



THE COLOMBO PLAN

*For Co-operative Economic and Social Development
in Asia and the Pacific*

*Proceedings and Conclusions of the
40th Consultative Committee Meeting*

*Thimphu, Bhutan
07 to 08 November 2006*

THE COLOMBO PLAN

Member Countries

<i>Afghanistan</i>	<i>Maldives</i>
<i>Australia</i>	<i>Mongolia</i>
<i>Bangladesh</i>	<i>Myanmar</i>
<i>Bhutan</i>	<i>Nepal</i>
<i>Fiji</i>	<i>New Zealand</i>
<i>India</i>	<i>Pakistan</i>
<i>Indonesia</i>	<i>Papua New Guinea</i>
<i>Iran</i>	<i>Philippines</i>
<i>Japan</i>	<i>Singapore</i>
<i>Korea</i>	<i>Sri Lanka</i>
<i>Laos</i>	<i>Thailand</i>
<i>Malaysia</i>	<i>United States of America</i>
	<i>Vietnam</i>

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**40th Consultative Committee Meeting
Thimphu, 2006.
Agenda**

A. Formalities and Procedural Matters

1. Welcome address by the Secretary-General of the 40th CCM
2. Inaugural address by the Chief Guest, Hon. Prime Minister
3. Response to the Chief Guest's address
4. Announcements and Working Arrangements
5. Election of Chairman
6. Chairman's Acceptance Speech
7. Election of Deputy Chairman
8. Appointment of Drafting Committee
9. Recognition of observers
10. Adoption of the Agenda

B. Colombo Plan Activities

11. Proposed Amendment of the Colombo Plan Constitution
12. Islamic Republic of Afghanistan:
Request for Exemption from Arrears of Financial Contributions
13. Annual Reports of the Colombo Plan for 2003/2004 and 2004/2005
14. Annual Reports of the Governing Board of the Colombo Plan
Staff College for Technician Education for 2003/2004 and 2004/2005

C. Technical Cooperation and Matters Concerning the Colombo Plan Region

- 15. Country presentations on bilateral technical cooperation programmes for 2004/2005 and 2005/2006**

D. Special Issue

- 16. Technical and Vocational Education and Training for Youth Employment**

E. Presentation of cheque by the President of the Colombo Plan Council to the Jigme Dorji Wangchuck City Library, Thimphu

F. Award of Colombo Plan scholarship by the Secretary-General of the Colombo Plan Secretariat to Youth Development Fund, Thimphu, Bhutan

G. Date and Venue of the next consultative Committee Meeting

H. Any Other Business

I. Concluding Session

- 17. Adoption of the report**

- 18. Closing of the 40th Consultative Committee Meeting**

C. Technical Cooperation and Matters Concerning the Colombo Plan Region

- 15. Country presentations on bilateral technical cooperation programmes for 2004/2005 and 2005/2006**

D. Special Issue

- 16. Technical and Vocational Education and Training for Youth Employment**

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- 17. Adoption of the report**

- 18. Closing of the 40th Consultative Committee Meeting**



Group Photograph of the Formal Inauguration of the 40th Consultative Committee Meeting.

RECORD OF CONCLUSIONS

A. FORMALITIES AND PROCEDURAL MATTERS

1. The 40th Meeting of the Colombo Plan Consultative Committee was held in Thimphu, Bhutan, from Tuesday, 7 to Wednesday, 8 November 2006. It was inaugurated on 7 November 2006. The Secretary-General of the 40th Consultative Committee Meeting (CCM) was H.E. Mr. Yeshey Dorji, Foreign Secretary, Ministry of Foreign Affairs, Royal Government of Bhutan.

2. The 40th CCM was attended by delegates from 14 member countries and an observer from one international organisation. The President of the Colombo Plan Council, the Secretary-General and an officer of the Colombo Plan Secretariat, the Chairman and two Governing Board members, the Director-General and CEO and two officials of the Colombo Plan Staff College for Technician Education (CPSC) also participated in the Meeting. The list of participants is included as **Annex VII**.

3. In his inaugural address, Honorable Lyonpo Khandu Wangchuk, Prime Minister of Bhutan, recognised the impressive journey and the history of accomplishments of the Colombo Plan, and its contributions to improve the lives of millions of people in the Asia-Pacific Region. He stressed that with declining levels of ODA, South-South and North-South Cooperation must provide a viable means to harness the creative energies among member states to intensify the level of cooperation. He also called upon member states to forge new partnerships and to renew old ones to meet the challenges in the region. He discounted the perceptions of the irrelevancy of the Colombo Plan and pointed out that significant improvements had been made to the programmes and activities, which were crucial for the development of the region. He urged the developed and new donor member states to continue extending their generous financial and technical assistance to the Colombo Plan. He wished the delegates a fruitful 40th CCM. The inaugural address is included as **Annex I**.

4. The 40th CCM expressed deep appreciation to Honorable Lyonpo Khandu Wangchuk, Prime Minister of Bhutan, for his inaugural address. The 40th CCM also expressed appreciation for the welcome address made by H.E. Mr. Yeshey Dorji, Secretary-General of the 40th CCM. The welcome address is included as **Annex II**.

5. H.E. Mr. Piamsak Milintachinda, the leader of the delegation of Thailand, expressed on behalf of all delegations his gratitude to the Chief Guest, Honorable Lyonpo Khandu Wangchuk, Prime Minister of Bhutan, for his gracious presence and for formally inaugurating the 40th CCM. The vote of thanks is included as **Annex III**.

6. H.E. Dasho Bap Kesang, Secretary, Royal Civil Service Commission, Royal Government of Bhutan and the leader of the Bhutanese delegation was elected Chairperson as proposed by the delegation of the Republic of Korea and seconded by the delegation of the People's Republic of Bangladesh.

7. H.E. Dato' Halipah binti Esa, the leader of the delegation of Malaysia, was elected Deputy Chairperson as proposed by the delegation of Lao PDR and seconded by the delegation of Socialist Republic of Vietnam.

Adoption of the Agenda

8. The 40th CCM adopted the agenda without any amendments and is included as **Annex IV**.

B. COLOMBO PLAN ACTIVITIES

Proposed Amendment to the Colombo Plan Constitution

9. The 40th CCM considered and approved the proposed amendment to Chapter III, Article 3, of the Colombo Plan Constitution as follows:

A Member Government that is in arrears in the payment of its assessed financial contributions to the organisation shall not be able to participate in programme activities, except at its own expense if the amount of its arrears equals or exceeds the amount of the contributions due from it for the two preceding financial years. The Council may, nevertheless, permit such a Member Government to participate in programme activities if it is satisfied that the Member Government's failure to pay is due to conditions beyond the control of the Member Government and upon agreement to an approved amortisation plan to repay all outstanding contributions. A Member Government's participation in programme activities shall be restored, as long as payments pursuant to such a plan continue to be paid. Such an amortisation plan should not exceed seven years in length.

Islamic Republic of Afghanistan: Request for Exemption from Arrears of Financial Contributions

10. The 40th CCM considered and approved the request of the Islamic Republic of Afghanistan for exemption of financial arrears from 1984 to 2005. The 40th CCM requested the Islamic Republic of Afghanistan to pay its mandatory membership contribution starting from 2006. The 40th CCM agreed that the exemption be considered as a form of assistance from the Colombo Plan for the reconstruction of Afghanistan.

Annual Reports of the Colombo Plan for 2003/2004 and 2004/2005

11. H.E. Mr. Durga Prasad Bhattarai, President of the Colombo Plan Council, presented the annual reports of the Colombo Plan for 2003/2004 and 2004/2005. The 40th CCM considered and adopted the reports.

Annual Reports of the Colombo Plan Staff College for Technician Education for 2003/2004 and 2004/2005

12. H.E. Mr. W.M. Senevirathna, Chairperson of the Governing Board, and Dr. Man-Gon Park, Director-General and CEO of the CPSC, made a multimedia presentation on the CPSC annual reports for 2003/2004 and 2004/2005. The 40th CCM considered and adopted the reports for 2003/2004 and 2004/2005, except for the proposed Omnibus Resolution on the relationship between the Colombo Plan Council/Secretariat and the CPSC. The Chairperson observed that the proposed Resolution has come at a short notice and the members of the CCM needed more time to study the proposal. Furthermore, since some members of the CCM were not present at the 40th CCM, the Chairperson proposed that the Resolution be circulated to all CCM members well in advance so that a decision on the matter can be made at the next CCM. It was unanimously agreed as proposed.

C. TECHNICAL COOPERATION AND MATTERS CONCERNING THE COLOMBO PLAN REGION

Country presentations of bilateral technical cooperation programmes for 2004/2005 and 2005/2006

13. The 40th CCM noted with appreciation the contributions made by member countries in assisting the Colombo Plan in the implementation of its programmes. Member country presentations of technical cooperation programmes implemented with Colombo Plan are included as **Annex V**.

D. DATE AND VENUE OF THE NEXT CONSULTATIVE COMMITTEE MEETING

14. The 40th CCM accepted the gracious offer of the Government of Malaysia to host the 41st CCM in 2008.

E. SPECIAL ISSUE

Technical and Vocational Education and Training (TVET) for Youth Employment

15. The 40th CCM was grateful for the efforts of Mr. Tshering Tobgay, Director, Department of Human Resources, Ministry of Labour and Human Resources, Royal Government of Bhutan, in presenting an excellent paper on TVET for Youth Employment as appears in **Annex VI**. The 40th CCM noted that the paper was comprehensive and informative, and received positive responses from member countries and the CPSC.

F. PRESENTATION OF CHEQUES

16. To commemorate the holding of the 40th CCM and on behalf of the Colombo Plan, H.E. Mr. Durga Prasad Bhattarai, President of the Colombo Plan Council, presented a cheque of US\$ 10,000 to the Jigme Dorji Wangchuck City Library, and H.E. Mr. Kittipar Kanjanapipatkul, Secretary-General of the Colombo Plan Secretariat, presented a cheque of US\$ 5,000 to the Youth Development Fund, Thimphu, Bhutan.

G. CONCLUDING SESSION

17. H.E. Dasho Bap Kesang, the Chairperson of the 40th CCM, in his closing statement thanked the distinguished delegates for the excellent contributions for the successful conclusion of the deliberations. He also thanked the Secretary-General of the 40th CCM, the Secretary-General of the Colombo Plan Secretariat and their respective staff for all the necessary arrangements made in connection with the Meeting.

18. H.E. Dato' Halipah binti Esa, the Deputy Chairperson, responding on behalf of all delegates and observer thanked the Royal Government of Bhutan for its gracious hospitality and the Chairperson of the 40th CCM for his able leadership and guidance. She also thanked the Secretary-General of the 40th CCM, the President of the Colombo Plan Council and the Secretary-General of the Colombo Plan Secretariat as well as their staff for their dedication and professionalism in conducting the activities of the Colombo Plan and the commendable arrangements made for the Meeting. In conclusion, she invited all delegates and observers to Malaysia for the 41st CCM to be held in 2008.

19. The 40th CCM expressed its deep appreciation for the excellent arrangements and the generous hospitality extended by the Royal Government of Bhutan in addition to the outstanding services provided by the 40th CCM Secretariat under the direction of H.E. Mr. Yeshey Dorji and the invaluable support provided by the Colombo Plan Secretariat.

Inaugural Address by Honourable Lyonpo Khandu Wangchuk, Prime Minister, Royal Government of Bhutan.

Honourable Ministers,
Excellencies,
Distinguished delegates,
Ladies and gentlemen,

Today is a moment of great pride for Bhutan. After forty four years of our membership, we are hosting the 40th Consultative Committee Meeting of the Colombo Plan, here in Thimphu. This meeting is among the most important multilateral conferences that we are hosting. I am, therefore, honoured to have the privilege of addressing this distinguished gathering.

At the outset, on behalf of the people and the Royal Government of Bhutan, I would like to extend a very warm welcome to all the distinguished delegates and express our deep appreciation for accepting our offer to host this meeting.

The word that best describes the spirit of the Colombo Plan is altruism. The Colombo Plan continues to touch and improve the lives of millions of people in the Asia-Pacific Region. While it was established during the Cold War period as a Commonwealth organisation, it gradually included non-Commonwealth countries. It is 55 years old and is one of the world's oldest regional economic cooperation programme. It has had an impressive journey and a long history of accomplishments. And its programmes and activities continue to be relevant in today's interdependent, globalised and complex world.

The Colombo Plan also holds a special place in the history of modern Bhutan. It is with nostalgia and pride that we in Bhutan remember the year 1962, when we became a member of the Colombo Plan, the first multilateral organisation we joined after we shed our policy of self-imposed isolation. Bhutan's membership of the Colombo Plan in effect began our formal interaction with the rest of the world.

The Colombo Plan has left an indelible mark in the human resources development of Bhutan. It has contributed towards realisation of our policy of providing quality education to our children. It has assisted us in providing health care to our citizens. It has contributed to the all round socio-economic development that we have achieved and continue to pursue.

Around us, there is significant and tangible evidence of Colombo Plan's contribution. Three of our present ministers benefited from Colombo Plan scholarships. Like them, there are thousands more whose capabilities have been enhanced through the Colombo Plan programmes. They now hold prominent positions in the public and private sectors, and are making invaluable contributions towards nation building.

The activities under the different programmes of the Colombo Plan continue to

compliment our efforts in enhancing happiness, contentment and the well-being of our people through, among others, equitable socio-economic development.

Taking lessons from our own experience, I have no doubt that the Colombo Plan would have made similar contributions in each of the other member countries.

Distinguished delegates, ladies and gentlemen,

As we gather to deliberate on the activities of the Colombo Plan for the next two years we must take inspiration from the wisdom of some of the greatest minds of the 20th century who were instrumental in giving birth to this noble organisation. Their great ideas were conceptualised in a simple yet practical method of international cooperation based on the principles – self-help and mutual-help. This resulted in the evolution of South-South and North-South Cooperation. We can be proud that these principles have gone on to guide most international development and economic organisations.

While we have a good track record, we must also be aware of the present global realities that have a bearing on our activities. With declining ODA and much of it being increasingly utilised for managing crises and post-conflict situations, the level of assistance available to developing and least developed countries is far short of what is needed. It is at such times that the unique comparative advantage of South-South and North-South Cooperation must provide viable means to harness the creative energies among member states to intensify our level of cooperation.

Such cooperation will help to mitigate the adverse effects of the global environment and allow member countries to realise the benefits of economic and technological complementarities. I have no doubt that every member will share their developmental experience and expertise, and provide assistance to the other members. Our region is also emerging as the epicenter of the global economy. If we are to further the cause of our people, we must fully exploit all these strengths of our region.

In an era of globalisation, we must forge new partnerships and renew old ones to meet the challenges ahead. Countries in our region are already pooling human and material resources to work collectively for a more just and equitable world. Poverty in our region has largely resulted from underutilisation and misallocation of resources and not from lack of creativity or potential. Through regional partnership, we can address these weaknesses and build on our strengths. We would then be able to enhance our economic growth, create many more jobs and advance our shared development agenda.

