

UNCLASSIFIED

PD-ABC-473

AGENCY FOR INTERNATIONAL DEVELOPMENT

Washington, D.C. 20523

PROJECT PAPER

APRE REGIONAL
Asia Pacific Economic Cooperation
Partnership for Education
499-0005

February 15, 1991

UNCLASSIFIED

Agency for International Development
Washington, D.C. 20523

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR

FROM: APRE/DR, Kenneth Sherper *KHS*

SUBJECT: Authorization of the Asia Pacific Economic Cooperation
(APEC) Partnership for Education Project

Problem: Your authorization is required to establish a five year, \$6 million A.I.D. project to support and implement the APEC Partnership for Education Initiative.

Background: APEC is the Asia Pacific Economic Cooperation, an effort of the ASEAN countries and several interested developed countries to strengthen and enhance economic ties in the Asia-Pacific Region. In July 1990, Secretary of State Baker announced a U.S. supported APEC activity - the APEC Partnership for Education Initiative. The Secretary identified three components of the Initiative: educational partnerships, outreach and private sector internships, and expanded private sector training opportunities. The Secretary also identified targets for training activities under these components.

Through increased ties to U.S. educational opportunities, the Initiative seeks to contribute to the training of future trans-Pacific leaders and to the sustained economic growth of the region. The President has announced that the nations of the South Pacific will be included in the APEC Partnership. The Secretary's Initiative fits well with A.I.D.'s overall goals in the ASEAN region and the Agency has been charged with the development, implementation and management of the Initiative.

Given the evolving and multi-component nature of the Initiative, as well as its high level visibility, it is now necessary to define and establish an A.I.D. mechanism for supporting the Initiative activities. The establishment of an APEC Partnership for Education Project will provide a central mechanism for the coordination, funding, and management of the various activities. Attached for your review is a modified project paper for the APEC Partnership for Education Project.

Purpose and Summary of Project Description: The APEC Partnership for Education Project will be a five year, \$6 million effort. In addition to funds authorized hereby,

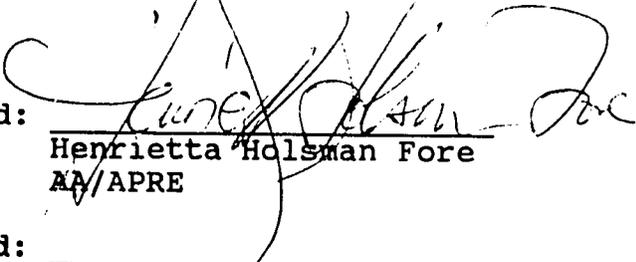
additional funds authorized through other projects and supporting activities related to the APEC Partnership goals will be attributed to the APEC Partnership Project. The activities which will be identified and attributed to the project will be mission training efforts, specifically private sector programs. (A figure of \$10 million overall was proposed to the Secretary during early discussions with A.I.D.)

The purpose of the project is to enhance U.S. educational links in the Asia Pacific region, especially in areas needed for private sector led growth, such as engineering, science, business and management. The project has three main components: educational partnerships; widening of private sector internships and other outreach programs; and expansion of private sector training programs.

The project will be implemented initially through interagency transfers (Department of Education, United States Information Agency, and the National Science Foundation). Subsequent activities, specifically in cooperative education and establishing partnerships with non-traditional educational institutions (e.g. trade associations) will be implemented through grants and cooperative agreements. Congressional notification is under preparation.

Recommendation: That you authorize pursuant to Sections 105 and 106 of the Foreign Assistance Act of 1961, as amended, the Asia Pacific Economic Cooperation Partnership for Education Project, involving planned obligations of not to exceed \$6 million over a five year period from the date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB allotment process, with an initial FY91 obligation \$2 million and a Project Assistance Completion Date of September 30, 1996.

Approved: _____


Henrietta Holsman Fore
AA/APRE

Disapproved: _____

Date: _____

2/15/91

- 1 -

APEC Partnership for Education Project

Modified Project Paper

I. Background

The six ASEAN governments and the governments of the Australia, Canada, Japan, New Zealand, South Korea, and United States have created a forum to strengthen the economic ties of the Asia-Pacific region. This effort, initiated in 1989, is known as the Asia Pacific Economic Cooperation (APEC). It will become an important feature in the U.S. economic policy approach in Asia. The APEC participants have agreed to concentrate on a few areas of mutual interest affecting regional economic growth. One area of special attention is human resource development. In July 1990 Secretary of State Baker announced the establishment of the U.S. supported APEC Partnership for Education Initiative. The program has been expanded to include the nations of South Pacific. A.I.D. has been identified as the lead agency for the Initiative. The Asia and Private Enterprise Bureau is responsible for development and implementation of the Initiative.

II. Project Goal

The goal of the APEC Partnership for Education Project is to contribute to the sustained economic growth of the Asia Pacific region.

III. Project Purpose

The purpose of the project is to establish and enhance sustainable U.S. educational links in the Asia Pacific region, especially in areas needed for the region's private sector led growth, such as engineering, science, business and management.

IV. Project Rationale and Description

The Asia Pacific Region has experienced a surge in economic growth over the past two decades. To a large extent, this growth is attributable to far-sighted market oriented policies on the part of the governments of the region. The ASEAN countries, however, have not grown at the same rate as the newly industrialized countries of the region.

A major constraint to fuller ASEAN participation in this regional growth is a lack of skilled manpower, especially in the priority skills needed for private sector led growth such as science, engineering, business, and management. The APEC Partnership for Education will increase skills in the ASEAN countries in these critical areas. The Partnership will focus on activities where the U.S. has a comparative advantage and involve the U.S. and indigenous private sectors as major participants in the process. The project will contribute to the training of "the trans-Pacific leaders of the next century."

The APEC Partnership for Education Project will be a five year, \$6 million effort (PACD of September 30, 1996). In addition to newly authorized funds, other activities will be attributed to the APEC Partnership in an effort to mobilize another four million dollars for the Initiative. (A figure of \$10 million overall was proposed to the Secretary during early discussions with A.I.D.)

The project has three components:

1. Educational partnerships between American and ASEAN/South Pacific institutions in the areas of science, engineering, business and management

The Educational Partnership component will strengthen or develop sustainable partnerships between U.S. and ASEAN/South Pacific institutions, research and development centers, management institutes and trade associations. Partnership activities could include: joint faculty research, faculty exchange, scholarships and student exchange, seminars and workshops. The Secretary's stated target: the establishment of 10 - 15 partnerships.

2. Widening of private sector internships and other outreach programs for ASEAN students studying in the U.S.

The outreach component will capitalize on the large advantage that the United States has due to the number of foreign students in this country. The project will access and identify ASEAN students studying in the U.S. and provide productive contact and ties for the students with the U.S. Government and the U.S. private sector. The Secretary's stated targets for this component are:

- to reach over 100,000 Asia-Pacific students in the U.S.;

- to involve 20,000 Asia-Pacific students studying in the U.S. in on-campus activities sponsored by the program; and

- to facilitate the participation of 5,000 students in private sector internships and cooperative education programs.

3. Expansion of private sector training programs in the U.S. and ASEAN countries.

The USAID Missions in the ASEAN region will be encouraged to expand their support of private sector training. The Secretary's targets are the following:

- to encourage the training of 2,500 Asian private sector employees in their countries; and

- to help place 500 of these employees in short-term courses in the U.S.

The APEC Partnership for Education will support multiple activities addressing the Secretary's stated targets. The project funds will support model activities which, to the extent possible, will realize the Secretary's targets. However, it is anticipated that successful activities will be replicated and supported by the private sector and other sources. In this way the A.I.D. project will lay the groundwork for the Secretary's targets which will be achieved and sustained through a multiplier effect.

V. Implementation Plan - (by project component)

1. Educational Partnerships between American and ASEAN institutions in science, engineering, business, and management

a) Partnerships with U.S. Business Schools -

The Department of Education's Centers for International Business Education Program (Title VI) supports U.S. institutions of higher learning which are committed to international business. The U.S. academic institutions, chosen through a full and open competitive process and funded for a three year cycle, are establishing centers of international business education at their universities. These Centers are designed to improve the overall U.S. strengths in international business by providing training and experience in the international setting.

Through a 632a interagency transfer agreement with the Department of Education, A.I.D. will provide support to those U.S. Centers interested in developing additional international business or management programs by establishing or substantially increasing ties with appropriate ASEAN/South Pacific institutions.

