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Technical and Vocational Skills Development in the Informal Sector

Contributions to the 4th Bonn Conference on Adult Education and Development (BoCAED), October 2013

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Introduction

The informal sector provokes different images and stereotypes in different people. Some might visualise poor dirty slum environments with their male population waiting to be picked up for day jobs in construction. Some might see old women selling their hand-knitted dolls to tourists who will immediately throw them away after returning home. Or some may see young people full of creativity and motivation that never give up hope despite the poverty trap they are in, despite the violence they experience every single day, despite the huge responsibility of providing food for crowds of brothers and sisters.

Others might think of tax-avoiding small and medium-sized enterprises that benefit from the freedom of lax regulations and increase their profits because they can employ low-priced workers engaged without any social benefit packages. And isn´t that informality kind of close to illegality?

There might be a more optimistic outlook as well. We might imagine small craft workshops that provide high quality products at reasonable prices and that preserve traditional production techniques and take responsibility for passing them on to the younger generations. Flexible and innovative business startups might come to our minds: Those creative youngsters with an unfailing sixth sense for new market opportunities and the strong will and power to go after their ideas.

Some pictures might not pop up immediately: Pictures of women working 18 hours a day in subsistence agriculture; young girls tending for even younger siblings or taking care of their elders; women selling their bodies in dark back alleys. It might not be a coincidence that these pictures only come up as second thoughts, since these women are hardly visible, often unrecognised and neglected by some parts of their social environment.

Whatever comes to our minds, three things are certain: The informal sector is diverse, diverging and complex. Informality is not only influencing economic issues, it forms part of the daily life of most people on this planet, and: Whatever image we have, reality might be different.

This publication presents a collection of articles on technical and vocational skills development in the informal sector (TVSD). It spotlights practical project examples from different countries, using different approaches. By doing this, the publication

disseminates contributions to the 4th Bonn Conference on Adult Education and Development (BoCAED IV) that focuses on analysing the unique setting of Youth and Adult Education and non-formal learning in TVSD in the urban informal sector, highlighting the roles and responsibilities of the stakeholders involved and identifying best practices by fostering dialogue between practitioners, the scientific community, and political decision-makers.

This introduction will present the most commonly used concepts and definitions of informality, focusing on those aspects that are relevant to TVSD and poverty reduction. It opens the door for the articles in this collection by highlighting the potential of TVSD, and especially non-formal Adult Education for poverty reduction.

1. The informal sector: Concepts, definitions, and implications

There are various terms and concepts behind informality. The ILO and OECD tend to use economic definitions, focusing on parameters like the status of employment, the level of formalisation of the business activities, and government registration. This kind of definition is helpful if macroeconomic development and the situation of specific groups in a society need to be described and compared. They do not shed much light on the circumstances of people working and living in informality and the challenges governmental bodies face while developing and implementing policies and regulations in informal settings.

Therefore this introduction will briefly describe three key areas that are highly relevant for the context of TVSD in the informal sector: Firstly, economic concepts; secondly, living in informality and the repercussions on personal well-being; thirdly, cooperation and relations between the state and its citizens.

Economic concepts

The International Conference of Labour Statisticians (ICLS) presents the most commonly used definition in the context of poverty reduction and development cooperation that also illustrates the wide range of employment statuses in the informal sector. "Informal employment was defined by the 17th ICLS (2003) as encompassing: (a) own-account workers and employers employed in their own informal enterprises; (b) members of informal producers' cooperatives (not established as legal entities), if any; (c) own-account workers producing goods exclusively for own final use by their household (if considered employed given that the production comprises an important contribution to the total household consumption and is

included in the national definition of employment); (d) contributing family workers in formal or informal enterprises; and (e) employees holding informal jobs in formal enterprises, informal enterprises, or as paid domestic workers employed by households. In line with the international definition, countries for which data are shown, define employees holding informal jobs as employees not covered by social security as employed persons, or as employees not entitled to other employment benefits."[1]

Depending on these subcategories listed above, the informal employment working conditions and working relationships can diverge immensely. Managing a small company with its own employees in the informal sector can be very lucrative and informality can be a voluntary option for different reasons. In contrast to this, some people are excluded from the formal labour market, e.g. by bureaucratic hurdles, by low level of education or simply because the formal sector only provides a very limited number of jobs. As a result, in these circumstances people are kept from social and economic security as well. They suffer from precarious work and life situations. Opportunities to lead a self-determined life in dignity are diminished for them.

Some authors[2] argue that the informal economy divides into two main segments: the upper tier and the lower tier, where the "upper tier has access requirements that make it unavailable to workers in the lower tier. This upper tier comprises the competitive part, i.e. those who voluntarily choose to be informal, and the lower tier consists of individuals who cannot afford to be unemployed but do not have access to more productive employment in either the formal or the informal sector."[3]

For designing development interventions this distinction is crucial, as it effects aims and what is attainable for a particular target group as well as the measures taken to achieve these aims.

Living in informality and the repercussions on livelihoods

The comparison of income levels in the informal sector deepens the understanding for the necessity of targeted approaches. Incomes in the informal sector are not necessarily lower than earnings in formal positions. Working in the upper tier can especially yield several times the minimum wage of formal employment. Those

1 http://laborsta.ilo.org/informal_economy_E.html.

2 E.g.: Fields, G.S., *A guide to Multisector Labour Market Models*, Social Protection Discussion Paper 0505, World Bank, Washington D.C., 2005.

3 Jütting, Johannes and Juan R. de Laiglesia, in: Jütting, Johannes and Juan R. de Laiglesia (eds.), *Is informal normal? Towards more and better jobs in developing countries*, OECD, 2009.

working in the lower tier of the informal sector however are clearly at a disadvantage against those having comparable jobs in the formal sector.[4] This is alarming, as a large share of informal employees are to be found in the lower tier.[5] Thus the commonly perceived correlation between poverty and informal sectors holds true for a majority of informal workers. Statistics on this correlation are alarming: Findings of the ILO show a strong correlation between high poverty and high informal employment in 25 out of 34 countries.[6]

Besides being low-paying, informal jobs are often described as "bad jobs": Employment without social protection exposing workers to various vulnerabilities such as job and income insecurity, lack of health protection, unsafe working conditions and exploitation. Women and young people are finding themselves in these precarious work and life situations with increasing frequency, and often have fewer opportunities to escape.

