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Aid for Skills Development: South Korea Case Study

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Aid for Skills Development: South Korea Case Study

Hong-Min CHUN¹ and Kyu Cheol EO²

Abstract

Skills development has played a critical role in the history of economic development in South Korea, where strong labor demand-driven approach effectively provided required skilled workers in time for industrialization. This approach has been well embedded in South Korea's aid for skills development where the focus has been on developing industrial skilled workers, both of quantity and quality, for the countries in need. Korea's skills development programs have been largely executed on such industrial trades as mechanics, electronics, automobile repairs, and ICT, where main components of the program include technical vocational and education (TVET) center building, training equipment provision, training curriculum design, as well as instructor training. In order to further improve the effectiveness of the program, recent focus has been weighed on following aspects as highlighted in KOICA's skills development programs in Laos and Guatemala: 1) stronger consideration of marginalized youths as primary beneficiaries; 2) establishment of mechanisms linking training to the actual employment; and 3) diversification of the financial sources of training program/institutions.

Key Words: Skills development, Aid, South Korea, TVET, HRD, KOICA

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1. Introduction

The secrets of South Korea's economic development have been revealed in many studies and there are a number of studies that strongly suggest human resource development (HRD) strategy, of which skills development program in particular, as one of the pillars for South Korea's economic growth.³ The demand-driven approach as well as its focus on industrial trades such as mechanics, electronics, construction, and ICT is known to be largely embedded in its assistance programs for developing nations. However, it is not entirely clear on how Korea's own experience is incorporated in designing and implementing the programs that can shed light to other donor's skills development programmes.

Thus, the objective of this study is to provide an overview of Korea's aid to skills development programmes and share a number of ingredients that make the difference in results. The rest of the paper is comprised as follows. First, review of South Korea's aid to skills development programmes – its size, main actors, approach and linkage with her own skills development experience will be covered, followed by two case studies – Laos and Guatemala – on how Korea assists the skills development of marginalized youths and what she focuses on to make the program more results oriented and sustainable.

2. Review of South Korea's Aid for Skills Development Programme

2.1. Overview

2.1.1 ODA System and Volume

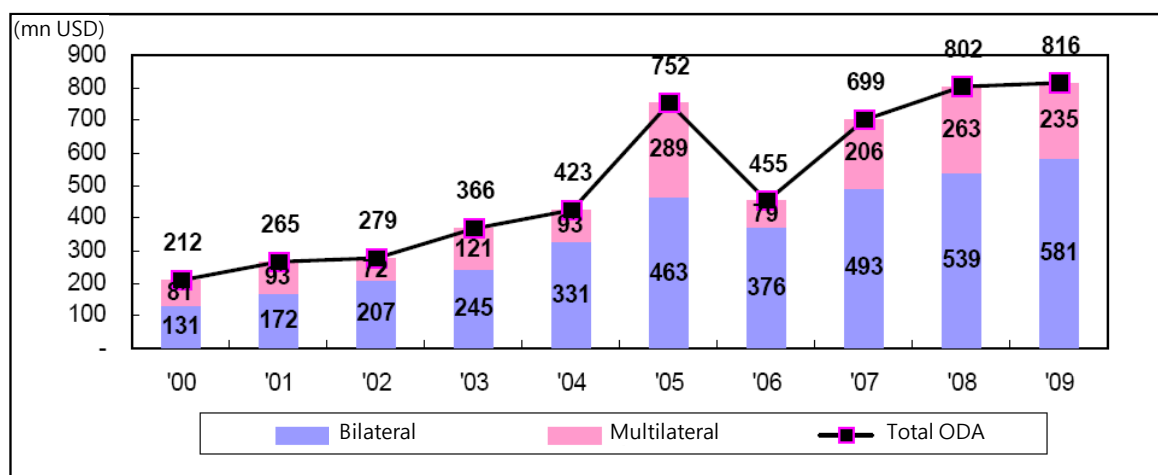
The ODA system in South Korea is comprised of four main actors. The Ministry of Foreign Affairs and Trade(MOFAT) is responsible for Korea's bilateral grant aid policy, which is implemented by the Korea International Cooperation Agency(KOICA). The Ministry of Strategy and Finance(MOSF) is responsible for concessional loan policy, which is implemented by the Korea Eximbank's Economic Development and Cooperation Fund(EDCF). Both MOFAT and MOSF have shared responsibility for part of Korea's multilateral aid.

