

**Summary of the Meeting Report**  
**5<sup>th</sup> Regional Skills Technical Working Group (RSTWG) Meeting**  
Enhancing Human Resources Development in ASEAN  
Progress of the Mutual Recognition Arrangements and Mutual Recognition of Skills  
**12-13 September 2019**  
**Hanoi, Vietnam**

### **Introduction**

The 5<sup>th</sup> RSTWG Meeting was co-hosted by Ministry of Labour, Invalids and Social Affairs (MOLISA), Vietnam and the ILO. Since 2014, the RSTWG meetings have been a forum for regional dialogue and mutual learning for ASEAN Member States (AMS) to progress on the Mutual Recognition of Skills (MRS), assisting national efforts for strengthening the skills and certification systems to preparing themselves for the MRS implementation. The MRS initiative focuses on low-to-middle skilled workers and responds to the AEC's vision of achieving the free flow of skilled workers and designed to complement Mutual Recognition Arrangements (MRA) that focus on high skilled professions.

The 5<sup>th</sup> RSTWG Meeting was unique in the way that it brought together discussions on the progress on the implementation of both the MRAs and MRS, as well as sharing of updated information on the ASEAN Qualifications Reference Framework (AQRF) progresses. The 5<sup>th</sup> RSTWG Meeting provided a platform for a multi-sectoral collaboration, joining hands to reach a better understanding so to establish a common platform, based on recommendations, in designing the ways forward. The participants acknowledged that the three broad initiatives that promote the mutual recognition of skills among the AMS were established to: support the liberalization and facilitation of trade services envisaged to be made possible through the mobility of professionals in ASEAN; be a common reference framework that enables comparison of education qualifications across participating AMS; and support the recognition of skills of the middle-to-low skilled categories of workers, thereby, facilitating the freer movement and employment of qualified and certified personnel in ASEAN.

The design of the 5<sup>th</sup> RSTWG Meeting was to facilitate further coordination and cooperation among the AMS, together with the ASEAN secretariat, in moving forward with the on-going mutual recognition efforts within the region with a focus on the MRA and MRS implementation. The Meeting facilitated the knowledge sharing on the progress in implementing the MRA in ASEAN, including recent development of the AEC in relation to challenges and opportunities related to human resources development and regional labour market information. Progress on the pilot implementation of the MRS in 2019 was shared, including the next steps. And the MRA, AQRF and MRS are the three key initiatives on skills recognition in ASEAN that are situated as part of the emerging and forthcoming regional TVET initiatives and Future Skills Agenda in ASEAN.

## Implementing the MRAs in ASEAN

At the 7<sup>th</sup> Summit (Bandar Seri Begawan, 5 November 2001), ASEAN leaders mandated the start of negotiations on MRA, a mechanism that enables professional service providers who are registered and certified in its signatory countries to be equally recognized in other signatory countries. The MRAs are categorized as follows: ASEAN Healthcare MRA; ASEAN Business MRA; and ASEAN MRA on Tourism Professionals. The Meeting was represented by the chair persons of the following MRAs: Architectural Services, Dental Practitioners, Engineering Services, Medical Practitioners, Nursing Services and Surveying Qualifications. From the knowledge sharing session, MRAs are not easily operationalized due to the following complex challenges:

- different stages in development (some sectors are well established with strong and systematic domestic regulations whilst others are generic regulation with unclear procedures);
- knowledge, education and assessment gap;
- incompatible systems and cumbersome lengthy processes limiting the guarantee for full mobility (registration, licensing, practice permit, passing national licensure exams, double recognition as opposed to mutual recognition, barriers);
- absence of trust (among the regulatory authorities and difficult to give up sovereignty without compromising consumers' safety);
- few buy-in from proponents (local practitioners not in favor to open the market);
- cultural differences (language proficiency requirements);
- lack of demand (possibly due to the complex procedures resulting in the lack of movement of professionals to justify the efforts to implement MRAs); and
- technical challenges (double taxation, immigration issues, recognition of educational institutes).