Even more, informality has many implications: Some articles in this volume also describe the informality of livelihoods. Domiciles are classified as illegal by governments and administrations. Lack of recognition leads to lack of basic social services that would secure human rights like human dignity, food security, basic infrastructure, water and electricity supply, health services. The necessity of struggle for survival decreases the probability of taking part in educational programmes and finding a decent job and thus perpetuates poverty structures. Another perpetuating issue is the lack of representation and law enforcement. Resulting from the absence of organisational structures in the informal sector, governments do not have the opportunity to enforce minimum legal standards. Workers themselves often miss self-representation structures and thus lack the power to fight for basic working rights.

Influences of relations between state and citizens

Even though the informal sector defines daily reality, it is by nature neglected by the governmental structures and legislation. Most of the services provided by states such as social security, health services, education provision, presuppose recognition and registration.

4 Charmes, Jacques, Concepts, Measurement and Trends, in: Jütting, Johannes and Juan R. de Laiglesia (eds.), *Is informal normal? Towards more and better jobs in developing countries*, OECD, 2009, 44.

5 Ibid, 42.

6 ILO, Department of Statistics, and IMF, World Economic Outlook, http://laborsta.ilo.org/applv8/data/INFORMAL_ECONOMY/2012-06-Statistical%20update%20-%20v2.pdf.

In addition, governmental strategies in developing countries often fail to effectively address the challenges and potential of the informal sector. "Of forty-six countries reviewed (...), fewer than half address skills development among youth in the informal sector."[7] Even if governments make the needs of the population living in informal contexts a priority, they might not be able to effectively assess these needs. Thus planned intervention might fall short of reaching the core issues of the target groups or miss their demands.

One of these difficult to access services is the provision of training programmes. Workers in the informal sector often have not gone beyond basic education and do not meet the entry requirements for formal training. Education strategies that include second chance or non-formal skills training are rare. According to CONFINTEA[8] non-formal skill provision often has a marginalised – if any – position in governmental strategies.

It is also beneficial to have a look at the relationship with governments from a different angle: One of the various reasons for preferring to stay informal can be a lack of trust in governmental bodies[9]. This mistrust might stem from the experience of corruption, weak law enforcement or weak legitimisation. The state is not considered a reliable partner in a social contract and does not meet its obligations with regard to the provision of public services (such as education, infrastructure, promotion of SME, etc.).

This creates a vicious circle where, due to informality and tax losses, the state cannot fulfil its obligation, which is one of the reasons for informality for part of the self-employed in the first place. This vicious circle constricts the provision of public services such as health care, infrastructure, education and, through this, the wellbeing of the populace.

2. Potentials of TVSD provision in the informal economy

The inclusive growth potential of the informal economy

The statistical data required to examine the linkage and repercussion from economic development to informal employment and vice versa are extremely important in order to substantiate public policies but are difficult to gather. A review of the current research raises questions rather than provides answers: Is the informal

7 EFA Global Monitoring Report, *Youth and Skills, Putting education to work*, UNESCO, Paris 2012, 13.
8 UNESCO Institute for Lifelong Learning, Global Report on Adult Education, Hamburg. 2. Edition 2010, 24.
9 Schneider, Friedrich, The Shadow Economy and Work in the Shadow: An Introduction, in: Langer, Karen (ed.), *Development in the Informal Sector, International Perspectives in Adult Education* 68, Bonn, 2013.

economy one driver of growth or a sign of economic stagnation or recession? Is it a reason for stagnation due to tax losses and the difficulty of implementing measures which promote economic development? Also, the hope that the answers and measures that have been proven successful in one country will show comparable effects in another might be a mere delusion.

Despite the difficulties of data availability and the diversity of research findings, some things seem clear and make the debate on skills training in the informal sector highly topical: The informal sector does not vanish automatically as soon as economies show stable growth rates. Even though the global economic crisis did allow the informal sector, particularly the lower tier, to increase on a global average, the connection between economic growth and the decline of the informal sector is not conclusively linear[10].

What seems clear however is that even though the informal sector is said to account for producing 50 percent of the GNP worldwide, some observation suggests a lower productivity level, as economic units in the informal sector prefer to stay small, have less access to inputs, cannot engage in formal business relations, and employ people with a lower education level.[11]

On the other hand, the upper tier in particular is seen as having a remarkable potential for growth. People who make the conscious decision to "go informal" possess the ability to make choices, be flexible and take fast-growing business opportunities. When it seems feasible to entrepreneurs in the upper tier, they might go back to formality thus creating decent jobs.

According to these arguments, targeted interventions in the informal sector are not only a question of human rights and social welfare but they can increase productivity and stimulate the potential of macroeconomic growth. Interventions that especially target the lower tier of the informal economy have greater potential to support the poor and inclusive growth because they start with the disadvantaged groups. Interventions that recognise people living and working in informality as relevant actors have a greater possibility to meet their needs and demands and thus make a positive impact on their lives.

10 Kucera, David and Xenogiana, Theodora, in: Jütting, Johannes and Juan R. de Laiglesia (eds.), *Is informal normal? Towards more and better jobs in developing countries*, OECD, 2009, 81.

11 Ibid, 13.

Mobility and income increases through training

The promotion of education programmes in the informal sector is just one of many approaches in the fight against poverty. Various studies show that this approach is promising. For example, in the OECD study "Is informal normal?", a verifiable correlation between education and social mobility is observed[12]. With an increased level of education, opportunities increase in two ways: firstly, the change from the lower to the upper tier of the informal sector is made possible. Secondly, education also makes the move from the informal sector to the formal sector easier. Both generally result in an increased income and better working conditions.