The ODA Volume in South Korea has been increasing rapidly since 2000, reaching at 816 million USD in 2009 compared to 212 million USD in 2000. In 2009, bilateral aid accounted for 71.2%

³ See YH Lee(2007, 2009) and SJ Lee(2009) for details on the role of South Korea's skill development programs on her economic development.

(581.1 million USD) of the total, while multilateral aid accounted for 28.8% (234.9 million). Grant aid amounted to 367 million USD where KOICA disbursed 74.3% of the grant aid, while EDCF, the soft-loans, amounted to 214.1 million USD. Asia was the main destination of aid with 53.9% of total bilateral aid, followed by Africa (16.3%) and Latin America (9.6%). In terms of the sectors, transportation was the main area of assistance with 641.2 million USD in commitment basis (a total of 1.45 billion USD), followed by health (150.1 million USD) and Education (139.0 million USD).

<Figure 1> Total ODA Volume of South Korea



Source: OECD

2.1.2 Volume and Actors of Skills Development Programmes

During 2000~2009, Korea has assisted in skills development a total of 255.4 million USD⁴ where Grant aid was 107 million USD while soft loans accounted for 148.4 million USD (PMO, 2011). Asia (131.6 million USD) was the biggest destination for skills development assistance, followed by Africa (83.4 million USD) and Middle East (36.4 million USD). Skills development assistance has been implemented in the form of projects/programs which accounted for 90% of total disbursement. In the last 5 years from 2005, Korea provided an average of 17.77 million USD per annum on aid for skills development, which accounted for 25.5% of aid for education sector and 3.6% of bilateral ODA (Table 1).

⁴ Korea's skills development programs are mostly classified as secondary education by the OECD-DAC CRS guideline. This mainly includes projects on technical vocational education and training. However, this figure excludes invitational training programs, which can also be regarded as skills development programs in a broad sense.

<Table 1> Volume of Aid for Skills Development in Korea ('05~'09, mn. USD)

Flow	2005	2006	2007	2008	2009	5yr Avg
Total ODA (net)	752.32	455.25	696.11	802.34	816.04	704.41
Bilateral ODA	463.30	376.06	490.52	539.22	581.10	490.04
Education (% of Bil. ODA)	59.72 (12.9%)	55.06 (14.6%)	104.34 (21.3%)	60.46 (11.2%)	69.50 (12.0%)	69.82 (14.2%)
Skills Development (% of Education)	17.63 (29.5%)	7.34 (13.3%)	21.55 (20.7%)	26.47 (43.8%)	15.88 (22.8%)	17.77 (25.5%)

Note: net disbursement basis
Source: Exim Bank of Korea

The main actors of skills development assistance are KOICA and EDCF who are in charge of grant aid/technical cooperation and soft-loans respectively. KOICA has assisted in 41 projects implementing in 23 countries during 2000 to 2009 with the average project budget size being 2.2 million USD, while EDCF has assisted in 13 projects implementing in 9 countries with the average project budget size reaching 15.5 million USD. The programs delivered by KOICA and EDCF are of similar nature with the major difference in the geographical coverage of assistance where KOICA usually assists one TVET center while EDCF assists a number of centers within a broader region.

KOICA and EDCF's skills development programs are then implemented by specialized public and private delivery agencies such as the HRD Korea, Korea Research Institute for Vocational Education and Training, Korea Chambers of Commerce and Industry, Korea University of Technology and Education, Korea Polytechnics and private consulting companies such as Synergy Vision and KDS.

