



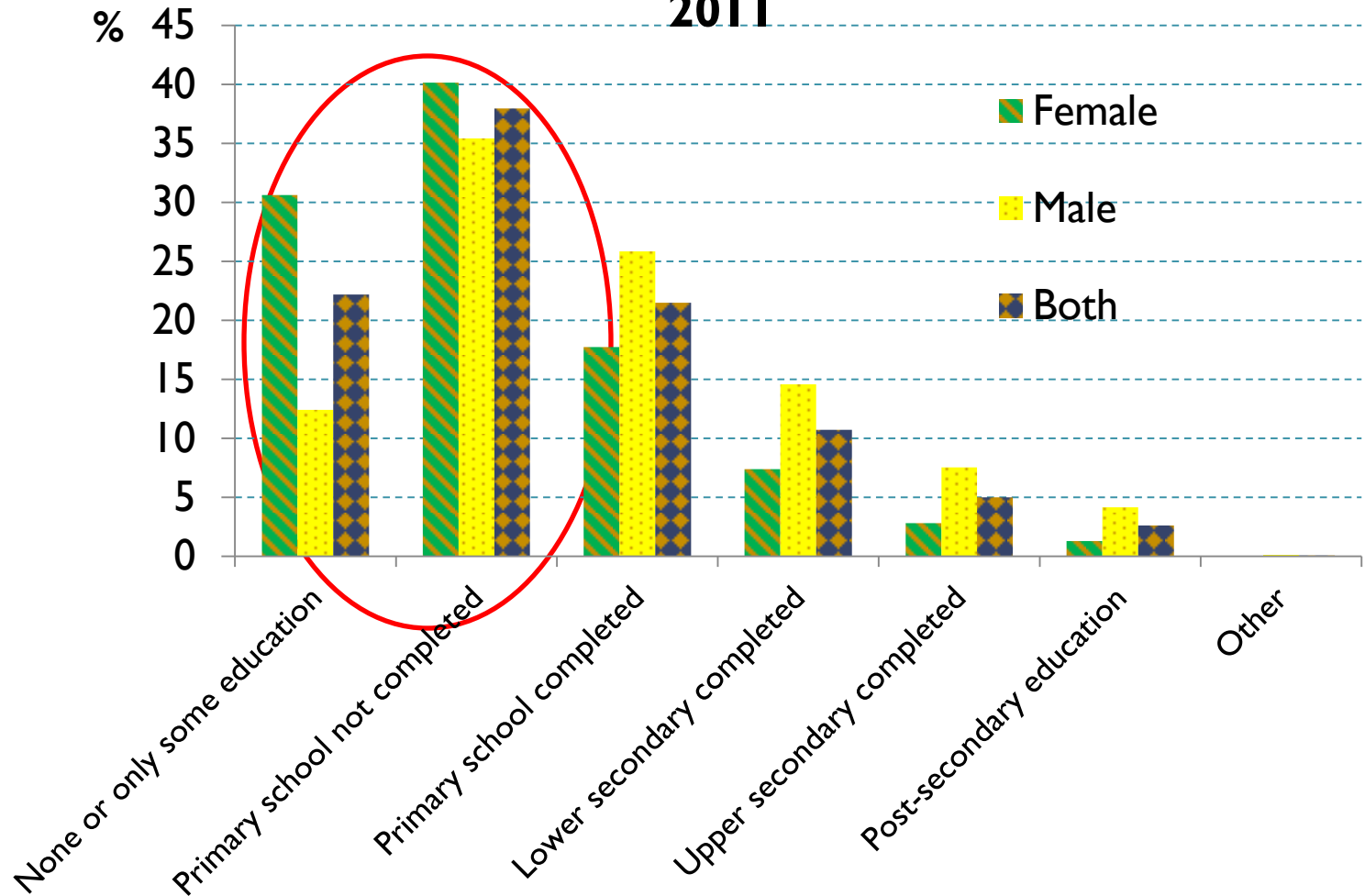
Skills for Competitiveness: Cambodia's Case

Hong Choeun
National Employment Agency
in
ILO Side Event “Skills for Competitiveness”

