

Building Better Formal TVET Systems:

Principles and Practice in Low- and Middle- Income Countries

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Skills constraints can affect employment and productivity in low- and middle-income countries

Inadequately educated workforce is cited as an above-average constraint by a significant share of employers (a third to more than a half) in L/MICs across regions



Source: Authors' calculation using Enterprise Surveys data. Data restricted to low, lower-middle and upper-middle-income countries.

Medium and large firms are more likely to rate 'inadequately educated workforce' as an above average constraint than smaller firms



Source: Authors' illustration using Enterprise Surveys data. Dots represent countries. Data restricted to low, lower-middle and upper-middle income countries.



Getting TVET right is important and feasible but not easy



Bangladesh

Significant and successful reforms across many domains, but some aspects (e.g. competitive grants) almost failed



El Salvador

Comprehensive reforms, improvements in inputs, but no impacts on outcomes



Mongolia

Comprehensive reforms with very positive labor market impacts, but reforms reversed

Our report is about learning from these experiences and answering these questions:

1. What are the main **challenges** that reforms in TVET are trying to address?
2. What is the **evidence and international practices** that are promising to address these issues?
3. What is feasible and desirable in **different contexts**?
4. How to make TVET **reforms stick**?

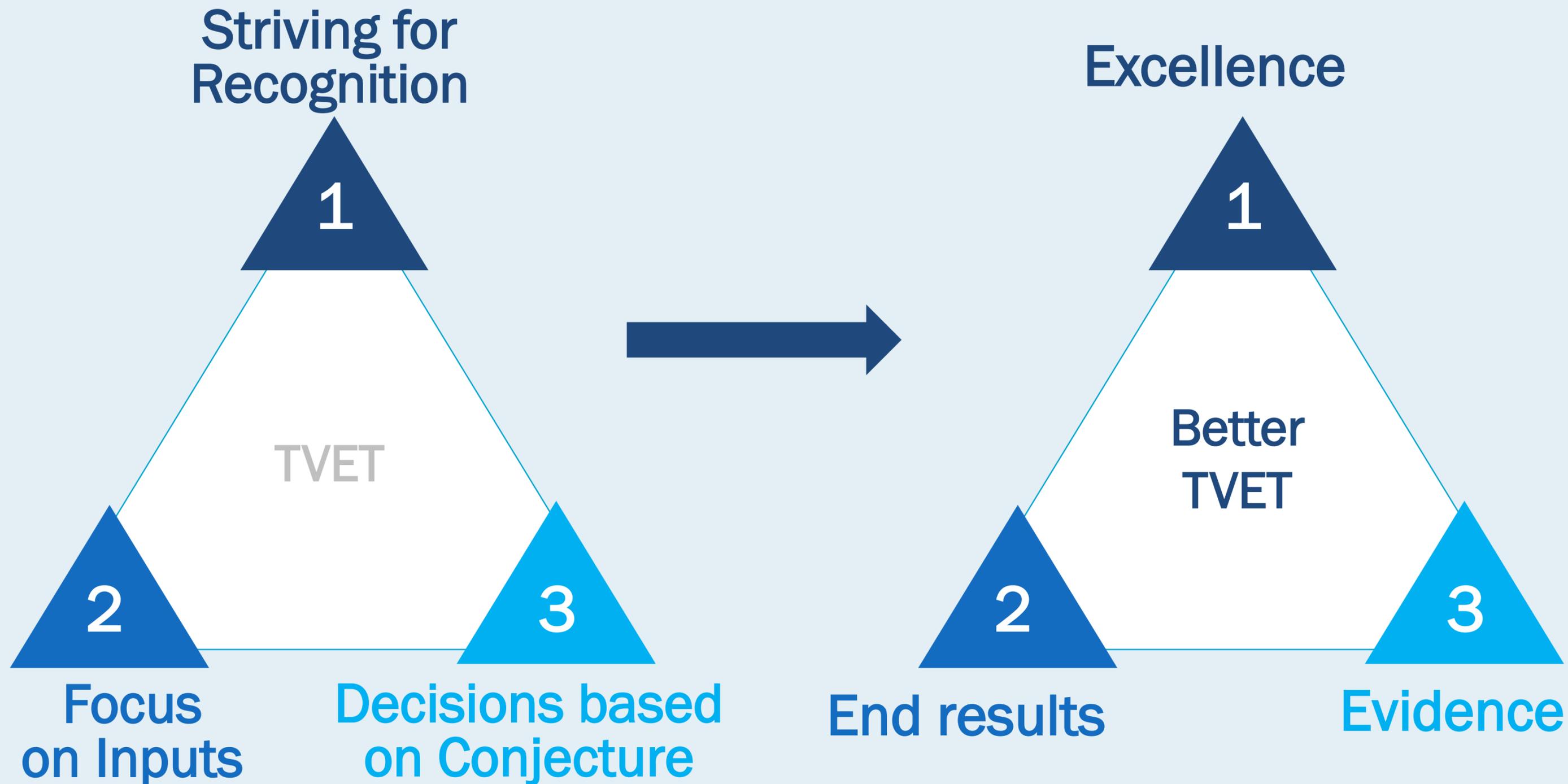


Central message of the report

- ❖ The link between TVET systems and labor markets is broken
 - Challenged learners
 - Unsupported teachers
 - Weak incentives
- ❖ Business-as-usual won't cut it
- ❖ Three fundamental transformations are needed



The Three Transformations for Better TVET: The Three “E”s



From striving for recognition to striving for *Excellence*



1

THE WHO:
Focus on both enterprises and learners as the main clients and become more responsive to their needs.



2

THE WHAT:
Foster a portfolio of skills by prioritizing foundational skills, and by imparting the technical skills for the relevant labor market.



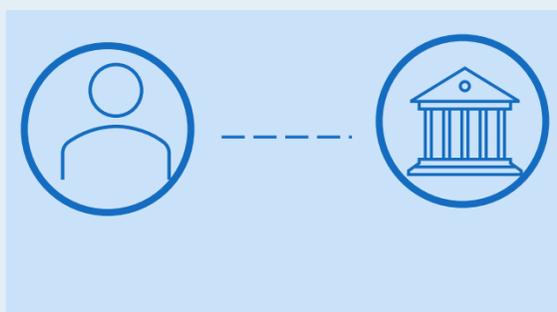
3

THE HOW:
Promote an integrated ecosystem with flexible pathways, hands-on approaches, and quality inputs, particularly teachers.



From a focus on inputs to a focus on *End results*

- 4 Get the balance right between autonomy and accountability of TVET providers.



**Strengthen government’s role
in quality assurance**

- 5 Realign the financing of TVET to reward reforms and results while increasing financing in under-funded areas



**Empower learners and
enterprises to use their client
power**



**Realign TVET financing
with labor market
and education results**

From decisions based on conjecture to decisions based on *Evidence*

6 Fill key information gaps:



For learners (actual and prospective) and enterprises



For TVET providers



For policymakers



Quick wins and leapfrogging opportunities

- ❖ **There are many “quick wins” that can be made in TVET**
 - Start with priority sectors and programs
 - Improve market-driven mechanisms for quality and relevance

- ❖ **The moment is ripe for reform, taking advantage of opportunities to leapfrog**



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Thank you!