The informal sector as training provider

The informal sector is often the first training ground for young people. As the formal vocational training systems often do not meet market requirements and are only accessible to a few, young people often begin their professional education and career paths by means of on-the-job training in the informal sector. Richard Walther finds that: "skills development in the informal sector is not just restricted to the professional development of people working within it. For example, a qualitative survey carried out by the AFD[13] on a group of 110 youth association leaders from Central Africa showed that 60% of these young people, having done a Bachelor's or Master's level higher education degree course, enter the labour market by acquiring on-the-job experience or doing an apprenticeship in the informal sector. They thus become skilled in an activity or trade with help from employers or master craftsmen from informal production or service units."[14] Later on, quite a large proportion of those trained by the informal sector move on to formal jobs.[15] Skills training in the informal economy therefore is an effective means of youth promotion. The growing group of young people that are threatened by vulnerability will benefit from these training programmes. At the same time the investment in youth will profit the economy as it produces skills that are needed for the provision of goods and services.

12 Gagnon, Jason, in: Jütting, Johannes and Juan R. de Laiglesia (eds.), *Is informal normal? Towards more and better jobs in developing countries*, OECD, 2009, 131.

13 Agence Française de Développement.

14 Walther, Richard, *Building Skills in the Informal Sector*, Background paper prepared for the Education for All Global Monitoring Report 2012, Background paper prepared for the Education for All Global Monitoring Report 2012, http://www.unesco.org/new/fileadmin/MULTIMEDIA/HQ/ED/pdf/gmr2012-ED-EFA-MRT-PI-08.pdf, August 2013, 2.

15 Ibid. 2.

3. Non-formal Adult Education: successful but often neglected

Non-formal skills provision has shown remarkable results and impacts. Even though a huge share of education budgets still go to formal education, non-formal providers have been able to develop holistic and integrated approaches. These approaches do not stop at the level of training provision but also include matching strategies, stakeholder dialogue, and tracer studies.

As regards the pedagogical concepts, the most prominent assumption is that skills development will only be successful if the living conditions of the beneficiaries are taken into account. If their needs, potentials, and resources are considered, a sustainable improvement in the livelihoods of the target populations can be observed. Successful interventions do not only focus on singular training measures but include the empowerment of the people concerned.

Variety of skills needed

Different informal settings require a broad skill-set. The Global Monitoring Report 2012[16] provides three categories of skills: Firstly, foundation skills such as literacy and numeracy. Secondly, transferable skills that help people to adapt to different situations, such as problem solving skills, learning techniques, communication skills. Thirdly, technical and vocational skills that specialise people for specific professional tasks.

Foundation skills and transferable skills are often referred to as life skills meaning "those basic skills that are not transmitted through formal schooling. Life skills include technical and manual skills that are required to secure gainful employment.... Where social welfare systems fail, people need to learn how to take the initiative to organise self-help. Where jobs are scarce or exploitation is rampant, people must learn to earn a living as self-employed or independent workers. In such situations they also need to acquire business skills. Citizens need to learn how to participate in making political decisions that affect their communities. ...People need practice in analysing their problems and conflicts. They need to learn how to find common solutions and to implement decisions reached by consensus."[17]

The living and working conditions of many people in the informal sector encourage and require a range of knowledge and skills in addition to professional skills.

16 EFA Global Monitoring Report, Youth and Skills, Putting education to work, UNESCO, Paris 2012, 14.

17 Samlowski, Michael, EFA Goal 3 and the Outlook for *Non-formal Education and Informal Learning, in: Samlowski, Michael (ed.): Non-formal Skills Training, Adult Education for Decent Jobs and Better Lives, Adult Education and Development* 77, 2011, 4.

Non-formal skills programmes are most successful when they offer a well-designed set of skills for each context, when they carefully assess training needs together with their target group and other stakeholders within the community. The combination of skills makes training programmes more relevant and attractive for target groups. Therefore many of the programmes choose an integrated approach. Life skills training (including literacy and numeracy) are combined with professional skills training.

Educational background and prior learning

The combination of different skills in training programmes and the thorough assessment of the required skill set are important for a second reason: the training background of the participants might vary considerably. Non-formal education also aims at providing chances for those who were excluded from formal education. Formal entry-level vocational qualifications are of less significance and training programmes are also accessible for learners without previous school education, which by far does not mean that learners come without prior knowledge or skills. On the contrary, the recognition of the skills participants already posses is a major factor to empower self-steered learning.

Training settings and integration into community structures

Reviewing the living conditions of the learners also influences the design of the training programmes. People living in poverty mostly cannot afford to participate in training programmes at the expense of time used for making a living. Being responsible for the family income only leaves limited and concentrated time for training activities. In addition, some women face non-acceptance by attending trainings. To attract participants and keep motivation continuous, a well-designed training setting is crucial.

It goes without saying that the timing has to be adapted to realities as well. Not only training time, but also the total duration of a course is important, as well as the credibility of the expected outcome.

Trust in the training provider is another important factor. A careful selection of trainers and close relations to communities help to build that trust. Close cooperation with the communities is not only a question of building confidence and trust. The integration of skills programmes into community structures facilitates needs assessment, implementation, outreach, and guarantees sustainability.

Matching skills provision with skills demand

When conflicting priorities have to be balanced, training can only prevail if the positive impact on the living conditions is immediate and perceptible. Needs assessment and the cooperation with the local economy ensure that produced skills match the demand. In addition, non-formal education programmes are often more flexible and can be adapted to the needs of quickly changing market conditions in the informal economy. They also often bridge a gap to the formal training system, in that they enable school dropouts to re-enter the formal system thanks to the combination of vocational skills and the basic education they missed out on.

Challenges of non-formal skills provision

The provision of educational services in informal contexts is not an easy task and despite the normality of the informal economy, it did not become normality in developmental policies and approaches. Even though the 2013 GMR report promoted the cause of non-formal skills development programmes, it became clear that for several reasons development interventions still concentrate on formal skills provision[18].

One of the main difficulties is impact assessment. Without measurable success, it is difficult to put forward a case for political recognition and better funding. Impact evaluation is more complex in informal contexts as baseline data are more difficult to gather. Nevertheless, to argue the case for non-formal Adult Education it is crucial to make successes visible. Measures have to be evaluated, documented and published. Clear indicators to measure the impact of training on the livelihood of participants have to be developed, applied and analysed.