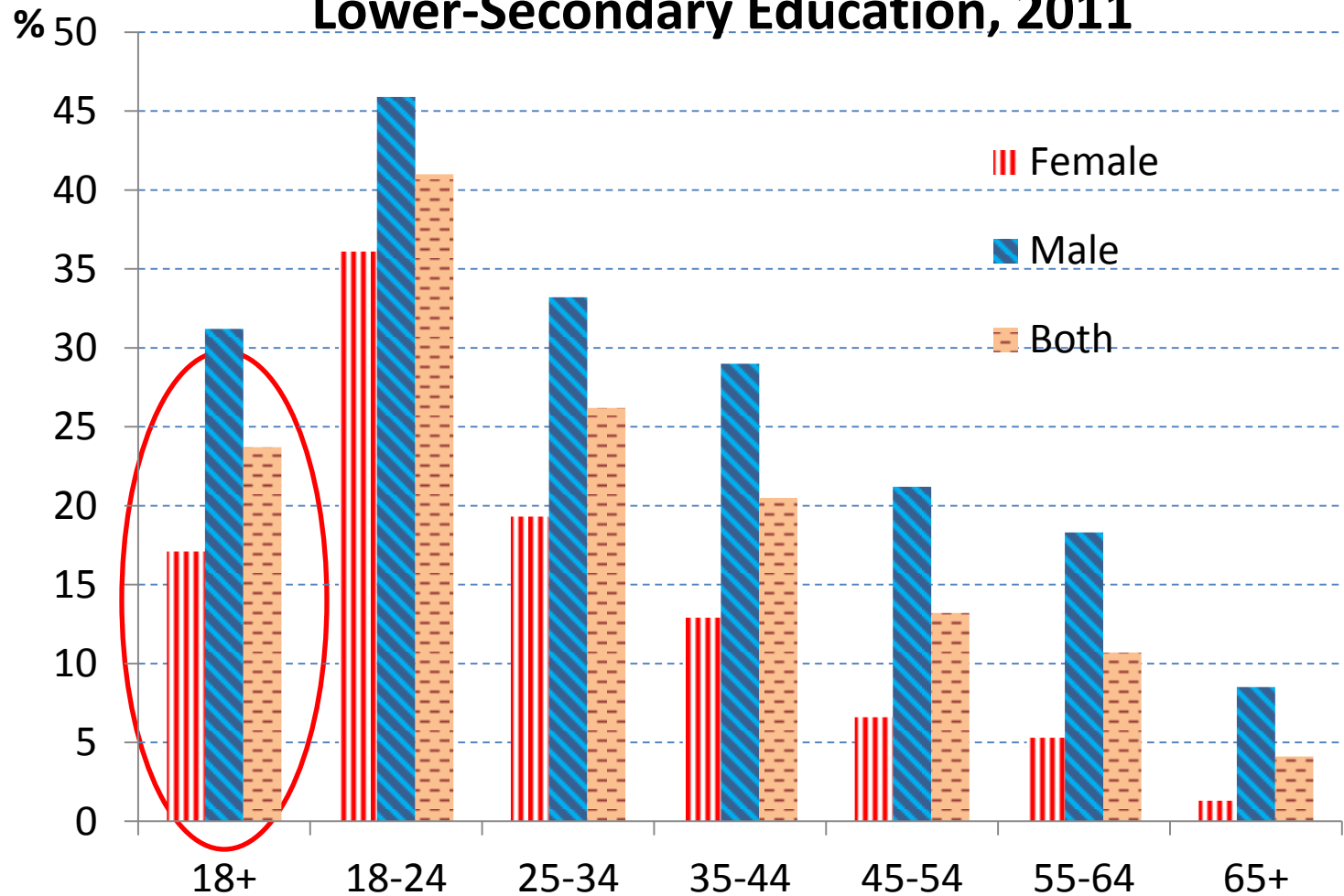
**9 July 2013, Room W, World Trade Organization,
Geneva, Switzerland**

Due to a generation loss caused by more than 3 decades of war, Cambodia has low education attainment and skills!!