One of the emerging challenges for poorer members has been the innovation of technology, which are increasingly biased towards skilled workers. Unskilled workers are unable to take advantage of the opportunities of globalisation. Hence, a foremost challenge for us is to develop a knowledge-based labour force with requisite skills to fully benefit from globalisation. It is our hope that the Colombo Plan will step forward to address this common challenge to develop a dynamic knowledge-based labour force, without which, the social and economic inequities in our region would continue to widen.

Distinguished delegates, ladies and gentlemen,

In recent years, the role of the Colombo Plan to some extent has been duplicated and overshadowed by better-endowed multilateral and bilateral assistance programmes. This has created the perception that the Colombo Plan is becoming irrelevant. However, I hold a different view. The Colombo Plan has made significant improvements and the recent success of its activities vindicates the organisation, and dispels any doubt about its relevancy. Much of the improvements can be credited to the Eminent Persons Group, who provided clear guidelines to optimise and improve our existing activities and programmes. I believe that the Colombo Plan will continue to play a crucial role in the development of our region.

I am also confident that the growing prosperity of our members will endow our organisation with the required resources, technical expertise and managerial leadership. This will not only be important for the prominence of the organisation, but also for many members who still rely on the Colombo Plan to develop their human resources.

One of the strengths of the Colombo Plan is the sense of regional unity, cooperation and approach to development. Its success has been ensured by the financial and technical assistance provided by developed member states and by other members, who were former recipients and have now become major donors, as well as the active participation of the rest of the members. It remains our collective responsibility to build on our successes and experiences to take our organisation to new frontiers. We must do so by adapting the organisation to respond to our needs and to the changing global environment.

The philosophical heart of the Colombo Plan is easy to overlook as it is so simple: Self-Help and Mutual-Help. Members must help themselves and the more fortunate members must help those in need. In keeping with this philosophy, I urge the developed and new donor member states to continue extending their generous financial and technical assistance to the Colombo Plan. The valuable contributions and the effective utilisation of the assistance will not only make the organisation evermore relevant, but continue to guarantee its success. It will also encourage less developed members to strive to reach the desired level of development.

In concluding, I wish the distinguished delegates a fruitful 40th CCM and a pleasant stay in our Kingdom.

Thank you and Tashi Delek!

Welcome Address by H.E. Mr. Yeshey Dorji, Secretary-General of the 40th CCM.

Honourable Prime Minister,
Honourable Ministers,
Excellencies,
Distinguished Delegates,
Ladies and Gentlemen,

As the Secretary-General of the 40th Consultative Committee Meeting of the Colombo Plan, it is my great honor and pleasure to welcome all the distinguished participants at this inaugural session of the Meeting.

In particular, I would like to extend a very warm welcome to all the foreign delegates who have traveled from far and wide to this 40th CCM.

I would like to express our deep gratitude to the Honourable Prime Minister, Lyonpo Khandu Wangchuk, for graciously consenting to be the Chief Guest at our inaugural ceremony. Lyonpo's presence here is an indication of the high importance the Royal Government attaches to its relations with the Colombo Plan and its activities.

I would also like to thank the Honourable Finance Minister, Lyonpo Wangdi Norbu, and the Honourable Minister for Labor and Human Resources, Lyonpo Ugyen Tshering, for their presence here, which is a source of encouragement and support to our meeting.

The Colombo Plan is a particularly well-known and well-regarded organisation in Bhutan. It was the first international organisation that Bhutan became a member of in 1962. We have greatly benefited from its technical cooperation program. Thousands of Bhutanese have availed of Colombo Plan trainings and scholarships. Our association with the Colombo Plan is long and mutually satisfying. We are, therefore, extremely pleased to be able to host this Consultative Committee Meeting here in Thimphu.

We are meeting after two years of the last Consultative Committee Meeting in Tehran, during which not only Vietnam and Mongolia joined us as full members, but also the number of program activities have increased. Notable examples are the renewal of the long-term fellowship program, and the establishment of a new program on environment. The Colombo Plan Staff College has conducted over 700 trainings and international customised courses. All these have greatly benefited our member countries.

To all our donors, we offer our deepest appreciation. To the Secretary-General of the Colombo Plan and the Director-General of the Staff College, and their dedicated staff, we offer our sincere thanks for ensuring the success of every activity.

We started our proceedings this morning with the Marchang ceremony, which is a symbolic offering of wine to the guardian deities as an oblation to clear all obstacles and

ensure the success of our meeting. We have a full agenda for the next two days. Let the spirit of cooperation and understanding continue to guide us through our deliberations, so that our Organisation remains dynamic and benefit thousands more of our peoples.

I would now like to invite the Honourable Prime Minister to deliver his inaugural address.

Thank you.

Vote of Thanks by H.E. Mr. Piamsak Milintachinda, Leader of the Thai Delegation.

Honourable Lyonpo Khandu Wangchuk, Prime Minister of Bhutan,
Your Excellencies Ministers,
Your Excellencies Ambassadors of Member Countries,
Distinguished Delegates,
Ladies and Gentlemen,

It is an honour for my delegation to deliver the vote of thanks for the inaugural address given by Hon. Lyonpo Khandu Wangchuk.

On behalf of all delegates at this Meeting, I would like to express our deepest appreciation to Honourable Lyonpo Khandu Wangchuk, for his gracious presence and for formally inaugurating the 40th Consultative Committee Meeting of the Colombo Plan.

There are many reasons for us to attend this Meeting, but I will like only two.

One is because the Colombo Plan has made important contributions to its member countries in the field of education and human resource development. Thailand, for one, has enjoyed the benefit from scholarships and fellowships for higher education and training courses.

Reason two is because of the host country, Bhutan; the hidden paradise, accessible only to a fortunate few.

I came to Bhutan two years ago, and I am back for more, to see the natural beauty of the country, the pristine environment, for example, I know that many people longed to come to Bhutan, and now many delegates are here for the first time. I am sure that they will take all the open opportunities to enjoy themselves with the raw natural beauty of the country and the hospitality of the Bhutanese people.

Excellencies, Ladies and Gentlemen, Honourable Prime Minister has inspired us with his thoughts on our work, and I am sure that all delegations will work hard today and tomorrow with the spirit of cooperation and understanding in order to deliver a successful outcome for this Meeting.

May I express once again on behalf of my delegation and all other delegations present, our gratitude and appreciation to Honourable Lyonpo Khandu Wangchuk, Prime Minister of Bhutan, and through him to the Government and the people of Bhutan for the warm hospitality and friendliness rendered to us.

Thank you.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Bhutan

Thank you, Mr. Chairman.

First of all, I would like to thank all the donors for the generous financial offers they have made to the various Colombo Plan programmes. Your firm commitments are vital for the success of the Colombo Plan activities. I would also like to express the appreciation of my delegation to the Colombo Plan for reviving the long-term fellowship programmes since 2004, which will benefit recipient member countries immensely.

Mr. Chairman, as was stated by the Honourable Prime Minister in his inaugural address, Bhutan, since becoming a member of the Colombo Plan in 1962, has and continues to benefit substantially from Colombo Plan activities. The beneficiaries of these activities are making substantive contributions to the development of the country.

Till date, Bhutan has availed of over 2,000 training programmes under the auspices of the Colombo Plan in various disciplines at various levels, which includes a significant number supported by the Technical Cooperation Scheme of the Colombo Plan funded by the Government of India, and support through joint funding with the governments of Thailand, Singapore, Republic of Korea, Sri Lanka and Malaysia. Bhutan has also benefited from resource persons deputed by the Colombo Plan Staff College for conducting in-country training programmes. Therefore, I would, on behalf of my delegation, like to place on record our deepest appreciation to all these donors as well as the Colombo Plan Secretariat and the Colombo Plan Staff College for their invaluable contributions to the human resources development of Bhutan. Your continued support and assistance will be crucial for Bhutan in the years ahead.

Mr. Chairman, regarding future activities of the Colombo Plan, in particular with regard to Bhutan, my delegation is of the view that given the rising unemployment problem in Bhutan largely due to the skills mismatch of job seekers, it may be useful if the Colombo Plan also concentrated on skills development programmes of durations more than three months. This would enable prospective job seekers acquire the appropriate skills required in the job market. In this regard, the Colombo Plan could continue to support in-country training programmes, which could be tailored according to the particular needs of a country.

Thank you, Mr. Chairman.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

India

Excellency,

Indian delegation would like to congratulate you for your election as the Chairman and highly appreciate the conduct of the meeting. We, Indian delegation, inform the meeting that India attaches great importance to the Colombo Plan activities and has been offering various training courses for the member countries. India has been offering 50 training slots in various training courses for Bhutan every year in addition to experts in various fields including deputation of 13 experienced lecturers to teach at Sherubtse College in Bhutan under the Colombo Plan. The training courses offered were long term and were in administration, forestry etc which enhanced the human resource capabilities. India had also introduced courses in environmental studies which has been emphasised by some delegates at this meeting.

Thank you.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Indonesia

Excellency,
Distinguished Delegates,

It is indeed a great pleasure and privilege for me and my delegation to be here in the beautiful city of Thimphu. On this profound opportunity, allow me to extend our sincere gratitude and appreciation to the people and the Government of Bhutan for the warm welcome and hospitality accorded to us and the excellent arrangement made in organising this meeting.

Allow me also to congratulate you, Mr. Chairman, for your election to preside over this highly important session. We believe that under your able guidance and experience, we will achieve a fruitful result at the end of our meeting. Let me assure you of our full support and cooperation in the discharge of your task in chairing this meeting. On this momentous occasion, we would also like to express our gratitude to the Secretary-General of Colombo Plan and all staff members of the Secretariat for their untiring efforts in preparing all the reports and assisting all of us member countries of Colombo Plan.

Indonesia and Colombo Plan has been working closely since the establishment of the Colombo Plan of which the primary objective is to develop human resources in the Asia and Pacific region. This objective has become more relevant since the capacity building is a prerequisite for the Colombo Plan members to overcome the development challenges and seize the opportunities created by globalisation.

Therefore our meeting today is timely and appropriate to evaluate and revitalise the work of our group, as well as to set up a more effective framework for future action that will enhance our TCDC programs under the framework of Colombo Plan. In this context, we encourage the establishment of a mechanism for cooperation and coordination among TCDC units of developing countries, particularly in regional and sub-regional levels, to further enhance technical cooperation based on the respective national development priorities.

Such mechanism would be beneficial as pooling resources and synchronising the TCDC programs and projects. It would also avoid overlapping programs and reduce the burden of cost incurred. This mechanism would serve as a more feasible approach in acquiring third party funding from the donor countries and international institutions. In this respect, we should continue to enhance triangular cooperation to overcome the perennial constraint of inadequate resources to finance South-South cooperation. It is also important that Colombo Plan programs and activities be more focused and applicable for developing countries, particularly to cope with the changing international economic environment.

We place great concern on South-South cooperation. As a matter of fact, the Indonesia Technical Cooperation Program (ITCP) has become an important instrument in Indonesia's foreign policy. We have been launching ITCP since Bandung Conference in 1955, and established a permanent mechanism for TCDC since 1981.

Indonesia has been contributing to the effort of strengthening and expanding South-South technical cooperation with the support from various donor institutions particularly JICA and UNDP. Furthermore, Indonesia and Brunei Darussalam have also taken the initiative to establish the Non Align Movement (NAM) Centre for South-South Technical Cooperation, located in Jakarta, Indonesia. The Centre, which was inaugurated on 2 February 1998, has been launching various programs and activities to support the development efforts of the developing countries.

We believe that our TCDC programs have been greatly contributing to the acceleration and enhancement of development in the South and the collective self-reliance of developing countries. The programs are focused on exchange of development experiences, technical assistance and training, as well as dissemination and exchange of information. Indonesia expects the continuation of full support from the donor countries and cooperation with other institutions/international organisations that share common interests and objective to enhance the development of the South.

There are three types of TCDC activities implemented by the Government of Indonesia namely:

- Training programme based on the Indonesian capacities and experience;
- Training programmes based on the request of other developing countries; and
- Cooperation with other donor countries or international agencies to design the training programmes.

Financing arrangement for the TCDC activities is made on the basis of national budget with the support of donor such as Colombo Plan Secretariat, JICA, UNDP and ESCAP, as well as other resources including cooperation with other developing countries.

To note, in the last three years the Indonesian Government has been successfully organised 55 training programs, including programs funded by the Government of Japan, JICA, Colombo Plan Secretariat and UNESCAP, with a total participants of 828 from Asia Pacific, Middle East and African region.

In the field of agriculture sector, Indonesia has also organised apprenticeship program for farmers and extension workers from other developing countries. This kind of program is considered very effective for transferring technologies among farmers in the developing countries, based on learning by doing methodologies.

On the other hand, Indonesia has been benefiting from training programs and post graduate program organised by other developing countries, including the programs organised by Colombo Plan Secretariat in collaboration with host countries. This exchange

of experts and trainees among developing countries is essential for human resources development. On this occasion my delegation would also like to express our sincere appreciation to Colombo Plan Secretariat as well as to other donors which have been contributed to the above activities.

It is our sincere hope that this meeting would be able to give new impetus to further strengthen cooperation among members of Colombo Plan. We believe that the spirit of Colombo Plan of assisting and cooperating with one another is embedded in all of us. In this regards, we must ensure that our meeting leads us to an applicable outcome that will inspire hope for the future of this organisation.

Thank you.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Malaysia

40th CONSULTATIVE COMMITTEE MEETING
7-8 NOVEMBER 2006, THIMPHU, BHUTAN

MALAYSIA – COUNTRY PAPER BILATERAL TECHNICAL COOPERATION PROGRAMME 2003 - 2006



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MALAYSIA AND THE COLOMBO PLAN

- Joined the Colombo Plan in 1960s
- The Economic Planning Unit (EPU) of the Prime Minister's Department is the designated point of contact (POC) for the Colombo Plan Secretariat.
- Benefited from the activities of the Colombo Plan especially capacity building for Malaysian officers under the Programme for Public Administration (PPA) in areas such as environment, human resource, agriculture, poverty alleviation and finance.

**COLOMBO PLAN SPONSORED
PROGRAMME FOR PUBLIC ADMINISTRATION (PPA)
PARTICIPATED BY MALAYSIANS**

- From 2003 to 2006, 35 Malaysians have undergone training in 21 PPA courses.

