



**ANGLO PANAMANIAN EDUCATIONAL COOPERATION**

**EDUCATION & SKILLS MARKET  
REPORT**



**British Embassy  
Panama City**

**DECEMBER 14, 2011**

**UNDERTAKEN BY:**



**ON BEHALF OF**

**BRITISH EMBASSY OF PANAMA**

## **Acknowledgement**

The success of the Scoping Mission and this resulting report could not have been possible, indeed achievable, had it not been for the support, guidance and assistance of the British Government.

We would like therefore to acknowledge the individual contributions played by the Panamanian Minister of Education and HMA whose foresight into the potential for UK TVET sector engagement with the education and vocational training sector in Panama first stimulated the interest of the FCO to sponsor TVET UK to organise and lead the scoping team.

In particular we would like to show our gratitude to HMA Michael John Holloway and his team in the Embassy, Romel Adames and Laura Perez for their continued support and encouragement throughout the organisation of the scoping mission programme. They did not once curtail our enthusiasm to explore the Panamanian market and we thank them for that.

As mission leader, I would like to acknowledge his colleagues Tony Millns, Martin Doel and Brian Wisdom for their support throughout the scoping mission and bringing with them to the mission their individual expertise, advice and guidance during the interviews and discussions and in writing this report.

Finally we are most grateful to the hard work that Laura Perez undertook and the support she gave which allowed our research of the market to run smoothly. Her contribution cannot be questioned, thank you for putting up with us.

Alan McArthur  
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## **1.0 EXECUTIVE SUMMARY**

- 1.1 The Panamanian Government recognises that it must act now to develop its human capital if it is to fully capitalise on its strategic position and leverage the maximum potential from its emerging position as Central America/Caribbean trade and logistics hub. To achieve its ambition the Panamanian government has identified that it needs to build the skills capacity of its workforce if it is to service the demands of the foreign direct investors it wishes to attract to Panama.
- 1.2 In order to service future demands the Panamanian Government has identified it is crucial to rebuild the command of English language of its population which has declined since the departure of the Americans in 1999 but still remains the official second language of Panama. Whilst long-term public education reform is underway to address this situation, there is currently a severe shortage of professionally qualified English Language Teachers in Panama, with an immediate requirement of the Panamanian Minister of Education to source 2,000 English Language Teachers for the private and public education system; primary, secondary and tertiary education
- 1.3 In addition to a generic policy to re-establish proficiency in the command of English language, the Panamanian government also recognises that it needs to address the vocational skills gaps in the key industry sectors that will support its ambition to be a regional hub for trade and logistics. The key priority vocations that have been identified by the Government of Panama are Finance and Banking services, Hotels and Tourism, Information Technology Workers and Construction.
- 1.4 To some degree these vocations are being addressed through INADEH, [Instituto Nacional de Formación Profesional y Capacitación para el Desarrollo Humano] a public funded national institute for professional preparation and training for human development; the general consensus from those interviewed was, however, that the skills delivered at INADEH are at the entry level and wide ranging, and not always addressing the skills need at the intermediate level required to support Panama's current and future ambitions. This means there will continue to be reliance for Panamanian and British companies upon employing foreign workers from neighbouring countries such as Columbia and Venezuela who have the required skill levels and experience in the priority vocational areas.

- 1.5 Some initiatives are being made by private sector entrepreneurs to address the skills shortage of Panamanians. One example is Bern Enterprises<sup>1</sup> who, through necessity, have built a training hotel which is completely run by trainees. Graduates from this training hotel then service five other Bern Enterprise hotels and two further hotels currently under construction in conjunction with the completion of the Panama Canal expansion programme.
- 1.6 Although the Bern Enterprises initiative is proving successful, it is evident that this initiative along with the endeavours of INADEH will produce nowhere near the numbers, nor the skill levels required, to support and sustain this sector into the future utilising Panamanian nationals alone. Consequently, this will not reduce the reliance on foreign workers taking the higher level skilled positions. The scale of challenge for this industry sector is self evident when we learn there is estimated to be a three-fold increase in the number of hotels rooms available for tourists from the current figure of 8,000 over the next two years. This coupled with the Government's plan to promote Panama as a tourist destination creates an opportunity for the UK to collaborate with Panama to good effect.
- 1.7 This report demonstrates clearly that there are a number of potential opportunities for the UK TVET sector to engage with the Panamanian Government to build a mutual future long-term trade relationship through collaboration on vocational education and skills training projects. Panama must, however, take action now to engage with the UK and other potential partners to address its skills shortages in key priority vocations and ELT, if it is to realise its ambition to become a regional hub for trade and logistics by 2014. To this end it should be noted that the UK is willing to work in partnership with the Australian government to offer solutions, given the similarities in the two nations' vocational training and education systems.
- 1.8 Never more so than now does the UK need to take the opportunity to re-establish its ties with Panama and organise and coordinate its efforts to promote and demonstrate its technical and vocational education and skills training offer. To do so we will need to work with the Panamanian Ministry of Education to provide for two-way communications and support so that dialogue can flow between our two countries on skills development issues and challenges. In this process a vehicle will be provided through which the Government of Panama, its institutes and industry sectors can source UK TVET expertise, advice and guidance.

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<sup>1</sup> Bern Enterprises develop and build residential and commercial projects. Currently own five hotels with two more under construction. It is because of this that they identified a need to build a training center for the tourism industry which is now a hotel which employs all the people who are currently undergoing training.

