by Sector⁹

	2005	2006	2007
Garments	10.3	21.9	17.6
Food, Beverages and Tobacco	8.0	2.5	5.0
Other Manufacturing	10.2	8.6	5.5
Electricity, Gas and Water	4.5	4.7	6.3
Construction and Mining	20.4	15.5	11.8
Total Industry	12.3	17.1	14.1

The discovery of oil may have a medium and long term impact on the demand for specific skills in that industry and as training of individuals at the NVQF level 4 and 5 may take up to 4 years, any initiatives now would have the first graduates in 2011 or early 2012.

Distribution of employment by sector further underlines the importance of investment in rural productivity as a focus for TVET in poverty reduction. However it also shows the gradual growth of the other sectors as a percentage of overall employment and further underlines the need to begin to review policies addressing skilled labor needs.

Table 4: Distribution of Employment by Sector in percentages¹⁰

	Total	Male	Female
Agriculture	60.3	61.4	59.2
Industry	12.5	11.7	13.4
Services	27.2	26.9	27.4
Total	100	100	100

The importance of agriculture is underlined as the largest employer as well as the greatest contributor to GDP. TVET interventions in this sector will have the benefits of expanding productivity as well as expanding employment and self employment opportunities for commune dwellers as jobs supporting agriculture increase as well.

The clearest demand for TVET is from Communes (groupings of villages) for basic income generating skills to improve family income for the poor. The majority of the population lives in rural villages and poor urban areas. Most new employment is still created there

While the industry sector is increasing, much of this has come in garments and the vast majority of these jobs do not require higher level TVET skills. Training garment workers is best done by the garment industry who have the trainers, the

⁹ Ibid, 2007

¹⁰ NIS: Cambodia Socio Economic Survey, 2004, Draft 8, 2005

facilities and the equipment to do this and the industry, with ILO and other support, is responding to this. The key issue for TVET is the use of common competency standards benchmarked to international requirements to ensure the ability of workers to build credit for training in the NVQF.

4.1 Growth Areas

Gradual growth is forecast in the tourism sector and in agriculture especially in organic agriculture for export. Fisheries export growth is possible if current catches set a pattern.

Table 5: Projections for Employment in Agriculture (000's)¹¹

	2004	2005	2008
Paddy	2,857	2,936	3,162
Other Crops	496	511	554
Livestock	387	398	430
Fishery	254	256	262
Rubber, Forestry	33	34	37

Recent changes in export markets have given an extended opportunity in garment manufacture although it is unclear if this will lead to expansion. As wage levels increase in other Asian countries, some manufacturing and sub-assembly growth is possible and there is some evidence of interest at this time from countries such as Korea. However, such investment may include the development of high skills and technician level training centres by the investing countries (NPIC) and further Government investment may not be an immediate requirement. There is a growing software development industry but it is still very small with fewer than 5000 staff

Table 6: Projections for employment in Industry¹² in thousands

	2004	2005	2008
Garments	288	271	232
Food Beverage, Tobacco	85	86	90
Other manufacturing	57	58	58
Electricity, Gas, Water	8	9	10
Construction and Mining	145	144	139

Equally, growth in the manufacturing sector as a percentage of GDP will grow, but demand for externally trained skilled workers by this sector is just beginning to emerge at this time. Thus TVET, in the planning period, can continue to grow in the agriculture sector while continues to develop the capacity to respond in the near future to the industrial sector.

There continues to be growth in the technical service industries such as refrigeration, automotive repair and electrical/electronic service but the demand is met by family apprenticeships or the import of trainers from high skill-low wage countries such as the Philippines (telecommunications) and Vietnam.

It might be noted that there is foreign demand for construction workers and increased skills in this area might impact remittance income as well as create new employment opportunities in response to real demand.

4.2 Contribution of Key Economic Sectors to GDP¹³ as a Demand Indicator

¹¹ EIC: Cambodia Economic Watch, April 2007

¹² EIC: op.cit,

¹³ NIS: National Strategic Development Plan, 2006

Over the next few years, agriculture is seen as a smaller contributor to GDP growth when compared to construction or tourism. Nevertheless given total numbers employed, it will remain the dominant employment base.

Table 7: Contribution to GDP by Sector

Sector	2005 % of GDP	Forecast % of GDP 2010
Agriculture	19.50	17.03
Fisheries	8.30	6.97
Industry	22.60	23.82
Tourism	5.00	6.22
Construction	6.80	8.06
Services	6.40	7.30

Gradual increases in family income will lead to new district level market opportunities and import replacement is likely given that Cambodia currently imports 70% of its fruit and vegetables. Adding value to food exports through post harvest processing has real potential as well and even minor improvement in packaging will have an impact. Perhaps most importantly, planned upgrading of roads and transport will open markets quickly. Quality improvement, often through applying even basic technology, will have the greatest short term impact on exports and there will be demand for training to achieve this.

Construction will have a growing importance in the economy both in infrastructure projects and in residential and commercial development. Basic construction skills which are applied in communes can be upgraded over time to meet the competencies required in the formal sector. Thus the range of construction skills will be expanded in both the PTCs and in the voucher system as growth will be for skilled workers rather than unskilled brick carriers.

Tourism will expand, not just based on large hotels in Phnom Penh, Siem Reap and Sihanouk Ville, but also in smaller centers that need to be part of a diversification of the industry. The growth of smaller rural hotels and hostels as well as a new range of restaurants and the provision of traditional dance and music can be important skills in this tourism in addition to the usual large hotel based skills. An improvement in both the variety and quality of crafts will create opportunities in rural areas as will the improvement of design to respond to ever changing market interests in silk and cotton.

The category of Services covers a vast number of jobs in the TVET sector from servicing equipment to transport and environment service. A key here will be micro enterprise skills so that people have the product ideas and the knowledge to start their own servicing business and then grow the business in response to demand. Equally improved performance of existing small enterprise can create rural employment. Training can be an important input in improving small enterprise performance.

There is no evident planned growth in the higher technologies that suggests expanded investment at this time in NTQF level 4, 5 and 6 as present provision at least quantitatively, seems adequate. However revenues from fee paying students need to be reinvested in an equipment modernization program or student numbers will fall.

Policy Implications for TVET

The continued growth of agriculture is seen to be based on productivity improvements often related to mechanization. TVET does not address farming skills in the direct crops, animals and soils cluster. Rather it relates to the installation, maintenance and repair of farming infrastructure that will enhance productivity. An expansion of TVET activities across the agricultural infrastructure range of jobs is a priority.