Strengthened coordination and cooperation amongst stakeholders like implementing agencies, governmental bodies, chambers and private companies could further support efficiency and recognition of non-formal Adult Education.

Ensuring sustainability by incorporating the programmes into state or local structures is equally complex. This includes cooperation of the various stakeholders, the strengthened capacity of these stakeholders and attractive benefits for them to further promote non-formal skills provision.

By overcoming these challenges non-formal Adult Education will deploy its full potential and succeed to become truly recognised as an educational sector of equal importance. With strong political backing, the appropriate share of educational

18 UNESCO Institute for Lifelong Learning, Global Report on Adult Education, Hamburg. 2. Edition 2010, 97.

budgets and a relevant place within development strategies, its contribution to poverty reduction will be augmented.

Outline

This publication will contribute toward the advancement of the case of non-formal skills development programmes by providing information to practitioners, decision-makers, and stakeholders working in the field of skills development. It offers a wider perspective on TVSD in the informal sector by providing different successful examples of non-formal skills development programmes.

In the first section of the publication, the context of the debate relating to TVSD in the informal sector will be introduced. The collection of different perspectives reflects the breadth of the discussion on a political and academic level. The introductory section sets the framework for the presentation of various project examples from eleven countries in Asia, Latin America and Africa in the second section of the publication.

Part I: Theoretical and Political Frameworks

The publication begins with the article **"Building Skills in the Informal Sector"** authored by **Richard Walther.** Providing detailed examples from various African countries, Walther makes the case for three main approaches to promote education in the informal sector. Firstly, the investment in educational programmes for already relatively well-educated players in the informal sector; secondly, the qualification and upgrade of traditional apprenticeships; thirdly, Walther argues for a joint consideration of rural and urban areas to increase the effectiveness of the programmes.

In his article **"The Shadow Economy and Work in the Shadow: An Introduction" Prof. Dr. Dr.h.c.mult. Friedrich Georg Schneider** primarily deals with the upper tier of the informal economy. According to his definition of the term "shadow economy", as he calls the informal economy, and the representations of the statistical acquisition options, he describes the various reasons for the continued existence of the informal economy. The article then provides an overview of the shape of the informal economy by an international comparison.

Cecilia Soriano, Programs and Operations Coordinator of ASPBAE (Asia South Pacific Association for Basic and Adult Education) strongly argues in her article **"Orienting Literacy – TVET – Life Skills Towards Poverty Eradication: Learning**

from Nepal and the Philippines" for the importance of state-driven affirmative action to strengthen poverty eradication. Governments are asked to address targeted skills programmes for the informal sector as well as second chance basic education programmes in their educational and poverty reduction strategies.

Part II: Best Practices

Integrated approaches

Manoj Rai, Director of PRIA (Society for Participatory Research in Asia), opens the selection of Best Practices with the article **"Transfer of Technical Skills among Collectivised Slum Adults strengthens Community Actions for Slum Improvements"**. The project approach presented, located in one of the most informal settings, unrecognised slums, targets the collective identities of slum dwellers as a precondition for their recognition. The article illustrates the great potential of community organisation and skills development for breaking out of the poverty trap.

Astrid von Kotze gives an impressive example of a holistic project approach. Her article **"A pedagogy of contingency for precarious work"** proposes two responses to current TVSD challenges in the urban informal economy: firstly, a livelihood approach to the design and provision of education and training that is informed by the specifics of an economic sector, and secondly, a 'pedagogy of contingency' that is mindful of the context within which would-be workers operate.

In her article **"Technical and vocational skills development for youth in Zimbabwe" Dr. Emmie Wade** presents the work of the Kunzwana Women's Association. The organisation provides practical training to women and youths resident in farming areas, to newly resettled villagers and to those in nearby villages. The combination of psychosocial support for these uprooted youth and the targeted training opportunities that provide educational pathways by offering different training levels are amongst the specifics of the association's approach.

Women empowerment

Roxana Rocca's article **"Fostering Gender Equality and Inclusion: Skills Training and Income Generation for Lower-Class Urban Migrant Aymara Women"** presents the special concept of the Popular Cultural Centre Foundation (Fundación Centro de Cultura Popular) The foundation was created to provide an option for impoverished women and an educational strategy as a tool to change the situation of gender inequality and discrimination; its mission is to help such women recognise themselves as agents of change, capable of overcoming situations of poverty

through an organisation based on solidarity that enables them to satisfy the basic needs of their families.

The integration of women in the world of employment, be it formal or informal, is often restricted by their responsibilities at home. The project presented by **Marta Elena Jaramillo "An experience with women, of training for life and work"** trained women living in the outskirts of Bogota to become professional child carers. Through this, women could professionalize their work as child educators and gain income and recognition for their work. At the same time, other women could make use of the professional day care to be free to pursue other income-generating opportunities.

Entrepreneuship

A great percentage of informal workers are self-employed. Next to technical skills, they require a range of business skills too. Two articles in this volume present business training programmes.

Dr. Susanne Franke, working for Don Bosco Mondo, emphasises in her article **"On your own, but not alone – Self-employment in Manzini, Swaziland"** the importance of culturally accepted concepts of entrepreneurship. As competitiveness is not a value in Swaziland, the project had to find ways of producing and marketing goods between the various groups.

The Energy and Population Research Centre (CIEP) takes the concept of cultural mindfulness one step further. As described by **Sonia Sapiencia de Zapata** in her article **"Training Aymara micro entrepreneurs – migrants in the city of El Alto"** CIEP combines traditional designs and handcraft tradition with modern production techniques to both strengthen cultural pride and provide opportunities for income generation.

Cooperation and Coordination

Sonia Belete and **Jesco Weickert** clearly identified one major success factor of the Integrated Women's Empowerment Programme (IWEP): the article **"Supporting women in the informal sector– experiences from Ethiopia"** focuses on the possibilities of bringing different stakeholders together to enable women living in poverty to improve their livelihoods within the informal sector.