- 1.9 Panamanians appear in general to be pro-British education and skills training systems and models and recognise their high quality. They also suggest, however, that the UK has been complacent over recent years allowing the competition to take a lead in this market. The main factors given for the decline of British competitiveness were said to be a perceived lack of interest; language and not marketing our offer strongly enough. It is therefore essential that the UK works towards redressing this perception and starts to regain some of its ground and competitive advantage in this sector. To realise this prospect, it is recommended that a steering group be set up between Panama and the UK to address the situation and to ensure that the opportunities for collaboration and cooperation identified in this report and any future opportunities can be pursued in a systematic way. TVET UK as the organisation that represents UK TVET sector organisations is well positioned to coordinate and drive this steering group and through its member organisations and bring a consortia together to offer tailored solutions to meet local needs. We propose naming this group the UK-Panama Skills Forum, a draft structure of which is at Appendix I, and to formalise the work of the group through a MoU between TVET UK and MEDUCA [Ministerio de Educacion (Ministry of Education)]. An initial draft of the MoU is at Appendix II.
- 1.10 This report will concentrate on where we believe the UK can provide the most impact to address the immediate skills shortage challenges facing Panama if it is to achieve its ambition by 2014. It therefore focuses on English Language Training and vocational skills training for the hotels and tourism sector. A further priority area to be explored is the financial services and banking sector.
- 1.11 If our proposal is accepted, accepted further models of engagement beyond December 2012 can be rolled out to address further sectors as the relationship between Panama and the UK matures.

## **2.0 INTRODUCTION**

### **2.1 Background to Scoping Mission**

The President asked Her Majesty's Ambassador (HMA) at his credential ceremony in February 2011 for UK assistance to support the Government of Panama's public education reform agenda which includes improvement of apprenticeships, vocational and English Language Training (ELT). This brief exchange led to a series of subsequent dialogues between the HMA and the Minister for Education and resulted in a list of six actions that if successfully undertaken, would demonstrate the UK's commitment to re-establishing education and skills trade links with Panama and lay the foundation for future cooperation and collaboration.

The first of these actions was to establish a British International School in Panama City modelled on the UK education system and curriculum. This is well underway with a decision taken by Dr. Roger Fry CBE, Chairman of the Council of Overseas British International Schools and owner of The Kings Group to open a British International School in Panama City in 2012.

The second was to assist the Minister to build capacity in English Language and Vocational Training in Panama. This it was agreed could be achieved in two ways: 1) the HMA through the Foreign & Commonwealth Office (FCO) Commercial Diplomacy Fund would sponsor a UK education and skills scoping mission to explore how the UK can help and 2) the HMA organising with the British Chamber of Commerce a 'Britain in Panama' event to coincide with the scoping mission at which the UK providers can showcase UK excellence in education and skill particularly English Language and Vocational Training.

The remaining four actions are listed in Appendix III.

An early piece of research undertaken by the UK Trade & Investment team of the British Embassy in Panama recommended the scoping mission should focus on, but not be limited to, English Language Training and the vocational skills training in the hotels and tourism, construction and finance and banking vocations in line with the Panamanian Governments ambition to become a Central America/Caribbean trade and logistics hub.

The HMA identified TVET UK as the organisation through which to source the UK TVET sector specialist experts in the priority vocations identified by research to deliver the scoping

mission and provide keynote speakers for the 'Britain in Panama' event. The HMA also identified the author as having the capability and experience to lead a scoping mission and who would be able to report on the potential for the UK to engage with Panama and realise its ambition.

With the full support of the HMA and the FCO along with recommendation from the UKTI Education & Skills Sector team in London and the UKTI Sector Advisory Group for Education and Skills, TVET UK was selected to undertake the scoping mission during 17 - 19 October 2011.

## **2.2 Terms of Reference**

In order to achieve the aim of the Commercial Diplomacy Fund project for Panama the following terms of reference were given,

- Develop appropriate relationships with key Panamanian government and industry contacts in order to obtain information relevant to the scoping mission and to strengthen bilateral relations;
- Increase the awareness of the Panamanian government of specific skill gaps, English language training needs, and possible solutions using the UK example and help shape them through their meetings and the 'Britain in Panama' event.
- Produce a report which can be presented to the Government of Panama that describes the current situation and with an appropriate level of analysis recommend a plan of action to help address this issue.
- In order to meet the Panamanian government needs, develop a plan for assisting UK educational providers/suppliers to engage, including the identification and publicising of opportunities where UK educational providers/suppliers can help improve and strengthen vocational and English language training and education in Panama both in the public and private educational sectors.

## 2.3 Methodology

On taking up the scoping mission the first task was to identify and source the expertise to undertake scope and who could also provide input to the ‘Britain in Panama’ event. It was clear that the experts needed to be at the most senior level of their respective organisations and be representative of the sectors to be investigated by the scope. Tony Millns, Chief Executive of EnglishUK, Martin Doel, Chief Executive of Association of Colleges and Brian Wisdom, Chief Executive of People 1<sup>st</sup> were invited.

The second was to liaise with the British Embassy in Panama to set up an appropriate programme in order to acquire an understanding of the requirements of the Panamanian government towards English Language Training and vocational skills training demand and so achieve the key outputs of the terms of reference. It became apparent that it would not be able to translate the government’s policy and plans in time to view before the start of the scoping mission and so the following methodology and approach to this scoping mission was taken.

- Discussions and meetings with personnel from a number of key sectors
- Interviews with trade associations, federations and representatives of small to medium size industries/enterprises
- Interviews with representatives of the private sector colleges, schools and universities
- Interviews with Chief Executives and Senior management of both public and private sector companies
- Interviews with Government officials up to Director General and Minister levels

### **3.0 KEY FINDINGS OF SCOPING MISSION**

#### **3.1 Introduction**

The scoping mission was undertaken over three days from 17-19 October 2011. A comprehensive and intensive programme afforded the scope team to garnish information on the current status of education and skills training in Panama with respect to English Language Training and Vocational Training provision.