The A.I.D. support for the APEC International Business Partnership will be based on programmatic and institutional eligibility criteria developed jointly with the Department of Education. (Criteria are attached as annex A). Proposals will be reviewed and evaluated by a joint committee of experts from the Department of Education, Center for International Education and A.I.D.

b) Partnerships with Non-traditional Educational Institutions -

A study is currently underway to survey non-traditional institutions and determine their level of interest and commitment to establishing a partnership with an ASEAN counterpart. There is significant experience in traditional university exchange programs and the APEC Partnership will build on this experience and extend such linkages to new areas of interest - e.g. management. However, the project seeks to use a broad definition of the term "educational institution" and it will include trade associations' training programs, state and city vocational and business training programs, as well as organizations which have identified educational needs as a priority - e.g. the National Governors' Association.

The study will identify institutions and organizations which will participate in partnership activities. Cooperative agreements and grants will be the mechanisms used to support such partnerships and competitive processes will be used to the largest extent possible.

c) Partnerships with U.S. Scientific and Engineering Institutions -

Discussions have been initiated with the National Science Foundation to identify programs through which partnerships could be established. Interagency transfers will be used to add international partnership components to appropriate programs if identified.

2. Outreach and Cooperative Education

a) United States Information Agency (USIA)

In his announcement of the APEC Partnership for Education the Secretary noted that USIA's important experience in solidifying society-to-society ties and he identified USIA as one of the USG agencies involved in the Partnership. USIA has had a close working relationship with the National Association of Foreign Student Advisors (NAFSA): Association of International Educators. NAFSA has submitted a proposal to USIA to address the outreach project element.

The NAFSA proposal outlines a program to develop increased outreach to Asia-Pacific students enrolled at U.S. colleges and universities; to increase chances for students to be contacted by potential employers and private sector internship sponsors; and to organize local and regional job fairs. This program will be carried out through strengthening of U.S. regional centers, small grant activities; linkages to an established employment data-base and a newsletter. The funding mechanisms for supporting the NAFSA program will be a 632a transfer to USIA.

b) Cooperative Education

Another outreach project element will support expanded activities in cooperative education. Cooperative education integrates classroom study with paid, planned and supervised work experience. Through exposure to the reality of the world of work, students acquire essential practical skills.

A Feasibility Report (supported by A.I.D.) has been conducted by Northeastern University's Office of International Cooperative Education. (The Executive Summary is attached as Annex B.) The study was based on a field trip to the ASEAN region (Malaysia, Thailand, Indonesia, and Singapore). The trip was coordinated with the Asian Pacific Association of American Chambers of Commerce and local American Chambers of Commerce. The report found that:

....corporate officials strongly agreed that the issue of underutilization of talented undergraduates in the host country of their business unit was one which

necessitated attention. It could be addressed by increasing access to these students with critical academic backgrounds and skills through cooperative education programs.

A contract will be developed to carry out the recommendations of the Feasibility Report. These recommendations are:

1. That AMCHAMs be requested to formalize their support for the Co-op Placement Project by locating the project with the appropriate committee within AMCHAM and by assisting in securing employer commitments
2. That the model (as established by the Northeastern University Network for International Cooperative Education) be expanded to include additional strong co-op education institutions which enroll large numbers of Asian nationals who may be pre-qualified for placement and recruitment by AMCHAM members in each country.

The primary function of the contract will be to fund an institution which will serve as both a stimulus and a coordinator of cooperative education activities. The participation in cooperative education programs will be supported by sponsoring companies.

3. Private Sector Training Opportunities

A cable has been sent to ASEAN and South Pacific Missions requesting that they assess on-going activities. Responses have been received from Indonesia, Philippines, Thailand, and Suva. (Cables are attached in Annex C) These responses indicate that the APEC Partnership for Education fits well with the Missions human resource activities. Continued mission support of private sector training will be encouraged and attributed to the APEC Initiative. Mission funds will continue to support these bilateral training efforts. Limited funds from this project will be made available to the Missions for additional coordination and workshop efforts.

VI. Monitoring Plan

Each element of the project will maintain detailed records of activities, including numbers of students trained, exchanges, workshops, etc. Each project activity will have a coordinator/manager - e.g. Department of Education officer. Overall coordination of monitoring will be carried out by a USDH.

VII. Evaluation Arrangements

Funds have been included in the project budget to conduct an evaluation during the third year of implementation. The evaluation will focus on three principal topics.

- (1) Progress in meeting quantitative targets and the likelihood of accomplishing overall project objectives (e.g. numbers of educational partnerships, outreach activities, etc.)
- (2) A qualitative assessment of the project's impact (e.g. effectiveness and potential impact of partnerships and training components on students and local organizations and institutions; placement of student participants)
- (3) Sustainability of principal program components, focussing on maintenance of partnerships established through the project.

VIII. Management

The project will fund the support of an individual to provide management assistance. As the project consists of multiple components, implemented through various USG agencies and contractors, an overall project coordinator will be required to collect, collate and forward reporting information and maintain contact with the numerous project elements. The possibility of a Resources Support Services Agreement (RSSA) will be investigated with either USIA or the Department of Education. In addition, private contractors with appropriate skills will be identified.

IX. Initial Environmental Examination (IEE)

1. Project country: Regional - ASEAN
2. Implementing Agency(s): Education institutions and Private sector training programs
3. Project Title and Number: Asia Pacific Economic Cooperation (APEC) Partnership for Education Project
4. Life of Project: Initial FY1991
Final FY 1996
PACD September 30, 1996

5. Goal and Purpose of the Project:

The goal of the APEC Partnership for Education Project is to contribute to the sustained economic growth of the Asia Pacific region.

The purpose of the project is to establish and enhance sustainable U.S. educational links in the Asia Pacific region, especially in areas needed for private sector led growth, such as engineering, science, business and management.

7. Project Description:

The has three three components:

- educational partnerships,
- outreach and private sector internships, and
- expanded private sector training opportunities.

8. Environmental Examination

The APEC Partnership for Education will support training and institutional linkages in the areas of science, engineering, business and management. It will support outreach efforts to Asia-Pacific students studying in the U.S. The project therefore meets the criteria for a categorical exclusion under Section 216.2(c)(2(i) of the Agency Environmental Procedures whereby education, technical assistance, or training programs require no further environmental analysis

9. Recommended Environmental Action: Negative Determination

10. Prepared by: K.A. Jones K.A. Jones, Date 2-8-91
APRE/DR/TR
11. Concurrence: Henrietta Holsman Fore H/H, Date 2/15/91
A/APRE
12. Approved: Molly Kux MK, Date 2-22-91
APRE Bureau Environmental Officer

IX. Cost Estimate

Project Components	LOP (\$000)	FY91
1. Educational Partnerships -		
Department of Education	1,000	800
Science/engineering partnerships	1,000	200
Non-traditional partnerships	800	200
2. Outreach/Cooperative Education		
NAFSA	1,200	400
Coop Ed	600	200
3. Private Sector Training	500	50
Management	600	150
Evaluation	100	--
Contingency	200	
TOTAL	6,000	2,000

APEC International Business Education Partnerships

Introduction

The Asian Pacific Economic Cooperation (APEC) is an organization comprised of the following countries Australia, Brunei, Canada, Indonesia, Japan, Malaysia, New Zealand, the Philippines, Republic of Korea, Singapore, Thailand, and the United States. APEC provides a forum for multilateral dialogue on matters of interest affecting the Pacific Basin. In July of 1990 Secretary of State Baker announced the establishment of a U.S. Government supported program - the APEC Partnership for Education.

The Asia Pacific Region has experienced a surge in economic growth. However, in general, the ASEAN countries, Thailand, Philippines, Indonesia, Brunei, Malaysia, and Singapore, have not grown at the same rate as the newly industrialized countries of the region. The lack of a skilled workforce, especially in the areas of science, engineering, business, and management, has been identified as a significant constraint for the ASEAN countries. The APEC Partnership for Education proposes to further U.S. foreign policy objectives and contribute to the sustained development of the ASEAN countries through activities in human resource development. The program will enhance education links across the Pacific and will contribute to the training of the trans-pacific leaders of the next century. It has recently been announced that the South Pacific nations will be included in the APEC - Partnership for Education.

The APEC Partnership for Education contains three elements:

1. educational partnerships between U.S. and other APEC institutions;
2. outreach for students in the U.S., and
3. private sector participant training.

The Agency for International Development (A.I.D.) has supported development activities throughout Asia. Efforts in human resource development have been and continue to be an important element in program development. As economic growth in the region continues, A.I.D. programs are maturing and moving increasingly toward activities of mutual interest to the developing countries and the U.S. A.I.D. will develop the APEC Partnership for Education in collaboration with other USG international and educational agencies.

Centers for International Business Education

The U.S. Department of Education Center for International Business Education Program (Title VI) supports U.S. institutions of higher learning which are committed to international business. The U.S. academic institutions, selected through a full and open competitive process and funded for a three year cycle, are establishing centers for international business education at their universities. These Centers are designed to improve the overall U.S. strengths in international business by providing training and experience in the international setting.