A resource person from ADB emphasized the need to set the right MRA for ASEAN nationally, bilaterally and regionally: qualifications recognition including increasing MRA scope and flexibility; supporting institutions and regulations for both recognition and facilitation for mobility; and call for cooperation and commitment. ADB's research (in partnership with the Migration Policy Institute) identified the "following opportunities to the way forward in MRA implementation which require policymakers to take into account the diversity of the region and draw guidance from the principles that underpin the 'ASEAN Way': a diplomatic approach distinct to ASEAN and centred on consensus building and incremental progress driven from the bottom up. In terms of opportunities, there is the need to "*address the restrictive domestic regulations that limit the ability of MRAs to facilitate mobility*" and "*effective MRA implementation requires a concerted effort towards capacity building at both the national and regional level*"<sup>1</sup>. Moreover, recommendations were made to mainstream MRA in all skill mobility, synergize MRA with AQRf implementing structure, realign national qualifications framework and regional standards, increase scope

---

<sup>1</sup> Asian Development Bank (ADB). 2017. *The Long Road Ahead*. Available at [www.adb.org](http://www.adb.org) [25 Sep. 2019].

and flexibility of MRA including the promotion of compensatory measures, and be more transparent and applicable (i.e. qualification committees in all the AMS to communicate better).

The representatives from the ASEAN Business Advisory Council (ABAC), ASEAN Confederation of Employers (ACE) and ASEAN Trade Union Council (ATUC) agree that now is the time to promote more collaboration in fast tracking skill mobility within ASEAN. Mutually, ABAC, ACE and ATUC are interested in the formation of an accessible one-stop shop service on MRAs and to embrace digital transformation and the future of work agenda and adjust the MRA processes to maintain the relevance of both the MRA and AMRS in the dynamic and fast changing labour market. Nonetheless, noteworthy products such as the National Qualifications Framework (NQF) – AQRF, including the improved education and training systems in each of the AMS. The MRA continues to require adjustment within the context of the Fourth Industrial Revolution (4IR), for example, to upgrade outdated qualification framework due to the disappearance/appearance of jobs. Government representatives are encouraged to engage in dialogue with the employers’ organizations and the unions regularly to adjust according to the dynamics and demands of the labour market.

**Stocktaking of Experiences and the Way Forward for the MRA Implementation**

The 5<sup>th</sup> RSTWG Meeting was lauded for bringing together the skills recognition platforms in ASEAN and critically and honestly sharing the lessons learned and recommendations on the ways forward towards the realization of skill mobility in ASEAN. The represented MRA Chairs agree that mobility remain key to the ASEAN region. The Chairs provided a brief overview and updates on the current status in the respective sectors. Table 1 is a compilation of the common barriers/challenges raised by the MRA Chairs, along with the recommendation on the ways forward in furthering the MRA implementation.

Table 1: Consolidated list of barriers, challenges, recommendations and ways forward from the six MRA Chairs.

Barriers/Challenges for Expanding MRA Implementation	Recommendation/Ways Forward for MRA Implementation
<ol style="list-style-type: none"> <li>1. ASEAN delegates keep changing which lead to issues previously discussed being repeated and agreements being disregarded.</li> <li>2. The practice of the Dental Professionals is regulated; therefore it has restrictions which act as barriers for the free flow of dental practitioners. Moreover, amending the Professional Regulatory Law takes a long time.</li> <li>3. Needs more follow-up of deliverables inter-sessionally.</li> <li>4. Discontinued country implementation plan.</li> <li>5. Variations in the qualifications requirement.</li> <li>6. Difference in culture, language and effective communication.</li> <li>7. Mismatches between needed and available health professionals.</li> <li>8. Other countries may not provide the necessary incentives to attract practitioners from another country.</li> <li>9. Adjustment to local laws and regulations of the adopted/host country.</li> <li>10. Acceptance by local professional practitioners and by patients.</li> </ol>	<ol style="list-style-type: none"> <li>1. Restore country implementation plan.</li> <li>2. AMS need to indicate degree of compliance for every Specific Action Line stated in the MRA work plan.</li> <li>3. Conduct inter-sessional meetings through video conferencing.</li> <li>4. Ensure that professionals understand the MRA, eligibility requirements and its mechanisms of mobility through consultative meetings and discussions with professional societies.</li> <li>5. Identify and utilize the more attainable mechanisms of mobility through options like temporary registration and/or licensing instead of aiming for full registration.</li> <li>6. Stronger collaboration between and amongst AMS, enhance the initiatives that have been accepted by the AMS (i.e. education and training; humanitarian missions).</li> <li>7. Eliminate and reduce the barriers to mobility and embrace more flexibility.</li> <li>8. Explore additional measures through regional accrediting body (quality assurance) to increase trust and confidence in the quality of professionals.</li> <li>9. Crafting of a Career Progression Programme and specialization for easier determination of the qualifications level.</li> </ol>