- For January 2006 to present, 11 Malaysians participated in 9 PPA courses :

YEAR 2006				
	TRAINING COURSE	DURATION	PLACE	NO TRAINED
1	Project Evaluation	17-23 Jan	Thailand	2
2	Detection of Environmental Pollutants	23 Jan- 10 Feb	Thailand	1
3	Sustainable Crop Production	26 Jan-9 March	Thailand	1
4	Environmental Health with Emphasis on Food Security	6-24 March	Thailand	1
5	Export Promotion for SMEs	10 – 21 April	Korea	2
6	Hazardous Waste Management	4 April – 28 July	Thailand	1
7	Debt Development Agenda & Development Country Position of WTO	3-14 July	Korea	1
8	Community-Based Micro Finance & Income Generation Management for Poverty Alleviation	7-25 August	Thailand	1
9	Improvement of SME Capacity for export & Marketing in Agri Products	2-21 October	India	1

**COLOMBO PLAN / MTCP JOINT COURSES
CONDUCTED IN MALAYSIA**

YEAR 2003-2006		
COURSE	IMPLEMENTING AGENCY	NO TRAINED
Training Course on Strategic Management	National Institute of Public Administration (INTAN)	93
Workshop on Integrated Environmental Planning and Management	National Institute of Public Administration (INTAN)	95
Workshop on International Negotiations	Institute of Diplomatic and Foreign Relations (IDFR)	96

COOPERATION WITH COLOMBO PLAN DRUG ADVISORY PROGRAMME

2005

- The Fourth Asian Youth Conference, 'Youth to Youth' 26-29 September, Penang
- Regional Training on Drug Abuse Prevention 3-8 October, Malacca

FUTURE COOPERATION WITH COLOMBO PLAN

- Malaysia will continue to implement courses by Colombo Plan in local institution under the partnership modality.
- 4 courses are planned for 2007
- Malaysia also welcomes new collaboration initiative from Colombo Plan.

FUTURE COOPERATION WITH COLOMBO PLAN

The courses scheduled for 2007 are:

- Training Course on Leadership and Organizational Management, INTAN
- Training Course on Economic Planning and Management, INTAN
- Training Course on International Negotiations, IDFR
- Training Course on Strategic Analysis, IDFR

SEE YOU IN KUALA LUMPUR FOR THE 41st CCM IN 2008!



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COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Nepal

1. Background

Human resource is one of the crucial factors for a country's development as progress in any sector depends on this factor. The size and quality of employment, productivity of the labour force, service delivery, implementation of critical development programmes and projects rest on the quality of human resource. Roles of the government, civil society and private sector all depends upon the availability of appropriate human resource.

The quality of human resource in Nepal is not productive and sufficient as required for the development needs of the country. In consideration of this, technical cooperation from the developed countries, capable developing countries and the intergovernmental organisations like the Colombo Plan have great significance to Nepal.

In this paper, a brief overview of technical assistance to Nepal by the Colombo Plan through training, seminars, workshops and higher studies during 2004/05 and 2005/06 is made. Similarly, analysis of the requirement of trained human resource to enhance the employability of the youths and the discussions on the importance of vocational training programmes to the youth is made. A brief discussion on the importance of the international training and interaction programmes to keep the capabilities and morale of the public officials and policymakers is made before highlighting some suggestions at the end.

Training Programmes, Long-term Courses Offered by the Colombo Plan during 2004/05 & 2005/06 to Nepal

The primary focus of the Colombo Plan in the endeavour for collective intergovernmental effort is to develop human resources of the member countries. In this connection, the Colombo Plan has been focusing in human resource development through short-term training programmes and long-term scholarships since its establishment.

Record shows that during the year 2004/05, 26 persons were nominated for long-term studies (1 for Malaysia and 25 for Thailand) whereas 17 persons were nominated for short-term training, seminars, etc. (10 for Thailand, 2 for Malaysia and 4 for India). Similarly during the year 2005/06, 26 persons were nominated for long-term studies (23 for Thailand and 3 for India) whereas 42 candidates were nominated for short-term training programmes, etc. (all for India).

Table: Training, Fellowships Offered by the Colombo Plan to Nepal

Description	2004/05	2005/06
Nominations for:		
Training, seminars, ect.	17	42
Long-term degree course	26	26
Total	43	68
Number of persons participated in training, fellowship programmes, etc.	13	19

Source: NPC Secretariat, GON, Nepal & MOGA, GON, Nepal

Similarly, record also shows that altogether 11 persons of different government offices were actually selected and trained or had opportunities of higher studies in 2004 in different countries. In the same way, 13 persons were involved in training, seminars, long-term courses of various kinds in the year 2005.

2. Importance of Colombo Plan's Assistance to Nepal

Need of training and international exposures to the government, private and civil society officials to boost their capability and morale cannot be overemphasised. In order to make the officials more productive, result-oriented and laced with required skills, exposures, etc., these officials require training of various natures.

Training programmes of general nature which require little cost, common experience and academic exposure for the masses can be organised by national training institutions. However, the training programmes, seminars, workshops requiring technical know-how, certain experiences which require huge resources are difficult to be organised. For this reason, most of the training programmes, seminars, workshops offered by the Colombo Plan have been valuable assistance to the country.

Although the number of the training as such provided by the Colombo Plan is small in view of the country's requirement, yet the impact on the human resource development has been significant as most of the trainees have been policy-makers and officers from the government offices. On behalf of the government of Nepal, we would like to appreciate this intergovernmental organisation for its continuous and generous assistance to the country for a long time since 1950s.

3. Need to Focus on the Youths

Youths of 15-24 age-group in Nepal are 19.4 percent of the Nepalese total Population. There are 4.4 million youths (2.3 males and 2.1 females) out of the total population of 22.7

million (as shown by the census of 2001). If we define the 15-29 age-group as the youth – which is quite reasonable – 27 percent (or 6.1 million) are youths in the country.

It is the fact that an estimated 300,000 additional youths enter the job market every year in Nepal. To date Nepal does not have any significant employment and training policies and programmes to the youths. The country has a lot to do to capitalise this human resource as opportunity and avoid from converting themselves to problems. This can be done by providing employment-oriented training, education, running awareness campaign and advocacy programme, etc. If anything significant is not done, this invaluable resource of the country may prove burden to the country. Although unemployed population is below 10 percent of the total job-seekers, if the percentage of underemployed population is factored in, it reaches more than 17 percent. Needless to say, the major share of the unemployment is borne by the youths.

Taking into consideration of the above problems related to the youths, the country should urgently generate mass employment through labour-intensive public-sector activities, the "Food for Work" programme, work on micro-enterprise programmes, provide easy access to micro credit facilities, etc. to the needy youths. Though many programmes may help mitigate unemployment and improve the youths' livelihood and resolve other problems, most provide short-term or temporary solutions. It is job-oriented education programmes or similar training opportunities to the youths that provide long-term solution to quality employment and solve the problems of livelihood.

The youths can be prepared as competent job-seekers in domestic as well as foreign labour markets by providing them with appropriate training and education. It is in this area where the Colombo Plan can provide support to Nepal. We also would like to request the international donor community to assist the country directly or through the intergovernmental bodies like Colombo Plan to train and educate the youths.

Similarly, the Colombo Plan can also lend its experienced hands to educate Nepalese men and women of young ages directly or by providing training to the trainers so that the country can prepare itself capable in fighting to eradicate poverty problem, which is the sole objective of the present plan of the government.

4. Way Forward

The Colombo Plan has been doing a commendable work for the human resource development of Nepal by providing training to its officers in the areas of public administration, drug advisory and private sector areas of public administration, drug advisory and private sector development. The country requests the Colombo Plan to continue the invaluable assistance in the years to come. In addition to this, we would like to request the Colombo Plan Secretariat to consider following suggestions as well:

1. In addition to the above, the country needs to be provided with the training and advance study programmes in the following fields:

- Socio-economic planning and policymaking focusing on inclusiveness and gender consideration
- IT or ICT
- Commercialising agriculture
- Micro-enterprise and informal sector development
- Micro-credit experience sharing
- Conflict management (including rehabilitation and construction)
- Disaster management
- Recent administrative approaches/dimensions
- Labour economics
- Public employment services and labour market information system
- Health management
- Promoting public private partnership
- Fiscal and monetary policies
- Macroeconomic management (and its aspects)
- Negotiation skills and economic diplomacy, etc.
- Higher studies opportunities (i.e. PhD)

We request the Colombo Plan Secretariat to consider the requirement of Nepal and be generous enough to provide training to the senior and other officials as well as the youths and the job seekers in labour markets of the country.

2. As suggested above, the country would be much obliged if the Colombo Plan may find avenues to help youths in their bid to win job markets by targeting them directly, helping country prepare trainers or making training institutions more effective.

3. Recently, Nepal is exerting its all out effort to tackle the overriding issue of reconstructing the damaged physical infrastructures and rehabilitating the victims (including internally displaced persons).

May we appeal this important intergovernmental body and its member countries from the donor's club to find ways to help Nepal in its imperative mission of the day.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Philippines

Mr. Chairman,

I wish to congratulate the Royal Government of Bhutan for holding the 40th CCM Thimphu, Bhutan. I am certain that the meeting will be a grate success with all the preparation done by the host government.

I wish to congratulate the President of the Colombo Plan Council, Ambassador Durug Prasad Bhattarai for his leadership and for the work done by Mr. Kittipan Kanjanapitakwong, Secretary General of the Colombo Plan Secretariat, without whose efforts, we delegates would not have been able to come and participate in this momentous occasion.

As you know, the Philippines is the site of Colombo Plan Staff College (CPSC) for 30 years now and it has been doing very well in its achievement and contributions for the development of technician education and vocational training (TVET) in the region, of which the Colombo Plan should be proud of. The Philippine TESDA Chairman and Director General, Hon Augusto Syjuco has provided strong endorsement for CPSC in an important role in the host country and region. On the issue of the new site for the CPSC which has been discussed for sometime, though with some misunderstanding, I would like to inform the 40th CCM that the Honourable President of the Republic of the Philippines H.E. President GMA has represented in an official document that the Government of the Philippines will continue to be the host of CPSC until such time that a new member country would have been accepted to hold CPSC. By which time, the present host government would be willing to yield.

The Philippines believes that the CPSC, recognising its significant contributions and achievements in human resources development, should be supported by the member countries, with due sympathy and resources, in the greatest interest of Colombo Plan wherever the CPSC is or will be located.

The greatest interest of the Colombo Plan is "to enhance economic and social development of the countries in the region through the development of human resources".

I wish to finally express my gratitude to the able leadership and organisation of the Chairman and the Secretary-General of the 40th CCM for making Colombo Plan's 40th Consultative Committee Meeting a great success.

Thank you.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Singapore

Mr. Chairman,

On behalf of Singapore, I would like to begin by thanking the Royal Government of Bhutan for their efforts in organising the 40th Colombo Plan Consultative Committee Meeting. We are touched by your hospitality and the friendliness of all the officials we have met.

Singapore would like to take this opportunity to reiterate our support of the Colombo Plan in promoting and supporting economic and social development, and human resource capacity building among member countries.

The Singapore Cooperation Programme or the SCP was established in 1992 under the Ministry of Foreign Affairs. The SCP brought together under a single framework the various technical assistance programmes that had been offered by the various ministries and agencies since the 1960s. Through the SCP, we have been providing technical assistance to developing countries, in the process sharing Singapore's development experience with all our friends.

This theme of working together what we call "Helping Hands, Making Friends", runs through our partnerships and the nature of our courses. Although we hail from many different countries and many different regions, we share some of the same challenges. From economic development to public administration and governance, we all bring our individual experience and expertise to the table. We hope that by sharing Singapore's model and experience, participants will gain from the experience and may be able to adopt or adapt some of the ideas to suit each country's specific needs.

Singapore works closely with partner countries and international organisations to assist our friends in their human resource development. Such an arrangement is a win-win concept of technical cooperation. It allows like-minded donors to pool resources to deliver assistance to developing countries in a cost-effective manner.

To date, the SCP has provided human resource-related training courses, workshops, seminars and study visits for over 45,000 government officials from 164 countries. More than 20,000 participants were government officials from the Colombo Plan member countries under the Singapore Cooperation Programme (SCP). This account for close to 50% of the total number of the government officials trained under the SCP.

Like many of the countries present here today, Singapore remains committed to supporting our developing neighbours in their capacity building efforts, both on a bilateral basis and in cooperation with our partners. We will continue to partner with the various

agencies and the Secretary-General and staff of the Colombo Plan Secretariat to conduct relevant training courses for the benefit of member countries.

Mr. Chairman, I thank you once again for giving me the opportunity to share Singapore's experience in technical cooperation and we look forward to working with our Colombo Plan colleagues to further contribute to the development efforts of our friends from the rest of the developing world.

Thank you.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Sri Lanka

Mr. Chairman,

As I am taking the floor for the first time allow me, on behalf of the Sri Lanka delegation to felicitate you and the Royal Government of Bhutan for the excellent arrangements made for the 40th Consultative Committee Meeting of the Colombo Plan and the generous hospitality afforded to us during our stay in Bhutan. I would also like to take this opportunity to humbly commend you Mr. Chairman for the manner in which you have conducted the proceedings of our meeting.

I would like to express our appreciation to the various donors, the Colombo Plan, the Colombo Plan Staff College and other agencies for the numerous programmes conducted. Sri Lanka has immensely benefited from these programmes.

On our part, Sri Lanka has conducted training programmes as part of our overall South-South Cooperation particularly for SAARC and BIMSTEC countries in fields such as human resource development, intellectual property rights and agrarian research.

A comprehensive series of programmes have been undertaken through the technical cooperation unit established in the year 2000 under the Ministry of Foreign Affairs to carry out programmes in the region.

Sri Lanka has recently inaugurated a new center for International relations and Strategic Studies in memory of the late Minister of Foreign Affairs Lakshman Kadirgamar and we look forward to collaborating further with the Colombo Plan and other partners in organising programmes for the region.

Thank you.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Thailand

1. Bilateral Programme

On bilateral programme, the projects are designed based upon Thailand's capacity and resources, as well as the needs of the respective partners. This programme addresses basic areas of cooperation particularly on education, health and agriculture. Activities organised under the programme include training, dispatch of Thai experts and provision of equipment. This also includes tailor-made training programmes which require the identification and design of special courses in response to the need of cooperating partners.

Although this programme is highly concentrated in Thailand's neighbouring countries it also expands to other developing countries as for example, Thailand has extended support to Bhutan in the areas of the HRD. Beyond Asia, Thailand has sought partnerships with African countries, especially through the New Partnership for African Development (NEPAD). Thailand's development cooperation with Africa will focus on promoting human security, human development, poverty eradication, primary health care and HIV/AIDS. Thailand's bilateral programme during 2004-2005 amounted to 252.79 million bath (US\$ 6.65 million) and about 2.170 trainees attended the programmes.

2. Annual International Training Courses (AITC) and Thailand International Post-graduate Programme (TIPP)

Each year, the Royal Thai Government organises a series of Group Training and Post-graduate courses, which are implemented by Thailand's best academic and technical institutions, in a variety of development fields where Thailand has strengths and capacity. The total amount of such programmes was approximately 98.67 million bath (US\$ 2.60 million) for 906 trainees from developing countries.

3. Third Country Training Programme (TCTP)

The Royal Thai Government organizes training programmes or study visits in Thailand for participants from other developing countries who are sponsored by international organisations or donor countries. The Thai agencies concerned play the role of programme arrangements while the sponsoring agencies absorb the programme costs. In the years of 2004 and 2005, Thailand arranged the programmes for 326 trainees which was approximately US\$0.56 million.

4. Trilateral Cooperation Programme

This programme demonstrates the spirit of partnership between Thailand and her development partners to provide development cooperation, such as training courses, study

visits, and sub-regional programmes for third countries on a cost-sharing basis. During last two years, Thailand allocated budget in the amount 27.92 million bath (US\$ 0.73 million) for 644 trainees undergoing training in Thailand.