Korea's skills development programs are usually comprised of establishment of a training center, dispatch of experts and invitational training and provision of equipment. Korea's skills development programs are focused on training of skilled industrial workforces by providing quality training opportunities, which is aimed at improving individual productivity and thus increasing employability. KOICA assists in skills development in the sectors to encourage development potential after considering industrial development level and real demands of skilled work forces. Korea assists in setting up an operation and management plan for training centers such as organization of the center, employment of teachers and administrators, selection of students, estimation of operational cost, design of curriculum and textbook development. Korea also assists in introducing the national skills testing and certification system to test the competency of skilled work-forces and training center's graduates.

The largest sub-sector in education is skills development and most skills development projects have assisted in establishment of training center and introduction of national skills testing and certification system in developing countries. Besides, policy development, teacher training and curriculum and textbook development for skills development are implemented in the form of invitational training program.

<Table 2> Breakdown of KOICA's Aid for Education ('00~'09, mn. USD)

Regions	Disbursement	Percent(%)
Skills development	94.57	64.34
Basic Education	42.54	28.94
Higher Education	9.88	6.72
Sum	146.99	100

Source: KOICA

<Table 3> Regional breakdown of KOICA's Aid for Skills Development ('00~'09, mn. USD)

Regions	Disbursement	Percent(%)
Asia	48.14	50.9
Middle East	24.78	26.2
Latin America	5.06	5.4
East Europe/CIS	2.05	2.2
Africa	14.54	15.3
Sum	94.57	100

Source: KOICA

<Table 4> Top 5 skills development recipient countries of KOICA

Country	Amount (USD Million)	No. of Projects	Projects
Vietnam	20.3	6 projects	<ul style="list-style-type: none"> - The 1st/2nd Korean-Vietnamese Vocational Training Project (5Mn\$/1994-1998) - Project for the Establishment of Korea-Vietnam Industrial Technology Institute (5Mn\$/1997-2001) - Project for the Upgrading of the Korea-Vietnam Industrial Technology School (2.3Mn\$/2007-2008) - Project for Establishing the Korea-

			<p>Vietnam College of Technology in Bac Giang (10Mn\$/2010-2013)</p> <ul style="list-style-type: none"> – Project for the Establishment of National Skills Testing and Certification System (1.5Mn\$/2010-2013)
Egypt	11.9	6 projects	<ul style="list-style-type: none"> – Project for the Establishment of Shorabia Vocational Training Center (0.6Mn\$/1993-1995) – Project for the Establishment of an Auto-Maintenance Vocational Training Center (1.5Mn\$/1996-1999) – Project for Upgrading Auto-Maintenance Vocational Training Center in Embaba (2Mn\$/2006-2008) – Project for the Improvement of Luxor Mechanical Industry Secondary School (1Mn\$/2007-2008) – Project for the Improvement of the Auto-Maintenance Vocational Training Center in Alexandria (1.8Mn\$/2004-2005) – Project for the Improvement of the Automotive Vocational Training System (5Mn\$/2008-2012)
Iraq	11.5	2 projects	<ul style="list-style-type: none"> – Project for the Establishment of Korea-Iraq Vocational Training Center (10Mn\$/2003-2005) – Project for the Establishment of Vocational Training Center in Sulaimanyah (1.5Mn\$/2009-2010)
China	10.5	3 projects	<ul style="list-style-type: none"> – Project for Upgrading of Jinping Minority Vocational School (0.34Mn\$/1995-1996) – Project for the Establishment of Yangzhou Vocational School (0.2Mn\$/1995) – Project for the Vocational Training (10Mn\$/1997-2000)
Afghanistan	9.65	2 projects	<ul style="list-style-type: none"> – Project for the Establishment of Vocational Training Center in Kabul (8.05Mn\$/2002-2005) – Project for the Construction of dormitory for Vocational Training Center in Kabul (1.6Mn\$/2004-2005)

Source: KOICA

There are total of 73 skills development programs already implemented or being implemented by KOICA in 40 countries, and the recipient government is deeply involved in KOICA's programs from

designing of the program to the implementation in such a way of providing the land and basic infrastructure (electricity etc) for construction, administration support, and operation of the facility.