Barriers/Challenges for Expanding MRA Implementation	Recommendation/Ways Forward for MRA Implementation
11. Lack of mechanism to track the number of professionals who have moved to other ASEAN countries using the MRA mechanism.	10. Creation of a single system for MRA registration. 11. Conduct a mapping exercise to identify all projects on the recognition processes to create synergy.

### **Evolving Labour Market Contexts and Information ASEAN – Skills Matching & Labour Mobility**

The ILO’s TRIANGLE in ASEAN project has been collecting International Labour Migration Statistics (ILMS) in ASEAN since 2012, primarily compiled from population census, national labour force survey, and administrative records from different authorities in handling out migration or admission of foreign workers. For the ASEAN region, Thailand has the largest migrant workers stock, and the number reflect that there is only a small proportion of migrant workers that are highly skilled and the majority continue to be those with low and medium level skills. In terms of occupations, the elementary ones account for the most and tend to increase fastest. The findings further indicate the following observations: low skill utilization both at recruitment stage and upon returning home; admission for work is employer-led (facilitated by recruitment agencies) and governments respond to employers’ request based on parameters determined in the migration policies; and systematic assessment of skills and labour shortages support the functioning of labour markets, internal mobility, and migrant labour recruitment.

Based on the labour migration trends, there is a need to open opportunities for middle skilled migration by engaging with employers and recruitment agencies to build awareness on skills recognition and nurture the demand for middle-skilled migrant workers; conduct systematic assessment of labour and skills shortages to inform policy; and consider policy reforms for admission of middle-skilled workers.

### **Review and Lessons Learned from the 1<sup>st</sup> MRS Pilot Implementation – 2019**

In 2018, the MRS programme reached a critical juncture to move from the ‘preparatory’ to ‘implementation’ stage with a decision to embark on the pilot implementation in selected priority occupations and skills areas.

Guided by the ‘7 steps’ Roadmap (see table below), the first corridor was formed for Thailand to participate in collaboration with Cambodia, Lao PDR and Myanmar (CLM) in the plastering/masonry/bricklaying skills area. Furthermore, for Cambodia and Myanmar, Thailand agreed to participate in an additional skills area for the MRS pilot implementation that are the building electrical wiring skills area and sewing machine operation, respectively. The [Roadmap](#) helped move the mutual recognition process whereby the participating AMS would assemble a portfolio of evidence that would form the basis for formal recognition discussion. The objective of the MRS pilot implementation is to provide a strategic and informed guidance to AMS in taking the MRS initiative forward and respond to the development need of low and semi-skilled workers for the free flow of skilled workers within the ASEAN Economic Community. Thailand reported that steps 1 to 5 of the Roadmap was successfully conducted (see Table 2) and enabled the assessment comparability of skills/competency standards, assessment methods and certification systems between Thailand and the CLM countries.

Gaps in the national competency/skills standards between Thailand and the CLM countries were identified and action plans designed for follow-up activities to upgrade and narrow the gaps so to be comparable with Thailand’s national competency/skills standard including assessment mechanism and certification systems through capacity building and other technical guidance such as developing practice examination, sharing of the assessment methods, conduct on-line consultation. Having completed steps 1 to 5, the technical experts’ relations and partnership strengthened, paving the way for future collaboration to link the MRS and AQRF, and established strong commitment from the participating AMS to follow through the Roadmap and to document the comparability in the referencing process.