Mr. Chairman,

Regarding the Trilateral Cooperation Programme, The Royal Thai Government and Colombo Plan Secretariat (CPS) jointly established the Thailand – Colombo Plan Long – Term Fellowship Programme commenced in June 2004 providing academic training in Thailand to selected participants from developing member countries of the Colombo Plan. The costs associated to implementation of the cooperation programme are jointly responsible by the Royal Thai Government and the Colombo Plan on cost-sharing basis. For the academic year 2005, 8 long-term fellowships were awarded to participants in five courses and 14 fellowships were awarded in the year 2006.

In addition, the Royal Thai Government is funding the grant of US\$ 750,000 from 2005 to 2007 to support the Programme on Environment of the Colombo Plan. In 2006, six training programmes were implemented and a total of 59 participants from the Colombo Plan member countries were selected to participate in the training courses.

In 2007, the Royal Thai Government will provide 110 fellowships to the Colombo Plan developing member countries in nine programmes on environment. All courses will be designed to respond to the needs of the member countries.

Thailand has Committed to extend her technical cooperation to developing countries to help them in their development efforts.

Thank you.

SPECIAL ISSUE

**Technical and
Vocational Education
and Training
for
Youth Employment**

Technical and Vocational Education and Training for Youth Employment

1. Introduction

Technical and vocational education and training (TVET) is a major policy instrument to correct distortions in the labour market. Its primary focus is to enhance the employability of youth entering the world of work by improving their knowledge, skills and attitude. Youth employment is, therefore, a major policy objective of TVET.

Youth, according to the United Nations' definition, are those in age group of 15 to 24 years. Naturally there are variations from country to country depending on cultural, institutional and political factors. The unemployed are people among the economically active population who are not working but are available and willing to work.

Unemployed youth are, therefore, people between 15 and 24 years old who are not working, but are available for work and willing to work.

In the poorest countries, underemployment affects many more people, particularly youth, than unemployment. The underemployed are people who would like to earn more money but are not given the opportunity to do so - as a result they are mired in poverty even though they may be employed. They also include people who do not have access to sufficient work, and those who are engaged in low-productivity jobs even though they are capable of delivering higher productivity. These forms of underemployment are even more detrimental to the growth and development of an economy than unemployment. TVET can correct labour market distortions caused by the underemployment of youth.

2. Profile of Unemployed Youth

Youth unemployment is not evenly distributed among all sections of young people, and the characteristics of unemployed youth vary from country to country. However, the most common features are the following:

- i. Among unemployed youth, women number more than men. In many countries, this situation is particularly serious as women are also more insecure and are exploited.
- ii. Unemployed youth are generally less educated and have little or no skills.
- iii. In developing countries, unemployed youth are predominantly rural based. Even those reported as unemployed in the urban areas are largely of rural origin - migrants to urban areas in search of a job.
- iv. Unemployed youth are poor. They are poor because they have practically no earnings. This forces them to either migrate in search of a job - for those who can afford to do so - or to accept low paying, low productive jobs whenever they become available.

In summary, unemployed youth are predominantly poor, underemployed, are socially and culturally disadvantaged, have low levels of education and skills and are of rural origin. The majority of them are women.

Governments across the region must, therefore, give priority to promoting gainful employment for youth. Gainful employment requires that youth have access to full, productive and decent employment. Full employment ensures that no one who is available and willing to work full time for an appropriate wage is jobless. Productive employment matches jobs and skills and decent employment provides workers with basic rights like safety, protection from discrimination and freedom of association.

3. Labour Trends for Youth

Eighty Five percent of the world's youth live in developing economies and current demographic trends indicate that this proportion is likely to increase even further. The labour force participation rate for youth has decreased during the last two decades due to increased access to education and training which allow youth to stay longer in the education system. The labour force participation rates will decline even further as opportunities for education and training continue to be expanded or diversified rapidly in almost all the developing countries.

In developing countries, however, the labour force has been increasing at a much faster pace than employment. This has resulted in increasing trends in unemployment. In 2003, world unemployment rate had reached a historical high of 14.4 percent. This may increase further and as of 2005, the number of unemployed youth was three times greater than that of unemployed adults.

The Asia-Pacific region has about 660 million people aged between 15 and 24. According to the ILO, of the 66 million unemployed youth in the world, 33 million are in this region. The ILO has warned that youth unemployment is "high and rising" in the region with some countries recording youth unemployment rates as high as 29%.

Among the Colombo Plan countries as well, the ratio of youth unemployment to adult unemployment is gloomy - in 2004, they varied from 1.9 to 6.3. This signals that most countries discriminate against youth when employing workers.

The message is that though the expansion of education and training opportunities have had a dampening effect on labour force participation rates, they have not been able to reduce unemployment. This is because employment ultimately depends upon aggregate demand which has not been keeping pace with growths in the population and the labour force.

4. Causes of youth unemployment

Intergenerational links in poverty are well documented. Poor parents passing on poverty to their children by depriving them of education, skills training and proper work environments, has been the major cause of youth unemployment.

Poor access to information contributes to youth unemployment in two ways. First, young people enter the labour market with low education and skills, but with high salary expectations. In the process they either remain unemployed or accept low-paying, low-productive jobs. Initial failure to find a stable job can lead to persistent joblessness for young people, especially in weak economies. Second, parents in rural areas often undervalue the benefits of education – they remove their children from school and introduce them to the world of work at a very young age.

At the macro level, there are basically two causes of youth unemployment: aggregate demand and the size of youth labour force. In times of recession, when there is a fall in aggregate demand for goods and services, unemployment increases. This affects young people disproportionately because fewer new workers are recruited, and the opportunity costs of firing youth are relatively lower. Furthermore, changes in the global economic structure and technology favour highly skilled workers instead of inexperienced youth in search of their first jobs.

Given the employment scenario, the larger the size of youth cohort in the labour force, the greater the number of youth facing unemployment. However, this does not imply that reductions in the labour force will necessarily solve the problem of unemployment. At best, it will postpone the problem to a future date.

5. Consequences of youth unemployment

Consequences of youth unemployment can be devastating.

First, almost every child dreams of success in their future work life. This dream is shattered, if they do not find jobs to earn their livelihood, many times even to meet basic survival needs.

Second, on attaining adulthood, young people aspire for economic independence. Unemployment, on the other hand, increases their dependence on their relatives affecting the whole family adversely.

Third, unemployment early in a person's working life may permanently damage the person's productive potential and reduce the possibilities of finding a full time, decent and stable jobs in the future.

Fourth, the inability to find gainful employment creates a sense of vulnerability, insecurity and a feeling of social exclusion. This causes youth to turn violent and start resorting to

legal and subversive activities.

Fifth, at the macro level, youth unemployment is a massive opportunity cost to the nation. Halving world's unemployment rate - from 14.4 percent to 7.2 percent - could add an estimated US \$ 2.2 to 3.5 trillion to the world economy (ILO, 2004).

And sixth, a nation with high rates of youth unemployment could deter foreign direct investment. This robs countries of opportunities to boost their economies and create vibrant labour markets capable of fulfilling the aspirations of job seekers.

Youth unemployment and underemployment are thus national maladies and it is for nations to resolve the problem through appropriate policy frameworks for TVET.

6. Policy framework for TVET

Providing skills training through TVET to address concerns about socially unacceptably high rates of youth unemployment has been a major objective of employment policies, particularly among developing nations. The rationale is that young people cannot find jobs mainly because they do not possess the specialised skills required by employers. Skills training take care of some of the inadequacies of youth entering the labour market and enable them to get employment.

However, TVET is no magic wand. In fact, TVET by itself has not proven viable for two reasons: First, acquisition of skills alone cannot guarantee employment; TVET is only a supply mechanism. If the labour market does not respond to improved skills among the unemployed, TVET would only be replacing one category of unemployed youth by another category of unemployed youth - probably, with better skills and at higher cost to the exchequer. This will make unemployed youth even more frustrated and desperate. Thus, if TVET has to correct labour market imbalances, it has to be demand driven.

Second, the focus of TVET has largely been directed on preparing youth for entry to work. Often TVET ends with imparting training to improve employability for the first job, and generally there is no follow up. This prevents labour markets from becoming dynamic, resilient and sufficiently competitive to benefit from emerging trends in globalisation and liberalisation.

TVET policies generally fall into three categories: First, in low income countries, which provide limited access to formal schooling and training, traditional apprenticeships have been encouraged. This form of training provides both skills training and practical experiences to produce craftsmen. However, modernisation and globalisation have rendered the skills of craftsmen irrelevant due to inadequate aggregate demand. As such, most craftsmen have been resorting to manual labour and farm work to earn their livelihood.

Second, in middle income countries, which have growing industrial sectors, a mix of different training modes is carried out. These include:

- i. *School-based Vocational Training* where students can acquire vocational skills beyond general school curriculum, as part of their formal schooling.
- ii. *Vocational and Technical Schools*, which are improved versions of the school-based vocational training model. This model, like the Industrial Training Institutes in India, is found in many low income countries as well.
- iii. *Non-formal Training Centres* which offer flexible training – in content and duration – to unemployed youth.
- iv. *The Latin American Model* wherein training institutes are run independently of the education system. These training institutes have close links with industry which is deeply involved in managing, financing, and ensuring the quality and relevance of training.
- v. *The German Model* provides 'dual apprenticeship training' which combines institute based training and enterprise-based training. This system requires positive attitudes of trainers to blue collar jobs, and commitment on the part of employers and the labour unions, which is characteristic of the German tradition.
- vi. *The Japanese Model* stands apart from other models in extending training beyond the first job. This model provides skills development throughout the lives of the workers creating a workforce that is dedicated, disciplined, flexible, and versatile.
- vii. *The Open System*, in operation in countries like U.K, France and Australia, follow an accreditation procedure to examine and grade the skills of workers who could not receive formal skill training due to poverty.

Third, in developed countries, the German Model, Japanese Model and the Open System are preferred training modes. Some developing countries have tried to reproduce them in their own environments, but their efforts remained largely experimental.

The message is clear: TVET systems as a means to provide youth employment is not universally applicable. Each-country may have to design a system appropriate to its own socio-economic environment, and recognise that, in order to succeed, TVET systems must be people oriented and acceptable to all stakeholders. The following important lessons should be considered to make TVET an effective instrument to combat youth unemployment:

- i. Demonstrate stronger government commitment to TVET. This requires coordinated ownership of all the ministries, departments and agencies involved in designing and implementing TVET. It also requires more generous budgetary support for TVET which is generally more expensive than general education.
- ii. Enable continuous monitoring and development of TVET systems to ensure relevance to the workforce and industry.
- iii. Change the focus of TVET systems from 'preparing the unemployed for work' to 'preparing job-seekers to be flexible and versatile in the world of work' by providing continuous training. Among others, this will require TVET systems to use emerging technologies to improve the efficiency and relevance of training.
- iv. Promote effective public-private partnerships in the TVET system.

- v. Make TVET systems financially viable given the perennial budgetary constraints among most developing countries.
- vi. Promote entrepreneurship in all TVET systems.
- vii. Enhance workforce mobility, nationally and internationally, by using accurate labour market information and by accepting internationally recognized testing and certification systems.

However, TVET systems are essentially supply mechanisms, and even the best systems cannot guarantee youth employment. TVET systems must be complemented by enabling policy environments which promote growth and enhance overall employment. This calls for a thorough review of economic policy framework for TVET.

7. Enabling policy environment

Enabling policy environments should support reform and restructure of TVET systems so that they function as integral parts of economic development policy frameworks. They should identify new employment avenues, locate new opportunities for productivity improvements, and provide quick and flexible responses to changing economic environments

7.1 Policies to improve productivity and income in the rural economy and informal sector

In the developing world, most of the poor work in the rural economy. Rural economies have suffered from the neglect of policy makers and are characterised by high degrees of underemployment and low productivity. Increased public investments in rural infrastructure (including irrigation, rural transport, rural electrification, integrated rural markets and information access), and innovations in credit delivery, retailing and market supply chain management can drastically transform rural economies in developing countries.

In addition to generating demand for skilled and young workers, these innovations can have other useful consequences. Firstly, they increase productivity, employment and incomes in the non-farm rural economy which in turn leads to increased access to education, healthcare and information across all segments of the rural population. Second, in the long run, they will ensure that youth entering the labour market will be better educated, healthy and more adaptable to labour market aberrations.

7.2 Export push policies

The export orientation strategies of East Asian and Southeast Asian economies allowed these countries to deal efficiently with import substitution and achievement of full employment. Although, some road blocks have been

encountered in implementing this policy, it still offers tremendous benefits by creating short-term employment and long-term growth.

7.3 Private-public partnerships in development

Market forces and private initiative are increasingly recognised and acknowledged as potent drivers of economic activity, while governments are relegated to playing strategic and coordinating roles. Governments, therefore, need to work closely with the private sector to ensure economic growth and employment creation. This policy has a special significance to achieving the goal of full and productive employment through forays into non-traditional activities like food processing industry, housing and real estate development, retailing and distribution, education and healthcare.

8. Major issues for consideration

The preceding analyses have some important messages for TVET and employment policy makers in developing countries: *First*, chronic unemployment is not a major cause for worry. Rather, it is the underemployment of youth that should receive serious attention. *Second*, unemployment in general, and youth unemployment in particular, have been on the increase. Furthermore, youth unemployment is generally at least three times larger than adult unemployment. *Third*, unemployed youth are mostly poor and are largely of rural origin. TVET will, therefore, have to be part of poverty reduction and rural development strategies. *Fourth*, hitherto governments have been the sole creators of employment opportunities. In this design, the scope is limited and almost all governments have exhausted their abilities to create additional employment. *Fifth*, there is much to benefit from active public-private partnerships in various spheres of socio-economic activities. *Sixth*, public-private partnerships in TVET can promote youth employment by creating a dedicated, disciplined, flexible and versatile workforce. *Seventh*, most of the employment opportunities are in the rural and informal sectors, but workers in these sectors do not have adequate education and skills training. *Finally*, TVET has to be relevant, effective and sustainable.

The issues for consideration, against the background of lessons learnt, are the following:

- i. Designing versatile, flexible and demand driven TVET systems to adapt to ever changing economic environments.
- ii. Integrating TVET with poverty reduction and rural development strategies to identify employment creation opportunities and areas for productivity improvement.
- iii. Roles that governments should play in skills development through TVET.
- iv. Forging public-private partnerships in TVET to improve the quality of young workers and to enhance the commitment of all stakeholders.
- v. Reforming TVET to provide continuous skills training as an effective means to address underemployment of youth.
- vi. Enhancing the productivity and incomes of young workers in the informal sector by

- providing adequate skills training.
- vii. Ensuring financial viability of TVET so that its dependence on scarce government finances is reduced gradually, till eventually TVET becomes sustainable.
 - viii. Monitoring and evaluating TVET on a continuing basis to effect reforms and modifications, periodically.
 - ix. Following up on trainees to assess their performance in the labour market and to effect corrections where necessary through continuing education and training.
 - x. Facilitating resource and information sharing among Colombo Plan members to gain from each others' experiences.