4.3 Current Job Distribution as an Indicator of Demand

Demand for more jobs does not necessarily grow in the same areas as present employment but shifts are gradual and so understanding the present distribution of employment is a useful planning tool for the NTB in providing leadership to TVET.

Table 8: Where are the Jobs¹⁴

Classification	Percentage of workforce	Total Numbers
Agriculture, hunting, forestry	66.	4,123,888
Fishing	4.2	261,062
Mining and Quarrying	0.2	13,525
Manufacturing	8.7	544,832
Electricity, gas, water	0.1	3795
Construction	1.5	94,077
Wholesale, retail, repair	10.3	644,307
Hotels and restaurants	0.2	10,412
Transport, storage and communications	2.7	169,307
Financial	0.1	6,119
Real estate, renting	0.3	16,374
Public Admin and Defence	2.4	149,382
Education	1.4	88,446
Health, Social Work, community services	1.3	80,241
Household staff	0.4	28,019
Foreign NGOs and Agencies	0.2	6,800
Total	100	6,243,329

Agriculture and Fisheries represent nearly 2/3 of the jobs. However many services are provided from the informal sector of the economy through self employment. Understanding the potential of this area to relieve rural poverty is important.

Policy Implications for TVET

Policies that support continued TVET provision in Agriculture remain important and expansion of the Voucher Skills development Program from 7 to all 24 provinces is a priority. However given the turn around time to both plan and deliver skills development at the technician and junior engineer level, consideration needs to be given now to expanding TVET capacity in those technologies demanded in construction, mining/extraction, garments and tourism facilities support.

4.4 Underemployment and the Demand for TVET

Of equal importance in TVET planning is the relatively large proportion of self employed workers (own account workers). These are usually individuals in crafts or repair occupations who live in rural communities. As productivity improves in

¹⁴ NIS: Labour Force Survey, 2001

agriculture, mechanization as well as the expansion of transportation and consumer goods leads to new opportunities in this area. Equally there is significant availability of family workers who might acquire basic skills to become own account workers.

Table 9: Status in Employment¹⁵ in percentage of workforce

	Total	Male	Female
Employee	20	23.3	16.6
Employer	0.1	0.1	0.1
Own Account Worker	34.4	39.7	28.8
Unpaid Family Worker	43.3	34.8	52.0
Other	0.5	0.6	0.3
NA	1.8	1.4	2.2
Total	100 per cent	100	100

Based on primary occupation in previous 12 months.

As is clear, only one in five workers in Cambodia is a paid employee. In this case, Phnom Penh creates a very different picture from the rest of Cambodia with nearly 48 percent of workers in the city being paid employees. TVET will of necessity require quite a different approach in Phnom Penh than in the vast majority of the country. The following table suggests that young people return to the provinces if no employment can be found in the city with more than 95 percent of unpaid family workers living in the country.

Table 10: Youth Employment (2003-2004 data):¹⁶

Age-group	Unpaid family workers	Own account worker	Total
10-14	189,550 (98% of them are rural)	168,393 (92,5% of them are rural)	357,943
15-24	892,808 (94,8% of them are rural)	793,155 (89,3% of them are rural)	1,685,963

Moreover, about two million young people, aged 15 to 29 years, have received little or no schooling and are presently working as unpaid family workers or as own account workers.

Policy Implications for TVET

The underemployed make up most of the unpaid family worker category. In the capital, part time programs developing skills in language, business and tourism will be a priority. Part time technology programs designed in cooperation with Enterprise to upgrade the skills of those in the industrial workforce are important. In rural areas, with the majority of underemployed found in the unpaid family worker category (43.3 percent) a strategy that targets this group to improve their skills in agriculture, agriculture support and micro enterprise will be a priority.

4.5 Unemployment and the Demand for TVET

Unemployment is a luxury of environments in which individuals can afford time to search for the right economic activity between jobs. In Cambodia, unemployment is in most case not possible so the “unpaid family worker “category masks unemployment. Such workers typically are family members who help with the

¹⁵ NIS:Cambodia Socio Economic Survey2004 in NIS Statistical Yearbook 2005

¹⁶ GTZ-ADB Informal Apprenticeship Study, March 2004

rice crop, look after family live stock or help in food preparation. Often other than at planting and harvesting times, such unpaid family workers can devote time to learning basic employment or self employment skills. Each year, approximately 230,000 youths leave school without basic education or with few or no skills. Of these more than 60 percent are female.¹⁷ There is a growing demand for skills or access to training from between 90,000 and 110,000 drop outs entering the labour market every year.

The move from family worker to own account worker can be helped by basic skills training and as it may bring a new source of revenue to the family, it directly affects poverty reduction.

4.6 Self Employment and the Demand for TVET

Self employment is much more likely than employment for newly trained unpaid family workers especially in rural areas. However most institution based training targets employment, with very little curriculum dedicated to self employment or micro enterprise management. Few trainees in basic level TVET will receive instruction in starting and running their own small business or micro enterprise management. This has important implications for TVET policy, suggesting that micro enterprise instruction should be part of all rural based entry level TVET.

Policy Implications for TVET

It is clear that for the vast majority of underemployed youth in rural settings, self employment is the primary route to begin moving from unpaid family worker to a skilled worker in either agriculture or agriculture support. Those providing skills training should integrate self employment skills in every program. Micro enterprise curriculum is widely available within the TVET system (CEIDC as one example). Each TVET Center requires a self employment development specialist to provide training in communes as part of all skills development.

5. Increasing Student Numbers in Diploma and Degree Level TVET

Although trainee numbers are increasing in rural, short course TVET, the numbers of students enrolled in Diploma (technician) programs is stable or shrinking. Given the future needs for skilled workers, as Industry grows, it is time to determine why how we can increase enrolments. There are four sources for TVET students:

- i. Out-of-school youth who have improved their basic learning skills to meet TVET entry requirements.
- ii. Secondary school graduates
- iii. Workers who wish to improve their skills (part time)
- iv. Employers training current workers

5.1 Attracting More Out-of-School Youth to TVET: A Bridging Program

Internationally, the completion of 10 years of schooling is seen as minimum entry level to skilled trades (NVQF 3). As can be seen, in the table below, the majority of school drop outs happen between primary school and lower secondary school and hence do not have the basic requirements to continue in TVET beyond the most basic of levels.