Table 2: Steps in the Roadmap for MRS Implementation

Step 1:	Identifying areas of skills for mutual recognition
Step 2:	Benchmarking skills/competency standards
Step 3:	Defining and benchmarking the qualification
Step 4:	Assessing the assessment and certification arrangements
Step 5:	Assessing quality assurance of training assessment and certification arrangements
Step 6:	Drafting the migrant skilled worker profile
Step 7:	7a) Assembling and submission of the portfolio of evidence; 7b) Level-to-Level Referencing of the selected qualifications between the NQF and AQRF (and NQF of receiving country)

The second corridor’s process started later in 2019 and is a collaboration between Philippines, Thailand and Viet Nam. The initial discussion was participated by a group of experts, from government and industry representatives, who are directly working on or in the logistics and transportation sector. The discussion started with the sharing of the demand side pictures of the sector in each country, including growth and investment prospects and labour demands. This was followed by the sharing of the national skills, certification and qualification systems including the availability of the relevant skills/competency standards. After the preliminary comparative assessment on the existing skills/competency standards in each country, and in light of the demands for skilled workers, warehouse operators was identified as a possible occupation for a pilot MRS implementation, It was agreed that within 2019, group discussions will be organized on national skills standards and arrangements made on operational trial prior to the MRS (see Table 3).

Table 3: Proposed activities for the MRS pilot implementation in the logistics and transport skills area.

<ol style="list-style-type: none"> <li>1. Identification of the occupations (warehouse operator and forklift operator identified)</li> <li>2. Define occupational descriptions</li> <li>3. Specify role and responsibility</li> <li>4. Identify all Units of Competency (UOC) needed</li> <li>5. Share with industry stakeholders</li> <li>6. Streamline agreed skills sets of UOC</li> <li>7. Set up pilot site</li> <li>8. Demonstrate dummy operation</li> <li>9. Finalize mutually agreed MRS pillar</li> <li>10. Pinpoint mismatched items against MRS pillar</li> <li>11. Analyze relevant competency gaps</li> <li>12. Trilateral agreement on MRS gap pillars</li> <li>13. Capacity building</li> </ol>		
---	--	--

In addition to the above two corridors, selected AMS agreed to collaborate with the ASEAN Secretariat and related regional bodies to integrate the MRS processes with the *ASEAN Guiding Principles for Quality Assurance and Recognition of Competency Certification Systems (Guiding Principles)*. To respond to the problem faced by the AMS in recognizing workers' competencies and skills, on 15 May 2016, ASEAN Labour Ministers Meeting (ALMM) in Vientiane, Lao PDR adopted the *Guiding Principles*. To ensure wider application, it was necessary to conduct a pilot project on occupations or sectors in industry domains recognized in the AMS region. Therefore, the *Guiding Principles* will be piloted in the following 3 AMS: Indonesia, Malaysia and the Philippines. The report on the assessment of the state of skills/competency assessment and certification in the three participating AMS and recommendation for pilot sectors and occupations and finalized guidelines and procedures for the pilot implementation of the *Guiding Principles* will be shared widely amongst the AMS.

**Moving Towards Realizing an ASEAN Community through the Recognition of Skills and Labour Mobility: MRAs and MRS**

Discussions were designed to step up the MRA and MRS to facilitate the recognition of skills and the employability of migrant workers, hence, contributing to boosting productivity. Table 4 contains recommendations and observations for a plan of action, in the immediate term, in moving forward the MRA and is a collection of inputs from the participants of the Meeting based on knowledge sharing in prior sessions.

Table 4: Recommendations for actions in moving towards realizing an ASEAN Community through MRA.

1. Cross Sectoral Information Sharing
<p>Develop comprehensive information on initiatives pertaining to ASEAN workers at high, medium and low skill levels (e.g. AQRf, NQF) and establish inter-linkages.</p> <ul style="list-style-type: none"> <li>Information is useful for all relevant line ministries to learn about the respective initiatives.</li> <li>Not all AMS have NQFs, and in the case of MRA for Dental Practitioners, reference is made to minimum qualifications. Such information will allow for benchmarking and recognition – can be established at a bilateral level.</li> </ul>
2. Access to Labour Markets
<p>MRA for Engineering Services is progressing well but the mobility of engineers still depend very much on access to projects.</p> <ul style="list-style-type: none"> <li>Establish coordinating mechanisms amongst authorities in making available information on projects in all AMS.</li> <li>Advocate for strategies to promote the interest of private sector to participate in the national monitoring committees (and this is relevant to the Business Services Group).</li> <li>Consideration for a national quota system of ASEAN architects, engineers and surveyor's in a country's projects. AMS may voluntarily adopt this policy to regulate the private sector.</li> <li>Future projects that are funded by the ASEAN Infrastructure Fund is recommended to be linked to the MRA for the Business Services Group.</li> </ul>
3. Human Resources Development
<p>In order to promote the greater mobility of workers, MRAs should be supported by human resources development, in order to be regionally competitive.</p> <ul style="list-style-type: none"> <li>Promote the exchange of students, quality of education and trainings at professional levels.</li> </ul> <p>Substantial equivalence and comparability in conformity to MRAs are possible but at different levels. The challenge of obtaining licenses should be reviewed.</p> <ul style="list-style-type: none"> <li>Professional should be knowledge on the destination countries' systems and regulations.</li> <li>To review the comparative study on labour mobility policies and governance, a study led by Vietnam. The study will be shared in a workshop planned to take place in Vietnam on 4-5 November 2019. MRA Chairs and ABAC are invited to join.</li> </ul>