We can confirm that the HMA's suspicion that there is indeed a need to raise the standards and increase the capacity of English Language Training, English Language Teacher Training and Vocational Education & Training in Panama is well founded and forms the basis of this report and the route map for further engagement with the Government of Panama.

With respect to vocational education & skills our main focus was the hotel and tourism sector but we covered other sectors such as finance and banking, and construction and also specific rapidly expanding services such as call centre training. However, it became clear, very quickly, that the scaling up of and command of English Language of Panamanians is seen by the Government of Panama as priority and a major challenge which will impinge on all Panamanians and will underpin its ambition to service foreign direct investment companies and become the Central American/Caribbean trade and logistics hub.

#### **3.2 Improving English Language Competence in Panama**

We were informed that until the American withdrawal in 1999, English language competence was necessarily high among native Panamanians, because the economy was effectively commanded by the Americans (military, the canal and its institutions) and competence in English was a basic skill necessary for employment. This need in the market was mainly covered by Panamanians from West Indian descendant, with native English skills who vastly and constantly immigrated to the United States until the reversion of the canal. It is estimated that up to 250,000 Panamanian immigrants in New York are from West Indians origins.

On the other hand, the nationalist policy implemented by the Panamanian Military Regime (1968-1989) to emphasise Spanish and in effect to downgrade the need for English has created more than a generation of Panamanians with a relatively poor grasp of English. This has been compounded by (we were told by several of the organisations we met) a poor quality of teaching in public high schools.

The Panama Government is now following a national strategy analogous to that of Singapore, using Panama's location at 'the crossroads of the Americas' with the key trade transit point of the Canal to become an international trade, transport, logistics and data hub, and a prime location for international business. This appears so far to be working: we were told of a number of major British corporations which have moved offices, distribution centres or manufacturing sites into Panama.

More worryingly however we were also told about several companies which had considered Panama as a location but had decided against it, mainly because of the poor skills base of potential employees, and also to some extent because the numbers available locals for employment were inadequate. In some industry sectors it is clear that new entrants to the market can only attract staff by poaching them from existing employers for (we were told) 'an extra \$50 a month'.

We were also told that there is an increasing divide in Panamanian society between those with a university degree and a professional qualification, and those who may have attended high school but left with relatively low educational attainment. One commentator put it to us that 'in this country, you're either a doctor or a lawyer or you sweep the streets'.

This is problematic in two ways. First, as an excellent article by Sean Mattson and Abraham Teran (*Education trap threatens Panama's economic boom*, Reuters, 6 September 2011) sets out, the double-digit economic growth of recent years is simply not sustainable unless there is the human capital in terms of skilled labour to meet the needs of employers looking to expand or locate in Panama. Second, the existence of a low-skill low-wage underclass is politically dangerous and could lead to social instability which would deter companies from further investment in the country.

We are told that this is what underlies the Panama Government's wish to reform and improve the education system rapidly and to make swift advances in training for employment, including improving English language teaching as a core skill for employability in an internationally competitive economy.

With this in mind, we make some ambitious proposals at the request of the Ministry of Education which we believe are both affordable and would be highly effective in achieving a rapid transformation in the level of English language teaching capability of the current high school cohort. This proposal is at Appendix IV.

### **3.3 Preparing a Structured and Sustainable Hotels & Tourism Industry in Panama**

Panama is looking forward to an explosive Tourism growth. It is estimated that there will be a three-fold increase in the number of hotel rooms that will be made available from the current 8,000 up to 24,000 by 2014, and with the lack of evidence to suggest any forward planning has been undertaken, the immediate challenge for the hotel and tourism industry sector together with the Ministry of Education in Panama and other stakeholders is to devise and deliver a sustainable model for the expected growth in this sector.

America's withdrawal was also cited as one reason why those Panamanians who worked in the hotel and tourism industry were not prepared with the necessary skills sets to service visitors from outside of Panama. Previous to 1999 the majority of people the industry served were American military and families based in Panama. This lack of developed industry skills for Panamanians coupled with the influx of Columbians and Venezuelans with the necessary skills sets and the decline of English competency has contributed to the reason why Panamanians today are generally only employed in the low level jobs in this sector today with no defined career pathways.

Examples were cited to address this imbalance notably the work of Herman Bern and INADEH however it is clear that the numbers and range of skills and levels required to develop a workforce to meet demand will not be sufficient to address the increase in hotels being constructed as part of the Panama Canal expansion over the next two years.

This could be achieved by commissioning an industry labour market survey to determine the number of personnel and the range and levels of skills sets required to service the expansion of hotels and to include clearly defined incentivised career pathways to encourage Panamanians to enter the hotel and tourism industry and plan a future.

Hotel and tourism are not the only sectors where this forward planning will be necessary to achieve Panama's ambition to be a regional hub for services and attract foreign investment. Construction, finance and banking services sectors are also a priority and the UK is well positioned to provide the expertise and experience through its Sector Skills Councils.

With this in mind, we offer an outline proposal which we believe will provide a structured and sustainable hotel and tourism industry workforce in Panama which, if successful, can be

extended as a model to construction, finance and banking sectors in the future, refer section 4.3

### **3.4 Vocational Skills Training in Panama**

It became clear early on in our meetings and discussions that there is no intervening level between high school and university in Panama i.e. the 'technician' level is absent, with the exception of the Technological University of Panama we saw no evidence of high quality technical engineering education being offered.