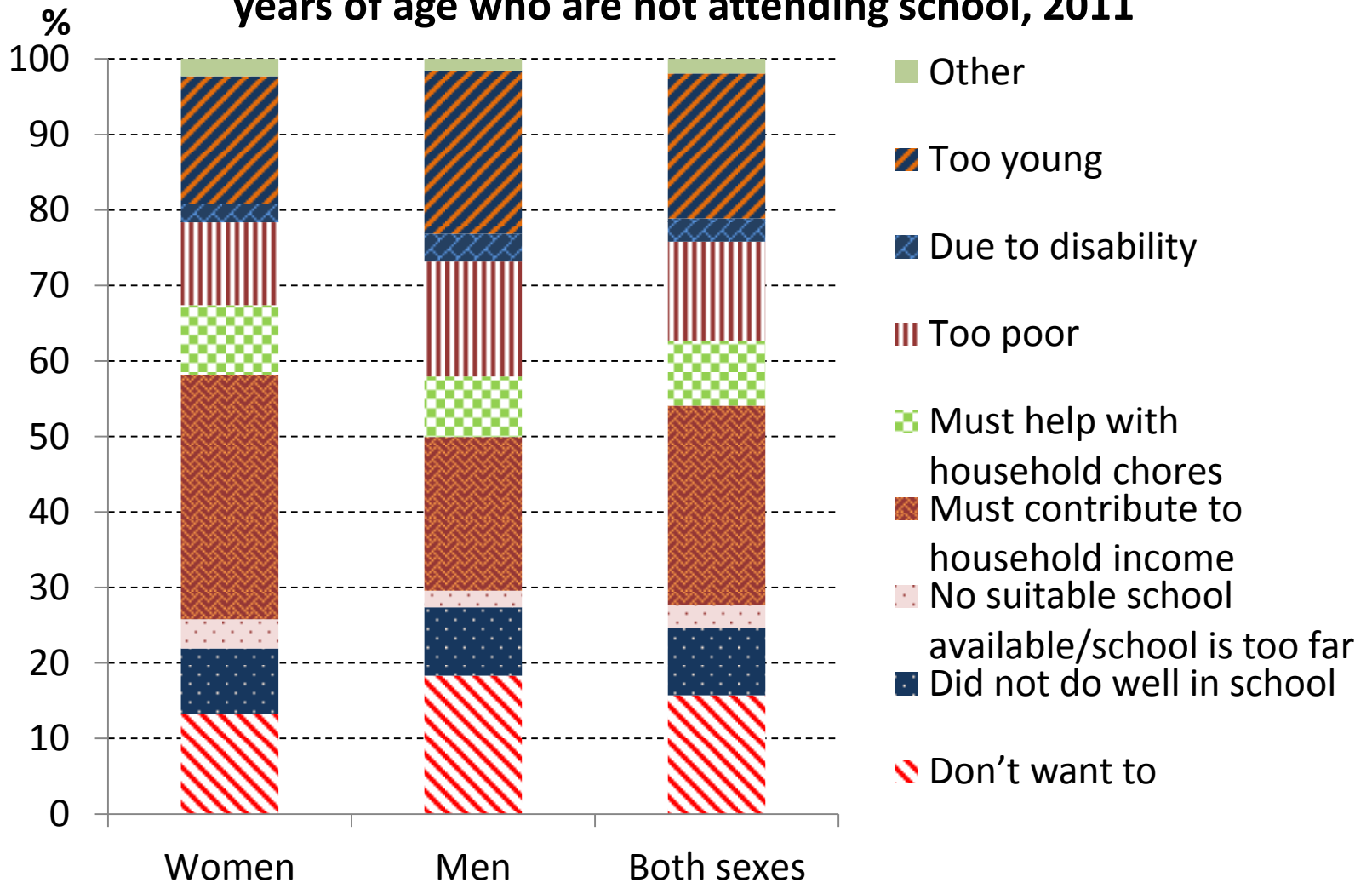
Persons aged 25+ by Educational Attainment, 2011