APEC International Business Education Partnerships

A.I.D. will provide support to those U.S. Centers for International Business Education which are interested in developing additional international business or management programs by establishing or substantially increasing ties with appropriate ASEAN or South Pacific institutions. (Initially A.I.D. will seek to work through those U.S. institutions with experience in the ASEAN/South Pacific region.) These partnerships will link U.S. universities and other higher education institutions with ASEAN and/or South Pacific institutions in the pursuit of mutually beneficial activities. The rationale for this activity under the APEC process is to help sustain the pace of regional economic growth which is of importance to all participants.

The A.I.D. support for the APEC International Business Partnership component will be based on the programmatic criteria and institutional eligibility discussed below. A.I.D. funds per partnership will not exceed \$100,000, to be spent over a 24 month period.

Proposals will be reviewed and evaluated by a joint committee of experts from the Department of Education, Center for International Education and A.I.D.

Programmatic Criteria

1. Partnership Description (30 points)

The international business education partnerships developed between the institutions will contribute to the strengthening of both institutions through activities such as training, internships, personnel/student exchanges and joint research of an applied nature. (Innovative approaches are encouraged.) The proposal must demonstrate that the activities developed will contribute significantly to the strengthening of both the ASEAN/Pacific and U.S. institutions.

2. Partnership Sustainability (30 points)

The international business education partnerships design must address the issue of sustainability. One of the methods strongly encouraged for achieving sustainability is the participation of the private sector.

3. Partnership Outreach (20 points)

Both the U.S. and the ASEAN/South Pacific Partners should be encouraged to establish relationships and develop services to support their local business communities.

4. Partnership Budget (20 points)

A sound budget plan addressing the relevance and appropriateness of costs, as well as cost effectiveness is required. The proposal must demonstrate that both institutions are committed to cost-sharing the establishment of the international business education partnership.

Institutional eligibility

1. The U.S. institution must already have been awarded a Department of Education Center for International Business grant.

2. The institutional partner identified must be in an ASEAN country or a South Pacific nation. An agreement between the U.S. and ASEAN/South Pacific institution should be included in the proposal.

3. To ensure the establishment of a productive partnership, the ASEAN/South Pacific institution identified must be already involved in business and/or management in some form. Partnerships are encouraged to build on existing institutional strengths. (Public or private institutions involved in training activities are eligible for participation.)

TO: **David Hagen**, Officer-in-Charge
ASEAN, Thailand and Burma
and
Lawrence J. Ervin
A.I.D. Representative to ASEAN

TITLE: Feasibility Report:
Expanding Cooperative Education Programs
through the Asia-Pacific Economic Cooperation
(APEC) - Partnership for Education

SUBMITTED BY: Study Directors:
Dr. Robert E. Vozzella, Director
Prof. Leonard Zion, Project Coordinator

CONTRACTOR: Northeastern University
Office of International Cooperative Education
360 Huntington Avenue
Boston, MA 02115
TEL: 617-437-4222
FAX: 617-437-3444

DATE: December 18, 1990

CONTRACT #: 493-0001-00-0150-00, DATE: 9/14/90

REQUISITION #: PIO/T 940-0001-3-034-2227, DATE: 9/14/90

Executive Summary

Background:

This report, **Expanding Cooperative Education through the APEC Partnership for Education**, covers a Field Study conducted between October 23 and November 30, 1990, in the Asia-Pacific Region. At a briefing presented by David Hagen in Washington, prior to our trip, it was recommended that the primary focus should include the ASEAN countries: Indonesia, Malaysia, Singapore and Thailand, as well as a Country Program for USAID Thailand.

The Study was carried out in association and with the support of the Asia-Pacific Council of the American Chambers of Commerce (APCAC), and in cooperation with the U.S. ASEAN Council for Business and Technology, Inc. (US-ASEAN COUNCIL).

Following a presentation on International Cooperative Education (Co-op) at the APCAC 44th Semi-Annual Meeting, in Singapore, on October 26, appointments were requested, as advised, with member firms, regional offices, officials in agencies, higher education institutions and industry organizations.

The Scope of Work focused on the methodology that would be adopted by APEC and the objectives:

-- to ascertain the degree of interest on the part of AMCHAM members in utilizing and implementing cooperative education programs as a means "to attract, train and retain in their business units those nationals who are enrolled in U.S. co-op education institutions";

-- to identify candidates for increasing cooperative education placements during the full term of the project, and recommend ways to expand cooperative education programs, in-country as well as out-of-country;

-- to illustrate how a cooperative education program could be developed for Thailand.

114

The field study confirmed the rationale, as stated by U.S. Secretary of State James A. Baker III, at the APEC Ministerial Meeting in Singapore, on July 31, that "Cooperative Education" can be an important means by which the U.S. could further Human Resource Development in the Asia Pacific Region.

Findings:

Perhaps most importantly, significant findings were reflected in the comments of respondents who participated in the APCAC Senior Executive Questionnaire.

These corporate officials strongly agreed that the issue of underutilization of talented undergraduates in the host country of their business unit was one which necessitated attention. It could be addressed by increasing access to these students with critical academic backgrounds and skills through cooperative education programs.

They agreed to take action by 'expressing a demand' for such students who are currently enrolled at U.S. co-op education institutions.

They also agreed to take prerequisite action in order to secure support from HQ to streamline arrangements with regional and local Human Resource (HR) managers.

Recommendations:

-- that AMCHAMS be requested to formalize their support for the Home Country Co-op Placement Project by locating the project with the appropriate committee within AMCHAM and by assisting in securing employer commitments;

-- that the model, as established by the Northeastern University Network for International Cooperative Education: Home Country Co-op Placement Project, be expanded to include additional strong co-op education institutions which enroll large numbers of Asian nationals who may be pre-qualified for placement and recruited by AMCHAM members in each country.

Actions to be taken as a result of the Findings:

In view of the significant findings noted, it is important to sustain the current expressions of positive interest on the part of the AMCHAMS and their members in each country.

Preliminary results of the Questionnaire, as reported by 21 respondents, to date, indicated an interest in employing approximately 900+ new entry level professionals, Asian nationals, over the next four year period.

An interim contract should be prepared which would enable the activity, through a contractor, to conduct immediate follow-up activities, including securing letters of commitment from each of the interested respondents, stating:

-- "their willingness to participate in the Home Country Co-op Placement Project for an initial period of two (2) years, including initiating a formal letter of request for co-op candidates, as of July 1, 1991, or January 1, 1992."

On this basis, it would then be possible to determine the number of co-op education institutions which may be invited to participate in this special APEC Project of the Northeastern University Network for International Cooperative Education.

A meeting should be convened as early as possible, perhaps in February, 1991, with representatives of a select number of co-op institutions. The objectives would be: 1) to set forth the opportunity for expanding international cooperative education in the Asia-Pacific area; 2) establishing the conditions of participating institutions in the Network Project, including the prospect for securing reasonable financial support.

During this period, the 'contractor' should be prepared: to follow-up on the initial requests expressed by the respondents to the APCAC Senior Executive Questionnaire. Resources will be required for the interim period to assure timely communications and visits with employers, including current and prospective respondents, in order to maintain continuity and a high level of interest and acceptance for the program.

A Representative Sampling of Positive Actions expressed during the Field Study:

Malaysia: MOTOROLA, through their representative in Penang, proposed that the Penang Skills Development Centre (PSDS), comprising 30 companies in the electronics and related high-tech fields, be considered as a viable industry-university model which could utilize the advantages of the Home Country Co-op Placement Project. The Centre is associated with the University of Science and the Institute of Technology of Malaysia.

In addition, MOTOROLA, with its strong commitment to Cooperative Education and Human Resource Development programs, would consider participating in a co-sponsored model of a Scholarship Program for prospective co-op students. The latter could include candidates from the Public Service Department enrolled in co-op programs, in-country and out-of country, including transfer programs of undergraduate students to U.S. co-op education institutions.

Thailand: Members of AMCHAM THAILAND are confronting a serious problem regarding a high annual turnover of personnel. Because of the enhanced prospect for increased retention with the Home Country Co-op Program, AMCHAM members are interested in participating in the program as a means of addressing this problem.

An action program was prepared in a proposal to the USAID THAILAND Mission Director for the implementation of cooperative education. The Proposal called for initiating a Program, in mid-1991, under the auspices of the Northeastern Network for International Cooperative Education. The Program could be expanded to include additional co-op education institutions as further expressions of private sector interests are received. Activities would focus on securing access to Thai students currently enrolled in U.S. co-op education institutions as well as selecting students from local institutions who would be candidates for sponsored enrollment in U.S. co-op institutions. Corporate co-sponsorship would be encouraged together with public sponsorship.