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THE COLOMBO PLAN

*For Co-operative Economic and Social Development
in Asia and the Pacific*

*Proceedings and Conclusions of the
40th Consultative Committee Meeting*

*Thimphu, Bhutan
07 to 08 November 2006*

THE COLOMBO PLAN

Member Countries

<i>Afghanistan</i>	<i>Maldives</i>
<i>Australia</i>	<i>Mongolia</i>
<i>Bangladesh</i>	<i>Myanmar</i>
<i>Bhutan</i>	<i>Nepal</i>
<i>Fiji</i>	<i>New Zealand</i>
<i>India</i>	<i>Pakistan</i>
<i>Indonesia</i>	<i>Papua New Guinea</i>
<i>Iran</i>	<i>Philippines</i>
<i>Japan</i>	<i>Singapore</i>
<i>Korea</i>	<i>Sri Lanka</i>
<i>Laos</i>	<i>Thailand</i>
<i>Malaysia</i>	<i>United States of America</i>
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**40th Consultative Committee Meeting
Thimphu, 2006.
Agenda**

A. Formalities and Procedural Matters

1. Welcome address by the Secretary-General of the 40th CCM
2. Inaugural address by the Chief Guest, Hon. Prime Minister
3. Response to the Chief Guest's address
4. Announcements and Working Arrangements
5. Election of Chairman
6. Chairman's Acceptance Speech
7. Election of Deputy Chairman
8. Appointment of Drafting Committee
9. Recognition of observers
10. Adoption of the Agenda

B. Colombo Plan Activities

11. Proposed Amendment of the Colombo Plan Constitution
12. Islamic Republic of Afghanistan:
Request for Exemption from Arrears of Financial Contributions
13. Annual Reports of the Colombo Plan for 2003/2004 and 2004/2005
14. Annual Reports of the Governing Board of the Colombo Plan
Staff College for Technician Education for 2003/2004 and 2004/2005

C. Technical Cooperation and Matters Concerning the Colombo Plan Region

- 15. Country presentations on bilateral technical cooperation programmes for 2004/2005 and 2005/2006**

D. Special Issue

- 16. Technical and Vocational Education and Training for Youth Employment**

E. Presentation of cheque by the President of the Colombo Plan Council to the Jigme Dorji Wangchuck City Library, Thimphu

F. Award of Colombo Plan scholarship by the Secretary-General of the Colombo Plan Secretariat to Youth Development Fund, Thimphu, Bhutan

G. Date and Venue of the next consultative Committee Meeting

H. Any Other Business

I. Concluding Session

- 17. Adoption of the report**

- 18. Closing of the 40th Consultative Committee Meeting**

C. Technical Cooperation and Matters Concerning the Colombo Plan Region

- 15. Country presentations on bilateral technical cooperation programmes for 2004/2005 and 2005/2006**

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- 18. Closing of the 40th Consultative Committee Meeting**



Group Photograph of the Formal Inauguration of the 40th Consultative Committee Meeting.

RECORD OF CONCLUSIONS

A. FORMALITIES AND PROCEDURAL MATTERS

1. The 40th Meeting of the Colombo Plan Consultative Committee was held in Thimphu, Bhutan, from Tuesday, 7 to Wednesday, 8 November 2006. It was inaugurated on 7 November 2006. The Secretary-General of the 40th Consultative Committee Meeting (CCM) was H.E. Mr. Yeshey Dorji, Foreign Secretary, Ministry of Foreign Affairs, Royal Government of Bhutan.

2. The 40th CCM was attended by delegates from 14 member countries and an observer from one international organisation. The President of the Colombo Plan Council, the Secretary-General and an officer of the Colombo Plan Secretariat, the Chairman and two Governing Board members, the Director-General and CEO and two officials of the Colombo Plan Staff College for Technician Education (CPSC) also participated in the Meeting. The list of participants is included as **Annex VII**.

3. In his inaugural address, Honorable Lyonpo Khandu Wangchuk, Prime Minister of Bhutan, recognised the impressive journey and the history of accomplishments of the Colombo Plan, and its contributions to improve the lives of millions of people in the Asia-Pacific Region. He stressed that with declining levels of ODA, South-South and North-South Cooperation must provide a viable means to harness the creative energies among member states to intensify the level of cooperation. He also called upon member states to forge new partnerships and to renew old ones to meet the challenges in the region. He discounted the perceptions of the irrelevancy of the Colombo Plan and pointed out that significant improvements had been made to the programmes and activities, which were crucial for the development of the region. He urged the developed and new donor member states to continue extending their generous financial and technical assistance to the Colombo Plan. He wished the delegates a fruitful 40th CCM. The inaugural address is included as **Annex I**.

4. The 40th CCM expressed deep appreciation to Honorable Lyonpo Khandu Wangchuk, Prime Minister of Bhutan, for his inaugural address. The 40th CCM also expressed appreciation for the welcome address made by H.E. Mr. Yeshey Dorji, Secretary-General of the 40th CCM. The welcome address is included as **Annex II**.

5. H.E. Mr. Piamsak Milintachinda, the leader of the delegation of Thailand, expressed on behalf of all delegations his gratitude to the Chief Guest, Honorable Lyonpo Khandu Wangchuk, Prime Minister of Bhutan, for his gracious presence and for formally inaugurating the 40th CCM. The vote of thanks is included as **Annex III**.

6. H.E. Dasho Bap Kesang, Secretary, Royal Civil Service Commission, Royal Government of Bhutan and the leader of the Bhutanese delegation was elected Chairperson as proposed by the delegation of the Republic of Korea and seconded by the delegation of the People's Republic of Bangladesh.

7. H.E. Dato' Halipah binti Esa, the leader of the delegation of Malaysia, was elected Deputy Chairperson as proposed by the delegation of Lao PDR and seconded by the delegation of Socialist Republic of Vietnam.

Adoption of the Agenda

8. The 40th CCM adopted the agenda without any amendments and is included as **Annex IV**.

B. COLOMBO PLAN ACTIVITIES

Proposed Amendment to the Colombo Plan Constitution

9. The 40th CCM considered and approved the proposed amendment to Chapter III, Article 3, of the Colombo Plan Constitution as follows:

A Member Government that is in arrears in the payment of its assessed financial contributions to the organisation shall not be able to participate in programme activities, except at its own expense if the amount of its arrears equals or exceeds the amount of the contributions due from it for the two preceding financial years. The Council may, nevertheless, permit such a Member Government to participate in programme activities if it is satisfied that the Member Government's failure to pay is due to conditions beyond the control of the Member Government and upon agreement to an approved amortisation plan to repay all outstanding contributions. A Member Government's participation in programme activities shall be restored, as long as payments pursuant to such a plan continue to be paid. Such an amortisation plan should not exceed seven years in length.

Islamic Republic of Afghanistan: Request for Exemption from Arrears of Financial Contributions

10. The 40th CCM considered and approved the request of the Islamic Republic of Afghanistan for exemption of financial arrears from 1984 to 2005. The 40th CCM requested the Islamic Republic of Afghanistan to pay its mandatory membership contribution starting from 2006. The 40th CCM agreed that the exemption be considered as a form of assistance from the Colombo Plan for the reconstruction of Afghanistan.

Annual Reports of the Colombo Plan for 2003/2004 and 2004/2005

11. H.E. Mr. Durga Prasad Bhattarai, President of the Colombo Plan Council, presented the annual reports of the Colombo Plan for 2003/2004 and 2004/2005. The 40th CCM considered and adopted the reports.

Annual Reports of the Colombo Plan Staff College for Technician Education for 2003/2004 and 2004/2005

12. H.E. Mr. W.M. Senevirathna, Chairperson of the Governing Board, and Dr. Man-Gon Park, Director-General and CEO of the CPSC, made a multimedia presentation on the CPSC annual reports for 2003/2004 and 2004/2005. The 40th CCM considered and adopted the reports for 2003/2004 and 2004/2005, except for the proposed Omnibus Resolution on the relationship between the Colombo Plan Council/Secretariat and the CPSC. The Chairperson observed that the proposed Resolution has come at a short notice and the members of the CCM needed more time to study the proposal. Furthermore, since some members of the CCM were not present at the 40th CCM, the Chairperson proposed that the Resolution be circulated to all CCM members well in advance so that a decision on the matter can be made at the next CCM. It was unanimously agreed as proposed.

C. TECHNICAL COOPERATION AND MATTERS CONCERNING THE COLOMBO PLAN REGION

Country presentations of bilateral technical cooperation programmes for 2004/2005 and 2005/2006

13. The 40th CCM noted with appreciation the contributions made by member countries in assisting the Colombo Plan in the implementation of its programmes. Member country presentations of technical cooperation programmes implemented with Colombo Plan are included as **Annex V**.

D. DATE AND VENUE OF THE NEXT CONSULTATIVE COMMITTEE MEETING

14. The 40th CCM accepted the gracious offer of the Government of Malaysia to host the 41st CCM in 2008.

E. SPECIAL ISSUE

Technical and Vocational Education and Training (TVET) for Youth Employment

15. The 40th CCM was grateful for the efforts of Mr. Tshering Tobgay, Director, Department of Human Resources, Ministry of Labour and Human Resources, Royal Government of Bhutan, in presenting an excellent paper on TVET for Youth Employment as appears in **Annex VI**. The 40th CCM noted that the paper was comprehensive and informative, and received positive responses from member countries and the CPSC.

F. PRESENTATION OF CHEQUES

16. To commemorate the holding of the 40th CCM and on behalf of the Colombo Plan, H.E. Mr. Durga Prasad Bhattarai, President of the Colombo Plan Council, presented a cheque of US\$ 10,000 to the Jigme Dorji Wangchuck City Library, and H.E. Mr. Kittipar Kanjanapipatkul, Secretary-General of the Colombo Plan Secretariat, presented a cheque of US\$ 5,000 to the Youth Development Fund, Thimphu, Bhutan.

G. CONCLUDING SESSION

17. H.E. Dasho Bap Kesang, the Chairperson of the 40th CCM, in his closing statement thanked the distinguished delegates for the excellent contributions for the successful conclusion of the deliberations. He also thanked the Secretary-General of the 40th CCM, the Secretary-General of the Colombo Plan Secretariat and their respective staff for all the necessary arrangements made in connection with the Meeting.

18. H.E. Dato' Halipah binti Esa, the Deputy Chairperson, responding on behalf of all delegates and observer thanked the Royal Government of Bhutan for its gracious hospitality and the Chairperson of the 40th CCM for his able leadership and guidance. She also thanked the Secretary-General of the 40th CCM, the President of the Colombo Plan Council and the Secretary-General of the Colombo Plan Secretariat as well as their staff for their dedication and professionalism in conducting the activities of the Colombo Plan and the commendable arrangements made for the Meeting. In conclusion, she invited all delegates and observers to Malaysia for the 41st CCM to be held in 2008.

19. The 40th CCM expressed its deep appreciation for the excellent arrangements and the generous hospitality extended by the Royal Government of Bhutan in addition to the outstanding services provided by the 40th CCM Secretariat under the direction of H.E. Mr. Yeshey Dorji and the invaluable support provided by the Colombo Plan Secretariat.

Inaugural Address by Honourable Lyonpo Khandu Wangchuk, Prime Minister, Royal Government of Bhutan.

Honourable Ministers,
Excellencies,
Distinguished delegates,
Ladies and gentlemen,

Today is a moment of great pride for Bhutan. After forty four years of our membership, we are hosting the 40th Consultative Committee Meeting of the Colombo Plan, here in Thimphu. This meeting is among the most important multilateral conferences that we are hosting. I am, therefore, honoured to have the privilege of addressing this distinguished gathering.

At the outset, on behalf of the people and the Royal Government of Bhutan, I would like to extend a very warm welcome to all the distinguished delegates and express our deep appreciation for accepting our offer to host this meeting.

The word that best describes the spirit of the Colombo Plan is altruism. The Colombo Plan continues to touch and improve the lives of millions of people in the Asia-Pacific Region. While it was established during the Cold War period as a Commonwealth organisation, it gradually included non-Commonwealth countries. It is 55 years old and is one of the world's oldest regional economic cooperation programme. It has had an impressive journey and a long history of accomplishments. And its programmes and activities continue to be relevant in today's interdependent, globalised and complex world.

The Colombo Plan also holds a special place in the history of modern Bhutan. It is with nostalgia and pride that we in Bhutan remember the year 1962, when we became a member of the Colombo Plan, the first multilateral organisation we joined after we shed our policy of self-imposed isolation. Bhutan's membership of the Colombo Plan in effect began our formal interaction with the rest of the world.

The Colombo Plan has left an indelible mark in the human resources development of Bhutan. It has contributed towards realisation of our policy of providing quality education to our children. It has assisted us in providing health care to our citizens. It has contributed to the all round socio-economic development that we have achieved and continue to pursue.

Around us, there is significant and tangible evidence of Colombo Plan's contribution. Three of our present ministers benefited from Colombo Plan scholarships. Like them, there are thousands more whose capabilities have been enhanced through the Colombo Plan programmes. They now hold prominent positions in the public and private sectors, and are making invaluable contributions towards nation building.

The activities under the different programmes of the Colombo Plan continue to

compliment our efforts in enhancing happiness, contentment and the well-being of our people through, among others, equitable socio-economic development.

Taking lessons from our own experience, I have no doubt that the Colombo Plan would have made similar contributions in each of the other member countries.

Distinguished delegates, ladies and gentlemen,

As we gather to deliberate on the activities of the Colombo Plan for the next two years we must take inspiration from the wisdom of some of the greatest minds of the 20th century who were instrumental in giving birth to this noble organisation. Their great ideas were conceptualised in a simple yet practical method of international cooperation based on the principles – self-help and mutual-help. This resulted in the evolution of South-South and North-South Cooperation. We can be proud that these principles have gone on to guide most international development and economic organisations.

While we have a good track record, we must also be aware of the present global realities that have a bearing on our activities. With declining ODA and much of it being increasingly utilised for managing crises and post-conflict situations, the level of assistance available to developing and least developed countries is far short of what is needed. It is at such times that the unique comparative advantage of South-South and North-South Cooperation must provide viable means to harness the creative energies among member states to intensify our level of cooperation.

Such cooperation will help to mitigate the adverse effects of the global environment and allow member countries to realise the benefits of economic and technological complementarities. I have no doubt that every member will share their developmental experience and expertise, and provide assistance to the other members. Our region is also emerging as the epicenter of the global economy. If we are to further the cause of our people, we must fully exploit all these strengths of our region.

In an era of globalisation, we must forge new partnerships and renew old ones to meet the challenges ahead. Countries in our region are already pooling human and material resources to work collectively for a more just and equitable world. Poverty in our region has largely resulted from underutilisation and misallocation of resources and not from lack of creativity or potential. Through regional partnership, we can address these weaknesses and build on our strengths. We would then be able to enhance our economic growth, create many more jobs and advance our shared development agenda.

One of the emerging challenges for poorer members has been the innovation of technology, which are increasingly biased towards skilled workers. Unskilled workers are unable to take advantage of the opportunities of globalisation. Hence, a foremost challenge for us is to develop a knowledge-based labour force with requisite skills to fully benefit from globalisation. It is our hope that the Colombo Plan will step forward to address this common challenge to develop a dynamic knowledge-based labour force, without which, the social and economic inequities in our region would continue to widen.