<p><b>4. Promotion and Advocacy of MRAs to Stakeholders</b></p>
<p>Promote the cooperation to facilitate labour mobility, even bilaterally, across AMS depending on national interests (e.g. occupations and skills level needed), as expecting labour mobility governance at the regional may be challenging.</p> <ul style="list-style-type: none"> <li>AMS to identify their skill needs and share information with other AMS.</li> </ul> <p>Professionals listed in the MRA registry systems are low versus actual larger number of professionals working abroad, therefore, advocacy and communications channel to open wider.</p> <ul style="list-style-type: none"> <li>Professionals need to see the benefits of participating in the MRA registry system.</li> <li>MRA Committees should review the relevance and benefits of the registry system.</li> </ul> <p>MRA Committees to promote the benefits of the registry system.</p> <ul style="list-style-type: none"> <li>The registry system allows for the proper recognition of professions as an engineer, for instance, in other AMS (i.e. not as a technician), hence, being remunerated accordingly.</li> <li>The registry system is an assurance to employers on qualified and certified professionals.</li> <li>The registry system is an assurance to workers on the recognition by the national licensing and/or certification body.</li> </ul> <p>Labour ministries of AMS and ABAC to support in promoting MRAs to employers and businesses.</p> <p>Promote MRAs to the private sector for their participation, rather than opting for direct recruitment, and these challenges should be considered.</p> <ul style="list-style-type: none"> <li>Engineers do not need licensing, thus, the private sector does not see the value for the MRA.</li> <li>Direct recruitment is faster.</li> <li>Existing cooperation of nursing schools and academies with employers in other countries for direct recruitment is more convenient.</li> </ul> <p>Promote MRAs to stakeholders by inviting them to the MRA Roundtable Sessions.</p>
<p><b>5. Closer Inter-Sectoral Cooperation</b></p>
<p>Closer inter-country coordination among relevant authorities (e.g. visa, work permit, licensing).</p> <ul style="list-style-type: none"> <li>Initiate an ASEAN meeting of economic, labour and foreign affairs ministers to discuss holistic facilitation of labour mobility.</li> <li>MRA Committees, ABAC and Senior Labour Officers (SLOM) to further discuss matters arising from this Meeting for further response.</li> <li>ABAC will put forward this agenda in its upcoming interface with the ASEAN Leaders.</li> </ul>

For the MRS discussions, the consensus was to continue and complete the pilot implementation of the MRS by using the Roadmap and the [guidance note](#) as reference, and the results to be shared widely. The importance of pilot initiatives to start with identifying demand for middle-low skilled workers in destination countries was highlighted, which should be followed with strong social dialogue and interactions with the private sector, especially when looking into skills needs and forecasts. Another suggestion for the pilot model is for it to be industry led, and this can be met by mapping the occupations inside the functional areas, but within the qualification frameworks.

The work on MRS has so far significantly contributed to strengthening the AMS' skills and certification systems as they compare and share each other standards, assessment and quality assurance practices. The comparability assessments involving multiple AMS contribute to building trust and understanding of each other system, which is fundamental basis for mutual recognition. Through the pilots, a certain level of technical understanding was gained in terms of comparability of selected occupational qualifications. A challenge remains however to take the discussion beyond the technical level for MRS to impact on employment of migrant skilled workers. MRS implementation needs to be discussed further not only as a matter of skills development but also that of migration and employment. Further implementation would

also require discussion at the higher decision making level in ASEAN. Harmonization with the work on MRA and AQRF should be explored, and it is important that MRS is formally recognized and institutionalized as part of the ASEAN efforts on skills recognition. As the goal is to promote the recognition of skills, and the pilot implementation of the MRS is the means towards this goal. Essentially, the MRS aims to become a means for the migrant workers to access working conditions that correlate with their skills level.