Public sector Vocational High Schools where you would suspect 'technician' training would take place are few, and predominantly deliver lower level 'craft and artisan' skills training to large numbers. In contrast, universities (private and public) concentrate on Undergraduate, Postgraduate and Masters Programmes and which are usually in subjects which are not capital intensive to run.

We discovered little or no articulation of industry needs to public or private education, aside from some employer in-house training notably Bern Enterprises, Fidanque and Brothers and Cable & Wireless that do this through necessity. Equally, there is no involvement of public colleges or private providers in work-based training. We also found that there is no national certification system in place to recognise acquired technical skills in vocational education and training above high school but below Bachelor's degree.

The Vocational High Schools were brought together under INADEH a Panama government funded national institute for human development. On meeting INADEH we learned they devise their entire curriculum from the Latin America standards set by UOCRA of Argentina and CONOCER of Mexico and delivers all of its training in Spanish. How the Latin American standards equate to UK industry occupational standards and the structure, content and training courses/programmes derived from them would be a useful benchmark exercise and allow the UK to evaluate the true currency and value of these courses for employers.

We heard conflicting information on the standard of training and the skills of the graduates from INADEH and differing comments on their suitability for employment. It was clear that many interviewed were of the view that the training was of low standard and low skill level and therefore not suitable for higher analytical and technical skilled job positions necessary to support Panama's ambition. We learned that INADEH is expanding its provision of programmes however this is horizontally, offering a greater range of courses, and not

vertically to equip the workforce with skills up to and beyond technician level where demand is high and supply is low in Panama.

On visiting the 'City of Knowledge' free trade area we learned of their strong link with INADEH, business associations and Panamanian universities; the Bern Enterprise training hotel is based at the City of Knowledge. The City of Knowledge is run by a private non-profit foundation which works closely with the government but is not a government organisation. It has links with industry, economic research centres and international organisations such as the United Nations whose regional office is based at the City of Knowledge. As a free trade area the City of Knowledge offers attractive affiliated benefits for organisations wishing to set up including tax exemptions, special work permit visas, and no limit on non-Panamanian personnel employed. Buildings and facilities are rented.

The City of Knowledge receives support from World Bank, European Union and Inter-America Bank funded projects looking to attract in 6 priority areas: Information Technology; Bio-Diversity, Green Technology, Sustainable Development; Logistics and Human Development.

The City of Knowledge has attracted NGOs such as the Red Cross and academic programmes from US, Canada and EU universities. It has attracted 72 Hi-Tech companies in the IT, Bio-diversity and technology areas 18 of which are from the EU. There are 49 technology transfer researchers working on projects in science and innovation chemistry and biology labs but lack skilled lab technicians to support the research.

Over the course of our meetings in Panama the scoping team identified the following immediate artisan and technician skills requirements:

- Lab technicians
- Telecommunications
- Plumbing and Air Conditioning
- Call Centres
- Finance, commerce and banking services
- Construction
- Hospitality & Tourism
- English Language

Clearly there is a gap in the market for high quality artisan and technician level training programmes leading to sustainable employment however what is disappointing, is that there is no sign of either INADEH or universities taking responsibility to fill this space. This is a space that the UK TVET sector led by TVET UK could work in collaboration with private and public sector organisations and industries in Panama to address. In support of this we learned that the City of Knowledge would welcome a proposal from the UK to establish a physical portal long-term to enable access by Panamanian businesses and stakeholders to expertise in UK TVET sector to include for consultancy, research and innovation relating to curriculum design, teaching methodology, pedagogy and practices but also to deliver much needed technician level skills training programmes embedded with English language.

#### **4.0 RECOMMENDATIONS**

##### **4.1 UK-Panama Skills Forum**

It is recommended that a UK-Panama Skills Forum is established and operational before spring 2012 to re-establish a communications channel between our two countries. This recommendation can be realised under the broader elements of the proposed MoU described in the joint statement of intent exchanged between the UK Government and the Government of Panama on 16 November 2011 attached as appendix V.

It is recommended that the first meeting of the UK-Panama Skills Forum takes place during the English UK Fair, which will take place between the 24-27 April 2012. During this meeting, the signing of an MoU confirming the constitution of the Forum and the commitment of its members and operation is advised. A diagram of the UK-Panama Skills Forum and a draft MoU is at Appendix I and II respectively

##### **4.2 English Language Training**

There is an immediate and pressing requirement for the Government of Panama's Ministry of Education to source 2,000 English Language Teachers. Long term there will be a requirement to find a sustainable solution to ensure there is a constant supply quality English Teachers in Panama to enable all Panamanians to embrace English as their official second language.

It is recommended that the six proposals offered in Appendix IV is given due consideration by the Ministry of Education with the view to implementation from spring 2012. The first three proposals are linked and are intended to produce short-term results (in the first year of operation). The remaining three proposals are for further investigation before any estimation can be given of timing and resource needs. The proposals cover:

1. Supply of English Language Teachers
2. Teacher Trainer/Academic Manager
3. Training for existing high school teachers
4. Training the teacher trainers
5. English for specific employment purposes
6. English in public life

A dialogue between the Ministry of Education, UKTI Panama and TVET UK will be scheduled to further the proposals with the view to implementation upon agreement of this recommendation and outline proposals. Further meetings can take place in April 2012 in Panama when the English UK Fair takes place at Playa Bonita Hotel.

### **4.3 Hotel and Tourism Sector**

Panama hotel and tourism industry sector has no current workforce development plan to meet three requirements; the need to significantly increase in the number of tourism workers (in the past this shortfall has been met by Columbian and Venezuelan immigrants); the need to ensure that sufficient technical and customer service skills are developed to compete at a world class level and; the need to embed English language skills in the industry to enable the industry to compete in a globally competitive industry.