Persons aged 18+ with at least Completed Lower-Secondary Education, 2011

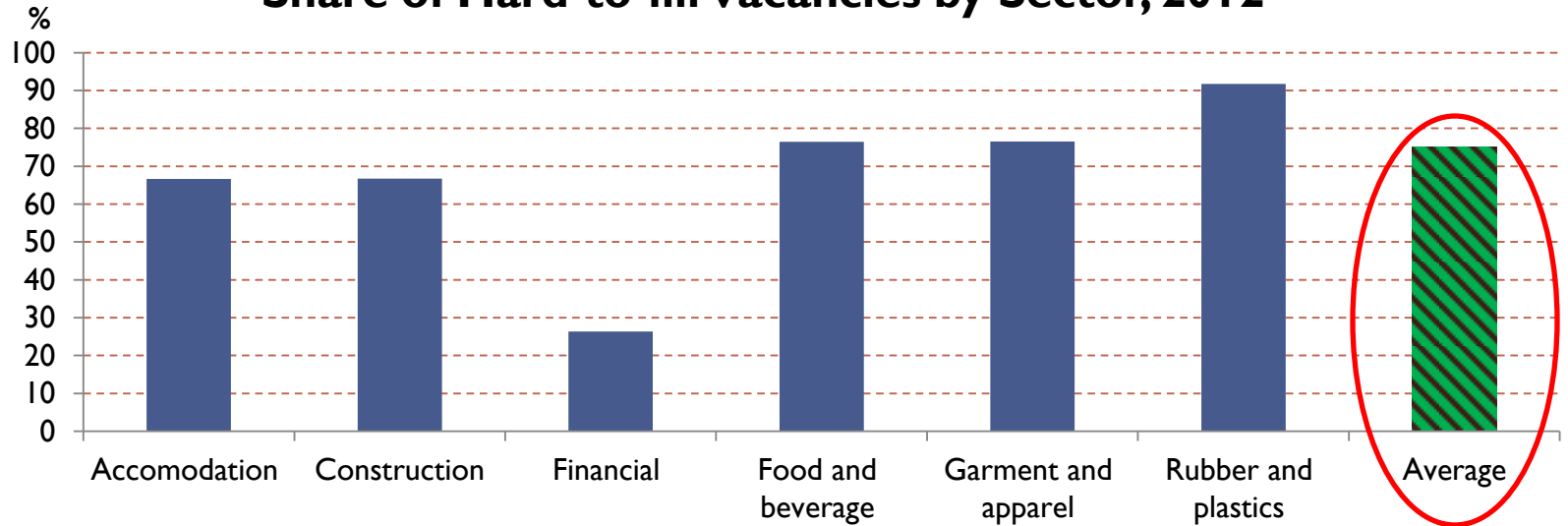


Reasons for not attending school among persons 6-17 years of age who are not attending school, 2011