Indonesia: An industry-university model in the telecommunications sector was discussed with PERUMTEL, the national telecommunications company, in association with the Institute Teknologi Bandung, (Institute of Technology in Bandung) and U.S. and other foreign supplier corporations.

A formal agreement was signed between PERUMTEL, represented by its President Director Cacuk Sudarijanto, and NORTHEASTERN UNIVERSITY, on November 28, 1990. Former U.S. Ambassador to Indonesia, John H. Holdridge, spoke at the signing ceremony. Also present were representatives of BELL ATLANTIC and NYNEX which will participate in the program as co-op employers.

At a briefing co-sponsored by AMCHAM and NORTHEASTERN, several comments were made as to the need for developing industry-university relationships that would include co-op students in the following fields: a) financial services, b) engineering services and c) telecommunications.

IBM INDONESIA is embarking on a Management Study to consider how the present co-op model might be fully professionalized for IBM and its clients. IBM is an example of one company which could produce a major multiplier effect for co-op programs by encouraging its clients to consider employing co-op students and by sharing its technical know-how in cooperative education supervision.

Singapore: The National Technological Institute (NTI) will become a University in 1991. In its development plan, the Department of Structural and Civil Engineering indicated its receptivity to initiating an industry-university partnership. The latter would include the expansion of international cooperative education placements for both undergraduate and graduate students. Similar arrangements may be encouraged in other departments.

Arrangements were made at the APCAC 44th Semi Annual Meeting, on October 26, 1990, for a Workshop on Cooperative Education and Human Resource Development.

The theme was: "Attracting, training and retaining Asian nationals through Cooperative Education Programs". Lawrence J. Ervin, A.I.D. Representative to ASEAN, highlighted the APEC Partnership for Education Project on Human Resource Development.

A presentation was made by the Northeastern team with comments by corporate officials from several companies: Jerry Lee, General Manager, Texas Instruments, Malaysia, serving as Chairman for Roger A. Bertelson, General Manager, Motorola Semiconductors Sdn Bhd, and President, American Business Council of Malaysia, and Don Harkness, Director, Data General ASEAN Software Centre, Singapore.

See Summary of Workshop: Appendix: 4.

APCAC Delegates representing Hong Kong, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Okinawa, The Philippines, The Republic of China, Saipan, Singapore, Thailand and the United States voted on October 26, 1990, on the following resolution:

ASIA PACIFIC ECONOMIC COOPERATION (APEC)

APCAC enthusiastically endorses the Asia Pacific Economic Cooperation (APEC) initiative and encourages participating governments and their respective private sectors to give it active support. APCAC and its member chambers look forward to participating in the APEC process and particularly, in the individual APEC work projects. APCAC recommends membership be expanded to include other economies in due course.

APCAC will continue to remain fully involved in taking action to inform its members of the APEC partnership for education and to participate in the completion of the feasibility study being conducted by the Northeastern University Network in the APEC Project for International Cooperative Education and Home Country Placement.

On November 1 and 2, 1990, the Northeastern team participated in the Pacific Economic Cooperation Conference on Human Resource Development Workshop.

In all countries, more attention will be required to provide in-service training of those individuals in companies who will ultimately supervise the co-op students.

Observations:

The Field Study included approximately 50 appointments with members of AMCHAMS in the various countries which the study team visited. See attached list of companies.

The APCAC Senior Executive Questionnaire was designed to ascertain the preliminary interest of the members regarding cooperative education.

All the respondents indicated a willingness to consider participation in the cooperative education program, through the Home Country Co-op Placement Project, in order to meet urgent training and recruitment needs in the foreseeable future.

All of the AMCHAM presidents in **Indonesia**, **Malaysia**, **Singapore** and **Thailand** were prepared to enlist the participation of their own firms: BUSINESS ADVISORY SERVICES, MOTOROLA, GENERAL MOTORS and 3M, respectively, as well as to assist in enlisting the interest of their colleagues.

It was suggested by David Gibbons, President, 3M, and AMCHAM THAILAND, and Donne Petit, Executive Director, AMERICAN BUSINESS COUNCIL SINGAPORE, that the appropriate AMCHAM committees should include the Home Country Co-op Placement Project on its agenda of activities. In each country, the appropriate committee will have a different name: In **Indonesia**, the Service or Labor Committee; in **Malaysia**, the Human Resources Committee; in **Singapore**, the Education and Communications Committee; in **Thailand**, the Human Resources Committee.

The support of several Regional and HR Managers were enlisted: AMERICAN EXPRESS, AMERICAN INTERNATIONAL GROUP, COCA-COLA, IBM, MOTOROLA and NYNEX. The Regional Manager is considered to be a key link in coordinating entry recruitment activities with their HQ.

Sixteen AMCHAM Country Managers in Thailand attended a Breakfast Briefing and expressed interest in participating in a country program. It was felt that such a program should include an in-country liaison to stimulate the activity of AMCHAM members with regard to the Home Country Co-op Placement Project.

It was clear that the 'demand side' for co-op students from the four countries would require an expansion of the number of co-op education institutions on the 'supply side'. In fact, the present demand represents a small sample of potentially interested firms.

The Field Study confirms that there are many additional firms that need to be contacted, as well as other liaison persons whose support must be enlisted, to assure wider support for the program in order to sustain and expand upon the initial venture.

Prior to initiation of the Field Study, a meeting was held with the directors of ten major U.S. co-op programs during which information was secured regarding Asian student enrollment and their participation in the various co-op programs.

The average Asian student population in each institution ranged from approximately 200 to 600 students. However, many institutions were only placing a small fraction of these students. It is reasonable to assume that such institutions had neither the resources nor the experience in accessing its international students to members of AMCHAMs and other companies in the home countries of the students. Several of these institutions would welcome the opportunity to be associated with the Home Country Placement Project if external funds were made available to them to conduct the necessary activities involved. It is assumed that such institutions would provide in-kind services in an agreed upon matching formula for any funds received.

- 21

Acknowledgements

We wish to acknowledge the participation of the following individuals and their organizations in support of the Feasibility Study on Cooperative Education for the Asia-Pacific Region:

Thomas J. White, Chairman, Asia Pacific Council of the American Chambers of Commerce (APCAC), 1989/1990, and Ann R. Wise, Executive Director, APCAC, 1988-1989, as well as their colleagues and delegates to the APCAC 44th Annual Meeting, in Singapore, October 24-27, 1990;

James W. Castle, President, and Laurie Sinclair, Executive Assistant, AMCHAM Indonesia; Roger Bertelson, President, American Business Council Malaysia; Bill Spelman, President and Donne Petito, Executive Director, American Business Council of Singapore; David Gibbons, President, and Thomas A. Seale, Executive Director, AMCHAM Thailand;

Robert E. Driscoll, President and Executive Director, U.S. - ASEAN COUNCIL for Business and Technology, INC.;

Harvey Goldstein, Chairman and CEO, Harvest International, Jakarta, Indonesia, former Chairman of APCAC, 1987 / 1988; Matilda L. Genovese, CEO, Kingship Ltd., Hong Kong, Chairman of APCAC, as of 1991 -.

22

Summary of Data, based on 21 returns from the APCAC Senior Executive Questionnaire, as of December 17, 1990

Country:	No of Employees	Entry Level:				Total:	
		91	92	93	94		
INDONESIA							
Business Advisory Services	25	4	8	10	10	32	
Coca Cola	250	2	2	2	2	8	
Fluor Daniel	500	20	20			40	
IBM	500	25	25	25	25	100	
PT CBI	25	6	6	6	6	24	
PT Datapoints	250	2	2	2	2	8	
PT PBI	250	10	15	20	25	70	
		69	78	65	70	282	282
MALAYSIA							
Motorola	1000	30	30	30	30	120	120
SINGAPORE							
Apple	500	5	5	8	8	26	
Compaq	1000	4	6	8	10	28	
Esso Singapore	500	40	40	40	40	160	
		49	51	56	58	214	214
THAILAND							
American Express	575	25	25	25	25	100	
Coca Cola	250	2	2	2	2	8	
Digital Equipment Corp.	25			5	10	15	
Kodak	250	3	5	5	5	18	
3M	250	20	10	10	10	50	
Seagate	1000						
Siamtec (*)	25	4	4	4	4	16	
Unocal	1000	10	8	8	8	34	
Warner Lambert	250	15	10	15	10	50	
		79	64	74	74	291	291
Total:							907
ASIA PACIFIC REGION							
Parsons	1000	20	20	25	25	90	
Brinckerhoff							
DFS Saipan	250	25	50			75	
		45	70	25	25	165	165