The article **"Community development and skills for the informal economy in Jordan"** authored by **Bart Denys and Alaa' Abu Karaki** provides another example of successful multi-stakeholder cooperation and embedding of training

programmes within existing structures. They argue for community centres as an ideal player to facilitate stakeholder dialogue and thus achieve the provision of TVET appropriate for the informal economy.

To conclude the different lines of arguments, **Mana Chanthalanonh, Heribert Hinzen, Khanthong Inthachack** and **Dokkham Xomsihapanya** provide a practical example for integrated action which combines interventions on a micro, meso and macro level. Their article **"Skills Development for Work and Life. Initiatives and Support by the Regional Office of *dvv international* in Vientiane, Lao PDR"** shows how the regional office of *dvv international* in Lao PDR synchronises the provision of training programmes at the community level, capacity building for community organisations and training providers, and lobby activities for the recognition of non-formal Adult Education.

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Theoretical and Political Frameworks

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Building Skills in the Informal Sector

The issue of skills development in the informal sector needs to be tackled at two levels. It is firstly necessary to find activities or jobs for the many uneducated, undereducated and even qualified young people who find it extremely hard to enter the world of work. It will then be necessary to develop technical and vocational skills for this group of young people, as well as for the economic and professional stakeholders in this sector, that can help them further develop their own activity and, more generally, progress from the subsistence economy to one of wealth and added value.[1]

The major economic and professional characteristics of the informal sector

Skills development in the informal sector is an issue of huge importance. It concerns almost all of the economy of Sub-Saharan African countries and, in many of them, employs 90% of the economically active population. The subject is thus central to the debates on the socio-economic development of Africa and, more generally, of developing countries.

The informal sector is mainly made up of micro- and small enterprises

There are several ways of approaching or defining the informal sector. The most evident and appropriate is that used by statisticians. This describes the informal sector as a proportion of household enterprises which are distinguished from corporations and quasi-corporations in that they neither keep full sets of accounts nor constitute legal entities distinct from the households upon which they depend. This definition, which dates back to the ILO's Fifteenth International Conference of Labour Statisticians in January 1993, is the one most used by surveys on the informal sector. It was adopted by AFRISTAT for its 1-2-3 surveys between 2001

1 Walther, R., with input from Filipiak, E., Vocational Training in the informal sector. *Notes and Document* N° 33, AFD.

and 2003 on the informal sector in the economic capitals of West Africa.[2] In these surveys, the sector is defined as being "all production units without an administrative registration number and/or which do not keep formal written sets of accounts." The same concept was adopted by Ethiopia's Central Statistical Authority,[3] Cameroon's National Institute of Statistics[4] and the Directorate of Planning of the Kingdom of Morocco.[5]

This concept, which mainly defines the urban informal sector, is useful because it takes into account the structure of the economy of the countries concerned and makes it possible to calculate the number and identify the type of household enterprises or informal enterprises composed of people working for themselves, as well as the number and the types of activities of small enterprises employing one or several employees.

In sum, this concept reflects the economic reality of the informal sector. It is a real economy, made up of micro- and small activities, which generates employment (up to 95 % of the world of work) and wealth (up to 60 of GDP in some countries). This puts into perspective other approaches that emphasise the lack of taxation (which is not confirmed in fieldwork) or the failure to meet requirements for decent working conditions. These aspects are covered by other studies on the informal sector, such as those conducted in South Africa. In response to this view, it could be said that taxation and decent work, which are indicative of an initial stage of formalisation of the sector, are the consequence of micro- and small enterprises' exit from the subsistence economy, and not the condition for it. Building skills among actors in the informal sector is thus one of the best ways of helping people to move away from subsistence and gradually progress towards growth and added value, without which there can be no real inclusion in the formal economy.

The informal sector is the main producer of skills in the economically active population

Data made available in surveys of the informal sector clearly show that a very high proportion of people working in the sector are trained by the sector itself. For example, a survey of Morocco's informal sector, which accounts for 40 % of

2 STATECO, *Méthodes statistiques et économiques pour le développement et la transition* 99, Paris, 2005.

3 Central Statistical Authority, *Report on urban informal sector*, sample survey, 2003.

4 Institut National de la Statistique, *Enquête sur l'Emploi et le Secteur Informel au Cameroun en 2005, Phase 2, Enquête sur le secteur informel*, Rapport principal, Yaoundé, 2006.

5 Direction de la Statistique, *Synthèse des principaux résultats de l'enquête nationale sur le secteur informel non agricole*, (1999/2000), 2005.

jobs in urban areas, revealed that 80.4 % of employers or employees in production or service units did not have any forms of skills other than those acquired on the job.[6] A survey conducted in Ethiopia, where the informal sector accounts for 90 % of all labour market activities and jobs, is even clearer in this regard. 67.86 % of employees from the sector acquired their skills through self-training, 26.88 % within the family and 3.54 % through apprenticeship or on-the-job training. Only 0.09%, in other words a tiny number of people working in the sector, had done any sort of formal training.[7]

However, skills development in the informal sector is not just restricted to the professional development of people working within it. For example, a qualitative survey carried out by the AFD on a group of 110 youth association leaders from Central Africa showed that 60 % of these young people, having done a Bachelor's or Master's level higher education degree course, enter the labour market by acquiring on-the-job experience or doing an apprenticeship in the informal sector. They thus become skilled in an activity or trade with help from employers or master craftsmen from informal production or service units.[8] For many higher education graduates, for whom it can often take three years to enter the world of work, the informal sector thus constitutes the only way of finding a job.[9]

At the same time, modern enterprises often have difficulty finding the skills they need. The reason is that, "in the majority of African countries, training provided by universities and schools is broadly unsuitable". This remark, which was made by the chairman of Togo's association of large enterprises in 2010,[10] shows that the lack of skills development opportunities in formal education means that the informal sector paradoxically has to step in and provide young people with skills and job training.

