

ILO STED programme targets sectors for growth through increasing skills in developing economies

The Skills for Trade and Economic Diversification (STED) programme is improving skills to help spread the benefits of trade and economic growth. In Myanmar, STED is being implemented with support of the Swedish International Development Cooperation Agency (SIDA).

SIEM REAP, Cambodia - As Myanmar continues to expand its trade and business relations with the world after years of isolation, it is looking to tourism to provide a welcome and much needed source of jobs and foreign income. But what are the opportunities and business capability needs of the tourism sector for Myanmar and what are the best ways to address them through skills development measures?

It was to answer these kinds of questions that the International Labour Organization developed the [Skills for Trade and Economic Diversification \(STED\) programme](#). STED is a strategic analytical and implementation tool used to provide guidance for skills development policies in various economic sectors.

In Myanmar's case, with the support of the Swedish International Development cooperation Agency (SIDA), the ILO began employing the STED methodology in 2015 to survey and facilitate cooperation among all stakeholders involved in the tourism sector and develop training resources for tour guides.

The collaboration resulted in a three-tiered, competency standard for guides, with a new course curriculum for each tier. "Level one is for local guides or site guides; level two is regional guides; and level three are the national guides. Each level will require increased training in literacy and other guiding skills," explains Daw Khin Than Win, Deputy Director General, Ministry of Hotels and Tourism for Myanmar, adding, "Our guides are our diplomats...they need to represent the best of our country."

The STED methodology stemmed from the realization that a skilled workforce is critical to achieving economic prosperity and building more inclusive societies. With the right skills in the workforce, enterprises can be more productive and competitive in both local and global markets. Economies can grow faster and the benefits of development and trade can be spread more widely and evenly among workers.

The process begins with a review by ILO and national experts in skills and employment, enterprise and trade, working in close consultation with country level constituents to identify and prioritize suitable sectors. Once the sectors that offer the best opportunities for trade development are selected, a process of extensive collaboration and research begins with the relevant worker, business, government bodies and other institutions and experts in the sector.

This collaboration develops concrete recommendations for policy and training. What's more, the process of developing these recommendations develops an increased

understanding of the importance of skills development and improved dialogue among the key players, which help contribute to tangible improvements within the industry.

“The uniqueness of the (STED) project is that it has developed capacity in us as a ministry – specifically looking at ‘where do we have an impact?,” said Godfrey Kafere of the Labour Ministry of Malawi where since 2015 the STED project has been looking to boost the Horticulture and Oilseeds sector in this country of 17 million, predominantly rural people.

The final stage in the STED process is to assist stakeholders in implementing and embedding the agreed strategies and policies, in such a way that the lessons learned contribute to sustainable improvement in the targeted sectors of the economy.

STED’s focus on social dialogue and rigorous analysis can produce significant benefits for stakeholders. Beyani Munthali, of the Employers’ Consultative Association of Malawi explained why his organization welcomed their involvement. “The fact that the tool can actually produce something tangible that we can implement is significant and important. That, and the collaboration between the partners that promotes the ‘buy in’ to the tool,” he said.

Joseph Kankhwangwa, of Malawi’s Congress of Trade Unions agrees, “Unions were involved in consultations from the very beginning,” he said. “This gave us confidence that the policies would reflect the interests of the rural workers.”

Since 2010, the STED programme has been applied or is being implemented in 19 sectors across 11 countries including light manufacturing in Cambodia, metal products in Tunisia, the furniture industry in Egypt, food processing in Jordan and Cambodia, and pharmaceuticals in Bangladesh and Jordan. In Egypt, where STED also focused on food processing and where STED recommendations were integrated into the government’s export strategy, the focus was on training for food safety. In Viet Nam, the STED project has made skills development systems more responsive to the needs of employers and workers by stimulating collaboration on industry skills needs between government ministries, representatives of employers’ and workers’ organizations and providers of education and training, and developing momentum to institutionalize this collaboration in sector skills councils in tourism.

Over the last couple of years in four countries, the programme has capacitated nearly 100 national and sectoral partners and ILO constituents to enable them to implement the STED methodology on their own. STED approach has already made a direct difference in the lives of hundreds of people.