Table 11: Net enrolment ratios, 2004¹⁸

	Primary	P	P	Lower	LS	L	S	Upper	US	US
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¹⁷ ADB 4284 Technical Paper, Ann Bartholomew, May, 2004

¹⁸ NIS: Cambodia Socio Economic Survey, 2004

	Total	Male	Female	Secondary Total	Male	Female	Secondary Total	Male	Female
Cambodia	76	76.8	75.1	16.4	15.6	17.1	8.5	8.6	8.5
Phnom Penh	87.9	90.1	85.6	48.7	47.9	49.4	30.1	30.7	29.6
Rural	74.7	75.4	73.9	12.2	11.8	12.6	4.7	5.2	4.1

Of every 76 children who start school, only 16 go on to lower secondary. There will be significant improvements to enrolment ratios over time with continuing improvements in the education system. However the total accumulation of school leavers without basic academic skills now numbers in the hundreds of thousands and further education for them is not likely. The continuing number of school leavers with less than basic entry knowledge for TVET training and the difference in distribution of academic skills between Phnom Penh and rural areas suggest important policy issues for TVET. If re-entry to school is not possible, how can accessibility to skills training and career development be improved for these school leavers?

A Bridging program is needed so that those who left school without the underpinning “soft” skills required to progress up the Skills development, NVQF ladder are not stuck on the first rung.. This program can be set up employing learning materials currently used in institutional foundation programs. It would not result in a grade 10 or grade 12 Diploma. The bridging program will give the equivalency of the grade 10 or 12 diplomas for acceptance in the TVET programs that require these levels. In the near term, the Bridging Program would lead to enrolment as a part time or full time student in one of the TVET institutions. In the future, learning materials might be self-paced and PTCs would give tutorial support if learners needed that. Grade 12 graduates could set up a tutorial business for bridging program students.

As an example, if a young person leaves school at the end of grade 5 and begins to help with masonry or general construction, he can continue after work in the Bridging program to improve his math, science and Khmer knowledge. As the masonry skills improve so to will the basic mathematics, science and Khmer literacy skills improve when ready, the worker-learner can apply for certification and entrance to the TVET Institution system.

This program will give access to training to hundreds of thousands of motivated school leavers and give the promise of career development. It will also increase the number of students in TVET institutions and be especially effective in large urban centers with many institutions to provide support.

It is noted that one of the major constraints for rural productivity and poverty is the low level of skills.¹⁹ It is further noted that 75 per cent of rural workers have primary education or less and no skills training other than family tradition in agriculture. Income generating skills are seen as the major intervention to address rural poverty.²⁰ While addressing basic education will have a long term impact on poverty, skills training is the primary medium term (5 years) tool available to Cambodia. But without even basic academic skills,(literacy, numeracy) even entry level TVET is very difficult

Policy Implications for TVET

A bridging mechanism is required to help young people develop the entry level skills required by technology, in mathematics, science, Khmer and the range of social skills. This bridging program must run in parallel with the skills training so that those working can gain these “soft” skills as they are needed for advancement. Each PTC can support the bridging program. Graduates can register for TVET diploma level institutions.

5.2 Recruiting More Secondary School Graduates to TVET

Grade 12 Graduate Growth and the Demand for Higher Education in TVET

A second major factor in demand for TVET should be the growing number of grade 12 graduates and non graduates for whom TVET can be a reasonable post secondary option

Table 12: Projected number of grade 12 graduates, 2008-2015²¹

Year	Grade 12 students	Number of Graduates
2007-2008	66,370	53,500
2008-2009	76,850	61,480
2009-2010	121,680	97,350
2010-2011	154,870	123,850
2011-2012	201,800	161,440
2012-2013	198,440	158,750
2013-2014	225,600	180,480
2014-2015	237,560	190,050

As perhaps only 10 per cent of this number can be taken into Universities, the demand for alternate higher education is growing. As noted, the TVET institutional system has space for a maximum student intake of 4000 students per year. At this time a major survey of employers, unemployed youth, graduates and employed graduates is being planned. Data from this survey will provide much more concrete direction for the development of more appropriate programming at the NVQF level 4 and 5 that leads to employment.

A paper titled **Secondary School Graduates and TVET: Increasing the Number of Secondary School graduates in TVET.** has been prepared for the NTB with proposals to address this issue.

There are six higher levels TVET institutions within the NTB-DGTVET system, all located in Phnom Penh. These are Preah Kossamak Polytechnic Institute (PPI), Industrial Technical College, National Polytechnic Institute of Cambodia (NPIC), National Technical Training Institute (NTTI), and National Institute of Business (NIB) Cambodia-India Entrepreneurship Development Center (CIEDC). They all offer Diploma and Degree programs under the authority of the MOLVT. Most are operating at much less than capacity.

At a time when there is growing demand for higher education, with new private colleges opening constantly, why are these institutions not attracting students?

One answer to this is employment. If enterprise values the TVET graduates, they will hire them. The mechanism to ensure that enterprise value the graduates are to link the institutions to enterprise through the use of competency standards established by enterprise. DGTVET began the process of assisting enterprise to develop standards in the year 2000. It is now time to make competency standards development a priority if we are to improve the employment of TVET institutional graduates and as a result be able to recruit more students into TVET.

A second answer to lack of enrolment is the institutions lack of visibility. Perhaps because of their Government involvement, these institutions do very little marketing and are virtually unknown among the youth who so eagerly pursue (and

²¹ MOEYS, Nov. 2007

pay for) learning in Phnom Penh. Nevertheless the trend in the enrolment of these institutions shows a growing interest by fee paying students.

Employers are unaware of the availability of graduates to meet their work force needs. They are unaware of the ability of the institutions to upgrade existing staff in new technologies or skills. More effort is needed to link curriculum to employers needs and to bring employers into the institutions. As part of the paper "Increasing the Number of Secondary School Graduates in TVET, there are proposals for beginning to address this social marketing issue

Policy Implications for TVET

A national promotion campaign for TVET and for career development is required. This will be based on the new integrated TVET system which sees young, under employed school leavers begin skills training and a bridging program and then over time, move up through the National Qualification Framework to diploma or degree status. Using the PTCs as the recruitment base in the Provinces, this new TVET approach will greatly change the perception of TVET and overall enrolment.

As one part of a national strategy, the seven TVET institutions need to develop a marketing strategy which places them clearly in front of the market as a good choice for both full time and part time higher education. By integrating the Bridging program into their strategy, enrolment could be addressed quickly.