2.2 Strategic Approach of South Korea's Aid for Skills Development

Korea's vision and main objectives of aid for skills development are to contribute to achieving sustainable development through human resources development. Main pillars to achieve this goal are 1) to establish training infrastructure, 2) provide quality training environment and 3) capacity building of the sector (PMO, 2011). With regards to the infrastructure, Korea focuses on establishing TVET centers and polytechnic universities, supply of training equipments, and establishment of labor market information system. On provision of quality training environment, Korea has been focusing on improving institutions and rules & regulations on TVET, as well as establishing national qualification system. Finally with regards to the capacity building, Korea assists in training of government officials in policy making, training of trainers, and development of curriculum. Korea's strong labor-demand driven approach and focus on industrial trades come directly from its own experience of skills development, which will be described in this chapter.

2.2.1 Overview of Korea's Skills Development Strategy

Until the late 1950s, the government drove vocational training by encouraging the establishment of vocational training centers, one-skill-per-person, science technology education, a 5-year plan for vocational skill training and many more, even when lacking in vocational training teachers, budget, facilities, and equipment. Vocational training was fully intensified in the 1960s based on the systemic foundation provided in the 1950s. Education policies also advocated a promotion of science technology education(1964), education contributing to national economic growth(1965), and the advancement of productive education in pace with the 5-year economic development plan. Also it tried a very important conversion of policy regarding vocational training through the establishment of the 'law for the encouragement of industrial education(1963)', declaration of the vocational high school curriculum(1963), establishment of the 5-year scientific technology education encouragement plan(1967-1971), etc.

As heavy and chemical industrialization exerted itself in the 1970s, and the demand for skilled work forces in industry rose, vocational training was largely developed through establishment of vocational high schools. Various policies were executed to foster vocational high schools such as the expansion of vocational high schools, specialization of industrial high schools, increase of experimental and

practical training, establishment of industry-training cooperation system, provision of testing standards for practical technique measurement of vocational training students, cultivation of practical teaching abilities among teachers, preference for vocational school graduates advancing to college within the same field, and the expansion of scholarship for vocational training students through the government’s strong will and active support.

As the Industrial High School Specialization project started in 1974, industrial high schools were fostered by important fields such as machinery, electronics, chemistry, and more based on local conditions and school’s specialties (Lee, 2009). On top of this, qualification system necessary for fields of essential industrial skills were systemically established by enacting the ‘National Technical Qualification Acts(1974).’ Meanwhile, the government was able to provide skilled, experienced workers in a short amount of time by expanding and installing public vocational training facilities while providing legal support systems such as the ‘Act on Special Measurements for Vocational Training’(1974) and the ‘Basic Vocational Training Act’(1976) which intensified in-house vocational training. In addition, vocational training skills competitions were held and preferential treatments for technicians were given to encourage the acquirement of skills.

As shown in <Table 5>, number of vocational schools increased from 481 in 1970 to 605 in 1980 through the government’s strong expansion policies for vocational training. Number of students increased from approximately 275,000 in 1970 to 764,000 in 1980. During these 10 years, number of students in vocational high schools increased by 10.5% every year. The vocational schools expanded in the late 1970s, with the ratio of vocational high school students to all high school students reaching 45.0% in 1980 from 42.3% in 1975 (Lee, 2009).

<Table 5> Expansion of Vocational High Schools in the 1970s

Year	General high school			Vocational high school		
	No of schools	No of students	No of teachers	No of schools	No of students	No of teachers
1965	389	254,095	7,894	312	172,436	6,214
1970	408	315,367	9,845	481	275,015	10,009
1975	673	648,149	20,415	479	474,868	15,340
1980	748	932,605	27,480	605	764,187	23,468

Source : Kang et al. (2005), Analysis on Educational Index of 60 Years of

Korean Education Growth: KEDI.

Since the 1980s, the skills development in Korea has been focused on fostering high-tech engineers in the areas of electronics, telecommunication, biotech, etc. to meet the new industrial demand. This has been another enabler of the country’s rapid transition into a digital economy. More recently, to support the vision of green growth strategy announced at the start of this administration, development of skills in the latest energy and environment-friendly technology has been a focus.