Distinguished delegates, ladies and gentlemen,

In recent years, the role of the Colombo Plan to some extent has been duplicated and overshadowed by better-endowed multilateral and bilateral assistance programmes. This has created the perception that the Colombo Plan is becoming irrelevant. However, I hold a different view. The Colombo Plan has made significant improvements and the recent success of its activities vindicates the organisation, and dispels any doubt about its relevancy. Much of the improvements can be credited to the Eminent Persons Group, who provided clear guidelines to optimise and improve our existing activities and programmes. I believe that the Colombo Plan will continue to play a crucial role in the development of our region.

I am also confident that the growing prosperity of our members will endow our organisation with the required resources, technical expertise and managerial leadership. This will not only be important for the prominence of the organisation, but also for many members who still rely on the Colombo Plan to develop their human resources.

One of the strengths of the Colombo Plan is the sense of regional unity, cooperation and approach to development. Its success has been ensured by the financial and technical assistance provided by developed member states and by other members, who were former recipients and have now become major donors, as well as the active participation of the rest of the members. It remains our collective responsibility to build on our successes and experiences to take our organisation to new frontiers. We must do so by adapting the organisation to respond to our needs and to the changing global environment.

The philosophical heart of the Colombo Plan is easy to overlook as it is so simple: Self-Help and Mutual-Help. Members must help themselves and the more fortunate members must help those in need. In keeping with this philosophy, I urge the developed and new donor member states to continue extending their generous financial and technical assistance to the Colombo Plan. The valuable contributions and the effective utilisation of the assistance will not only make the organisation evermore relevant, but continue to guarantee its success. It will also encourage less developed members to strive to reach the desired level of development.

In concluding, I wish the distinguished delegates a fruitful 40th CCM and a pleasant stay in our Kingdom.

Thank you and Tashi Delek!

Welcome Address by H.E. Mr. Yeshey Dorji, Secretary-General of the 40th CCM.

Honourable Prime Minister,
Honourable Ministers,
Excellencies,
Distinguished Delegates,
Ladies and Gentlemen,

As the Secretary-General of the 40th Consultative Committee Meeting of the Colombo Plan, it is my great honor and pleasure to welcome all the distinguished participants at this inaugural session of the Meeting.

In particular, I would like to extend a very warm welcome to all the foreign delegates who have traveled from far and wide to this 40th CCM.

I would like to express our deep gratitude to the Honourable Prime Minister, Lyonpo Khandu Wangchuk, for graciously consenting to be the Chief Guest at our inaugural ceremony. Lyonpo's presence here is an indication of the high importance the Royal Government attaches to its relations with the Colombo Plan and its activities.

I would also like to thank the Honourable Finance Minister, Lyonpo Wangdi Norbu, and the Honourable Minister for Labor and Human Resources, Lyonpo Ugyen Tshering, for their presence here, which is a source of encouragement and support to our meeting.

The Colombo Plan is a particularly well-known and well-regarded organisation in Bhutan. It was the first international organisation that Bhutan became a member of in 1962. We have greatly benefited from its technical cooperation program. Thousands of Bhutanese have availed of Colombo Plan trainings and scholarships. Our association with the Colombo Plan is long and mutually satisfying. We are, therefore, extremely pleased to be able to host this Consultative Committee Meeting here in Thimphu.

We are meeting after two years of the last Consultative Committee Meeting in Tehran, during which not only Vietnam and Mongolia joined us as full members, but also the number of program activities have increased. Notable examples are the renewal of the long-term fellowship program, and the establishment of a new program on environment. The Colombo Plan Staff College has conducted over 700 trainings and international customised courses. All these have greatly benefited our member countries.

To all our donors, we offer our deepest appreciation. To the Secretary-General of the Colombo Plan and the Director-General of the Staff College, and their dedicated staff, we offer our sincere thanks for ensuring the success of every activity.

We started our proceedings this morning with the Marchang ceremony, which is a symbolic offering of wine to the guardian deities as an oblation to clear all obstacles and

ensure the success of our meeting. We have a full agenda for the next two days. Let the spirit of cooperation and understanding continue to guide us through our deliberations, so that our Organisation remains dynamic and benefit thousands more of our peoples.

I would now like to invite the Honourable Prime Minister to deliver his inaugural address.

Thank you.

Vote of Thanks by H.E. Mr. Piamsak Milintachinda, Leader of the Thai Delegation.

Honourable Lyonpo Khandu Wangchuk, Prime Minister of Bhutan,
Your Excellencies Ministers,
Your Excellencies Ambassadors of Member Countries,
Distinguished Delegates,
Ladies and Gentlemen,

It is an honour for my delegation to deliver the vote of thanks for the inaugural address given by Hon. Lyonpo Khandu Wangchuk.

On behalf of all delegates at this Meeting, I would like to express our deepest appreciation to Honourable Lyonpo Khandu Wangchuk, for his gracious presence and for formally inaugurating the 40th Consultative Committee Meeting of the Colombo Plan.

There are many reasons for us to attend this Meeting, but I will like only two.

One is because the Colombo Plan has made important contributions to its member countries in the field of education and human resource development. Thailand, for one, has enjoyed the benefit from scholarships and fellowships for higher education and training courses.

Reason two is because of the host country, Bhutan; the hidden paradise, accessible only to a fortunate few.

I came to Bhutan two years ago, and I am back for more, to see the natural beauty of the country, the pristine environment, for example, I know that many people longed to come to Bhutan, and now many delegates are here for the first time. I am sure that they will take all the open opportunities to enjoy themselves with the raw natural beauty of the country and the hospitality of the Bhutanese people.

Excellencies, Ladies and Gentlemen, Honourable Prime Minister has inspired us with his thoughts on our work, and I am sure that all delegations will work hard today and tomorrow with the spirit of cooperation and understanding in order to deliver a successful outcome for this Meeting.

May I express once again on behalf of my delegation and all other delegations present, our gratitude and appreciation to Honourable Lyonpo Khandu Wangchuk, Prime Minister of Bhutan, and through him to the Government and the people of Bhutan for the warm hospitality and friendliness rendered to us.

Thank you.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Bhutan

Thank you, Mr. Chairman.

First of all, I would like to thank all the donors for the generous financial offers they have made to the various Colombo Plan programmes. Your firm commitments are vital for the success of the Colombo Plan activities. I would also like to express the appreciation of my delegation to the Colombo Plan for reviving the long-term fellowship programmes since 2004, which will benefit recipient member countries immensely.

Mr. Chairman, as was stated by the Honourable Prime Minister in his inaugural address, Bhutan, since becoming a member of the Colombo Plan in 1962, has and continues to benefit substantially from Colombo Plan activities. The beneficiaries of these activities are making substantive contributions to the development of the country.

Till date, Bhutan has availed of over 2,000 training programmes under the auspices of the Colombo Plan in various disciplines at various levels, which includes a significant number supported by the Technical Cooperation Scheme of the Colombo Plan funded by the Government of India, and support through joint funding with the governments of Thailand, Singapore, Republic of Korea, Sri Lanka and Malaysia. Bhutan has also benefited from resource persons deputed by the Colombo Plan Staff College for conducting in-country training programmes. Therefore, I would, on behalf of my delegation, like to place on record our deepest appreciation to all these donors as well as the Colombo Plan Secretariat and the Colombo Plan Staff College for their invaluable contributions to the human resources development of Bhutan. Your continued support and assistance will be crucial for Bhutan in the years ahead.

Mr. Chairman, regarding future activities of the Colombo Plan, in particular with regard to Bhutan, my delegation is of the view that given the rising unemployment problem in Bhutan largely due to the skills mismatch of job seekers, it may be useful if the Colombo Plan also concentrated on skills development programmes of durations more than three months. This would enable prospective job seekers acquire the appropriate skills required in the job market. In this regard, the Colombo Plan could continue to support in-country training programmes, which could be tailored according to the particular needs of a country.

Thank you, Mr. Chairman.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

India

Excellency,

Indian delegation would like to congratulate you for your election as the Chairman and highly appreciate the conduct of the meeting. We, Indian delegation, inform the meeting that India attaches great importance to the Colombo Plan activities and has been offering various training courses for the member countries. India has been offering 50 training slots in various training courses for Bhutan every year in addition to experts in various fields including deputation of 13 experienced lecturers to teach at Sherubtse College in Bhutan under the Colombo Plan. The training courses offered were long term and were in administration, forestry etc which enhanced the human resource capabilities. India had also introduced courses in environmental studies which has been emphasised by some delegates at this meeting.

Thank you.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Indonesia

Excellency,
Distinguished Delegates,

It is indeed a great pleasure and privilege for me and my delegation to be here in the beautiful city of Thimphu. On this profound opportunity, allow me to extend our sincere gratitude and appreciation to the people and the Government of Bhutan for the warm welcome and hospitality accorded to us and the excellent arrangement made in organising this meeting.

Allow me also to congratulate you, Mr. Chairman, for your election to preside over this highly important session. We believe that under your able guidance and experience, we will achieve a fruitful result at the end of our meeting. Let me assure you of our full support and cooperation in the discharge of your task in chairing this meeting. On this momentous occasion, we would also like to express our gratitude to the Secretary-General of Colombo Plan and all staff members of the Secretariat for their untiring efforts in preparing all the reports and assisting all of us member countries of Colombo Plan.

Indonesia and Colombo Plan has been working closely since the establishment of the Colombo Plan of which the primary objective is to develop human resources in the Asia and Pacific region. This objective has become more relevant since the capacity building is a prerequisite for the Colombo Plan members to overcome the development challenges and seize the opportunities created by globalisation.

Therefore our meeting today is timely and appropriate to evaluate and revitalise the work of our group, as well as to set up a more effective framework for future action that will enhance our TCDC programs under the framework of Colombo Plan. In this context, we encourage the establishment of a mechanism for cooperation and coordination among TCDC units of developing countries, particularly in regional and sub-regional levels, to further enhance technical cooperation based on the respective national development priorities.

Such mechanism would be beneficial as pooling resources and synchronising the TCDC programs and projects. It would also avoid overlapping programs and reduce the burden of cost incurred. This mechanism would serve as a more feasible approach in acquiring third party funding from the donor countries and international institutions. In this respect, we should continue to enhance triangular cooperation to overcome the perennial constraint of inadequate resources to finance South-South cooperation. It is also important that Colombo Plan programs and activities be more focused and applicable for developing countries, particularly to cope with the changing international economic environment.

We place great concern on South-South cooperation. As a matter of fact, the Indonesia Technical Cooperation Program (ITCP) has become an important instrument in Indonesia's foreign policy. We have been launching ITCP since Bandung Conference in 1955, and established a permanent mechanism for TCDC since 1981.

Indonesia has been contributing to the effort of strengthening and expanding South-South technical cooperation with the support from various donor institutions particularly JICA and UNDP. Furthermore, Indonesia and Brunei Darussalam have also taken the initiative to establish the Non Align Movement (NAM) Centre for South-South Technical Cooperation, located in Jakarta, Indonesia. The Centre, which was inaugurated on 2 February 1998, has been launching various programs and activities to support the development efforts of the developing countries.

We believe that our TCDC programs have been greatly contributing to the acceleration and enhancement of development in the South and the collective self-reliance of developing countries. The programs are focused on exchange of development experiences, technical assistance and training, as well as dissemination and exchange of information. Indonesia expects the continuation of full support from the donor countries and cooperation with other institutions/international organisations that share common interests and objective to enhance the development of the South.

There are three types of TCDC activities implemented by the Government of Indonesia namely:

- Training programme based on the Indonesian capacities and experience;
- Training programmes based on the request of other developing countries; and
- Cooperation with other donor countries or international agencies to design the training programmes.

Financing arrangement for the TCDC activities is made on the basis of national budget with the support of donor such as Colombo Plan Secretariat, JICA, UNDP and ESCAP, as well as other resources including cooperation with other developing countries.

To note, in the last three years the Indonesian Government has been successfully organised 55 training programs, including programs funded by the Government of Japan, JICA, Colombo Plan Secretariat and UNESCAP, with a total participants of 828 from Asia Pacific, Middle East and African region.

In the field of agriculture sector, Indonesia has also organised apprenticeship program for farmers and extension workers from other developing countries. This kind of program is considered very effective for transferring technologies among farmers in the developing countries, based on learning by doing methodologies.

On the other hand, Indonesia has been benefiting from training programs and post graduate program organised by other developing countries, including the programs organised by Colombo Plan Secretariat in collaboration with host countries. This exchange

of experts and trainees among developing countries is essential for human resources development. On this occasion my delegation would also like to express our sincere appreciation to Colombo Plan Secretariat as well as to other donors which have been contributed to the above activities.

It is our sincere hope that this meeting would be able to give new impetus to further strengthen cooperation among members of Colombo Plan. We believe that the spirit of Colombo Plan of assisting and cooperating with one another is embedded in all of us. In this regards, we must ensure that our meeting leads us to an applicable outcome that will inspire hope for the future of this organisation.

Thank you.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Malaysia

40th CONSULTATIVE COMMITTEE MEETING
7-8 NOVEMBER 2006, THIMPHU, BHUTAN

MALAYSIA – COUNTRY PAPER BILATERAL TECHNICAL COOPERATION PROGRAMME 2003 - 2006



Economic Planning Unit, Prime Minister's Department, Malaysia
Federal Government Administrative Centre, Level 2, Block B5, 62002 Putrajaya, Malaysia

MALAYSIA AND THE COLOMBO PLAN

- Joined the Colombo Plan in 1960s
- The Economic Planning Unit (EPU) of the Prime Minister's Department is the designated point of contact (POC) for the Colombo Plan Secretariat.
- Benefited from the activities of the Colombo Plan especially capacity building for Malaysian officers under the Programme for Public Administration (PPA) in areas such as environment, human resource, agriculture, poverty alleviation and finance.

**COLOMBO PLAN SPONSORED
PROGRAMME FOR PUBLIC ADMINISTRATION (PPA)
PARTICIPATED BY MALAYSIANS**

- From 2003 to 2006, 35 Malaysians have undergone training in 21 PPA courses.

- For January 2006 to present, 11 Malaysians participated in 9 PPA courses :

YEAR 2006				
	TRAINING COURSE	DURATION	PLACE	NO TRAINED
1	Project Evaluation	17-23 Jan	Thailand	2
2	Detection of Environmental Pollutants	23 Jan- 10 Feb	Thailand	1
3	Sustainable Crop Production	26 Jan-9 March	Thailand	1
4	Environmental Health with Emphasis on Food Security	6-24 March	Thailand	1
5	Export Promotion for SMEs	10 – 21 April	Korea	2
6	Hazardous Waste Management	4 April – 28 July	Thailand	1
7	Debt Development Agenda & Development Country Position of WTO	3-14 July	Korea	1
8	Community-Based Micro Finance & Income Generation Management for Poverty Alleviation	7-25 August	Thailand	1
9	Improvement of SME Capacity for export & Marketing in Agri Products	2-21 October	India	1

**COLOMBO PLAN / MTCP JOINT COURSES
CONDUCTED IN MALAYSIA**

YEAR 2003-2006		
COURSE	IMPLEMENTING AGENCY	NO TRAINED
Training Course on Strategic Management	National Institute of Public Administration (INTAN)	93
Workshop on Integrated Environmental Planning and Management	National Institute of Public Administration (INTAN)	95
Workshop on International Negotiations	Institute of Diplomatic and Foreign Relations (IDFR)	96

COOPERATION WITH COLOMBO PLAN DRUG ADVISORY PROGRAMME

2005

- The Fourth Asian Youth Conference, 'Youth to Youth' 26-29 September, Penang
- Regional Training on Drug Abuse Prevention 3-8 October, Malacca

FUTURE COOPERATION WITH COLOMBO PLAN

- Malaysia will continue to implement courses by Colombo Plan in local institution under the partnership modality.
- 4 courses are planned for 2007
- Malaysia also welcomes new collaboration initiative from Colombo Plan.