5.3 Placing Graduating Students in Jobs

Nothing will increase student numbers in TVET more quickly than being able to demonstrate that TVET graduates find employment easily. To effectively use a revised image of TVET and DGTVET institutions, a mechanism to link TVET training to employment is necessary. This is especially true in the cities where employment and job improvement rather than self-employment are the targets of many young people and where employment rather than self employment is the desired outcome. The proposal for the NEA is part of the NTB 2007 agenda.

Policy Implications for TVET

A National Employment Agency to link University, TVET graduates and others looking for work to industries seeking workers is now required.

TVET institutions can become a location for **Job Centers** in each province, and link training to employment. Existing facilities can be used and existing staff trained to provide these functions.

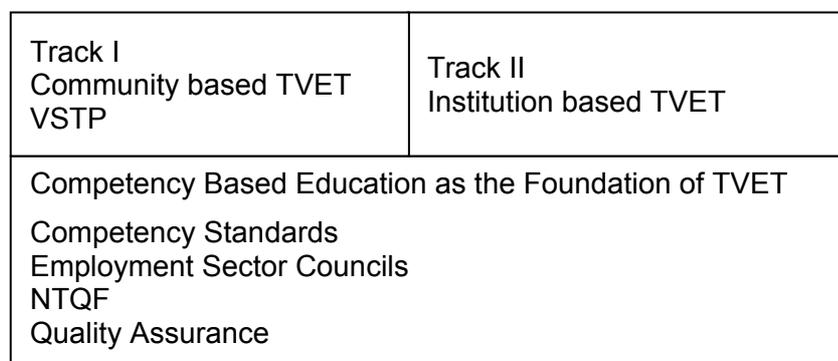
6. Continuously Improving TVET Quality, Efficiency and Effectiveness

As noted in the first national TVET Development Plan 2006, TVET has two major and often competing directions. First, TVET needs to respond to social equity issues by assisting the poor to master skills which will enhance family income through better farm productivity or basic self employment. Secondly, TVET must meet the needs of Enterprise for a skilled and adaptable workforce as those needs arise. Both tracks are demand driven; one by the villagers and micro enterprise at the District and Provincial level and the second by large Enterprise at the National level.

Both of these Tracks are built on competency based education as the Foundation of TVET. However Community based education is at a very low skill level

and usually there are no competency standards for very basic skills. Thus over the past several years, with limited resources, the foundation of TVET as displayed in the diagram has not been supported beyond a maintenance level as virtually all the energy went into Track 1.

Diagram 1: TVET Tracks



6.1 Quality Improvement in Track I TVET-Poverty Alleviation

With the assistance of the Asian Development Bank Loan,²² demand driven TVET is being developed in DGTVET institutions. The move from a supply focus to a demand commitment requires a shift in attitude in both DGTVET and in the institutions. By using a carefully staged series of pilot projects which link institutions to the needs of communes as defined by the communes themselves, institutions understand their revenue is dependent on responding to demand and not directing training regardless of employment or self employment outcomes. The Voucher Based Skills Training program gives target Communes a voucher worth up to \$4000 per year for three years to meet the commune economic plan. Funds are also available to support small Enterprise in expanding its workforce.

The first 7 pilots are now well underway.

Table 13: Seven Pilot Site Provinces

#	Characteristics	Recommended Province	Poorest 40% of Communes*	Location
1	Urban Provincial (regional training center)	I. Battambang (Total Communes = 83)	29	West
2	Rural with urban markets, high poverty	II. Svay Rieng (Total Communes = 80)	31	South East
3	Rural, few markets, high poverty	III. Stung Treng (Total Communes = 34)	14	North-East
4	Rural Urban mix, Market access, high poverty	IV. Siem Reap (Total Communes = 100)	39	North
5	Rural Urban mix, Market access (regional training center)	V. Kampot (Total Communes = 92)	32	South
6	Rural, few market, high poverty	VI. Kampong Chhnang (Total Communes = 69)	26	Central
7	Rural Urban mix, Market access, high poverty	VII. Takeo (Total Communes = 10)	39	South

*210 Communes are included in the first phase Pilot Program of the Voucher-Training System in Cambodia.

Table 14: VSTP Training Output November 2006, September 2007.)

²² ADB Loan 2021-CAM- Education Sector Development program (ESDP) TVET

No	PROVINCES	No. of District	No. of Communes	Total Commune Based	Total Enterprise Based	Total PTC Based	Total
1	Battambang	7	29	12,902	174	443	13,519
2	Kampot	8	32	13,873	253	266	14,392
3	Kampong Chhnang	8	26	5616	46	110	5,772
4	Siem Reap	9	39	8,369	107	182	8,658
5	Stung Treng	5	14	2725	28	47	2,800
6	Svay Rieng	7	31	6,696	89	97	6,882
7	Takeo	9	39	8424	66	168	8,658
Total 2007		53	210	58,605	763	1,313	60,681
Total 2006+2007		60,681					

To December 2007, there have been 60,681 graduates of all components of the Voucher Based Training System. By its completion, VSTP will train up to 135,708 individuals in communes, in enterprise and in institutions.

/Table 15: Total Budget and Voucher Skills Training Output Target (2006 – 2008)

Year	Number of provinces in the Voucher Skills Training Program (VSTP)	Number of Communes in the Voucher Skills Training Program (VSTP)	Total Budget (US\$)	Training Output	Training Output	Training Output	Training Output
				Total	Community-Based	Enterprise-Based	Center-Based
2006	2	61	140,000	14,297	14,105	31	161
2007	7	210	940,000	56,540	55,673	780	702
2008	7	210	1,436,000	77,738	75,704	1,017	1,017
TOTAL			2,516,000	148,575	132,000	1,828	1,880

Note: The Project is expected to provide skills training through the Voucher Programs to about 136,000 trainees in 210 of the poorest communes in seven pilot provinces under the Voucher-Based Skills Training Programs (VSTP) in Cambodia

The VSTP system is maturing and is now ready to be extended to the remaining 14 Provinces. Anecdotal evidence suggests that there is a very powerful link between VSTP and the economic success of the majority of graduates. It is indeed showing that community determined skills development addresses poverty and introduces TVET to a new population. We now need a follow-up study to confirm this data and then a mechanism to build continuing funding into the future.