2.2.2 Linkage with South Korea’s Aid for Skills Development

Korea’s experience shows that it is crucial that the government take a leading role in vocational training in the early stages of industrialization in developing countries. For this, an efficient system is needed to implement vocational education and training. Korea has transformed its vocational education and training systems to fit constantly changing industrial demands. Korea’s aid for skills development programmes encourage government’s initiative in training work forces. For effective economic growth, policy consistency and coordination among various Ministries become an important point. If related policies such as agricultural, finance, urban, labor, and education had not been performed comprehensively through harmony with the economic policy, Korea’s industrialization would not have been accomplished. Education was also a tool for economic growth, and an education policy focused on national development strategy was effectively implemented.

KOICA conducts feasibility study to check recipient country’s policy before implementing a skills development project. A team of experts examines recipient country’s development strategy and human resources development plan to identify demand of skills workers. If in case the need of recipient country is on the quality of skills development rather than the quantity, KOICA provides assistance on quality improvement programs such as instructor training program or establishment of national qualification system.

<Table 6> Sample Check-list for feasibility study

Area	Subject	Sources
Policy	National development strategy, Human resources development & education strategy, Alignment between development plan and education policy	- PRSP - Education Development Plan & Policy - Industrial Development Strategy - Labor market information - Supply and Demand of skilled workers

Source : KOICA

Korea has been providing efforts to strategically link the skills development programs to correspond with national development plans in developing countries. For example, the knowledge sharing program conducted with Libya focused on identifying strategic sectors for future growth to estimate long-term labor demand, which has been incorporated in designing dedicated training centers for each of the growth sectors, namely energy, construction, hospitality/tourism, maintenance and repair, and ICT (MOSF, 2010). With regards to the TVET Program for Pakistan which is currently being conducted by KOICA/KDS, the program has been designed to provide the training required for upgrading the textile sector, which is one of the key sectors contributing to the economic growth of Pakistan. With the assistance of Korea, the new garment technology training center is expected to provide trainings in fabric and knit design, apparel marketing, and innovative production management.

Korea's skills development programmes largely target to provide qualified skilled workforce in industrial sectors such as mechanics, electronics, auto repairs, and ICTs for mainly males, while training bakery, hair dressing, and apparel design skills for potential self-employers who are mainly females. In order to further improve the effectiveness of the program, recent focus has been weighed on following aspects as highlighted in KOICA's skills development programs in Laos and Guatemala, which is introduced in the next section: 1) stronger consideration of marginalized youths as primary beneficiaries; 2) establishment of mechanisms linking training to the actual employment; and 3) diversification of the financial sources of training program/institutions. The Laos case is a representative case of TVET programs focused on industrial trades to marginalized youths where the Guatemalan case is representative for TVET programs on new technologies.

3. Case Studies of South Korea's Skills Development Programmes

3.1 Establishment of the Lao-Korean Vocational Training Center ('02-'05 / 2 mn USD)

Objectives and Major Inputs

The main objective of the program was to establish a quality training infrastructure which contributes to youth's employability and productivity. The project targeted unemployed youths in Vientiane, Laos to provide them training opportunities to increase skills capacity and employability. KOICA's skills training center was intended to train mid-level skilled workers to correspond to demands of labor market. Most trainees were high school graduates and high school drop-out. Major inputs of the project included followings: 1) construction of the center(4,500 m²), 2) provision of equipment, 3) training of staffs and instructors, and 4) dispatch of experts for consultation on operation of the center.

KOICA provided 2.0 million US dollars to provide assistance in construction, equipment, dispatch of experts, invitational training program. The government of Laos provided land for construction, storage and local transportation for equipment, installation of basic infrastructure connection such as electricity, sewage, and tele-communication, and operating costs including admin costs and salaries.

