

Opening Remarks
Consultation Workshop on ADB-PRC Cooperation in Vocational Education
25 June, Beijing

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Representatives from Ministry of Human Resources and Social Security,

Officials from participating provinces,

Ladies and Gentleman,

I would like to welcome all of you to this consultation workshop on the very important topic of vocational education. I'm pleased to see many colleagues and friends here from central ministries, MOF, MHRSS and MOE. And I'm particularly gratified to see so many participants from five provinces, Guangdong, Heilongjiang, Hunan, Shandong and Shanxi.

I'd also like to thank MOF for giving ADB the opportunity to co-host today's workshop focusing on ADB-PRC cooperation in vocational education. As a multilateral development bank, ADB accords high priority to assisting its developing member countries in education development. Education is also one of five priority areas in the ADB's long-term strategic framework up to the year 2020.

In China, ADB started its technical assistance in education sector as early in 1993. With a total amount of more than \$5 million, these TAs provided relevant policy advice and pilots on strengthening education institutions, improving basic education through ICT, reforming compulsory education financing mechanism, improving employment services, and establishing a labor market-oriented vocational education system. In particular, ADB cooperated with selected provinces in recent years to conduct in-depth analysis to

identify their challenges for technical and vocational education and training and provide recommendations.

In early 2009, ADB approved the emergency assistance for Wenchuan earthquake reconstruction. This includes assistance for Shaanxi province reconstructing and improving 12 earthquake-damaged schools in three worst-affected counties, the first time ADB has provided loan financing for the education sector. In addition, ADB is processing a loan project in Shanxi for small cities and towns development. This loan project also includes a small component for education facilities development in Wutong County. These may provide an opportunity for ADB and China to pilot their cooperation in education sector through lending products.

The current global economic crisis has had a severe impact on China's real economy. About 20 million workers have lost their jobs, mainly migrant workers with low skills. About 10 million people migrating from rural areas to cities each year will no longer find it easy to get a job. Many among the 6 million youths who graduate from colleges each year won't find jobs waiting for them. The government has taken immediate measures to tackle these challenges. The fiscal stimulus package is creating new jobs, encouraging rural employment and creating jobs for laid-off migrant works and fresh college graduates. However, in addition to short-term measures, China needs to develop its human resources to support its long-term goal of rebalancing the economy toward a service-oriented, environmentally sustainable, and domestic consumption-driven growth.

This would require quick and effective measures to improve basic education, raise skill levels, create a flexible and responsive workforce, strengthen the functioning of the labor market, upgrade scientific and technological research and know-how, and encourage innovation.

Under these circumstances, we believe there would be opportunities for ADB and China to strengthen our cooperation in the education sector, in particular in the vocational education sector. Through today's workshop, we would like to share ADB's experiences

in vocational education, both in China and in other countries in the region. More importantly, we would like to listen to you to understand your priority needs, your experience working with ADB and other international partners, the lessons you have learnt, and your suggestion how ADB could work with you to improve vocational education in China and in your provinces.

Ladies and gentlemen, once again I would like to express a warm welcome to all of you. I look forward to your active participation and fruitful discussions during this one-day workshop.

Thank you.