In order to address these needs industry has responded by developing its own hotel schools (for example Herman Bern) and in company recruitment and training though these do not lead to transferable skills and qualifications that are nationally or internationally recognised. There needs to be a considerable up weighting of these initiatives if the projected growth is to be achieved.

An opportunity therefore exists through expanded links with TVET UK and People 1<sup>st</sup> to collaborate and we recommend with the support of the Government of Panama that:

1. A major piece of research on the Hotel and Tourism services sector to clearly identify the industry needs and the career pathways and related skills training requirement of employers. TVET UK and People 1<sup>st</sup> can organise a study visit programme for the identified Panamanian hoteliers in the UK which will inform the research.
2. People 1<sup>st</sup> undertake a labour market intelligence exercise in Panama in March 2012 that identifies the skills provision requirements for the hotel and tourism industry. Working with Panamanian private/public sector partners and stakeholders, People 1<sup>st</sup> will establish clearly the future skills needs of the industry both in scale location and quality. Identifying the most appropriate Panamanian partners will be critical and are likely to be industry or an independent foundation such as the University of Technology in Panama where a research team from People 1<sup>st</sup> could work alongside a research team from UTP.
3. With the right partners in Panama People 1<sup>st</sup> can help employers to work with education and government to ensure that the future demands of the industry are met in a planned way. UK hotel companies such as Hilton and Inter-continental are already in the Panamanian Market and People 1<sup>st</sup> has strong links to these and other potential entrants to this Market.
4. On completion, People 1<sup>st</sup> along with TVET UK partner Providers and Awarding Body organisations in the UK develop an infrastructure of occupational competency standards and internationally recognised qualifications and help create a delivery infrastructure to meet and sustain the escalated requirements of the sector. Importantly this would have a strong English language component and can be in place before summer 2012 subject to the necessary Panamanian Government approvals.

#### **4.4 Vocational Skills Training**

This scoping mission has demonstrated that there is a clear need for a formalised and structured approach to the delivery of technical vocational education and training in Panama if Panama is serious in achieving its ambition to become a Central America/Caribbean trade and logistics hub by 2014. It is recommended that this approach should embrace all stakeholders including government, private and public sector providers, industry employers and employer associations.

This report has focussed on two priority vocation sectors namely English language and hotels and tourism however in addition to other sectors identified we were consistently informed that technician level workers are required at all levels to address current and future demands and

sustain Panama's economic development and growth. It is recommended that the UK focuses initially on collaboration with the Panamanian Government for the provision of English language and hotels and tourism infrastructure and training, building a framework of engagement for government, educators, industry and employers so that Panama can offer clear career pathways supported by internationally recognised qualifications from UK awarding bodies such as Pearson/Edexcel, and Scottish Qualifications Authority but also sector specific awarding bodies such as the Association of Accounting Technicians (AAT) and Construction Industry Training Board (CITB), all of whom are TVET UK member organisations negating the need to engage the British Council whose purpose, mission and reach into the UK TVET sector is not considered that of TVET UK by the sector.

Considering the Panamanian Government's strategy to focus on English language and Technical and Vocational Education and Skills as critical drivers to support its ambition to be the Central America/Caribbean trade and logistics hub; it is recommended in the medium to long-term the UK-Panamanian Skills Forum looks to establish a physical portal at the City of knowledge to enable access by Panamanian businesses and stakeholders to UK supported expertise in Technical and Vocational Education and Training and English language research, innovation and programme delivery.