(*) includes Agri-Systems
- Thailand

82

UNCLASSIFIED
AGENCY FOR INT'L DEV.
TELECOMMUNICATIONS CENTER

INCOMING
TELEGRAM

C

PAGE 01 OF 02 BANGKO 01066 00 OF 02 100536Z 6520 062028 AID4510
ACTION AIO-00

BANGKO 01066 00 OF 02 100536Z 6520 062028 AID4510

ACTION OFFICE PRE-01
INFO APTR-03 ENAA-01 APPD-03 SAST-01 PPPB-02 PPEA-01 APFP-02
APA-02 STUR-01 ED-03 APEM-01 RELO-01 ENEA-02 ENDP-02
ENPD-05 ENTR-06 ENSA-01 STEU-01 /039 AS HL 10/0808Z

INFO LOG-00 CIAE-00 DOOE-00 EAP-00 EB-00 TRSE-00 /0034
-----3343AB 100628Z /21 38

P 100536Z JAN 91
FM AMEMBASSY BANGKOK
TO SECSTATE WASHDC PRIORITY 6304

UNCLAS BANGKOK 01066

AIDAC

E.O. 12356: N/A
SUBJECT: ASIA PACIFIC ECONOMIC COOPERATION (APEC)
PARTNERSHIP FOR EDUCATION

REF: STATE 390049

1. WE APOLOGIZE FOR THE DELAY IN RESPONDING TO REFTEL. WE WISH TO NOTE, HOWEVER, THAT USAID AND ASEAN OFFICES HAVE FREQUENTLY SHARED NOTES ON THE STATUS OF OUR BILATERAL HUMAN CAPITAL ASSISTANCE EFFORTS AS DESCRIBED BELOW.

2. IN THE EARLY MONTHS OF FY 1991, USAID/THAILAND HAS GIVEN SPECIAL ATTENTION TO SEVERAL HUMAN CAPITAL DEVELOPMENT ISSUES AND PROGRAMS WHICH CLOSELY MATCH THE GOALS OF SECRETARY BAKERS'S APEC PARTNERSHIP FOR EDUCATION INITIATIVE. ALTHOUGH MUCH OF OUR WORK HAS BEEN IN FRAMING THE USAID HUMAN CAPITAL DEVELOPMENT

STRATEGY FOR THE NEXT FIVE YEARS, A NUMBER OF SPECIFIC OPPORTUNITIES HAVE BEEN IDENTIFIED AND ACTIONS STARTED. IN RECOGNITION OF THE CLOSE RELATIONSHIP OF HUMAN RESOURCE NEEDS AND PROBLEMS OF THE TECHNOLOGY DEPENDENT EXPORT INDUSTRIES LEADING THAILAND'S ECONOMIC GROWTH, THE MISSION RECENTLY REORGANIZED TO CREATE A SEPARATE OFFICE OF HUMAN CAPITAL AND TECHNOLOGY. THIS OFFICE IS HEADED BY PETER DEINKEN, WHO WE HAVE DESIGNATED TO LIAISON WITH THE APEC INITIATIVE. FOLLOWING IS A BRIEF SUMMARY OF OUR STRATEGY- BUILDING EFFORTS.

A. THAILAND SUFFERS FROM A CRITICAL SHORTAGE OF PROFESSIONAL LEVEL SKILLS IN THE AREAS OF ENGINEERING, SCIENTIFIC DISCIPLINES AND RELATED TECHNOLOGIES, AND BUSINESS MANAGEMENT. DEVELOPING THE HUMAN CAPITAL BASE THAT IS REQUIRED FOR HIGHER-TECHNOLOGY PRODUCTION AND MAINTAINING ITS INTERNATIONAL COMPETITIVENESS WILL BE A PRIORITY DEVELOPMENT CHALLENGE FOR THAILAND OVER THE 1990S.

B. PROMOTING SUSTAINABLE LINKAGES BETWEEN THE THAI AND U.S. PUBLIC AND PRIVATE SECTORS, RESEARCH AND TRAINING INSTITUTIONS AND UNIVERSITIES TO MEET CRITICAL PRIVATE SECTOR MANPOWER REQUIREMENTS IS A BASIC TENET OF THE USAID HRD STRATEGY FOR THE 1990S. EMPHASIS WILL BE PLACED ON AREAS IN WHICH THE U.S. HAS AND IS PERCEIVED BY THAIS AS HAVING A COMPETITIVE ADVANTAGE. THE PRINCIPLE OF COST SHARING IS TO BE A KEY ELEMENT OF OUR STRATEGY AND THE PILOT PROJECTS WHICH FOLLOW FROM IT.

C. USAID/THAILAND IS COMPLETING A MANPOWER NEEDS ASSESSMENT OF PRIVATE SECTOR INDUSTRY AND EXPORT

MANUFACTURING COMPANIES AND THE CAPABILITIES/OPPORTUNITIES FOR THAI TRAINING INSTITUTIONS TO MEET THOSE NEEDS. THE NEXT STEP IN BUILDING OUR HRD STRATEGY FOR THE 1990S IS A VISIT IN JANUARY/FEBRUARY 1991 TO INTERVIEW U.S. PUBLIC AND PRIVATE TRAINING INSTITUTIONS AND UNIVERSITIES WHICH HAVE BEEN IDENTIFIED FOR POTENTIAL SUSTAINABLE LINKAGES WITH THE THAI ORGANIZATIONS.

3. TO BEGIN IMPLEMENTING OUR EMERGING STRATEGY, WE HAVE IDENTIFIED A NUMBER OF PROMISING ACTIVITIES THAT ENGAGE PUBLIC AND PRIVATE INSTITUTIONS IN TRAINING OF SKILLS NEEDED BY FIRMS IN HIGH GROWTH AREAS OF THE THAI ECONOMY. FOLLOWING ARE JUST A COUPLE EXAMPLES OF ACTIVITIES WE ARE NOW PURSUING AS PILOT PROJECTS TO TEST OUR EMERGING HRD STRATEGY, AND WHICH CLEARLY MEET SECRETARY BAKER'S PARTNERSHIP FOR EDUCATION GOALS.

A. THE PETROLEUM AND PETROCHEMICALS COLLEGE AT CHULALONGKORN UNIVERSITY. THE MISSION OF THIS COLLEGE IS TO BECOME A PRIVATE SECTOR ORIENTED CENTER FOR THE GROWING NEED FOR PETROCHEMICAL AND POLYMER TECHNICAL MANPOWER IN THAILAND AND OTHER COUNTRIES IN THE REGION. AMERICAN TECHNOLOGY AND INVESTMENT HAVE PLAYED IMPORTANT ROLES IN DEVELOPING THE PETROLEUM INDUSTRIES IN THESE COUNTRIES. SUBSTANTIAL FUNDING HAS ALREADY BEEN PROVIDED BY THE

THAI GOVERNMENT, AND MUTUALLY BENEFICIAL LINKAGES WITH U.S. UNIVERSITIES AND WITH U.S. AND THAI PRIVATE INDUSTRY ARE NOW BEING PURSUED. USAID IS SPONSORING A VISIT IN JANUARY 1991 BY THE PRESIDENT OF THE COLLEGE TO SEVERAL U.S. UNIVERSITIES, AND A PILOT PROJECT TO ASSIST THE COLLEGE IN DEVELOPING

ITS CURRICULUM AND EQUIPMENT NEEDS IS NOW BEING REVIEWED.

B. THE MILWAUKEE SCHOOL OF ENGINEERING (MSOE). THE MSOE IS A PRIVATE INSTITUTION, WELL KNOWN IN THE U.S. AS AN INNOVATIVE PRO-BUSINESS MODEL. USAID/THAILAND IS SPONSORING THE VISIT TO THAILAND IN JANUARY 1991 BY A TEAM FROM THE MSOE (INCLUDING ITS PRESIDENT AND A PRIVATE SECTOR MEMBER OF ITS BOARD OF REGENTS) TO DISCUSS WITH THAI PUBLIC AND PRIVATE SECTOR ORGANIZATIONS THE FEASIBILITY OF ADAPTING ITS EDUCATION MODEL FOR THAILAND TO HELP MEET THE CRITICAL THAI INDUSTRIAL NEEDS FOR ENGINEERS.