The informal sector needs improved vocational and technical skills

The image too frequently conveyed by people outside the informal sector suggests that it is a world of inflexible traditions, repetitive actions and technologies that are generally out of date. One gets the impression that it is totally out of touch with changes in the modern economy. This does not correspond to the real situation in

6 Ait Soudane, J., *Secteur informel et marché du travail au Maroc*, Université de Montpellier, 2005.
7 Central Statistical Authority, op.cit. 2003.
8 Walther., R. and Tamoifo, M., *L'itinéraire professionnel du jeune africain, Les résultats d'une enquête auprès de jeunes leaders africains sur les dispositifs de formation professionnelle post-primaire*, AFD, DT 78.
9 This is the case for Cameroon. Institut National de la Statistique, op.cit, 2006.
10 This remark was made publicly during a programme broadcast on RFI.

the sector, which has also entered the digital era of mobile telephones and the Internet.[11] For example, there are garage owners in Benin who, in order to identify the reasons why cars with high-technology components have broken down, download control software from the Internet for the most recent types of cars.

More generally, the many informal sector stakeholders met during the field surveys were very keen to improve their skills. Those who had received the least education want literacy training so they can read, they say, the technical instructions of the machines they are asked to install and thus be able to repair them. The most educated also want regular access to continuing training, which barely features in all the national training and skills strategies and action plans. Thus many craft workers and employers in the informal sector, who also organise traditional apprenticeships, get the impression that they are training young jobseekers and thus feel ill at ease with regard to their master apprentice function.

Several professional crafts organisations have become aware of this problem, particularly in West Africa, and they have committed their national and local associations to a debate on the training and skill needs of their members. This is the case for the National Federation of Malian Craftsmen (FNAM), the Benin National Confederation of Craftworkers (CBAB) and the Cameroon Interprofessional Association of Craftsmen (GIPA). The latter has initiated a wide-ranging debate on the way the best way of improving traditional apprenticeship by raising the training level and improving the instructional skills of its master craftsmen. It has developed a methodology for directing the educational progress of apprentices and gradually evaluating the skills acquired.

This data demonstrates that the issue of technical and vocational skills development is a central concern of people who run production and service units in the informal sector. However, national technical and vocational education and training policies (TVET) are still too frequently almost exclusively focused on formal TVET courses. From this point of view, the 2008 ADEA Biennale in Maputo marked a turning point when it asserted, in front of all African education ministers, that it was now necessary to develop training and qualification systems as an overall framework incorporating both formal and non-formal and informal skills development options. Skills development in the informal sector is thus becoming an issue outside the sector itself and is an integral part of the development of an overall education and training strategy.

11 Sévérino, Jean-Michel and Ray, Olivier, *Le temps de l'Afrique*, Paris, 2010.

Current and future ways and means of building skills in the informal sector

The ways and means proposed below are based on the observations and conclusions of research in this area. They further develop existing areas of discussion and attempt to ensure that the initiatives launched by the actors themselves reach their logical conclusion.

Building skills in the informal sector by focusing on the most educated and qualified actors

The above-mentioned detailed analysis of the AFRISTAT 1-2-3 surveys shows that the educational level of a person working in the informal sector has an impact on the calculation of progress made in the labour market. Accordingly, if the pay levels or people working in this sector are analysed in terms of the level of education, we see that the marginal return on education increases with the number of years studied. The survey's cross-analysis of education and income levels shows that while uneducated people earn on average 52,000 CFA francs a month compared with 48,000 a month for people that have been educated up to primary school level, the level of pay is twice as much for a worker who has been to secondary school and five times as much for a worker who has been through higher education.

The relationship between the educational level and income level raises several points.

- Firstly, it shows that the high number of young people of secondary and higher education levels who are obliged to take an informal job in order to enter the world of work have real potential to earn a decent living even though they have had to change their career path.
- Secondly, they suggest that the informal sector's absorption of the most qualified young people coming out of the educational system "may be a successful strategy in the medium-term with regard to the expansion of the African economy".[12] One field survey showed that some young people with a university degree in chemistry had been able to set up a natural fruit juice production unit. It rapidly found customers and a market, so was obliged to change from being a non-structured unit into a formal enterprise.

12 Dialogue N° 25, *La lettre d'information de DIAL*, 2006.

- Lastly, in plain language, they raise the issue of the positive effects that a proactive policy of massive investment by a country in efforts to raise the knowledge and skills levels of informal sector workers can have on the economic growth and production of wealth and added value. This issue is particularly legitimate because the formal TVET sector trains a very small proportion of young people (one in ten youngsters seeking training in Ivory Coast)[13] and significant funds are invested for a relatively very small return when it comes to helping people find work and meeting enterprises' skill needs.

Schemes developed by NGOs in several countries (Cameroon, Angola) as well as universities (South Africa), local and regional authorities (Ethiopian, Ivory Coast) and professional organisations (Mali, Burkina Faso) to provide entrepreneurship training for people who run the informal production and service units that are most likely to proceed to generate growth and added value, offer an interesting potential area for action. Planned investment in skills development for economic actors in the informal sector, focusing in particular on the contact and mediation role of the most educated and skilled among them, is more likely to boost the informal sector and help it progress from the subsistence economy to economic growth and added value than the compulsory formalisation plans being developed by certain countries.

Giving priority to investment in the reform of traditional apprenticeship

All these points and observations clearly raise the issue of a paradigm change in the countries' training and skills policies. If one takes it as a proven fact that 80% to 90% of young people, particularly in Sub-Saharan African countries, enter the world of work through an activity or job in the informal sector, it becomes clear that public technical and vocational skills development policies for young people cannot just focus on the very marginal role played by TVET in the majority of countries. They must invest in improving the skills of the rest of the population. It is thus hard to conceive that Burkina Faso continues to invest the most resources in technical and vocational education, even though there are 2 million traditional apprentices in the whole country.[14] The same applies to Senegal, which has 10,000

13 Ministère de l'Enseignement et de la Formation professionnelle, *Note de politique éducative, Sous-secteur de l'enseignement technique et de la formation professionnelle*, METFP, Abidjan, 2009.