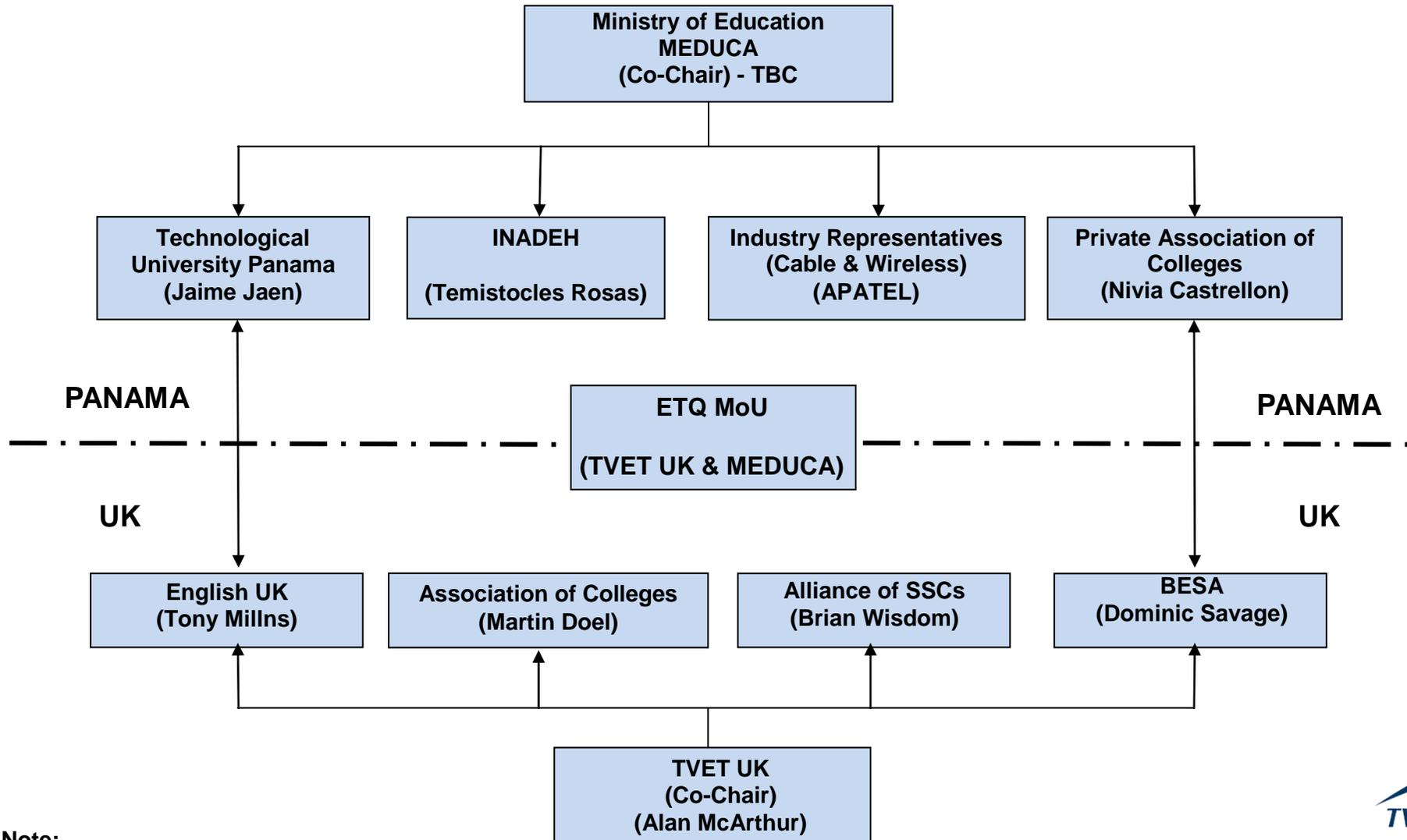
**PANAMA**

**EDUCATION & SKILLS MARKET REPORT**

**APPENDICES**

**UK-PANAMA SKILLS FORUM STRUCTURE**

(Draft Proposed Structure and Communications Flow)



Note:

The organisations named on the Panama side are indicative and would include UKTI Panama



**Memorandum of Understanding**  
**Between**  
**MEDUCA**  
**And**  
**Technical Vocational Education and Training UK (TVET UK)**  
**On**  
**Cooperation under the UK-Panama Skills Forum**

MEDUCA and TVET UK hereinafter referred to as the Parties; with due account taken of an understanding reached during the discussions which took place in [...TBC...] with the purpose of broadening cooperation in the area of technical and vocational education and training (hereinafter referred to as TVET) have agreed to develop the following areas of cooperation:

**‘To facilitate partnerships and exchanges between Panama and UK national agencies, awarding bodies, professional institutions, vocational education and corporate training providers, employers and suppliers of equipment and materials in order to further enhance the employment skills of the Panamanian workforce, and in so doing to help build the necessary and appropriate industrial trades and technical skills capability and capacity for current and future social, economic and industry demands in Panama’**

MEDUCA and TVET UK shall also be referred to as ‘Principal Partners’. The Principal Partners will seek to implement programs and cooperate as follows:

- 1. To complement and add value to existing employability and industrial skills training and education programmes through exchange of good practice in Panama and the UK.**

Major tasks are to:

- Support and advise regional authorities in the development and implementation of appropriate TVET management systems and centres of professional and vocational excellence;
- Hold seminars in Panama and the UK for members of representative professional bodies responsible for the provision of skills training and vocational education with the purpose of developing models of cooperation between TVET institutions, employers and any other stakeholders;
- Organise visit programmes for Panamanian and UK personnel responsible for TVET reform with the purpose of exchanging good practice and forming professional partnerships between relevant Panamanian and UK institutes and practitioners;
- Develop partnerships with business with a view to encouraging them to contribute to the above goals through their Corporate Social Responsibility and training/HR programmes.

**2. To develop and improve educational standards and vocational training and retraining programmes in relevant institutions in line with international standards.**

Major tasks are to:

- Develop and improve the content of education, training and skills/ vocational education programmes in priority sectors to be determined such as English language Training, hotels and tourism, engineering, construction, finance and banking services in line with international standards;
- Facilitate training and retraining programmes for teaching staff in agreed professional areas including training of trainers;
- Facilitate training and retraining programmes in Panama and the UK for TVET institute heads of faculty and senior management teams.

**3. To introduce innovative teaching methods and materials including the use of Information Communication Technologies (ICT) as a delivery method.**

Major tasks are to:

- Develop ICT courses/programs for training of teachers and participants of special subjects, industrial training managers and instructors;
- Organise courses and seminars to address the use of ICT in teaching, training, skills and education both in India and the UK;
- Offer guidance in implementation of ICT in TVET institutions including hardware and software.

**4. To advise on the development and improvement of educational institutions and TVET systems on the basis of separate but non-exclusive and non-binding agreements with MEDUCA.**

Major tasks are to:

- Offer guidance on formation of regional Vocational Centres with involvement of local employers and/or businesses;
- Offer expert reports and comments on existing programmes materials as well as assessment analysis processes in the area of technical and vocational education and training;
- Participate in TVET development expert groups set up by the UK-Panama Skills Forum.

**5. Duration and means of implementation and Termination**

This MoU comes into effect on the date of its signing and is valid for an initial period of two years, with review after the first year.

This MoU would automatically expire upon the Principal Partners signing the specific Agreement as mentioned in Clause 7. In the event no specific Agreement is signed between the Principal Partners, the overall tenure of this MoU shall be 2 years as mentioned above. On the expiry of this MoU, its term may be extended by written consent of the 'Principal Partners'.