6.2 Quality Improvement in Track II TVET- Institution-Based

Beginning in 1998, the basic components of demand driven, industry responsive TVET began to be put in place. Early work on a National Qualifications Framework began. Training in writing competency standards with full enterprise participation was undertaken and some standards were produced. The concept of demand driven TVET was promoted and accepted within DGTVE although not so readily accepted by Institutions that had always concentrated on supplying graduates trained without regard to industry needs.

However, without a strong industrial base, the need for the complex structure required to support competency based training was difficult to determine and little of the work was sustained. The capacity of DGTVET to implement a competency based system was not in place and Enterprise was not enthusiastic. Today, some remnants of this system development remain and beginning last year, efforts started once again to put in place the building blocks of competency based training in recognition that the timing may now be right to put in place a vibrant demand driven, employer driven Track II TVET system.

Attention must now be paid to the Foundations of TVET as shown in diagram 1, as the development of Institution Based TVET becomes more pressing.

There is now Korean support for the development of competency skills standards. ILO has continued to support an acceptance of the NVQF. SEAMEO/Brunei is assisting with Quality Assurance and Quality Systems. Work has been done in ESTP II to put in place Employment Sector Councils with a first in the garment Industry.

However there is no current plan or funding to bring the 7 TVET institutions in Phnom Penh together in a single operating system that is based on entry level training in TVET in PTCs, NTQF level 3 training being provided for graduates of the PTCs at Regional centers such as the Polytechnic in Battambang or the relatively well developed PTCs in Kampot.

Diagram 2: Proposed TVET System

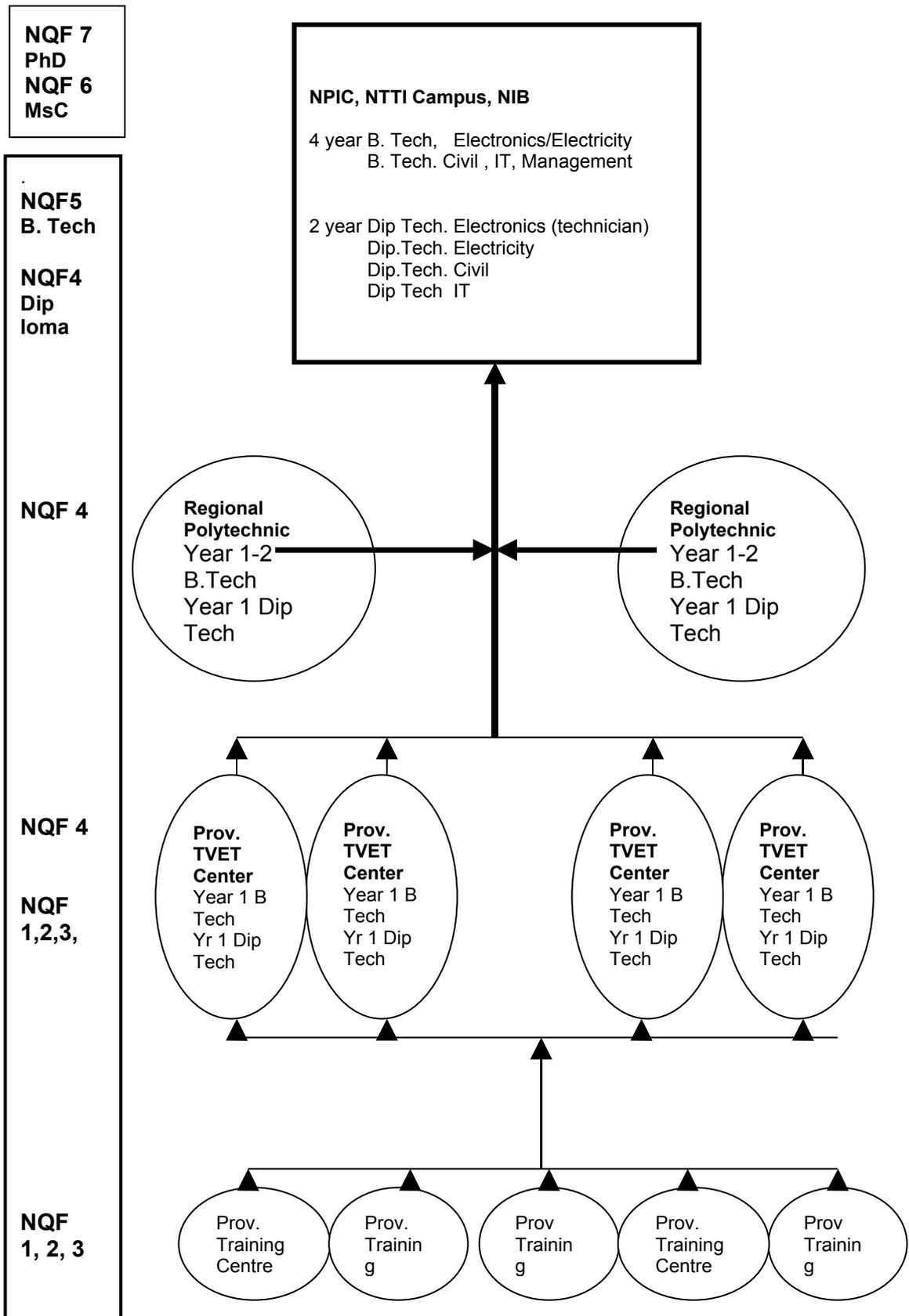


Diagram 2 outlines the most obvious means of rebuilding Institutional TVET. It proposes a 4 tier system using existing facilities where possible. Students wishing to

continue in TVET move up the institutional ladder. The system has the following components

- i. Existing PTCs that are not well equipped or in less populated provinces will provide entry level skills and NTQF1, 2 , and eventually 3
- ii. Existing PTCs to be called Provincial TVET Centers with better equipment, a larger local population and more mature management will provide entry level skills and NTQF 1,2, 3 and 4 (Diploma-Technician).
- iii. Five Regional Polytechnics will be created to offer NTQF 4 and the first 2 years of NTQF 5 (Bachelor of Applied Technology) A further 2 Polytechnics will be developed from existing TVET Institutions in Phnom Penh
- iv. Three existing Institutions in Phnom Penh, NPIC, NTTI and NIB will designated as national Polytechnics and offer NTQF 4 and 5 including the final 2 years of level 5 for regional Polytechnic graduates.

The system, except for community based programs, will be competency based and include full participation of employers in governance.

Putting the Institutional TVET system in place will be a multi year task and external assistance will be required. However the NTB recognises that the issues of enterprise demand for highly skilled workers and graduate demand for diploma and degree level education that leads to employment must be addressed now.

