# Enhancing Regional Cooperation in Education and Skills under CAREC Scoping Study

Robert Wihtol ADB Consultant



## Background

- CAREC 2030 was approved in October 2017
- The new strategy includes a broadening of the scope of CAREC
- This entails exploring several new sectors
- CAREC 2030 has a new human development cluster, in which Education is a key sector



## The Diversity of the CAREC countries

- Includes upper middle-income, lower middle-income and low-income countries
- Differences in education sector history, systems and standards
- Labor migration patters differ; several countries highly reliant on labor exports and remittances
- Several countries have already joined international initiatives such as the EHEA ("Bologna Process")



## The Diversity of the Education Indicators

- Government expenditure on education ranges from 2% to 6% of GDP
- Adult literacy ranges from 38% to nearly 100%, but is generally high
- The tertiary enrollment ratio ranges from 9% to over 50%
- Rankings on the Human Development Index range from 0.498 to 0.800



## Why is Education and Skills Development Important?

- Economies, technology and labor markets worldwide are changing at an increasingly quick pace
- Rapid change has put growing pressure on labor markets, higher education and skills provision
- Education is increasingly competitive, and there are many high-quality providers in the Asian region
- There is a risk that education in CAREC countries will have trouble competing and be left behind

## Challenges in Higher Education

- Higher education standards in CAREC countries vary greatly
- Several excellent universities, but few in global rankings; by global comparison standards are quite low
- Resource levels, physical facilities and equipment are frequently of modest quality
- Difficult to attract top faculty, researchers and students; and international mobility of faculty and students is hampered



## Challenges in Labor Markets and Skills

- Skills systems among CAREC countries vary greatly
- Generally less developed than in advanced economies and many Asian neighbors
- Limited resources, low quality of facilities and equipment, and difficulty attracting teachers and students
- Gap or mismatch between skills provided and labor-market needs
- Relatively weakly developed national qualifications systems



## The "Hierarchy" of International Cooperation

- Country-level cooperation (mainly one-on-one)
- Multi-country cooperation, to share experience and discuss common concerns (e.g. regional workshops)
- Genuine regional cooperation, to establish common standards and improve inter-country flows of goods, services and people



## Benefits of Regional Cooperation in Education

- Raised standards of higher education
- Enhanced movement of faculty members, students and skilled workers
- Greater specialization and enhanced efficiency of labor markets
- Improved revenue-generating opportunities
- Increased sharing of ideas and experiences

MORE BROADLY: Improved economic performance, economic diversification, and competitiveness of CAREC countries



## **Examples of Regional Cooperation in Education**

- The European Higher Education Area (EHEA) or "Bologna Process"
- Cooperation within the Association of Southeast Asian Nations (ASEAN)
- The Greater Mekong Subregion (GMS) Program
- University of the South Pacific



#### **Strengths**

- CAREC is a well-established program
- Several CAREC countries have strong historical links and systemic similarities
- CAREC can draw on the experience of several development partners active in education

#### Weaknesses

- Education is a new sector: CAREC needs to build up its understanding of regional education, skill and labor market issues
- Lack of familiarity of policy-makers for TVET and higher education with CAREC
- Limited resources

#### **Opportunities**

- The Bologna Process offers a potential entry point
- Several countries have experience in labor migration and remittances generation
- Good progress in raising educational standards in some CAREC countries (mutual learning)
- CAREC as a means of cooperation to achieve educationrelated targets under the SDGs

#### **Threats**

- CAREC countries are diverse and geographically dispersed
- CAREC countries' education and human development indicators vary widely
- Lack of uniformity in higher education standards
- Changing labor market needs and diverse labor migration patterns

#### Recommendations

#### Potential Areas for Regional Cooperation in Education

- Harmonization of standards and mutual recognition of qualifications
- Promotion of student and worker mobility
- Labor-market information
- Exchange of new ideas and educational innovations

#### A phased and differentiated approach

- Short-term recommendations (1-2 years) and medium to long-term recommendations (3-5 years)
- Projects and initiatives among sub-groups of countries



#### **Short-Term Recommendations**

- 1. Incremental approach towards establishment of <u>expert groups</u>, covering the following areas:
  - TVET and labor markets
  - Higher education
  - Harmonization of higher education standards and recognition (e.g. supporting alignment with the Bologna Process)
- 2. <u>Scope of work</u> of the expert groups needs to be defined and their functioning could be supported by regional <u>technical assistance</u>

## Medium to Long-Term Recommendations

- 1. Develop a <u>strategic framework</u> for cooperation in education and skills development
- 2. Assess the scope for providing <u>loan financing</u> for regional education projects
- 3. Following a careful review of the functioning of the expert groups, consider the need for establishing a <u>sector committee</u>



## Thank you