Any principal partner wishing to terminate its participation in the MoU should give three months notice to the other in writing. No liability of any kind shall ensue on either of the principal Partners upon termination

**6. Modifications and amendments:**

This MoU may be amended and/or extended by written consent of the 'Principal Partners' only.

**7. Specific Agreement between the Principal Partners:**

The implementation of the above tasks is subject to a separate Agreement to be executed between the 'Principal Partners' covering the following:

- Agreement on respective roles and responsibilities, including financial aspects , control and governance procedures;
- Agreement to a business and action plan to guide implementation which will be reviewed on a quarterly basis;
- Identification and securing of the necessary funding to cover local and UK costs incurred in the course of execution of this MoU unless otherwise agreed by the 'Principal Partners'.

**8. Dispute Resolution and Jurisdiction and Compliance with Laws:**

All disputes between the 'Principal Partners' pertaining to this MoU should be resolved by consultation and/or negotiation between the Principal Partners

In case of any disagreement Courts in Panama/London shall alone have jurisdiction to settle the same.

Each Principal Partner shall comply with the laws of its respective country of origin.

**9. Liaison**

For MEDUCA, .....

For TVET UK,.....

Should any of the above details change during the validity of this MoU, updated details are to be provided to the other 'Principal Partners' organisations.

**10. Use of MEDUCA and TVET Name:**

Each Principal Partner will seek written approval from the other for using the other's name and promotional material for generation of business and during performance of work under this MoU and further the party using such name and material will ensure that the same is utilized solely for the purposes for which approval has been obtained consequent to this MoU.

**11. Confidentiality:**

- (a) Both parties shall severally take all necessary care to ensure that the information provided by the other party remains confidential and further agree not to use the Confidential Information for any purpose other than the purpose for which they are intended. TVET and MEDUCA shall not disclose any Confidential Information to anyone other than the employees of either organisation who have a need to know the Confidential Information and/or the statutory authorities. The obligation of the confidentiality shall subsist until the expiration or sooner determination of this MoU
- (b) Upon the cessation of this MoU either by termination by the parties or by efflux of time either party shall deliver to the other all documents, plans, drawings, sources, electronic media or any other source or papers in any way relating to the affairs of each other, which may be in its possession or under its control

**12. Intellectual Property Rights:**

Both the Principal Partners shall own their respective Intellectual Property Rights. The detailed arrangements of Intellectual property Rights pertaining to each task to be jointly undertaken in future shall be specifically describe in detailed in the Agreement to be executed between the Principal Partners

**13. Force Majeure:**

Neither of the Principal Partner hereto shall be considered in breach hereof or in default if it fails to perform or observe any or all of the terms of this MoU resulting directly or indirectly, such as, but not limited to acts of God, Civil or Military authority, acts of Government, acts of Public Enemy, war, riots, explosion, earthquake, flood, storm, lightning strike, etc. In such a case either of the Principal Partner shall notify the other, of the occurrence of such cause and should as a consequence, the performance under this MoU be prevented for a period longer than six months, then the other Principal Partner shall have the right to terminate this MoU

This MoU is written and signed in the City of London on [...TBC...] in two counterparts in English, each with equal force.

For MEDUCA

For TVET UK

In witness thereof:

For (UK side) .....

For (Panama side) .....



**List of Actions Recorded - Meeting 14 July 2011 – HMA and Minister for Education**

1. **British International School in Panama:** Dr Roger Fry CBE, Chairman of the Council of Overseas British International Schools is looking to visit Panama in August to explore the possibility of establishing a British school in Panama City modelled on the UK educational system. This Embassy will liaise with your office on Dr Fry's programme to ensure that his visit is a success;
2. **Capacity building in English Language and Vocational Training:** this Embassy is looking to sponsor an UK Educational Scoping Mission to Panama between 24-29 October to explore how the UK can help. I will be in touch with Davina Cole next week to discuss the Mission's terms of reference. During the Mission on 26 October the Embassy together with the British Chamber of Commerce in Panama is organising a "**Britain in Panama**" event at which we will showcase UK excellence in education. It would be a great honour if you would be able to join us for part of this event – I will be in touch with your office about the detail.
3. **Harnessing support from UK companies operating in Panama:** according to Controlaria, the UK is the largest foreign direct investor in Panama (HSBC, Cable & Wireless, SAB Miller (Cervaceria Nacional), London & Regional (Panama Pacifico), and Agrekko. More are looking to come. My Embassy has close contact with these companies. We would be willing to work with your Ministry to see how we might get UK companies to support activity that results from 2. above, not least because their investment will benefit them in the future.
4. **You visiting London:** there are two invitations to visit London heading your way with the aim of showcasing you first-hand what the UK has to offer. These invitations are : (a) to participate in the "**Education World Forum**" in January 2012 which will coincide with the BETT Show – the world's largest educational technology exhibition; and (b) to attend an **Education event** on 1 August 2012 to tie in with the **London 2012 Olympics**.
5. **English UK Fair, Panama, Pacific Ocean resort:** 24-27 April 2012 when accredited UK English language centres, schools, and universities will showcase the UK's ELT Excellence. I will be in touch with Davina to ensure that the appropriate members of your team are invited to this event.
6. **The Embassy supporting a public school in Colon:** I am looking for a project – a school which would benefit from the publicity of my involvement and that of VIP visitors from the UK. You kindly said that you would suggest a school which i would be keen to visit once identified to take this forward.

## English Language Teachers Proposal

### 1. Supply of English Language Teachers

This proposal is to recruit, train and place in each public high school in Panama a native English speaker teacher for the academic year from spring 2012. (Private high schools could also be included if they wish, but no account of this is taken in the funding estimates.)