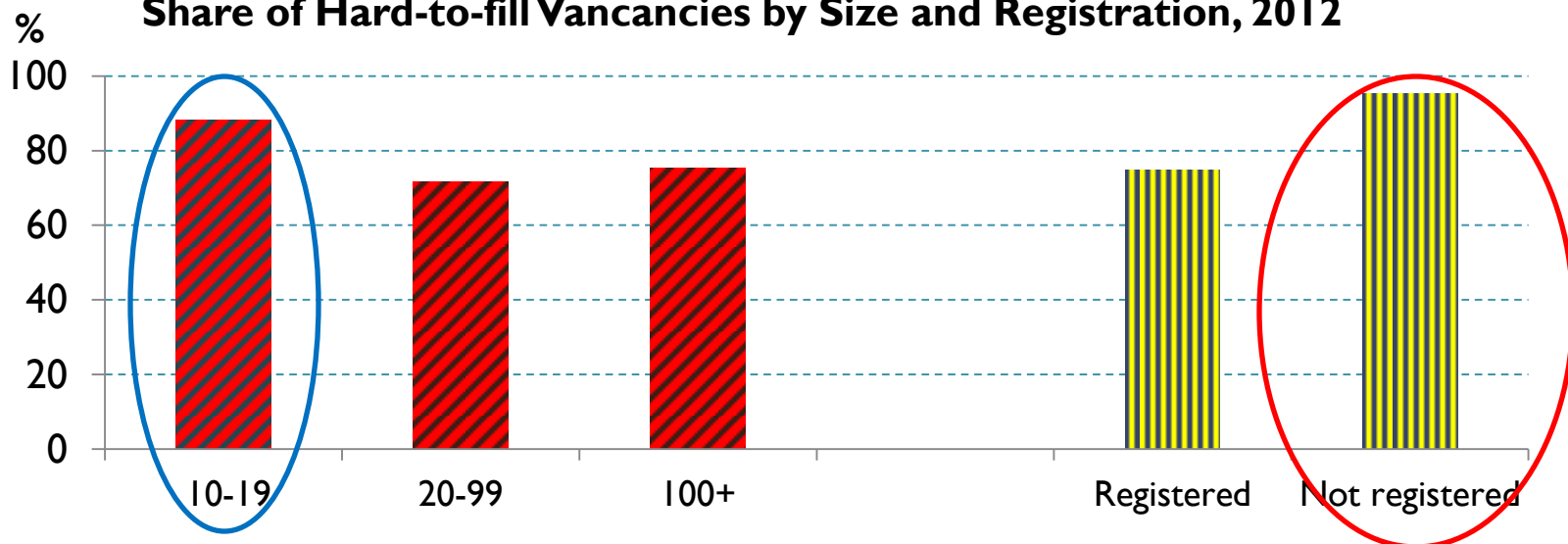


There are growing recruitment difficulties and skills mismatches!