6.3 Quality Improvement in TVET Staff and Trainers

NTTI has the responsibility for training new staff for TVET and upgrading existing trainers and administrative staff. It is time to re-think the NTTI structure and curriculum to ensure that it is clearly linked to the needs of TVET and once again, takes the leadership role in research and development that it was intended to have when it was first opened. A plan for this has been tabled with DGTVET.²³ An organizational and operational review will be undertaken in the year ahead.

7. Policy Summary

Proposed policy priorities focus on the following:

Macro Policy

- Poverty Reduction
- Decentralization

Development Policy to Support the Macro Policy

- Commune and Enterprise Based Training
- Out of School Youth
- Self Employment
- Micro Credit
- Small Enterprise

Enabling Policy to sustain the demand driven TVET System

- Public Private Partnership: Financing TVET
- Public Private Partnership: Enterprise Involvement in TVET
- Public-Private Partnership: Expanding the Provision of TVET

²³ A Draft proposal for a New and Revitalized NTTI, ADB 2028, 2006,DGTVET

- Assuring Quality of TVET Provision
- Quality of TVET Leadership, Management and Coordination
- Labour Market Information
- Competency Standards

8. Approved Policies

8.1 Poverty Reduction

Poverty reduction is a priority of the Government. TVET can make a major contribution in poverty reduction by giving basic income earning skills to the poor.

Policy: Target TVET programs at poverty reduction by developing a program for the poorest communes that will provide basic income generating skills based on local needs and opportunities.

Strategy: Select the 210 poorest Communes in 7 representative provinces. Train PTC staff in participative community development. PTC staff will assist each Commune to write a 3 year training plan to bring skills that will help it be more economically successful. Provide funding for the training and find trainers who can give most of the training in the Commune. Use the 7 Provinces and their PTCs as models to train the remaining 17 Provinces.

Responsibility: Director General of TVET, Director of Management of TVET, Director of PTCs

Status

Implemented in 7 Provinces and functioning well. Impact study underway; require funding to extend to all Provinces as a regular TVRET program

8.2 Decentralization

At this time, the greatest demand for government supported skills training comes from rural Communes and urban Sangkats. Small family enterprises are the primary employer and without a very refined labour market information model, data on the needs of these micro enterprises is available only on a District and then Commune level.

Training to improve family income must be linked to markets for products or services that grow from the training. Markets are local and decision on market demand is local.

Policy: Selecting the required TVET training is best done in Communes where the training will take place and where local markets and village skills are understood. It is the government's policy to move decision making as close as possible to those who will be affected by the decision.

Strategy: To strengthen decentralization, the skills, knowledge and abilities in the Directorate General of TVET, among the PTC Directors, Deputy Directors and Community Development Specialists will be expanded through training. NTTI will be strengthened to provide and sustain this training.

The role and of the Provincial Training Boards (PTBs) under the NTB will be further clarified as linking local economic development to training opportunities in the province. Training is provided by many Ministries and is fragmented and uncoordinated from a Commune perspective. Provincial Training Boards have a much better chance of bringing together a single listing of planned training for Commune information.

Every effort will be made to build provincial teams based on strengthened Provincial Training Boards. These will develop provincial training strategies that meet economic plans and will expand training and micro credit access wherever possible.

The Provincial Training Board may advise the PTC with regard to Provincial training needs and the PTC may advise the PTB on necessary steps to strengthen skills development in the province.

NTF training will be targeted at PTB priorities

The PTB will develop an inventory of all training available to Communes from the provincial offices of Ministries with a training mandate (Agriculture, Environment, Culture etc.) The PTC Director will be invited to PTB meetings to facilitate this exchange. With the assistance of PTC based Community Development Specialists, Communes will determine their own training needs to improve family income. DGTVET will fund the training in 7 Provinces through a voucher system.

Responsibility: NTB, Director General of TVET, Director of NTTI, Director of Management of TVET, Provincial MoLVT Office, Directors of PTCs.

Status

Seven provincial Training Boards are established. PTB involvement in PTC planning is in place in these Provinces for the VSDP and could be expanded to NTF course as well. PTBs now should be established in all provinces based on the new model

8.3 Commune and Enterprise Based training

Education systems are centered on buildings and schools. TVET is not necessarily centered in this way. Poor villagers work hard and it is very difficult to leave farming for job training. Training for villagers must be short, often only part of a day, as farm work must be done every day. Training should be close to village work sites to reduce travel cost. Institutionally based residential learning models are expensive and not always accessible to those who can most quickly apply training.

<p>Policy: Support short term training determined by the communes, delivered in the communes using existing facilities and provided by NGOs with experience or existing involvement in the Commune.</p>
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Strategy: Provide funding for Commune and Enterprise based training to be assisted by PTC staff. PTCs will receive 10% of the value of this training in payment for assisting in developing and finding trainers to implement the training plans. Ensure that NTF funds are allocated to support training that is demand driven and community/enterprise responsive.

Responsibility: NTB, National Training Fund, Director of Management of TVET, Provincial MOLVT Office.

Status: Commune based training is well established in 7 Provinces under PTC coordination. Over 50,000 commune residents have been training in skills that they identified as giving them new income opportunities. Enterprise based training is slowly expanding as more PTC staff learn how to work with small enterprise.

8.4 Out of School Youth

Unemployment of out of school youth contributes to increasing rural poverty, urban migration and social instability. Unemployed youth lose hope and energy and become burdens on their families. Training can give skills for employment or self employment and also build self confidence.

Policy: In the poorest Communes, target TVET at reducing the number of unemployed, out of school youth. Develop from the 7 Pilots a national program to assist youth in gaining basic employment and self employment skills applicable to a rural setting. Develop a bridging program to help this group gain access to training that leads to further education in TVET institutions up through the degree level.

Strategy: Target Commune based training at unemployed youth ensuring a gender balance. Use family based and informal apprenticeship and very brief training inputs to involve as many trainees as possible. It is best to identify skills that improve productivity in farming, or lead to self or local employment.

Target NTF funded training at unemployed youth and the relief of poverty.

Develop a Bridging Program to help Out-of-School Youth meet the entry standards for TVET Diploma and Degree education

Responsibility: Director of Management of TVET, Directors of Institutions

Status: An analysis of Commune/Enterprise training participants is now underway. A Bridging Program has been recommended to DGTNET to bring more school leavers up to a standard where they could register for NTQF level 3 and 4 training.