FUTURE COOPERATION WITH COLOMBO PLAN

The courses scheduled for 2007 are:

- Training Course on Leadership and Organizational Management, INTAN
- Training Course on Economic Planning and Management, INTAN
- Training Course on International Negotiations, IDFR
- Training Course on Strategic Analysis, IDFR

SEE YOU IN KUALA LUMPUR FOR THE 41st CCM IN 2008!



Economic Planning Unit, Prime Minister's Department, Malaysia
Federal Government Administrative Centre, Level 2, Block B5, 62502 Putrajaya, Malaysia

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Nepal

1. Background

Human resource is one of the crucial factors for a country's development as progress in any sector depends on this factor. The size and quality of employment, productivity of the labour force, service delivery, implementation of critical development programmes and projects rest on the quality of human resource. Roles of the government, civil society and private sector all depends upon the availability of appropriate human resource.

The quality of human resource in Nepal is not productive and sufficient as required for the development needs of the country. In consideration of this, technical cooperation from the developed countries, capable developing countries and the intergovernmental organisations like the Colombo Plan have great significance to Nepal.

In this paper, a brief overview of technical assistance to Nepal by the Colombo Plan through training, seminars, workshops and higher studies during 2004/05 and 2005/06 is made. Similarly, analysis of the requirement of trained human resource to enhance the employability of the youths and the discussions on the importance of vocational training programmes to the youth is made. A brief discussion on the importance of the international training and interaction programmes to keep the capabilities and morale of the public officials and policymakers is made before highlighting some suggestions at the end.

Training Programmes, Long-term Courses Offered by the Colombo Plan during 2004/05 & 2005/06 to Nepal

The primary focus of the Colombo Plan in the endeavour for collective intergovernmental effort is to develop human resources of the member countries. In this connection, the Colombo Plan has been focusing in human resource development through short-term training programmes and long-term scholarships since its establishment.

Record shows that during the year 2004/05, 26 persons were nominated for long-term studies (1 for Malaysia and 25 for Thailand) whereas 17 persons were nominated for short-term training, seminars, etc. (10 for Thailand, 2 for Malaysia and 4 for India). Similarly during the year 2005/06, 26 persons were nominated for long-term studies (23 for Thailand and 3 for India) whereas 42 candidates were nominated for short-term training programmes, etc. (all for India).

Table: Training, Fellowships Offered by the Colombo Plan to Nepal

Description	2004/05	2005/06
Nominations for:		
Training, seminars, ect.	17	42
Long-term degree course	26	26
Total	43	68
Number of persons participated in training, fellowship programmes, etc.	13	19

Source: NPC Secretariat, GON, Nepal & MOGA, GON, Nepal

Similarly, record also shows that altogether 11 persons of different government offices were actually selected and trained or had opportunities of higher studies in 2004 in different countries. In the same way, 13 persons were involved in training, seminars, long-term courses of various kinds in the year 2005.

2. Importance of Colombo Plan's Assistance to Nepal

Need of training and international exposures to the government, private and civil society officials to boost their capability and morale cannot be overemphasised. In order to make the officials more productive, result-oriented and laced with required skills, exposures, etc., these officials require training of various natures.

Training programmes of general nature which require little cost, common experience and academic exposure for the masses can be organised by national training institutions. However, the training programmes, seminars, workshops requiring technical know-how, certain experiences which require huge resources are difficult to be organised. For this reason, most of the training programmes, seminars, workshops offered by the Colombo Plan have been valuable assistance to the country.

Although the number of the training as such provided by the Colombo Plan is small in view of the country's requirement, yet the impact on the human resource development has been significant as most of the trainees have been policy-makers and officers from the government offices. On behalf of the government of Nepal, we would like to appreciate this intergovernmental organisation for its continuous and generous assistance to the country for a long time since 1950s.

3. Need to Focus on the Youths

Youths of 15-24 age-group in Nepal are 19.4 percent of the Nepalese total Population. There are 4.4 million youths (2.3 males and 2.1 females) out of the total population of 22.7

million (as shown by the census of 2001). If we define the 15-29 age-group as the youth – which is quite reasonable – 27 percent (or 6.1 million) are youths in the country.

It is the fact that an estimated 300,000 additional youths enter the job market every year in Nepal. To date Nepal does not have any significant employment and training policies and programmes to the youths. The country has a lot to do to capitalise this human resource as opportunity and avoid from converting themselves to problems. This can be done by providing employment-oriented training, education, running awareness campaign and advocacy programme, etc. If anything significant is not done, this invaluable resource of the country may prove burden to the country. Although unemployed population is below 10 percent of the total job-seekers, if the percentage of underemployed population is factored in, it reaches more than 17 percent. Needless to say, the major share of the unemployment is borne by the youths.

Taking into consideration of the above problems related to the youths, the country should urgently generate mass employment through labour-intensive public-sector activities, the "Food for Work" programme, work on micro-enterprise programmes, provide easy access to micro credit facilities, etc. to the needy youths. Though many programmes may help mitigate unemployment and improve the youths' livelihood and resolve other problems, most provide short-term or temporary solutions. It is job-oriented education programmes or similar training opportunities to the youths that provide long-term solution to quality employment and solve the problems of livelihood.

The youths can be prepared as competent job-seekers in domestic as well as foreign labour markets by providing them with appropriate training and education. It is in this area where the Colombo Plan can provide support to Nepal. We also would like to request the international donor community to assist the country directly or through the intergovernmental bodies like Colombo Plan to train and educate the youths.

Similarly, the Colombo Plan can also lend its experienced hands to educate Nepalese men and women of young ages directly or by providing training to the trainers so that the country can prepare itself capable in fighting to eradicate poverty problem, which is the sole objective of the present plan of the government.

4. Way Forward

The Colombo Plan has been doing a commendable work for the human resource development of Nepal by providing training to its officers in the areas of public administration, drug advisory and private sector areas of public administration, drug advisory and private sector development. The country requests the Colombo Plan to continue the invaluable assistance in the years to come. In addition to this, we would like to request the Colombo Plan Secretariat to consider following suggestions as well:

1. In addition to the above, the country needs to be provided with the training and advance study programmes in the following fields:

- Socio-economic planning and policymaking focusing on inclusiveness and gender consideration
- IT or ICT
- Commercialising agriculture
- Micro-enterprise and informal sector development
- Micro-credit experience sharing
- Conflict management (including rehabilitation and construction)
- Disaster management
- Recent administrative approaches/dimensions
- Labour economics
- Public employment services and labour market information system
- Health management
- Promoting public private partnership
- Fiscal and monetary policies
- Macroeconomic management (and its aspects)
- Negotiation skills and economic diplomacy, etc.
- Higher studies opportunities (i.e. PhD)

We request the Colombo Plan Secretariat to consider the requirement of Nepal and be generous enough to provide training to the senior and other officials as well as the youths and the job seekers in labour markets of the country.

2. As suggested above, the country would be much obliged if the Colombo Plan may find avenues to help youths in their bid to win job markets by targeting them directly, helping country prepare trainers or making training institutions more effective.

3. Recently, Nepal is exerting its all out effort to tackle the overriding issue of reconstructing the damaged physical infrastructures and rehabilitating the victims (including internally displaced persons).

May we appeal this important intergovernmental body and its member countries from the donor's club to find ways to help Nepal in its imperative mission of the day.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Philippines

Mr. Chairman,

I wish to congratulate the Royal Government of Bhutan for holding the 40th CCM Thimphu, Bhutan. I am certain that the meeting will be a grate success with all the preparation done by the host government.

I wish to congratulate the President of the Colombo Plan Council, Ambassador Durug Prasad Bhattarai for his leadership and for the work done by Mr. Kittipan Kanjanapitakwong, Secretary General of the Colombo Plan Secretariat, without whose efforts, we delegates would not have been able to come and participate in this momentous occasion.

As you know, the Philippines is the site of Colombo Plan Staff College (CPSC) for 30 years now and it has been doing very well in its achievement and contributions for the development of technician education and vocational training (TVET) in the region, of which the Colombo Plan should be proud of. The Philippine TESDA Chairman and Director General, Hon Augusto Syjuco has provided strong endorsement for CPSC in an important role in the host country and region. On the issue of the new site for the CPSC which has been discussed for sometime, though with some misunderstanding, I would like to inform the 40th CCM that the Honourable President of the Republic of the Philippines H.E. President GMA has represented in an official document that the Government of the Philippines will continue to be the host of CPSC until such time that a new member country would have been accepted to hold CPSC. By which time, the present host government would be willing to yield.

The Philippines believes that the CPSC, recognising its significant contributions and achievements in human resources development, should be supported by the member countries, with due sympathy and resources, in the greatest interest of Colombo Plan wherever the CPSC is or will be located.

The greatest interest of the Colombo Plan is "to enhance economic and social development of the countries in the region through the development of human resources".

I wish to finally express my gratitude to the able leadership and organisation of the Chairman and the Secretary-General of the 40th CCM for making Colombo Plan's 40th Consultative Committee Meeting a great success.

Thank you.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Singapore

Mr. Chairman,

On behalf of Singapore, I would like to begin by thanking the Royal Government of Bhutan for their efforts in organising the 40th Colombo Plan Consultative Committee Meeting. We are touched by your hospitality and the friendliness of all the officials we have met.

Singapore would like to take this opportunity to reiterate our support of the Colombo Plan in promoting and supporting economic and social development, and human resource capacity building among member countries.

The Singapore Cooperation Programme or the SCP was established in 1992 under the Ministry of Foreign Affairs. The SCP brought together under a single framework the various technical assistance programmes that had been offered by the various ministries and agencies since the 1960s. Through the SCP, we have been providing technical assistance to developing countries, in the process sharing Singapore's development experience with all our friends.

This theme of working together what we call "Helping Hands, Making Friends", runs through our partnerships and the nature of our courses. Although we hail from many different countries and many different regions, we share some of the same challenges. From economic development to public administration and governance, we all bring our individual experience and expertise to the table. We hope that by sharing Singapore's model and experience, participants will gain from the experience and may be able to adopt or adapt some of the ideas to suit each country's specific needs.

Singapore works closely with partner countries and international organisations to assist our friends in their human resource development. Such an arrangement is a win-win concept of technical cooperation. It allows like-minded donors to pool resources to deliver assistance to developing countries in a cost-effective manner.

To date, the SCP has provided human resource-related training courses, workshops, seminars and study visits for over 45,000 government officials from 164 countries. More than 20,000 participants were government officials from the Colombo Plan member countries under the Singapore Cooperation Programme (SCP). This account for close to 50% of the total number of the government officials trained under the SCP.

Like many of the countries present here today, Singapore remains committed to supporting our developing neighbours in their capacity building efforts, both on a bilateral basis and in cooperation with our partners. We will continue to partner with the various

agencies and the Secretary-General and staff of the Colombo Plan Secretariat to conduct relevant training courses for the benefit of member countries.

Mr. Chairman, I thank you once again for giving me the opportunity to share Singapore experience in technical cooperation and we look forward to working with our Colombo Plan colleagues to further contribute to the development efforts of our friends from the rest of the developing world.

Thank you.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Sri Lanka

Mr. Chairman,

As I am taking the floor for the first time allow me, on behalf of the Sri Lanka delegation to felicitate you and the Royal Government of Bhutan for the excellent arrangements made for the 40th Consultative Committee Meeting of the Colombo Plan and the generous hospitality afforded to us during our stay in Bhutan. I would also like to take this opportunity to humbly commend you Mr. Chairman for the manner in which you have conducted the proceedings of our meeting.

I would like to express our appreciation to the various donors, the Colombo Plan, the Colombo Plan Staff College and other agencies for the numerous programmes conducted. Sri Lanka has immensely benefited from these programmes.

On our part, Sri Lanka has conducted training programmes as part of our overall South-South Cooperation particularly for SAARC and BIMSTEC countries in fields such as human resource development, intellectual property rights and agrarian research.

A comprehensive series of programmes have been undertaken through the technical cooperation unit established in the year 2000 under the Ministry of Foreign Affairs to carry out programmes in the region.

Sri Lanka has recently inaugurated a new center for International relations and Strategic Studies in memory of the late Minister of Foreign Affairs Lakshman Kadirgamar and we look forward to collaborating further with the Colombo Plan and other partners in organising programmes for the region.

Thank you.

COUNTRY PRESENTATIONS ON BILATERAL TECHNICAL COOPERATION PROGRAMMES

Thailand

1. Bilateral Programme

On bilateral programme, the projects are designed based upon Thailand's capacity and resources, as well as the needs of the respective partners. This programme addresses basic areas of cooperation particularly on education, health and agriculture. Activities organised under the programme include training, dispatch of Thai experts and provision of equipment. This also includes tailor-made training programmes which require the identification and design of special courses in response to the need of cooperating partners.

Although this programme is highly concentrated in Thailand's neighbouring countries it also expands to other developing countries as for example, Thailand has extended support to Bhutan in the areas of the HRD. Beyond Asia, Thailand has sought partnerships with African countries, especially through the New Partnership for African Development (NEPAD). Thailand's development cooperation with Africa will focus on promoting human security, human development, poverty eradication, primary health care and HIV/AIDS. Thailand's bilateral programme during 2004-2005 amounted to 252.79 million bath (US\$ 6.65 million) and about 2.170 trainees attended the programmes.

2. Annual International Training Courses (AITC) and Thailand International Post-graduate Programme (TIPP)

Each year, the Royal Thai Government organises a series of Group Training and Post-graduate courses, which are implemented by Thailand's best academic and technical institutions, in a variety of development fields where Thailand has strengths and capacity. The total amount of such programmes was approximately 98.67 million bath (US\$ 2.60 million) for 906 trainees from developing countries.

3. Third Country Training Programme (TCTP)

The Royal Thai Government organizes training programmes or study visits in Thailand for participants from other developing countries who are sponsored by international organisations or donor countries. The Thai agencies concerned play the role of programme arrangements while the sponsoring agencies absorb the programme costs. In the years of 2004 and 2005, Thailand arranged the programmes for 326 trainees which was approximately US\$0.56 million.

4. Trilateral Cooperation Programme

This programme demonstrates the spirit of partnership between Thailand and her development partners to provide development cooperation, such as training courses, study

visits, and sub-regional programmes for third countries on a cost-sharing basis. During last two years, Thailand allocated budget in the amount 27.92 million bath (US\$ 0.73 million) for 644 trainees undergoing training in Thailand.