C. COOPERATIVE EDUCATION PROGRAMS. USAID IS CAPITALIZING ON THE NOVEMBER 1990 VISIT (SPONSORED BY AID/WASHINGTON UNDER THE APEC PARTNERSHIP FOR EDUCATION INITIATIVE) OF A TEAM FROM NORTHEASTERN UNIVERSITY, BY INITIATING A PILOT COOPERATIVE EDUCATION PROJECT. ELEMENTS OF THE PILOT PROJECT INVOLVE COOPERATIVE EDUCATION ACTIVITIES (A) WITH

MEMBERS OF THE AMERICAN CHAMBER OF COMMERCE IN THAILAND FOR THAI STUDENTS CURRENTLY IN THE U.S. AND (B) WITH STUDENTS IN THAI UNIVERSITIES/TRAINING INSTITUTIONS AND U.S. AND THAI PRIVATE SECTOR FIRMS IN THAILAND. ACTIVITIES ARE EXPECTED TO START IN EARLY 1991. WE ARE EXPLORING COLLABORATION IN THIS EFFORT FROM THE LOCAL FULLBRIGHT FOUNDATION OFFICE.

D. OTHER PRIVATE-SECTOR TRAINING INITIATIVES.

UNCLASSIFIED

24

UNCLASSIFIED
AGENCY FOR INT'L DEV.
TELECOMMUNICATIONS CENTER

INCOMING
TELEGRAM

PAGE 02 OF 02 BANGKO 01066 00 OF 02 100535Z 6520 062028 A104510

USAID IS ACTIVELY PURSUING OTHER TRAINING INITIATIVES WHICH FOCUS SPECIFICALLY ON MEETING PRIVATE-SECTOR MANPOWER NEEDS. AS EXAMPLES, WE ARE ASSESSING (1) ASSISTANCE TO THE FEDERATION OF THAI INDUSTRIES TO ESTABLISH A PRIVATE TECHNICAL TRAINING INSTITUTE TO HELP MEET THE CRITICAL NEED FOR TECHNICIANS; (2) PROPOSALS WITH THE U.S. MACHINE TOOLS ASSOCIATION AND THAI TRAINING INSTITUTIONS WHICH INVOLVE CONTRIBUTIONS OF EQUIPMENT BY U.S. PRIVATE FIRMS, TO BE USED IN TRAINING IN OPERATING AND MAINTAINING U.S. MACHINE TOOLS; AND (3) OPPORTUNITIES FOR TRAINING IN THE IMPORTANT TELECOMMUNICATIONS SECTOR, INVOLVING BOTH U.S. AND THAI PRIVATE SECTOR FIRMS.

4. IN ADDITION TO THE ABOVE EMERGING HRD STRATEGY FOR THE 1990S, ONGOING USAID PROJECTS IN THAILAND CONTINUE TO HIGHLIGHT ACTIVITIES WHICH MEET SECRETARY BAKER'S GOALS. AS EXAMPLES, UNDER THE SCIENCE AND TECHNOLOGY FOR DEVELOPMENT PROJECT, (A) APPROXIMATELY 200 GRADUATE FELLOWSHIPS AT THAI UNIVERSITIES HAVE BEEN PROVIDED TO THAI SCIENTISTS

AND ENGINEERS; (B) SHORT TERM TRAINING IN STANDARDS, TESTING AND QUALITY CONTROL FIELDS HAS BEEN SPONSORED IN THE U.S. AND IN THAILAND FOR PUBLIC AND PRIVATE SECTOR REPRESENTATIVES; AND (C) NUMEROUS PROFESSIONAL EXCHANGE EVENTS (CONFERENCES, SEMINARS, WORKSHOPS) HAVE BEEN PROMOTED INVOLVING PARTICIPATION AND FOLLOW-UP WITH PRIVATE SECTOR REPRESENTATIVES AND SCIENTISTS, OFTEN FACILITATED BY THE U.S. NATIONAL ACADEMY OF SCIENCES. MANY OF THESE ACTIVITIES HAVE RESULTED IN CONTINUING, SELF-SUSTAINING LINKAGES BETWEEN THAI AND U.S. SCIENTISTS AND INSTITUTIONS. WE ARE ALSO MOUNTING A MAJOR TRAINING INITIATIVE IN CRITICAL ENVIRONMENTAL AND NATURAL RESOURCES MANAGEMENT AREAS.

5. OTHER INFORMATION REQUESTED IN REFTEL CONCERNING METHODS OF SELECTING PARTICIPANTS IN THE ABOVE PROGRAMS AND TRACKING/FOLLOW UP SYSTEMS WILL BE FORTHCOMING. O'DONOHUE

UNCLASSIFIED



UNCLASSIFIED
AGENCY FOR INT'L DEV.
TELECOMMUNICATIONS CENTER

INCOMING
TELEGRAM

PAGE 01 MANILA 01674 220550Z 8764 065876 AID2024
ACTION AID-00

MANILA 01674 220550Z 8764 065876 AID2024

ACTION OFFICE APA-02
INFO AFRE-01 APTR-03 PPOC-01 ENAA-01 APPD-03 SAST-01 PPPB-02
PPEA-01 IT-06 ES-01 ED-03 RELO-01 ENEA-02 ENPD-05 ENTR-06
USIA-01 /040 A6 KL 22/1100Z

SELECTED BY THE PROJECT CONTRACTOR USING GUIDELINES AND
CRITERIA APPROVED BY USAID. THE CONTRACTOR CONDUCTS OR
ARRANGES FOR IN-COUNTRY TRAINING. AID/WASHINGTON
HANDLES ALL PLACEMENT AND MONITORING FOR U.S. TRAINING.

INFO LOG-00 CIAE-00 DODE-00 EAP-00 EB-00 TRSE-00 /003W
-----37E9BF 220850Z /38

4. FOLLOW-UP UPON RETURN FROM TRAINING: USAID PROJECT
OFFICERS AND CONTRACTORS ROUTINELY FOLLOW-UP ON RETURNED
PARTICIPANTS TO CHECK ON UTILIZATION OF THE TRAINING
RECEIVED AND TO DETERMINE HOW FUTURE TRAINING CAN BE
IMPROVED.

P 220852Z JAN 91
FM AMEMBASSY MANILA
TO SECSTATE WASHDC PRIORITY 6475
INFO RUEHBK/AMEMBASSY BANGKOK

5. USAID/MANILA SECONDS THE ISSUES RAISED FOR
DISCUSSION BY JAKARTA IN REFTEL (B), INCLUDING THE
FOLLOWING: HOST COUNTRY CONTRIBUTION BY THE PRIVATE
SECTOR; INSURANCE FOR PRIVATELY-SPONSORED PARTICIPANTS;
VISA REQUIREMENTS; FAMILY TRAVEL; FINANCIAL NEED
ASSESSMENT; AND CANDIDATE SELECTION.

UNCLAS MANILA 01674

AIDAC

BANGKOK FOR USAID/ASEAN, L. ERVIN

6. ASSOCIATE MISSION DIRECTOR, JOHN A. PATTERSON, HAS
BEEN IN CONTACT WITH USIS/MANILA PAO STANLEY SCHRAGER
REGARDING THE APEC INITIATIVE.
PLATT

E. D. 12356: N/A
SUBJECT: ASIA PACIFIC ECONOMIC COOPERATION (APEC)
PARTNERSHIP

REF. (A) 90 STATE 390049 (B) 90 JAKARTA 18135

1. WE REGRET THE DELAY IN RESPONDING TO REF A. THE
USAID PORTFOLIO HERE IS HEAVY ON PRIVATE SECTOR
ACTIVITIES, PRIMARILY IN AREAS OTHER THAN THE EDUCATION
SECTOR. ON THE OTHER HAND, WE HAVE TWO TRAINING
PROJECTS WHICH ARE RELATED TO THE APEC INITIATIVE. BOTH
HAVE A SIGNIFICANT PRIVATE SECTOR BIAS. THE PROJECTS
ARE: PARTICIPANT TRAINING (492-0397) AND DEVELOPMENT
TRAINING (492-0439).

2. PARTICIPANT TRAINING PROJECT (492-0397) -- THE
PROJECT STARTED IN SEPTEMBER 1986, THE PACO IS SEPTEMBER
30, 1991, AND THE LOP IS \$4,250,000. UNDER THE PROJECT,
TRAINING IS BEING PROVIDED FOR FACULTY DEVELOPMENT AT
THE TERTIARY LEVEL. THE PROJECT FINANCES: A) TWO-YEAR
MASTER'S DEGREE PROGRAMS (IN THE U.S. OR THE
PHILIPPINES); B) POST DOCTORAL AND DOCTORAL ENRICHMENT
PROGRAMS (U.S. ONLY); AND C) SHORT TERM OBSERVATION AND
ATTENDANCE AT WORKSHOPS AND CONFERENCES (U.S. ONLY). AN
ESTIMATED 46 PARTICIPANTS FROM PRIVATE UNIVERSITIES AND
COLLEGES ARE BEING FUNDED. ABOUT 26 PRIVATE COLLEGES
AND UNIVERSITIES THROUGHOUT THE PHILIPPINES HAVE
PARTICIPATED IN THE PROJECT. ALL CANDIDATES ARE
SCREENED BY A PROFESSIONAL SELECTION COMMITTEE
SUPERVISED BY THE PHILIPPINE AMERICAN EDUCATIONAL
FOUNDATION (PAEF). THOSE SELECTED BY THE COMMITTEE MUST
BE APPROVED BY THE PAEF BOARD. THE USAID MISSION
PROVIDES FINAL APPROVAL FOR FUNDING. CANDIDATES FOR THE
MASTERS DEGREE PROGRAM IN THE PHILIPPINES ARE PLACED AND
MONITORED BY THE FUND FOR ASSISTANCE TO PRIVATE
EDUCATION (FAPE). THE TRAINING PROGRAMS IN THE U.S. ARE
HANDLED BY AID/WASHINGTON.