Share of Hard-to-fill Vacancies by Sector, 2012

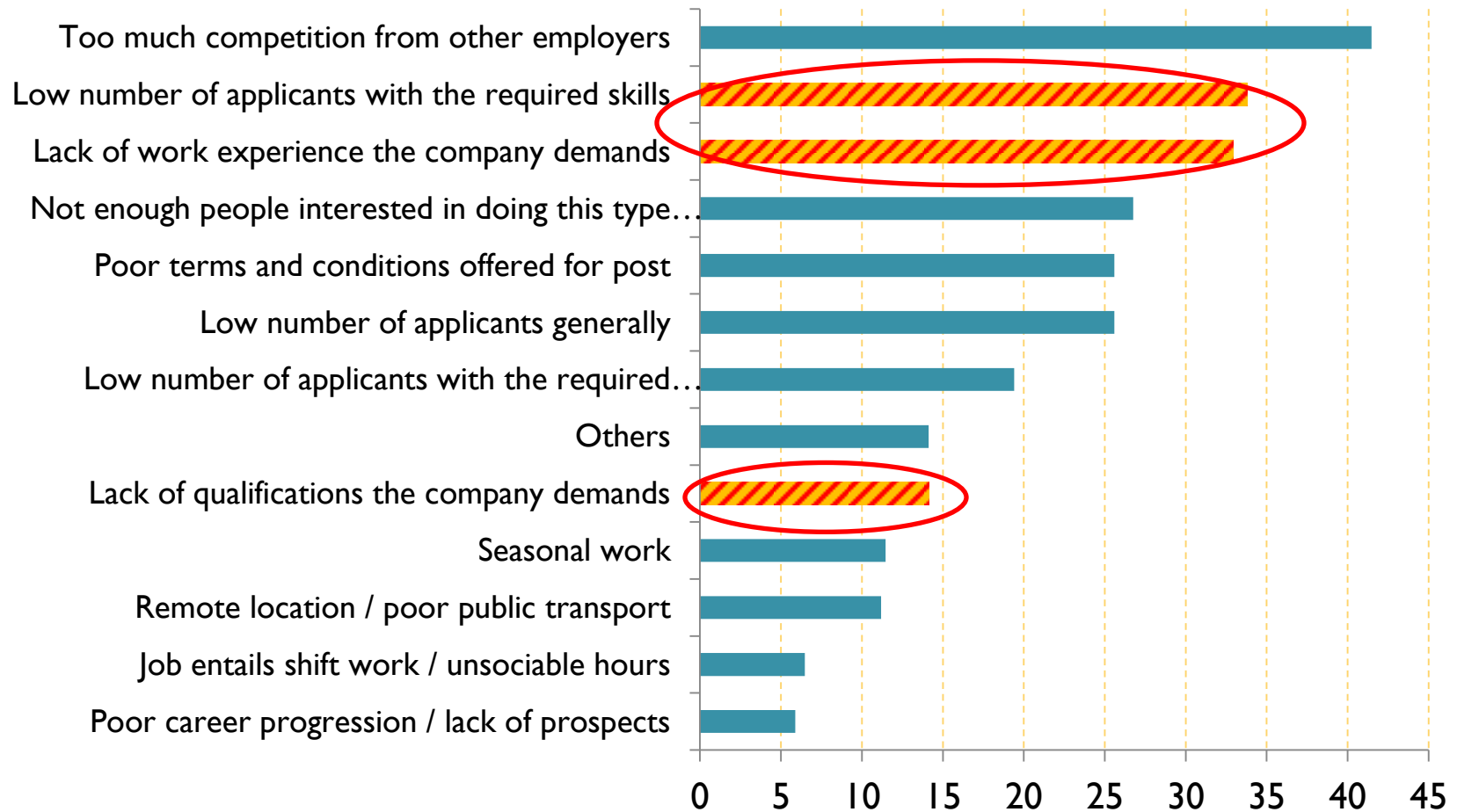


Share of Hard-to-fill Vacancies by Size and Registration, 2012



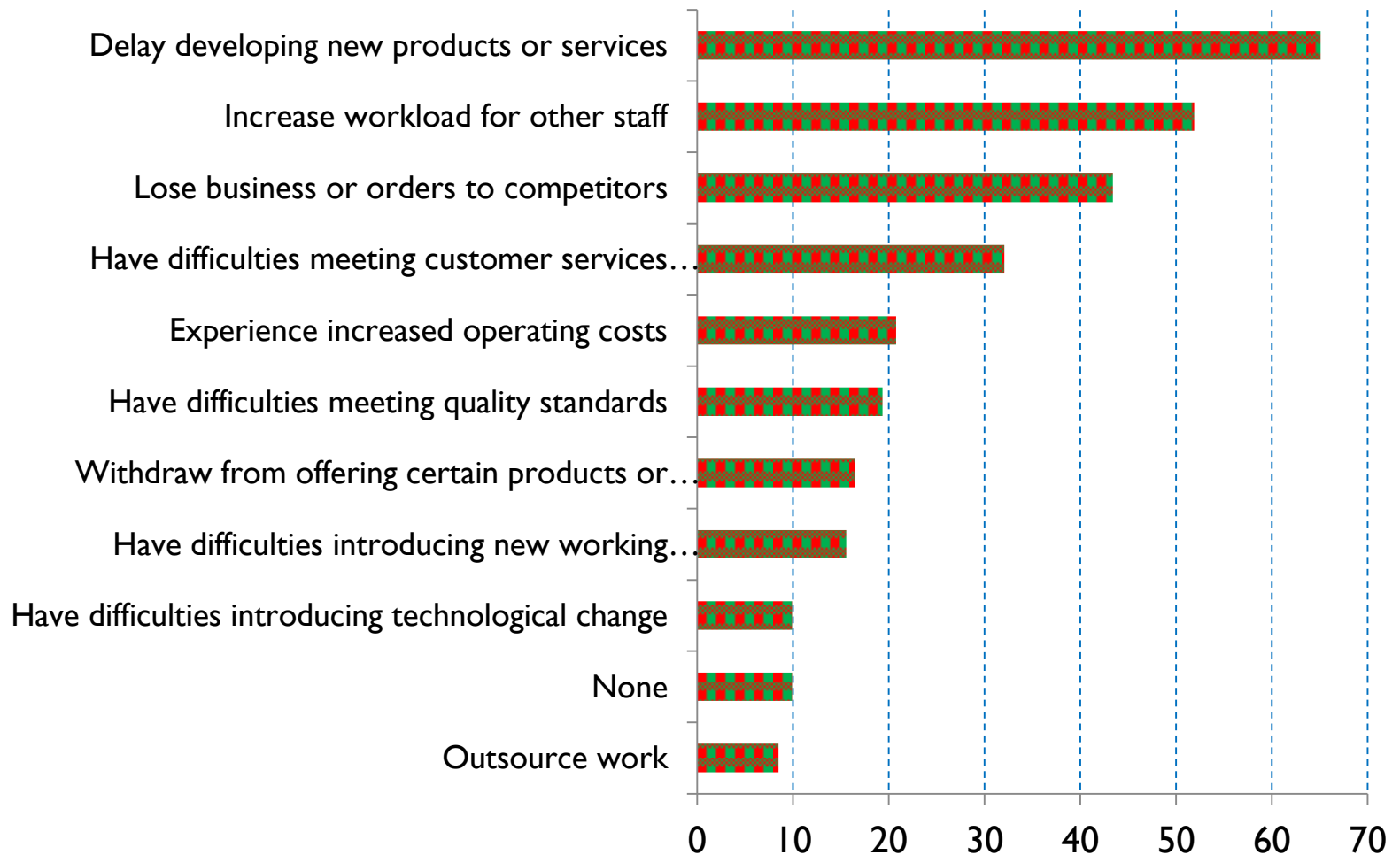
Among difficulties, skills shortage is one major problem!