The UK is experiencing slow economic growth at present and the 2011 cohort of university graduates are finding it difficult to secure permanent employment at graduate level. It would be relatively easy to attract some 2000 UK graduates to teach in Panama for a year on the following basis.

TVET UK through English UK would manage the recruitment process and in liaison with 3-5 of our member centres who do teacher training, would put the graduates through a screening and assessment process and then through the 5-week CELTA course which is the basic teacher qualification in the UK.

The Ministry of Education in Panama would allocate the teachers to high schools. The high schools in each area would arrange accommodation, possibly with a Panamanian 'host family' who want to have English practice.

The graduates would benefit from:

- A job for a year giving them work experience
- The CELTA qualification
- International experience
- Opportunity to learn Spanish
- In-service training
- Opportunity to use Panama as a base for exploring northern South America/the Caribbean in vacations or at the end of their placement.

The high schools would benefit from:

- A native English speaker teacher with a practice-based teaching qualification

- A UK university graduate who could potentially teach their degree or A level subjects in English
- A young and enthusiastic teacher.

Recruitment and training

Pay (at 200 a week for 10 months)

Accommodation costs (paid to host families @ 100 a week)

Flights to and from Panama

## **2. Teacher Trainer/Academic Manager**

Given that these graduates will be new to teaching, the second part of this linked proposal is to station a highly experienced teacher trainer in Panama to give them various forms of support, such as:

- Practical modules from the DELTA on classroom skills
- Pointers to teaching materials
- Guidance on assessment of progress of students
- Classroom skills observation and feedback
- Small group sessions where the teachers can share experience and issues.

In effect the teacher trainer would be acting as academic manager for the 200 graduate teaching staff on a distributed basis.

In addition, every public high school will be asked to identify its head of English or senior teacher who would most benefit from in-service training and professional updating. The teacher trainer would:

- Deliver DELTA modules on practical classroom skills to these teachers
- Provide back-up to distance learning on topics such as development of theories of second language acquisition
- Stimulate the teachers to run conferences/seminars on professional updating topics and to share experiences.

The preference would be to have a base for the teacher trainer, perhaps an office and training room at the 'City of Knowledge'.

Indicative costs for this proposal are:

Pay and related costs (10 months)

Office/training room base

Equipment (hardware and software)

Travel costs

Contingency

Total

### **3. Training for existing high school teachers**

As outlined above, every public high school will be asked to identify its head of English or senior teacher who would most benefit from in-service training and professional updating. The teacher trainer would:

- Deliver DELTA modules on practical classroom skills to these teachers
- Provide back-up to distance learning on topics such as development of theories of second language acquisition
- Stimulate the teachers to run conferences/seminars on professional updating topics and to share experiences.

It is difficult to estimate exactly what this might cost, since local practice in paying for supply teachers to cover absence on training and travel costs is not known.

### **4. Training the teacher trainers**

There are two aspects to this proposal. It is critical to improve the training given to Panamanian graduates who are, or are going to be, teachers of English. But to do this means improving the skills of those who train them as teachers, and to embed this improvement in the Panama teacher training system. In the time available to the scoping mission it was not possible to quantify precisely what this would mean in practice, but once proper investigation has been done it is likely that there will be a need for:

- Intensive professional development and updating courses for existing teacher trainers, probably delivered in their vacations and in the UK at a specialist teacher training centre

- Initial training of any new teacher trainers to a high level of competence in both English (including the theoretical aspects of second language acquisition) and pedagogical skills.

## **5. English for specific employment purposes**

If other proposals on areas such as hospitality and tourism are taken forward, there will be a need to deliver specific employment-related English language courses alongside the vocational training. Again it is not possible to quantify the needs here until the vocational training is more fully scoped, but this is a standard requirement which is delivered as a matter of routine by many UK training centres that teach such courses either through the medium of English or with associated language training alongside the vocational course.

## **6. English in public life**

There is a larger aspect to bilingual development which concerns the use of English in public life more generally in Panama. This was not technically in the scope of the mission, and therefore we are not making any immediate proposals on it, but if requested we are ready to advise.

**LETTER OF INTENT BETWEEN THE REPUBLIC OF PANAMA AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND TO AGREE A MEMORANDUM OF UNDERSTANDING ON EDUCATIONAL COOPERATION.**

The Governments of the Republic of Panama and the United Kingdom of Great Britain and Northern Ireland acknowledge their affinity based on a common history, culture and a renewed strength in their bilateral relationship. Both Governments therefore express their intention to approve a Memorandum of Understanding in the field of education, and decide that this will include the following elements:

1. UK public and private sector assistance in the areas of vocational education and English language training, in order to enhance the skills level in Panama's labour market as a mechanism to further develop the economy and international investment and trade;
2. Panamanian Government assistance to create the conditions for the establishment of a British International School in Panama from September 2012, which will be operated by the Kings Group and will become a landmark of educational excellence both in Panama and the region;
3. Encouragement of sector to sector engagement to increase the mobility of genuine university students between the UK and Panama, with the UK exploring continued provision of Chevening scholarships to Panamanian students at existing funding levels.
4. Further UK assistance to the Manuel Urbano Ayarza School in the province of Colon, which will showcase UK expertise and enhance the quality of public education reform in Panama.

Both Governments hope to approve a Memorandum of Understanding in early 2012, subject to further consideration of the content.

Signed in the United Kingdom of Great Britain and Northern Ireland on the fifteenth of November of 2011.

Ricardo Martinelli  
President  
Republic of Panama.

Nick Clegg  
Deputy Prime Minister  
United Kingdom of Great Britain and  
Northern Ireland.