8.5 Self Employment

Other than improved agriculture productivity, self employment will be the primary opportunity for increasing family income. The experience and skills of existing community based training organizations will be useful in the design and delivery of this training.

Policy: Commune based skills training will include training in micro enterprise management.

Strategy: A list of self employment ideas will be taken to communes. An assessment of local market opportunities will be made. Communes will be advised to use

enhanced farm productivity, self employment and family based employment as the planned outcome of most training in the training plan.

Communes in non voucher areas can propose NTF supported training to PTCs and other providers. .

Responsibility: Director of Management of TVET, Directors of PTCs

Status: The recommendation to train PTC staff so that they can include small business development and management in all training will be implemented when resources are available

8.6 Micro Credit

Self employment training can be wasted without access to small amounts of money to start up a business

Policy: Communes and individuals require information on micro credit providers and costs during any training given. Access to micro credit should be part of most training at the commune level.

Strategy: PTCs will assist each PTB to develop a Provincial Association of **Micro Credit** Providers who commit to a statement of ethical behaviour, a simplified process to assist clients and a range of interest rates. PTCs will give this list to Commune Councils during the training plan design process and invite member Micro Credit providers to present information to training participants in voucher based training. PTCs will ensure that all NTF supported trainees receive training in micro credit access and management.

Responsibility: Director of Management of TVET, Director of PTCs.

Status: The recommendation to train PTC staff so that they can include small business development and management in all training will be implemented when resources are available. Micro credit access will be part of this training.

8.7 Small Enterprise

Policy: TVET will develop a program to assist small, rural enterprise to expand training through informal apprenticeship programs. The program will assist in introducing appropriate technology where this can expand the opportunities for the small enterprise. Vouchers and micro credit may be a part of this program.

TVET will assist small businesses to develop training strategies for their employees that can be supported by training vouchers if approved by the PTB.

Strategy: Community Development Specialists in each PTC will be trained to assist small enterprise in developing informal apprenticeship programs and in developing training plans for application for vouchers. A proportion of the voucher VSTP budget will be allocated to this activity (current estimate, 30%).

NTTI will develop training competency in small enterprise development and ensure that all trainee instructors receive instruction in this area.

Responsibility: Director of Management of TVET, Director of NTTI

Status: In the 7 VSTP provinces, progress has been made with 753 trainees in small business. When NTTI trains more PTC staff in enterprise based training, this will improve.

8.8 Public–Private Partnership, Financing TVET

International experience demonstrates that financing must be a partnership of the State, Enterprise, Communities and Trainees. Beneficiary financing of TVET is the main hope of developing and maintaining a system that meets real needs by responding to real demands for skills. To achieve this, a public private partnership is required.

Policy: TVET will be funded by beneficiaries. These include, Government, trainees, Enterprise and Communities.

Stakeholders must be involved in the design, decision making and often the delivery of TVET if they are expected to support the program. The decentralization policy will engage Provinces and communes more directly and as Provincial revenues increase in the future, support for TVET may be requested.

Strategy: Develop a Employer Bases levy on Payroll or Payroll Tax to enable Enterprise to support TVET and develop Enterprise co-managed Sector TVET Centers.

Set up Enterprise Sector Councils and begin the process of inviting financial participation in sector level training.

Establish an Enterprise Advisory Council to NTB, lead by Enterprise and with primarily Enterprise membership to provide private sector input to the NTB.

PTCs will be encouraged to start production units and service units to give real employment experience to students and to generate revenue.

Investigate the possibility of a levy-grant system or a corporate profits tax transfer with the Ministry of Finance.

Ask Commune Councils to contribute to training costs in the Voucher System. It is recognised that in many cases no financial contribution is possible but a start must be made in attitude change from entitlement to participation.

Encourage a small contribution from trainees. Experience shows that even a small contribution greatly increases trainees' commitment.

Responsibility: Director General of TVET

Status: Communes provide training site and food for trainers. Trainees are not paid in VSTP. Small enterprise absorbing some training costs in Enterprise based training in VSTP. Levy grant proposal has been made and is being reviewed by Government.

8.9 Public Private Partnership: Enterprise Involvement in TVET

Enterprise must set the standards and training outcomes for TVET beyond the village skills level. An effective system will even include village skills in a national skills ladder. Enterprise must also support part of the cost of public TVET as a beneficiary. Although not evident in the short term, Enterprise will depend on an expanding TVET system in the medium term and early steps are needed to engage them in investment in the TVET process. In the future, Enterprise can develop and operate sectoral technical institutes from which Government can buy training.

Policy: Increase the participation of Enterprise in the design, decision making and provision of TVET.

Strategy: Involve Enterprise in TVET through membership in the National Training Board, the establishment of an Advisory Enterprise Council, and the inclusion of Enterprise in Provincial Training Boards.

Status: Employment Sector Council concept tested with Garment Industry. The Industry is writing its own standards which can become National Standards in time.

Responsibility: Director General, TVET, NTB

8.10 Public-Private Partnership: Expanding the Provision of TVET

Government's central role in TVET is to assure the development of an overall system, assure access for all, ensure availability of a skilled workforce to meet economic needs and assure quality of provision. To achieve this, private sector providers and Enterprise itself need incentives to enter the training market in response to the demand for skills. Tertiary TVET will be primarily by private sector provision.

Policy: Expand the Provision of TVET by private sector training providers. Concentrate on overall provision of TVET not on Government provision.

Strategy: Training will be purchased from qualified private sector training providers by the NTF and by the Commune/Enterprise Voucher System. Each PTC will develop list of private sector and NGO training providers in the Province. These will be asked to register with the Provincial Branch of the National Training Trainer Network (NTTN) as the first step in qualifying to provide training in the voucher program. The list of training providers, the training they can provide course length and course cost will be given to Commune Councils to assist training planning.

National Competency Standards will be a basis for ensuring quality of provision.

Responsibility: Director of Management of TVET, Director of National Competency Standards Department.

Status: The number of private sector training providers is increasing as needed but there is no quality assurance or regulatory framework for this. The requirement continues for a National TVET Qualifications framework (NTQF) and for Industry driven Competency Standards as the basis for quality assurance.

8.11 Assuring Quality of TVET Provision

Policy: DGTVET has the central responsibility of ensuring the Quality of TVET provision. Training providers must meet and continue to meet an agreed standard to be eligible for access to any Government training funds.