3. DEVELOPMENT TRAINING PROJECT (492-0439) -- THE
PROJECT STARTED IN SEPTEMBER 1989, AND THE PACO IS
SEPTEMBER 30, 1994. THE LOP AMOUNT FOR THE PRIVATE
SECTOR COMPONENT OF THIS PROJECT IS \$2,500,000. UNDER
THE PRIVATE SECTOR COMPONENT OF THIS PROJECT, TECHNICAL
AND MANAGEMENT TRAINING ARE BEING PROVIDED TO MANAGERS
AND EMPLOYEES OF NON-FARM, SMALL AND MEDIUM SIZED
ENTERPRISES. IT IS ESTIMATED THAT APPROXIMATELY 1,650

MANAGERS AND WORKERS WILL RECEIVE TRAINING UNDER THIS
PORTION OF THE PROJECT. ALL CANDIDATES FOR TRAINING ARE

UNCLASSIFIED

26

UNCLASSIFIED
AGENCY FOR INT'L DEV.
TELECOMMUNICATIONS CENTER

INCOMING
TELEGRAM

PAGE 01 OF 02 JAKART 18135 00 OF 02 210904Z 4538 054227 AID3596
ACTION AID-00

JAKART 18135 00 OF 02 210904Z 4538 054227 AID3596

ACTION OFFICE APA-02
INFO APRE-01 APTR-23 PPDC-01 APPD-03 CAST-01 PPPB-02 PPEA-01
17-06 FMFA-01 EO-03 SEOP-01 SEOS-02 SERP-01 RELO-01
ENEK-02 ENPD-05 ENTR-06 /042 A6 KL 21/1230Z

INFO LOG-00 CIAE-00 DODE-00 EAP-00 EB-00 TRSE-00 /003W
-----207868 211046Z /12 38

R 210900Z DEC 90
FM AMEMBASSY JAKARTA
TO SECSTATE WASHDC 9946
INFO RUEHBK/AMEMBASSY BANGKOK

UNCLAS JAKARTA 18135

AIDAC

INFO USAID/ASEAN, LAWRENCE J. ERVIN

E.O. 12356: N/A

SUBJECT: ASIA PACIFIC ECONOMIC COOPERATION (APEC)
PARTNERSHIP FOR EDUCATION

REF: STATE 390049

1. THIS CABLE CONSTITUTES USAID/JAKARTA'S RESPONSE TO REFTEL. THE TYPES OF ACTIVITIES DESCRIBED IN THE APEC PARTNERSHIP FOR EDUCATION ARE CONSISTENT WITH AND COMPLEMENT A NUMBER OF TRAINING ACTIVITIES ALREADY UNDERWAY WITHIN THE MISSION. THE FOLLOWING THREE ACTIVITIES ARE ONGOING:

(I) UNDER THE GENERAL PARTICIPANT TRAINING PROJECT II, A.I.D. FINANCES A USD 1.4 MILLION COMPETITION WHICH WILL PROVIDE LONG TERM TRAINING OPPORTUNITIES IN THE UNITED STATES TO ABOUT 30-35 PRIVATE INDIVIDUALS. THE TRAINING WILL INCLUDE WORK EXPERIENCE/INTERNSHIPS WITH FIRMS IN THE UNITED STATES. THE COMPETITION ITSELF IS MANAGED UNDER A CONTRACT WITH THE INSTITUTE FOR INTERNATIONAL EDUCATION. THE FIRST GROUP OF PARTICIPANTS WILL ENTER TRAINING IN SEPTEMBER, 1991.

(II) THE NEWLY AUTHORIZED HIGHER EDUCATION SUPPORT PROJECT WILL STRENGTHEN DEPARTMENTS OF SCIENCE AND BUSINESS ADMINISTRATION IN SUMATRA AND KALIMANTAN PRIVATE AND PUBLIC UNIVERSITIES. AN RFP FOR LONG AND SHORT TERM TECHNICAL ASSISTANCE FOR INSTITUTIONAL AND STAFF DEVELOPMENT HAS BEEN ADVERTISED IN THE CBD. FYI: SEVERAL UNIVERSITIES HAVE EXPRESSED INTEREST IN BIDDING ON THE CONTRACT.

IN AN EFFORT TO SIGNIFICANTLY INCREASE THE NUMBER OF FACULTY WITH GRADUATE DEGREES, THE PROJECT WILL TRAIN 175 DOZEN (UNIVERSITY INSTRUCTORS) OVER A 6 YEAR PERIOD. THIRTY DOZEN HAVE ALREADY DEPARTED FOR U.S. TRAINING, AND IT IS ANTICIPATED THAT AN ADDITIONAL FIFTY WILL DEPART DURING FY 91. SHORT TERM TRAINING, BOTH IN THE U.S. AND IN INDONESIA, WILL ALSO BE PROVIDED.

(III) UNDER THE PRIVATE SECTOR MANAGEMENT DEVELOPMENT PROJECT, A.I.D. PROVIDES SEPARATE SUPPORT GRANTS TO TWO LEADING INDONESIAN PRIVATE MBA GRANTING

INSTITUTIONS (IPPH AND IPHI) FOR INSTITUTIONAL DEVELOPMENT AND SUPPORT OF NATIONAL MANAGEMENT DEVELOPMENT OUTREACH ACTIVITIES INCLUDED UNDER THE

GRANT TO IPHI IS A SPECIAL ACTIVITY WHICH PROVIDES MANAGEMENT AND PARTICIPANT TRAINING SUPPORT FOR THE INDONESIAN EXECUTIVE DEVELOPMENT FUND (IEDF). IEDF PROVIDES SHORT TERM INTERNSHIPS WITH U.S. FIRMS AND PROVIDES EXPOSURE TO AMERICAN TECHNOLOGY FOR SENIOR EMPLOYEES OF INDONESIAN FIRMS THROUGH GROUP OR INDIVIDUALLY DESIGNED PROGRAMS IN THE UNITED STATES. IEDF IS ALMOST TOTALLY SUPPORTED BY FUNDS EXTERNAL TO USAID.

WE HAVE REQUESTED USIS TO RESPOND SEPARATELY WITH REGARD TO ONGOING ACTIVITIES THAT CONTRIBUTE TO APEC GOALS.

2. USAID/JAKARTA IS IN THE PROCESS OF DESIGNING A PIO FOR A NEW PARTICIPANT TRAINING PROJECT. AS CURRENTLY CONSTITUTED, THE NEW PROJECT FOCUSES UPON TRAINING FOR MANAGEMENT AND POLICY DEVELOPMENT. IT IS TOO EARLY TO SPECIFY LEVEL OF EFFORT OF COMPONENTS, BUT THE PROJECT, IF APPROVED, WILL LIKELY CONFORM TO CERTAIN APEC OBJECTIVES.

3. FOR DISCUSSION: MOST PREVIOUS A.I.D. ASSISTANCE FOR PARTICIPANT TRAINING HAS BEEN GOVERNMENT TO GOVERNMENT, WITH NOTABLE EXCEPTIONS. A.I.D. SPONSORSHIP OF PRIVATE SECTOR PARTICIPANTS CAN PRESENT SPECIAL PROBLEMS. USAID/JAKARTA HAS RECENTLY GRAPPLED WITH A SERIES OF ISSUES, SOME PECULIAR TO INDONESIA, AND OTHERS MORE GENERAL. IF THE AGENCY OR APRE BUREAU PLANS TO

ENCOURAGE FULL OR PARTIAL U.S. GOVERNMENT FUNDING OF PRIVATE SECTOR TRAINING, IT SHOULD CONSIDER DEVELOPING GUIDELINES AND/OR MODIFICATIONS TO HANDBOOK 10. IN AREAS SUCH AS THE FOLLOWING:

(I) HOST COUNTRY CONTRIBUTION: SINCE IT IS DIFFICULT FOR MOST GOVERNMENTS TO CONTRIBUTE TO PRIVATE SECTOR TRAINING, HOW CAN PRIVATE CONTRIBUTION BE FORMALIZED?