Reasons of Hard-to-fill Vacancies, 2012 (%)



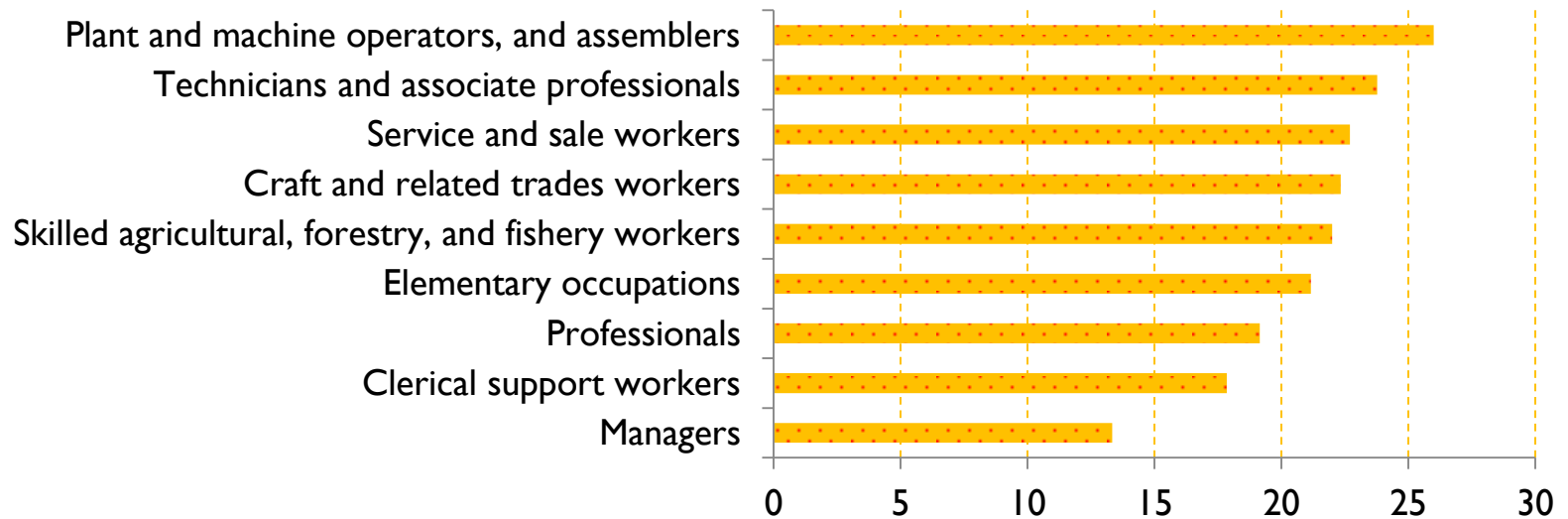
Skills shortage causes country to lose competitiveness!!

Impacts of Hard-to-fill Vacancies on Business, 2012 (%)