14 Walther, R. and Savadogo, B., *Les coûts de formation et d'insertion professionnelles, Les conclusions d'une étude terrain au Burkina Faso*, AFD, DT 98, 2010.

young people in TVET, while the motor repair sector alone has 440,000 traditional apprentices.[15]

These experiences of current changes in apprenticeship in various West African countries suggest that there are three possible areas for reform.

First area: changing traditional apprenticeship into dual/reformed apprenticeship

Since 1989, there have been a number of attempts to transform traditional apprenticeship into a dual system, in which apprenticeship carried out in the workshops of traditional master craftsmen is topped up with theory training done at a public or private training centre. This sort of dual training scheme was developed in Benin and Togo by the Hans Seidel Foundation, a German development organisation. It has led to the creation of a fully-reformed training system for young people through apprenticeship.

The main characteristics of this sort of scheme may be described as follows.

- The scheme is based upon a partnership agreement signed by both the public authorities and professional organisations, covering cooperation between the professional stakeholders and the state authorities on the introduction of dual apprenticeship in TVET establishments.
- Based on partnership and close public/private cooperation, the scheme becomes an integral part of the national training and skills system via a legislative and regulatory framework established as a result of the partnership agreements. This framework defines the model dual apprenticeship contract, the organisation of apprenticeship in the crafts sector, the arrangements for obtaining a recognised diploma from the national authorities (the CQP in Benin) and the inclusion of this diploma within the national qualifications system.
- The scheme alternates periods of training in a craft workshop (for example five days per week) with time in a training centre (for example 1 day per week) during an apprenticeship that will last on average three years. The practical training is organised under the responsibility of a master apprentice who has previously been trained in the educational methods required to impart skills in a working environment.

15 METFP, *Projet PAO/sfp, Intégration de l'apprentissage traditionnel dans les métiers de l'automobile au sein du dispositif global de la formation professionnelle technique*, Rapport final de l'étude d'opportunité, Dakar, 2007.

Mali, Ivory Coast, Senegal and Tanzania are also developing a reformed traditional apprenticeship scheme. The ILO has set the development of this apprenticeship as one of its priorities for action in these countries. However, a broad analysis of the situation in these countries shows that the schemes continue to underperform, despite achieving some very positive results.[16] The limited deployment of the schemes is due both to lack of funds and problems encountered in incorporating these apprenticeships within the existing TVET system. There thus exists at this level a greatly under-exploited potential source for the development of skills in the informal sector.

Public policies should become aware of the leverage effect that significant investment on their part in such a system would have in boosting skills development in their countries. The main advantage of such schemes is that they meet the economy's skills requirements while boosting people's chances of finding work or a professional activity. The second advantage is that they constitute an effective and long-term training option: for example, the study on the costs of training and job schemes in Burkina Faso showed that reformed apprenticeship has better external efficiency even though it costs approximately three times less than formal training courses.[17]

The disappointing spread of reformed or dual apprenticeship schemes suggests the need for a campaign to reach as many stakeholders as possible involved in the development of skills and qualifications. This view is broadly shared by the World Bank, which, in its 2008/2009 report, argued for a substantial increase in intervention capacity in the field of skills development.[18] The Bank's proposals are broadly in line with the conclusions of current or planned pilot schemes in certain countries. These may be summarised as follows.

- Regulations should be introduced for traditional apprenticeship in order to set limits to the period of training. These should cover the maximum number of years of training for each type of occupation, and they should also take into account daily and weekly working hours.
- The existing apprenticeship process can be structured by introducing training design and development techniques that reach beyond the traditional phases of

16 An evaluation by the Swiss development agency in 2004 shows that the implementation of improved apprenticeship by a master craftsman has positive effects on the quality, organisation and performance of work in the workshop. See Ndiaye, A. and Thiéba, D., *Etude d'impact de la formation professionnelle de type dual du PAA*, Bamako, 2004.

17 Walther, R. and Savadogo, B., op.cit, 2010.

18 WorldBank, *Youth and Employment in Africa: The potential, the Problem, the Promise*. Washington, 2008.

introduction, initiation, participation and imitation and repetition practices. It would thus be desirable to support existing professional organisations to help them develop, for their specific target groups, types of training that raise the final qualification level of their apprentices, while also increasing the professional and instructional skills of the master craftsmen. Such support could take several forms: organisation of technical and vocational adaptation and updating courses for master apprentices, functional literacy courses and/or general training for those who are illiterate or have a low educational level, professional guidance for people who's occupations are undergoing rapid change, etc.

- Putting these measures into practice will make it necessary for master craftsmen and traditional apprentices to have a right to some type of recognition of their level of professional skill. They need be able to obtain some sort of professional certificate attesting to their ability and legitimacy to exercise the occupation they have been trained to do via traditional apprenticeship. In Benin, for example, the CQP vocational certificate has been introduced and the CQM occupational skills certificate is being established.
- It is clear that such capacity building in traditional apprenticeship cannot take place without a paradigm shift in existing TVET systems. A system of recognition and certification of acquired skills and work experience will have to be placed at the centre of the future skills development system. This alone can take into account and improve the contributions of traditional apprenticeship.

Investing in both the urban informal sector and the agricultural and rural sector

Surveys on the informal sector do not always reflect the realities of the agricultural and rural sector. However, analysis of the structure of employment in the sector reveals the same characteristics as that in urban employment: the great majority of rural people are self-employed in agricultural production and do not keep accounts; their training most often takes place through the family or community and is traditional in nature. The survey of Cameroon in 2005 underlined this view, for example showing that out of the 90.4 % informal jobs identified in the country, 35.2 % were in the urban informal sector and 55.2 % were in the rural informal sector.

Given the importance of the sector in employment terms (91.2 % of activities and jobs in Ethiopia for example), it is impossible to talk about skills development in the informal sector without considering areas for debate and specific action in the agricultural and rural sector. This is particularly important, because the majority

of Sub-Saharan African countries have no formal training systems for agricultural producers and food security, which they could provide by making significant improvements in farming techniques, is not guaranteed in most of these countries.

