

# Vocational Education in Lao PDR (VELA)

## Germany's support to reform the Lao vocational education system

### Context

Lao PDR has experienced high economic growth of more than 6% annually over the last 20 years. However, the quality of growth in terms of sustainable development, in particular employment generation and poverty reduction, was relatively low.

Enterprises especially in the country's urban centres often complain about the lack of skilled workers. Labour market surveys state this as one of the key obstacles to the development of the Lao economy.

So far, the national Technical Vocational Education and Training (TVET) system has provided only a limited number of graduates with relevant competencies required by the Lao labour market. Both public and private sector have not yet been capable to jointly address these challenges and establish sufficient cooperative TVET models which provide flexible and needs-oriented qualifications for enterprises. This has constituted a key barrier to economic growth, particularly in the economically more dynamic provinces of the country.

### Objective

Dual-Cooperative Training (DCT) courses for relevant professions have been established in the dynamic economic centres of Luang Prabang, Champasak, Vientiane Capital and Vientiane Province.



Teacher at TVET College explains to students in practical class within the Food/Beverages and Food Production Professionals Course.  
Photo: © GIZ/Phoonsab Thevongsa

<b>Project name</b>	Vocational Education Lao PDR (VELA)
<b>Commissioned by</b>	German Federal Ministry for Economic Cooperation and Development (BMZ)
<b>Project region</b>	Champasak, Luang Prabang, Vientiane Province, and Vientiane Capital
<b>Lead executing agency</b>	Ministry of Education and Sport, Lao National Chamber of Commerce and Industry
<b>Duration</b>	January 2019 - June 2023

### Approach

VELA supports the Lao Ministry of Education and Sports (MoES) and the Lao National Chamber of Commerce and Industry (LNCCI) in further developing and consolidating Dual-Cooperative Training (DCT) in close cooperation between state and private sector.

The project provides capacity building and organisational development support to four TVET institutions and more than 100 enterprises to jointly plan, organise and implement DCT in provinces with high demand for skilled labour. This is complemented by the establishment of a DCT Service Center in LNCCI and provincial TVET Help Desks which provide tailor-made services to support businesses with the realisation of DCT.

Additionally, the capacities of the private sector are strengthened to play a more active role in the management and steering of DCT in close coordination with public actors.

## Impact

With the development of 14 and roll-out of 6 DCT courses, the project provided support to the establishment of DCT in the Lao TVET system. Until 2020, more than 1,500 students enrolled in DCT and were able to gain practical work experience in enterprises parallel to their classroom training.

The close alignment of the courses with actual labour market requirements has led to an improved relevance of the TVET portfolio and a better preparedness of students to take up employment after graduation.

The introduction of new courses was complemented by strengthened capacities of TVET teachers, in-company trainers, coordinators and management personnel of both TVET institutions and enterprises.

To allow for a consistent and high-quality implementation of DCT, coordination functions within the administration of supported TVET institutions were established and procedures for planning, organising and implementing DCT were standardised.

The availability of DCT courses has led to an increased number of enterprises that are interested and willing to partner up with TVET institutions.



*In-company trainer supervises students while they practice within the Automotive Mechanic Course.*

*Photo: © GIZ/Phoonsab Thevongsa*

The growing interest of the private sector is also reflected in the commitment of LNCCI to establish a DCT Service Center.

As the voice of the Lao private sector, LNCCI is willing to provide leadership and support for the development of the TVET sector with DCT as the preferred training approach and qualification pathway.

## Gender and economic development

The project includes women in all activities and collects gender-differentiated data and information where possible.

The project supports better access to employment-oriented TVET for women through developing an equal number of study options for both women and men. The target proportion of women in DCT courses supported by the project is 50%.

The project also gives young people from poor sections of the population access to employment-oriented training, which improves their prospects of finding gainful employment.

The enhanced competitiveness of the Lao economy that can be expected due to a more relevant TVET system will lead to the creation of more jobs that also give poor sections of the population the opportunity to earn income.

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