### **Updates on Other Key Activities Linked with the Skills Recognition Initiatives**

#### *Advancing TVET in ASEAN – the ASEAN TVET Council*

The concept of the ASEAN TVET Council stems from the challenges posed by the 4IR, where significant shifts on global economic growth and employment landscape is happening and will further take place because of digitalization and automation, among others. Several jobs will be replaced by machines; new jobs will be created by machines but will require different skills; while most jobs will be transformed at least in part, and will require a skills overhaul. In fact, we are already seeing the impact of this global phenomenon in our countries. Occupational changes are happening -- manual labour is slowly being replaced by either highly-skilled, highly specialized, IT proficient workers or in some cases, robots or automated machines. In the coming years, dramatic shifts in expected skills requirements will be more felt as a result of digital transformation. But in all of these, TVET will play a crucial role in anticipating this trend and preparing for it.

With the support of the ASEAN Secretariat and the German government's cooperation in TVET the draft Terms of Reference of the ASEAN TVET Council was developed during the Workshop on TVET Agenda and Governance in ASEAN held in 25-26 June 2019 in Bangkok, Thailand. The draft TOR was circulated by the ASEAN Secretariat to the SOM-ED, SLOM, and SEOM with endorsement anticipated within September 2019. The ASEAN TVET Council envisions an advanced TVET in ASEAN towards competitive human resources; market-responsive workforce skills; greater employment opportunities locally and overseas; and higher productivity in the digital economy and human-centered future of work towards a resilient and innovative ASEAN Community. It will be a multi-sectoral/cross-sectoral body that provides a platform for coordination, research and development on innovations and monitoring regional programmes that support the advancement of TVET in the region. Significantly for this Meeting, the ASEAN TVET Council intends to further support the MRS implementation.

#### *Future Skills and TVET Agenda by Industry*

As labour markets shift and ASEAN are under increasing pressure, ABAC works to encourage the preparedness of the ASEAN in light 4IR. All stakeholders are to "prepare for the new chapter of technological development and enhance cooperation in upgrading human capital". ABAC's legacy project "ASEAN Human Empowerment and Development" (AHEAD) was initiated in 2019 and plans for the following actions in the years to come: raise awareness and be prepared for the emergence of the

4IR; promote human capital empowerment and development platforms in ASEAN's policy setting; and prepare "guidelines on skills labour / profession services development in response to 4IR".

*Human Resource Development and ASEAN Chairmanship 2020 in Viet Nam*

In 2020, Viet Nam becomes a member of the United Nations Security Council and chairs the ASEAN. MOLISA anticipates to table for adoption an updated version of the "ASEAN Leaders Statement on Human Resources and Skills Development for Economic Recovery and Sustainable Growth" (the first version was announced on 28 October 2010 in Hanoi, Vietnam) at the forthcoming 36<sup>th</sup> (April 2020) ASEAN Summit, and submit for notation by the 37<sup>th</sup> ASEAN Summit (November 2020) a "multi-sectoral, multi-stakeholder regional master plan" which will be integrated into education, labour and business sectors' workplan, which will help achieve the ASCC and AEC blueprints. Viet Nam remain interested in the MRA and MRS and committed to promote and take part in the processes leading to the successful implementation of both skill recognition mechanisms.

**Conclusion**

Progress for both the MRA and MRS have been made, albeit slower than anticipated due to complex challenges. The participants of the Meeting called for more capacity building, dialogue and cooperation in addressing restrictive domestic regulations and in narrowing the gap. The benefits of the tedious work of the skills recognition process and implementation outweigh the costs including the challenges, particularly in promoting the fair recognition of migrant workers, hence, generating more growth and prosperity for all for the region. The first hurdle towards the realization remains to be the strengthening of the national training and education system, including the quality assurance. The next step would be to widen the scope by involving higher level and more stakeholders to take part in simplifying the recognition process to be more effective in promoting the freer movement of skilled workers.