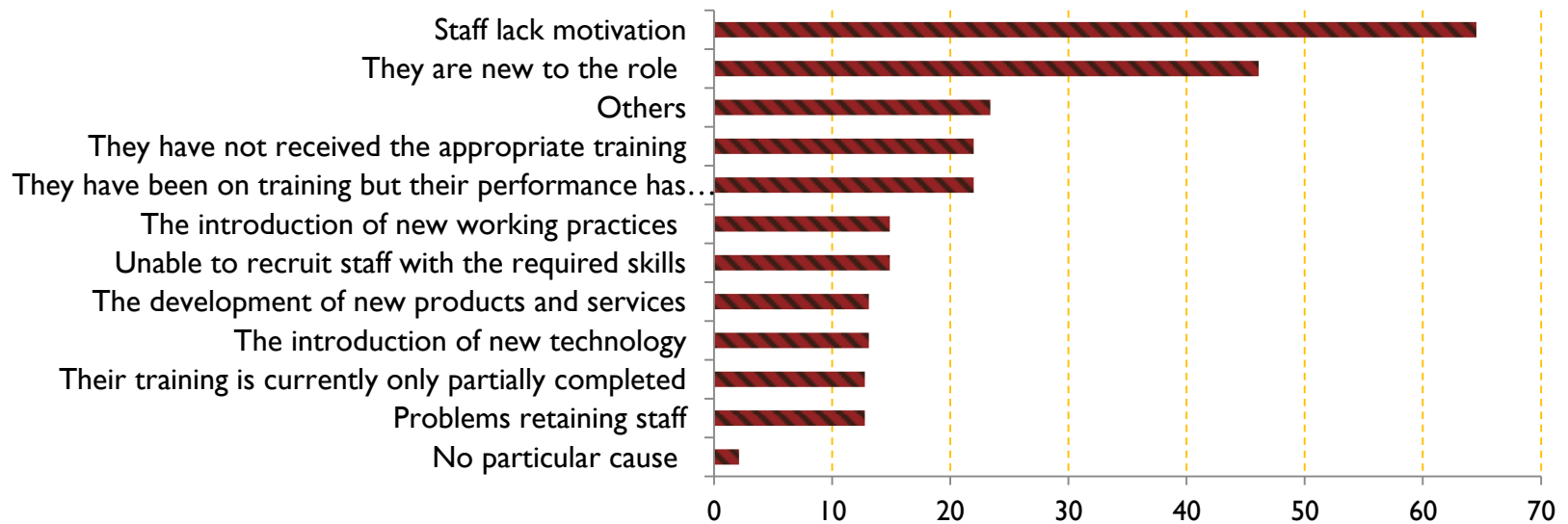


Current workers also cannot perform to desired level

Share of Skills Gap by Occupation, 2012




Reasons of Skills Gap, 2012 (%)




Challenges/Recommendations

- ❖ Cambodia economy are concentrated on narrow base, i.e., garment, construction, tourism, which are vulnerable and cannot create enough quality jobs
- ❖ Economy centers on low-skilled and low-wage, and informal sector
- ❖ Young population with low education and skills (primary education) with greater incentive to work and less on investment in education:
 - Problems for accumulation of human capital
 - Workers are likely to have low standard of living as they become older
 - Need to motivate investment in and improve return on schooling

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- ❖ Need to increase export diversification and improve international supply chain to sustain export and productivity growth
 - ❖ Need to diversify and upgrade industry to higher value added sectors and create linkage between domestic SMEs and MNCs, and with regional and global value chain
 - ❖ Need to sustain competitiveness by improving productivity of workers through education and skills training

❖ Need to improve compulsory education, TVET, and higher education:

- Short-term: training in low and middle skills for labor-intensive jobs for transition from agriculture to industry, and for upgrading skills of current workers
- Medium-and long-term:
 - Formalization of non-formal training and providing pathway for life-long learning
 - Improve and expand formal TVET (focusing on quality assurance, accreditation, and recognition; teacher capacity; incentive compatible for PPP, life-long learning and human capital accumulation; etc.) especially for middle and higher skills
 - Achieve compulsory education and move to secondary and higher education, especially in STEM skills, to support high-end industry and national long-term development vision

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- ❖ Improve policy coordination and coherence between employment, education/training, industrial development, trade and investment
 - ❖ Need to address skills shortage, gap and mismatch by improving matching service, career guidance, LMI, and greater cooperation among social partners

Cambodia Development/Policy Frameworks to Address the Issues

Country 's Vision

Cambodia's Vision 2030

National Policy Platform (5 years)


Rectangular Strategy III (2014-2018)

Implementation Plan (5 years)

National Strategic Development (2014-2018)

Sectoral Policies

- National Employment Strategy
- National TVET Development Plan
- National Strategic Education Plan
- Industrial Development Strategy
- National Strategy for Youth Development
- Trade Policy (incl. DTIS; AEC 2015)
- FDI Strategy (e.g. SEZs)
- Rice Export Promotion Policy
- Others

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- Cambodia is now in the process of developing long term-vision (Cambodia's Vision 2030), and planning for next cycle (2014-2018)
 - Sectoral implementation plans/strategies are being formulated: employment; TVET; education; industrial development/diversification; Trade (updated DTIS and ASEAN EC 2015)
 - Priorities: sustaining growth and inclusive development; industry/trade diversification and upgrading; quality jobs; skills development; improvement of productivity and competitiveness; and social protection
 - The sectoral and national development strategies/policies are integrated and skills issues are placed among high priorities at all levels

Thank You!!!



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