(II) PARTICIPANT INSURANCE: WILL STUDENTS WHO ARE PRIVATELY SPONSORED BE REQUIRED TO CARRY HAC OR COMPARABLE INSURANCE? IF NOT, HOW WILL A.I.D. DEAL WITH MEDICAL EMERGENCIES? HOW WILL A.I.D. DEAL WITH MEDICAL CERTIFICATION?

(III) VISA REGULATIONS: UNDER WHAT TYPE OF VISA WOULD PRIVATELY SPONSORED AND/OR PARTIALLY A.I.D. FUNDED PARTICIPANTS ENTER THE UNITED STATES? WHAT VISA WOULD APPLY TO INDIVIDUALS IN "INTERNSHIP" STATUS WHO ARE BEING PAID FOR THEIR SERVICES? WILL THEY NEED WORK PERMITS? WILL THEY BE SUBJECT TO U.S. INCOME TAXES?

(IV) FAMILY ACCOMPANIMENT: WILL CURRENT HANDBOOK 10 REGS APPLY TO PARTICIPANTS WHO ARE PRIMARILY PRIVATELY SPONSORED?

(V) FINANCIAL NEED ASSESSMENT: WILL A.I.D. FUNDS BE USED, DIRECTLY OR INDIRECTLY, TO OFFSET THE COST OF TRAINING OF PRIVATE INDIVIDUALS WHO CAN INDIVIDUALLY OR THROUGH THEIR SPONSORING FIRMS AFFORD TO PAY FOR THEMSELVES? IF NOT, ARE THERE EFFECTIVE WAYS TO ACCESS

RELATIVE FINANCIAL NEED?

(VI) CANDIDATE SELECTION: ON WHAT BASIS CAN THE SELECTION OF A.I.D. FUNDED PRIVATE SECTOR PARTICIPANTS BE MADE? IF SELECTION IS BASED ON MERIT ALONE, IT WILL FAVOR THOSE WHO ARE ALREADY BETTER OFF.

(DRAFTED BY: EHR:NRIFKIN, AUTHORIZED: A/DIR:LTWENTYMAN)
MONJO

APEC

UNCLASSIFIED

27

UNCLASSIFIED

INCOMING
TELEGRAM

AGENCY FOR INT'L DEV.
TELECOMMUNICATIONS CENTER

PAGE 01 OF 02 JAKARTA 13135 00 OF 02 210904Z 4536 054027 4103595

UNCLASSIFIED

18

UNCLASSIFIED
AGENCY FOR INT'L DEV.
TELECOMMUNICATIONS CENTER

INCOMING
TELEGRAM

PAGE 01 MANILA 01674 22050Z 0704 060870 AID2024
ACTION AID-00

MANILA 01674 22050Z

0704 050870 AID2024

ACTION OFFICE APA-P2
INFO APRE-01 APTR-03 PPDC-01 ENAA-01 APPD-03 SAST-01 PPPB-02
PPEA-01 IT-06 ES-01 ED-03 RELO-01 ENCA-02 ENPD-05 ENTR-06
USIA-01 /040 A6 KL 22/1100Z

INFO LOG-00 CIAE-00 DODE-00 EAP-00 EB-00 TRSE-00 /003W
-----37E90F 22080Z /38

P 22050Z JAN 91
FM AMEMBASSY MANILA
TO SECSTATE WASHDC PRIORITY 6475
INFO RUEHDK/AMEMBASSY BANGKOK

UNCLAS MANILA 01674

AIDAC

BANGKOK FOR USAID/ASEAN, L. ERVIN

E.O. 12356: N/A
SUBJECT: ASIA PACIFIC ECONOMIC COOPERATION (APEC)
PARTNERSHIP

REF. (A) 90 STATE 300049 (B) 90 JAKARTA 10135

1. WE REGRET THE DELAY IN RESPONDING TO REF A. THE USAID PORTFOLIO HERE IS HEAVY ON PRIVATE SECTOR ACTIVITIES, PRIMARILY IN AREAS OTHER THAN THE EDUCATION SECTOR. ON THE OTHER HAND, WE HAVE TWO TRAINING PROJECTS WHICH ARE RELATED TO THE APEC INITIATIVE. BOTH HAVE A SIGNIFICANT PRIVATE SECTOR BIAS. THE PROJECTS ARE: PARTICIPANT TRAINING (492-0397) AND DEVELOPMENT TRAINING (492-0430).

2. PARTICIPANT TRAINING PROJECT (492-0397) -- THE PROJECT STARTED IN SEPTEMBER 1986, THE PACD IS SEPTEMBER 30, 1991, AND THE LOP IS \$4,250,000. UNDER THE PROJECT, TRAINING IS BEING PROVIDED FOR FACULTY DEVELOPMENT AT THE TERTIARY LEVEL. THE PROJECT FINANCES: A) TWO-YEAR MASTER'S DEGREE PROGRAMS (IN THE U.S. OR THE PHILIPPINES); B) POST DOCTORAL AND DOCTORAL ENRICHMENT PROGRAMS (U.S. ONLY); AND C) SHORT TERM OBSERVATION AND ATTENDANCE AT WORKSHOPS AND CONFERENCES (U.S. ONLY). AN ESTIMATED 46 PARTICIPANTS FROM PRIVATE UNIVERSITIES AND COLLEGES ARE BEING FUNDED. ABOUT 26 PRIVATE COLLEGES AND UNIVERSITIES THROUGHOUT THE PHILIPPINES HAVE PARTICIPATED IN THE PROJECT. ALL CANDIDATES ARE SCREENED BY A PROFESSIONAL SELECTION COMMITTEE SUPERVISED BY THE PHILIPPINE AMERICAN EDUCATIONAL FOUNDATION (PAEF). THOSE SELECTED BY THE COMMITTEE MUST BE APPROVED BY THE PAEF BOARD. THE USAID MISSION PROVIDES FINAL APPROVAL FOR FUNDING. CANDIDATES FOR THE MASTERS DEGREE PROGRAM IN THE PHILIPPINES ARE PLACED AND MONITORED BY THE FUND FOR ASSISTANCE TO PRIVATE EDUCATION (FAPE). THE TRAINING PROGRAMS IN THE U.S. ARE HANDLED BY AID/WASHINGTON.

3. DEVELOPMENT TRAINING PROJECT (492-0430) -- THE PROJECT STARTED IN SEPTEMBER 1989, AND THE PACD IS SEPTEMBER 30, 1994. THE LOP AMOUNT FOR THE PRIVATE SECTOR COMPONENT OF THIS PROJECT IS \$2,500,000. UNDER THE PRIVATE SECTOR COMPONENT OF THIS PROJECT, TECHNICAL AND MANAGEMENT TRAINING ARE BEING PROVIDED TO MANAGERS AND EMPLOYEES OF NON-FARM, SMALL AND MEDIUM SIZED ENTERPRISES. IT IS ESTIMATED THAT APPROXIMATELY 1,000

MANAGERS AND WORKERS WILL RECEIVE TRAINING UNDER THIS PORTION OF THE PROJECT. ALL CANDIDATES FOR TRAINING ARE

SELECTED BY THE PROJECT CONTRACTOR USING GUIDELINES AND CRITERIA APPROVED BY USAID. THE CONTRACTOR CONDUCTS OR ARRANGES FOR IN-COUNTRY TRAINING. AID/WASHINGTON HANDLES ALL PLACEMENT AND MONITORING FOR U.S. TRAINING.

4. FOLLOW-UP UPON RETURN FROM TRAINING: USAID PROJECT OFFICERS AND CONTRACTORS ROUTINELY FOLLOW-UP ON RETURNED PARTICIPANTS TO CHECK ON UTILIZATION OF THE TRAINING RECEIVED AND TO DETERMINE HOW FUTURE TRAINING CAN BE IMPROVED.

5. USAID/MANILA SECONDS THE ISSUES RAISED FOR DISCUSSION BY JAKARTA IN REFTEL (B), INCLUDING THE FOLLOWING: HOST COUNTRY CONTRIBUTION BY THE PRIVATE SECTOR; INSURANCE FOR PRIVATELY-SPONSORED PARTICIPANTS; VISA REQUIREMENTS; FAMILY TRAVEL; FINANCIAL NEED ASSESSMENT; AND CANDIDATE SELECTION.

6. ASSOCIATE MISSION DIRECTOR, JOHN A. PATTERSON, HAS BEEN IN CONTACT WITH USIS/MANILA PAO STANLEY SCHRAGER REGARDING THE APEC INITIATIVE.

PLATT

UNCLASSIFIED

TOTAL 0 00

29