The duration of training was designed as 1 year - 2 years programmes of which the curriculum comprises a common course in vocational ethics and gymnastics, a basic course in computer, mathematics and so on, a required course in theory and practice. The level of tuition depends on the recipient country's skills development policy and system. Most skills training center collects training fees that are around 50-250US\$ per year. Scholarships and loans for skills training student are very limited.

Results and Impact

The Korean project team successfully constructed a training center and a dormitory(4,500m²), and provided equipments for seven different trades (electricity, electronic repair, computer repair, automobile repair and maintenance, dressmaking, carpentry and cooking) and office supplies. Three experts were dispatched to provide consultancy for operation and management of the entire center and the newly created workshops. The project also provided training programs for management staff and teachers separately in Korea, focusing on sharing of knowledge and technical skills in vocational training. The training also covered curriculum development and teaching methods.

Student enrollment has increased from 105 in 2004/2005 to 535 at the time of 2008/2009. About 30% of students were from Vientiane and about 70% were from other provinces. The quota given to students from poor families, ethnic minorities and remote areas accounted for about 30% of the total enrollment. These students receive financial support from the center which is supported by the government. The ratio of female students was about 12% of the total enrollment. Vocational training courses provided at the center have also expanded from five fields to seven trades during the same period, with the center planning to provide two additional training trades, namely in driving skills and beauty care (KOICA, 2009).

In terms of the quality of training provided by the center, the quality of graduates of the center has improved assessing through the overall employment ratio. The employment ratio of graduates has increased from 62% in the 2007/2008 school year to 73% in the 2008/2009 school year (KOICA, 2009). Most graduates were employed in formal sector due to the attributes of trained skills that correspond to industrial needs. Although, the employment ratio of LKVTC is close to average of other training centers, the increase in ratio is notable. The employment advisory service is managed by the

department of teaching and learning in the LKVTC. The department of teaching and learning regularly traces employment data of graduates by direct contacts.

<Table 6> Employment Ratio of the Laos-Korea Vocational Training Center Graduates (%)

Trades	2006/2007	2008/2009
Automobile repair	60	60
Computer repair	60	80
Electricity	60	60
Electronics	59	59
Dress-making	58	100
Carpentry	92	100
Cooking	-	100
Total	62	73

Source: KOICA-GTZ Joint Ex-Post Evaluation (2009)

In terms of sustainability, the challenge for the project was regarding the financing of the center after completion. According to the joint ex-post evaluation on the project by KOICA and GTZ, the government of Laos's financial support accounted for only 20-30% of the center's budget, while the rest of the budget was made up from non-quota students' tuition fees and profit-making business of the LKVTC. Despite the plans of LKVTC to increase its revenue by opening new courses, selling information products, and securing additional budget from the government through acquiring an accreditation of national skills development institute, the evaluation team has shown concerns for the sustainability of the project.

Lessons Learned

Largely, the employability of the labor forces depends not only on the adequate supply of skills development, but also on the economic environment as enabling environment in which they can be applied. Vocational training alone does not by itself create jobs. If the problem is structural, meaning that youths are not skilled or possess the wrong skills for jobs that actually exist, then skills development **cannot** be very effective. The main issue is whether the training center offers the right programs at the right level to an appropriate number of youths.

In addition, the provision of vocational training cannot by itself guarantee future employment. Career guidance and employment services are also required in order for the trainees to select a job that matches trainee's career aptitude and to maintain stable employment. During the designing stage, career guidance/employment services should be included as project components, so that the training can lead to employment opportunities. Consultation can be provided for the recipient government to establish a career guidance/employment services system. A training institution benefiting from the project also needs to be able to guide trainees in career selection, and to provide employment services, in which the trainees' employment conditions and the industry's demands for labor are fully matched.