Strategy: The establishment of a National TVET Trainers Network (NTTN) built on provincial branches, with agreed financial and ethical standards is an early step. Development of training standards in core skills area which are audited by government is another important step. NTTI will assure continuity and sustainability of the quality assurance process. Training Vouchers can only be used at approved training providers who are members of the NTTN provincial office. Only NTTN members are eligible for NTF support of training.

Responsibility: Director of Management of TVET, Director of National Competency Standards Department, Director of NTTI.

Status: No action has been taken on this policy.

8.12 Quality of TVET Leadership, Management and Coordination

Policy: Improve the quality and consistency of TVET leadership, management and administration in the public and private sector.

Strategy: Ensure transfer of capacity building training by consultants and others to NTTI so that new inputs from each project are not lost when the consultants from that project leave, but are supported by a continuing staff development plan for all DGTVET staff (including PTCs) by a professional body of trainers at NTTI.

Expand the role of NTTI to include a basic Technical Institute Unit and a model PTC to act as practical training and application opportunities for new technical teachers and for curriculum validation.

Fund NTTI to develop curriculum and teacher aids including technical demonstration units which can be built rather than purchased.

Decentralize decision making to support the development of a next generation of confident and experienced managers.

Responsibility: Director of Management of TVET, Director of NTTI

Status: No action has been taken on this policy.

8.13 Labour Market Information

Policy: NTB is mandated to oversee the national labour market in the TVET area. Balancing the market for skills requires information on both the demand and supply of skills. The further development of a labour market information system is a priority.

Strategy: Involve PTCs and PTBs in gathering basic labour market information in each province. Involve Enterprise Councils in providing labour market demand information. Gather available information from other Ministries. Include market opportunity information when possible.

Responsibility: NTB, Director of Labour Market Information Department.

Status: A LMIS Department has been established and a proposal has been developed for a National Employment Agency as a mechanism to gather data.

8.14 Competency Standards

In order to assure quality of training, there must be enterprise validated standards for each employment cluster. Standards exist in neighbouring countries and over time, these can be reviewed by enterprise and validated for Cambodia.

Regional standards will also support mobility of labour as comparisons of skills by employers are made more direct.

Policy: National skills standards will be established and a National competency assessment system put in place.

Strategy: Use existing competency standards and where needed, acquire international competency standards from other Asian countries and validate them with Enterprise Councils. Work closely with ILO and ASEAN in this and in the development of a regional national qualification framework. .

Responsibility: Director of National Competency Standards Department.

Status: Substantial capacity building continues with Korean assistance. The Garment Industry is writing its own standards. The development of standards will be a priority again as institution-Enterprise training begins to grow.

9. Finance of TVET

9.1 Proposed General Financing

Table 16: Proposed Financing for Planning Period and Forward (in millions of \$ per year) ²⁴

Year	Gov't Funding (PAP) *	Investment, Training	Earned revenue by TVET Institutions	Province/*** Commune Contribution	Total
2006	.8	.32		0	1.125
2007	1	1.12		0	2.120
2008	1.2	1.12		.05	3.75
2009	1.5	2		.1	4.55

* to support training in all 39 Provincial Institutions

*** sharing training, food and lodging for trainers, partial payment for training

²⁴ ADB Technical Paper, ESDP Planning Mission, June 2004

PTCs will receive 10% of all Community and Voucher contracts that they broker in their Province. This revenue can help finance equipment repair and facilities improvement. PTCs will also be encouraged to expand revenue generating activity including production and service units. Urban PTCs will be encouraged to expand life long learning (night school, evening and weekends) as income generating activities. They will also be encouraged to enter partnerships with local training providers to provide a site for some training on a cost recovery basis.

Responsibility: DMTVET, PTC Principals

Status: A Deputy Director, MTVET has been given the responsibility for supporting PTCs in revenue generation through life long learning programs and other initiatives.

10. Enrolment Targets

Table 17: TVET Planned Enrolment Projections*

Year	Apprenticeships All Types, Family Private, NGO, In-industry Training.	Community Skills Development (Voucher)	Certificate/Diploma, Programs***** (Formal)	Total by Year added by TVET investment program
2006*	9,000	2000**	5,000	16,000
2007***	10,000	10,000	6,000	26,000
2008****	15,000	74,000	7,000	96,000
2009	25,000	100,000	8,000	133,000
2010	25,000	100,000	9,000	134,000
			Total	

* based on the planned voucher system.

** 6 months activity in 2 Provinces

*** 12 months activity in 2 provinces, 6 months activity in 5 provinces

**** 12 months activity in 7 provinces

***** training programs of 1 year

11. Capital Expenditure

Funds are very limited for new equipment and new facilities. Any growth in high technology or manufacturing industry sectors will be based on public private partnerships that involve the direct beneficiaries if training in financing that training. As such, in-industry and on the job training may reduce the requirement for facilities and new equipment.

Private sector trainers can also respond to new training demands with government playing the role of ensuring standards and ensuring access to training for the poor and disadvantaged groups by purchasing training places in private training institutions.

PTCs and other TVET providers will be trained to generate revenue which can be used to self finance construction and equipment

The replacement of Russey Keo and Preah Kossamak with new facilities on the NTTI Campus is a notable achievement and a first step in developing the new Institution-Enterprise component of the TVET system.

12. Conclusion

As TVET continues to grow and mature, new strategies are required to meet the NTB's policy directions. For 2008, the NTDP calls for increased emphasis on recruiting more secondary school graduates and out-of-school youth to Diploma and

degree level TVET. The development a plan to re-organize and expand the existing institutional TVET system to increase its efficiency and effectiveness, especially in meeting the growing needs of Enterprise. The NTDP calls for a review of the role Enterprise plays in the financing of TVET as a beneficiary and the place of public private partnerships in the provision of skills development.

With strength now imbedded in the system in the field of rural poverty reduction, NTB will seek ways to expand and sustain the Voucher Skills Training Program introduced in the Asian Development Bank supported ESTP II-TVET and to more closely link the training provided for new TVET staff to ensure that they meet the evolving needs of TVET institutions.

Finally, it is clear that without a National mechanism to match TVET graduates and other job seekers with employment, the overall efficiency of the labor market is limited and the effectiveness of TVET in training for employment is not realized. Thus over the year ahead, the NTB will support the development of a national employment system to link job seekers with Enterprise seeking new employees and with training if the skills do not match the requirements.

Diagram 3: The TVET System 25 Year Development Plan in Cambodia- 1996-2020