Mr. Chairman,

Regarding the Trilateral Cooperation Programme, The Royal Thai Government and Colombo Plan Secretariat (CPS) jointly established the Thailand – Colombo Plan Long – Term Fellowship Programme commenced in June 2004 providing academic training in Thailand to selected participants from developing member countries of the Colombo Plan. The costs associated to implementation of the cooperation programme are jointly responsible by the Royal Thai Government and the Colombo Plan on cost-sharing basis. For the academic year 2005, 8 long-term fellowships were awarded to participants in five courses and 14 fellowships were awarded in the year 2006.

In addition, the Royal Thai Government is funding the grant of US\$ 750,000 from 2005 to 2007 to support the Programme on Environment of the Colombo Plan. In 2006, six training programmes were implemented and a total of 59 participants from the Colombo Plan member countries were selected to participate in the training courses.

In 2007, the Royal Thai Government will provide 110 fellowships to the Colombo Plan developing member countries in nine programmes on environment. All courses will be designed to respond to the needs of the member countries.

Thailand has Committed to extend her technical cooperation to developing countries to help them in their development efforts.

Thank you.

SPECIAL ISSUE

**Technical and
Vocational Education
and Training
for
Youth Employment**

Technical and Vocational Education and Training for Youth Employment

1. Introduction

Technical and vocational education and training (TVET) is a major policy instrument to correct distortions in the labour market. Its primary focus is to enhance the employability of youth entering the world of work by improving their knowledge, skills and attitude. Youth employment is, therefore, a major policy objective of TVET.

Youth, according to the United Nations' definition, are those in age group of 15 to 24 years. Naturally there are variations from country to country depending on cultural, institutional and political factors. The unemployed are people among the economically active population who are not working but are available and willing to work.

Unemployed youth are, therefore, people between 15 and 24 years old who are not working, but are available for work and willing to work.

In the poorest countries, underemployment affects many more people, particularly youth, than unemployment. The underemployed are people who would like to earn more money but are not given the opportunity to do so - as a result they are mired in poverty even though they may be employed. They also include people who do not have access to sufficient work, and those who are engaged in low-productivity jobs even though they are capable of delivering higher productivity. These forms of underemployment are even more detrimental to the growth and development of an economy than unemployment. TVET can correct labour market distortions caused by the underemployment of youth.

2. Profile of Unemployed Youth

Youth unemployment is not evenly distributed among all sections of young people, and the characteristics of unemployed youth vary from country to country. However, the most common features are the following:

- i. Among unemployed youth, women number more than men. In many countries, this situation is particularly serious as women are also more insecure and are exploited.
- ii. Unemployed youth are generally less educated and have little or no skills.
- iii. In developing countries, unemployed youth are predominantly rural based. Even those reported as unemployed in the urban areas are largely of rural origin - migrants to urban areas in search of a job.
- iv. Unemployed youth are poor. They are poor because they have practically no earnings. This forces them to either migrate in search of a job - for those who can afford to do so - or to accept low paying, low productive jobs whenever they become available.

In summary, unemployed youth are predominantly poor, underemployed, are socially and culturally disadvantaged, have low levels of education and skills and are of rural origin. The majority of them are women.

Governments across the region must, therefore, give priority to promoting gainful employment for youth. Gainful employment requires that youth have access to full, productive and decent employment. Full employment ensures that no one who is available and willing to work full time for an appropriate wage is jobless. Productive employment matches jobs and skills and decent employment provides workers with basic rights like safety, protection from discrimination and freedom of association.

3. Labour Trends for Youth

Eighty Five percent of the world's youth live in developing economies and current demographic trends indicate that this proportion is likely to increase even further. The labour force participation rate for youth has decreased during the last two decades due to increased access to education and training which allow youth to stay longer in the education system. The labour force participation rates will decline even further as opportunities for education and training continue to be expanded or diversified rapidly in almost all the developing countries.

In developing countries, however, the labour force has been increasing at a much faster pace than employment. This has resulted in increasing trends in unemployment. In 2003, world unemployment rate had reached a historical high of 14.4 percent. This may increase further and as of 2005, the number of unemployed youth was three times greater than that of unemployed adults.

The Asia-Pacific region has about 660 million people aged between 15 and 24. According to the ILO, of the 66 million unemployed youth in the world, 33 million are in this region. The ILO has warned that youth unemployment is "high and rising" in the region with some countries recording youth unemployment rates as high as 29%.

Among the Colombo Plan countries as well, the ratio of youth unemployment to adult unemployment is gloomy - in 2004, they varied from 1.9 to 6.3. This signals that most countries discriminate against youth when employing workers.

The message is that though the expansion of education and training opportunities have had a dampening effect on labour force participation rates, they have not been able to reduce unemployment. This is because employment ultimately depends upon aggregate demand which has not been keeping pace with growths in the population and the labour force.

4. Causes of youth unemployment

Intergenerational links in poverty are well documented. Poor parents passing on poverty to their children by depriving them of education, skills training and proper work environments, has been the major cause of youth unemployment.

Poor access to information contributes to youth unemployment in two ways. First, young people enter the labour market with low education and skills, but with high salary expectations. In the process they either remain unemployed or accept low-paying, low-productive jobs. Initial failure to find a stable job can lead to persistent joblessness for young people, especially in weak economies. Second, parents in rural areas often undervalue the benefits of education – they remove their children from school and introduce them to the world of work at a very young age.

At the macro level, there are basically two causes of youth unemployment: aggregate demand and the size of youth labour force. In times of recession, when there is a fall in aggregate demand for goods and services, unemployment increases. This affects young people disproportionately because fewer new workers are recruited, and the opportunity costs of firing youth are relatively lower. Furthermore, changes in the global economic structure and technology favour highly skilled workers instead of inexperienced youth in search of their first jobs.

Given the employment scenario, the larger the size of youth cohort in the labour force, the greater the number of youth facing unemployment. However, this does not imply that reductions in the labour force will necessarily solve the problem of unemployment. At best, it will postpone the problem to a future date.

5. Consequences of youth unemployment

Consequences of youth unemployment can be devastating.

First, almost every child dreams of success in their future work life. This dream is shattered, if they do not find jobs to earn their livelihood, many times even to meet basic survival needs.

Second, on attaining adulthood, young people aspire for economic independence. Unemployment, on the other hand, increases their dependence on their relatives affecting the whole family adversely.

Third, unemployment early in a person's working life may permanently damage the person's productive potential and reduce the possibilities of finding a full time, decent and stable jobs in the future.

Fourth, the inability to find gainful employment creates a sense of vulnerability, insecurity and a feeling of social exclusion. This causes youth to turn violent and start resorting to

legal and subversive activities.

Fifth, at the macro level, youth unemployment is a massive opportunity cost to the nation. Halving world's unemployment rate - from 14.4 percent to 7.2 percent - could add an estimated US \$ 2.2 to 3.5 trillion to the world economy (ILO, 2004).

And sixth, a nation with high rates of youth unemployment could deter foreign direct investment. This robs countries of opportunities to boost their economies and create vibrant labour markets capable of fulfilling the aspirations of job seekers.

Youth unemployment and underemployment are thus national maladies and it is for nations to resolve the problem through appropriate policy frameworks for TVET.

6. Policy framework for TVET

Providing skills training through TVET to address concerns about socially unacceptably high rates of youth unemployment has been a major objective of employment policies, particularly among developing nations. The rationale is that young people cannot find jobs mainly because they do not possess the specialised skills required by employers. Skills training take care of some of the inadequacies of youth entering the labour market and enable them to get employment.

However, TVET is no magic wand. In fact, TVET by itself has not proven viable for two reasons: First, acquisition of skills alone cannot guarantee employment; TVET is only a supply mechanism. If the labour market does not respond to improved skills among the unemployed, TVET would only be replacing one category of unemployed youth by another category of unemployed youth - probably, with better skills and at higher cost to the exchequer. This will make unemployed youth even more frustrated and desperate. Thus, if TVET has to correct labour market imbalances, it has to be demand driven.

Second, the focus of TVET has largely been directed on preparing youth for entry to work. Often TVET ends with imparting training to improve employability for the first job, and generally there is no follow up. This prevents labour markets from becoming dynamic, resilient and sufficiently competitive to benefit from emerging trends in globalisation and liberalisation.

TVET policies generally fall into three categories: First, in low income countries, which provide limited access to formal schooling and training, traditional apprenticeships have been encouraged. This form of training provides both skills training and practical experiences to produce craftsmen. However, modernisation and globalisation have rendered the skills of craftsmen irrelevant due to inadequate aggregate demand. As such, most craftsmen have been resorting to manual labour and farm work to earn their livelihood.

Second, in middle income countries, which have growing industrial sectors, a mix of different training modes is carried out. These include:

- i. *School-based Vocational Training* where students can acquire vocational skills beyond general school curriculum, as part of their formal schooling.
- ii. *Vocational and Technical Schools*, which are improved versions of the school-based vocational training model. This model, like the Industrial Training Institutes in India, is found in many low income countries as well.
- iii. *Non-formal Training Centres* which offer flexible training – in content and duration – to unemployed youth.
- iv. *The Latin American Model* wherein training institutes are run independently of the education system. These training institutes have close links with industry which is deeply involved in managing, financing, and ensuring the quality and relevance of training.
- v. *The German Model* provides 'dual apprenticeship training' which combines institute based training and enterprise-based training. This system requires positive attitudes of trainers to blue collar jobs, and commitment on the part of employers and the labour unions, which is characteristic of the German tradition.
- vi. *The Japanese Model* stands apart from other models in extending training beyond the first job. This model provides skills development throughout the lives of the workers creating a workforce that is dedicated, disciplined, flexible, and versatile.
- vii. *The Open System*, in operation in countries like U.K, France and Australia, follow an accreditation procedure to examine and grade the skills of workers who could not receive formal skill training due to poverty.

Third, in developed countries, the German Model, Japanese Model and the Open System are preferred training modes. Some developing countries have tried to reproduce them in their own environments, but their efforts remained largely experimental.

The message is clear: TVET systems as a means to provide youth employment is not universally applicable. Each-country may have to design a system appropriate to its own socio-economic environment, and recognise that, in order to succeed, TVET systems must be people oriented and acceptable to all stakeholders. The following important lessons should be considered to make TVET an effective instrument to combat youth unemployment:

- i. Demonstrate stronger government commitment to TVET. This requires coordinated ownership of all the ministries, departments and agencies involved in designing and implementing TVET. It also requires more generous budgetary support for TVET which is generally more expensive than general education.
- ii. Enable continuous monitoring and development of TVET systems to ensure relevance to the workforce and industry.
- iii. Change the focus of TVET systems from 'preparing the unemployed for work' to 'preparing job-seekers to be flexible and versatile in the world of work' by providing continuous training. Among others, this will require TVET systems to use emerging technologies to improve the efficiency and relevance of training.
- iv. Promote effective public-private partnerships in the TVET system.

- v. Make TVET systems financially viable given the perennial budgetary constraints among most developing countries.
- vi. Promote entrepreneurship in all TVET systems.
- vii. Enhance workforce mobility, nationally and internationally, by using accurate labour market information and by accepting internationally recognized testing and certification systems.

However, TVET systems are essentially supply mechanisms, and even the best systems cannot guarantee youth employment. TVET systems must be complemented by enabling policy environments which promote growth and enhance overall employment. This calls for a thorough review of economic policy framework for TVET.

7. Enabling policy environment

Enabling policy environments should support reform and restructure of TVET systems so that they function as integral parts of economic development policy frameworks. They should identify new employment avenues, locate new opportunities for productivity improvements, and provide quick and flexible responses to changing economic environments

7.1 Policies to improve productivity and income in the rural economy and informal sector

In the developing world, most of the poor work in the rural economy. Rural economies have suffered from the neglect of policy makers and are characterised by high degrees of underemployment and low productivity. Increased public investments in rural infrastructure (including irrigation, rural transport, rural electrification, integrated rural markets and information access), and innovations in credit delivery, retailing and market supply chain management can drastically transform rural economies in developing countries.

In addition to generating demand for skilled and young workers, these innovations can have other useful consequences. Firstly, they increase productivity, employment and incomes in the non-farm rural economy which in turn leads to increased access to education, healthcare and information across all segments of the rural population. Second, in the long run, they will ensure that youth entering the labour market will be better educated, healthy and more adaptable to labour market aberrations.

7.2 Export push policies

The export orientation strategies of East Asian and Southeast Asian economies allowed these countries to deal efficiently with import substitution and achievement of full employment. Although, some road blocks have been

encountered in implementing this policy, it still offers tremendous benefits by creating short-term employment and long-term growth.

7.3 Private-public partnerships in development

Market forces and private initiative are increasingly recognised and acknowledged as potent drivers of economic activity, while governments are relegated to playing strategic and coordinating roles. Governments, therefore, need to work closely with the private sector to ensure economic growth and employment creation. This policy has a special significance to achieving the goal of full and productive employment through forays into non-traditional activities like food processing industry, housing and real estate development, retailing and distribution, education and healthcare.

8. Major issues for consideration

The preceding analyses have some important messages for TVET and employment policy makers in developing countries: *First*, chronic unemployment is not a major cause for worry. Rather, it is the underemployment of youth that should receive serious attention. *Second*, unemployment in general, and youth unemployment in particular, have been on the increase. Furthermore, youth unemployment is generally at least three times larger than adult unemployment. *Third*, unemployed youth are mostly poor and are largely of rural origin. TVET will, therefore, have to be part of poverty reduction and rural development strategies. *Fourth*, hitherto governments have been the sole creators of employment opportunities. In this design, the scope is limited and almost all governments have exhausted their abilities to create additional employment. *Fifth*, there is much to benefit from active public-private partnerships in various spheres of socio-economic activities. *Sixth*, public-private partnerships in TVET can promote youth employment by creating a dedicated, disciplined, flexible and versatile workforce. *Seventh*, most of the employment opportunities are in the rural and informal sectors, but workers in these sectors do not have adequate education and skills training. *Finally*, TVET has to be relevant, effective and sustainable.

The issues for consideration, against the background of lessons learnt, are the following:

- i. Designing versatile, flexible and demand driven TVET systems to adapt to ever changing economic environments.
- ii. Integrating TVET with poverty reduction and rural development strategies to identify employment creation opportunities and areas for productivity improvement.
- iii. Roles that governments should play in skills development through TVET.
- iv. Forging public-private partnerships in TVET to improve the quality of young workers and to enhance the commitment of all stakeholders.
- v. Reforming TVET to provide continuous skills training as an effective means to address underemployment of youth.
- vi. Enhancing the productivity and incomes of young workers in the informal sector by

- providing adequate skills training.
- vii. Ensuring financial viability of TVET so that its dependence on scarce government finances is reduced gradually, till eventually TVET becomes sustainable.
 - viii. Monitoring and evaluating TVET on a continuing basis to effect reforms and modifications, periodically.
 - ix. Following up on trainees to assess their performance in the labour market and to effect corrections where necessary through continuing education and training.
 - x. Facilitating resource and information sharing among Colombo Plan members to gain from each others' experiences.

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