3.2 Establishment of the Korea-Guatemala ICT Training Center ('06-'08 / 2.5mn USD)

Objectives and Major Inputs

The objective of this program was to develop capacity of Guatemalan human resources through establishing an ICT training center, contributing to bridging the digital divide and increasing accessibility to the ICT sector. The project targeted a large range of students who were from the basic ICT user's level to the ICT specialist's level. The training center provided four elementary courses, 15 advanced courses and 21 expert courses when the training center was established on March 2009. Major inputs of the project were as follows: 1) construction of the building and facilities required for the ICT training center, 2) provision of servers, computers, and other ICT software and equipments necessary for the operation of the center, 3) training of staffs and instructors, and 4) dispatch of experts for consultation on operation of the center. KOICA provided 2.5 million US dollars to provide above inputs while INTECAP(Technical Institute of Training and Productivity)⁵, the recipient organization, provided 6.0 million to construct the six story training center.

Results and Impact

The project successfully constructed a training center(8,050m²), and provided computers and software for six areas (system engineering, programming, database management, network management, animation, ICT business skills) and e-learning system. Seven experts were dispatched to provide consultancy for operation and management of the entire center and the installation and operation of equipments. The project also provided training programs for management staffs and teachers separately in Korea, focusing on sharing knowledge and technical skills in ICT training. The

⁵ INTECAP is a leading public vocational training institutue in Guatemala which is run by board of directors comprised of representatives from both public and private sectors. It has over 20 training centers across all of Guatemala. Please see www.intecap.info for details.

training program covered the management and administration of a training center, and training of six special areas mentioned above.

As a result, the Korea-Guatemala ICT Training Center has been established on March 2009. The training center provided 644 courses and trained 7,343 peoples from basic user to ICT administrator during March 2009-October 2010 (INTECAP, 2010).

The training center broadly contributes to reducing digital divide and increasing youth's employment. Also, the training center has trained many public officials from the Ministry of Education, National Tax Service, National Customs Service and other ministries. It is expected to contribute to the government's efficiency and transparent administration in the public sector while increasing youth's employment and income. In addition, the training center also contributes to training ICT teachers which will make strong impact on ICT human resources development. The training center has come to the key ICT training center in Latin America.

Lessons Learned

INTECAP, a national has attempted to produce more demand-driven ICT work-forces to meet to the informational market in Latin America, constantly offering new curriculum based on the training courses KOICA assisted. INTECAP's training model provides two very important lessons to show strong sustainability in management and operation.

Firstly, INTECAP has an innovative approach to finance the training by collecting 1% of employee payroll out of all public organizations and private companies. This is a national scheme set up before KOICA's intervention that applies to most TVET centers that the Ministry of Labor manages. INTECAP has provided 800,000 US dollars to operate and manage the training center in 2009 by using this training fund. In addition to the training fund, INTECAP collects fees from individual and corporate training programs, as well as consulting fees from the corporate, which all add up to an annual budget size of 3.2 million USD. This stable source of finance provides opportunity to hire best instructors and maintain state-of-the-art training facilities. Secondly, as a part of the arrangement with the private sector for contributing to the training funds, a number of seats in the board of executives for INTECAP has been reserved for the private sector, thus making a strong alignment of labor demand and training program. INTECAP also has internal departments entitled as "labor watching unit" and "market flow unit" which monitors and actively responds to changing labor demands.

KOICA has assisted in establishment of the ICT training center with curriculum and equipments to satisfy demands of ICT industry in private sector and demands of public authorities. INTECAP also took significant ownership in construction of the training center and provision of management and

operation budget. This shows a desirable model of training center in terms of sustainability and self-reliance in management and operation which could be modeled upon by other developing countries.

4. Conclusion

The skills development program of Korea has been recognized by many developing countries as well as other donors as one of key programs that uniquely contribute to global society based on her own economic and social development experience. The program itself is also evolving from a hard-ware based approach, which is building infrastructure, to a soft-ware based approach of establishing a sustainable TVET system leading to employment.

Through reflections on the relationship between economic growth with MDG-led donor programs and aid effectiveness agendas, more and more developing countries are beginning to embrace the thoughts of promoting strategic industries and targeted human resource development for quicker and sustainable growth. With its experiences of achieving growth through focused national development strategy and effectively aligned skills development programmes, Korea, the newest OECD DAC member is being tested for its contribution on the subject both from developing nations and donor society.

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