Without a doubt, skills development in the important non-structured agricultural and rural sector is an absolute priority for developing countries, particularly African ones. This is certainly the field where efforts to alleviate poverty are the most urgent and potentially the most effective. It is also the area for the future development of the African continent, which has 60 % of the world's non-cultivated arable land and thus an agri-food development potential which is currently only at the embryonic stage.

Conclusion

All of the proposed areas for building skills in the informal sector will require a paradigm shift with regard to the design of future technical and vocational skills development systems and the arrangements for financing and certification.

Tackling the issue of skills development in the informal sector means focusing on the needs of the real economy of micro- and small enterprises. This constitutes the production and service sector, which gives work to the great majority of young people and workers from the African continent and provides most national and continental wealth. Investment in capacity building in this sector is a sign of realism and hope. Because the great majority of stakeholders within it seek better training and improved skills, to give a bigger boost to their own activity and thus improve their professional and social position. Without their success it will not be possible to ensure the sustainable development of the whole of the continent.

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The Shadow Economy and Work in the Shadow: An Introduction

1. Introduction

Fighting tax evasion and the shadow economy have been important policy goals in OECD countries during recent decades. In order to do this one should have knowledge about the size and development of the shadow economy as well as the reasons why people are engaged in shadow economy activities. Hence, in this short introduction I am mainly concerned with the definition, measurement, driving forces and the size and development of the shadow economy. Tax evasion is not considered in order to keep the subject of this paper tractable and because too many additional aspects would be involved[1]. Also tax morale or experimental studies on tax compliance are beyond the scope of this paper[2].

My paper is organized as follows: Section 2 presents theoretical considerations about the definition (2.1) and measurement of the shadow economy (2.2) and discusses also the main factors (2.3) determining its size. In Section 3 some empirical results of the size and development of the shadow economy are discussed. Finally in Section 4 some policy conclusions are drawn.

1 See Andreoni, Erard and Feinstein (1998) for the authoritative survey, Feld and Frey (2007) or Kirchler (2007) for broader interdisciplinary approaches, or the papers by Kirchler, Maciejovsky and Schneider (2003), Kastlunger, Kirchler, Mittore and Pitters (2009), Kirchler, Hoelzl and Wahl (2007).

2 The authoritative scientific work on tax morale is by Torgler (2007). See also Torgler (2002) for a survey on experimental studies.

2. Some Theoretical Considerations about the Shadow Economy

2.1 Defining the Shadow Economy

Most authors trying to measure the shadow economy still face the difficulty of a precise definition of the shadow economy.[3] According to one commonly used definition it comprises all currently unregistered economic activities that contribute to the officially calculated Gross National Product.[4] Smith (1994, p. 18) defines it as "market-based production of goods and services, whether legal or illegal, that escapes detection in the official estimates of GDP". Put differently, one of the broadest definitions is: "...those economic activities and the income derived from them that circumvent or otherwise avoid government regulation, taxation or observation".[5] As these definitions still leave room for interpretation, Table 2.1 provides a further understanding as to what could be a reasonable consensus definition of the underground (or shadow) economy.

Table 2.1: A Taxonomy of Types of Underground Economic Activities[1)]

Type of Activity	Monetary Transactions		Non Monetary Transactions	
ILLEGAL ACTIVITIES	Trade with stolen goods; drug dealing and manufacturing; prostitution; gambling; smuggling; fraud, human-, drug-, and weapon-trafficking		Barter of drugs, stolen goods, smuggling etc. Produce or growing drugs for own use. Theft for own use.	
	Tax Evasion	Tax Avoidance	Tax Evasion	Tax Avoidance
LEGAL ACTIVITIES	Unreported income from self-employment; wages, salaries and assets from unreported work related to legal services and goods	Employee discounts, fringe benefits	Barter of legal services and goods	All do-it-yourself work and neighbour help

1) Structure of the table is taken from Lippert and Walker (1997, p. 5) with additional remarks.

3 My paper focuses on the size and development of the shadow economy for uniform countries and not for specific regions. Recently first studies have been undertaken to measure the size of the shadow economy as well as the "grey" or "shadow" labour force for urban regions or states (e.g. California). See e.g. Marcelli, Pastor and Joassart (1999), Marcelli (2004), Chen (2004), Williams and Windebank (1998, 2001a, b), Flaming, Hayolamak, and Jossart (2005), Alderslade, Talmage and Freeman (2006), Brück, Haisten-DeNew and Zimmermann (2006). Herwartz, Schneider and Tafenau (2009) and Tafenau, Herwartz and Schneider (2010) estimate the size of the shadow economy of 234 EU-NUTS regions for the year 2004 for the first time demonstrating a considerable regional variation in the size of the shadow economy. Lately Buehn (2012) estimates the size and development of the German districts.

4 This definition is used, e.g., by Feige (1989, 1994), Schneider (1994a, 2003, 2005, 2011) and Frey and Pommerehne (1984). Do-it-yourself activities are not included. For estimates of the shadow economy and the do-it-yourself activities for Germany see Bühn, Karmann und Schneider (2009) or Karmann (1986, 1990).

5 This definition is taken from Del'Anno (2003), Del'Anno and Schneider (2004) and Feige (1989); see also Thomas (1999), Fleming, Roman and Farrell (2000) or Feld and Larsen (2005, p. 25).

From Table 2.1, it is obvious that a broad definition of the shadow economy includes unreported income from the production of legal goods and services, either from monetary or barter transactions – and so includes all productive economic activities that would generally be taxable were they reported to the state (tax) authorities.

In this paper the following more narrow definition of the shadow economy is used.[6] The shadow economy includes all market-based legal production of goods and services that are deliberately concealed from public authorities for the following reasons:

1. to avoid payment of income, value added or other taxes,
2. to avoid payment of social security contributions,
3. to avoid having to meet certain legal labour market standards, such as minimum wages, maximum working hours, safety standards, etc., and
4. to avoid complying with certain administrative obligations, such as completing statistical questionnaires or other administrative forms.

Thus, I will not deal with typically illegal underground economic activities that fit the characteristics of classical crimes like burglary, robbery, drug dealing, etc. I also exclude the informal household economy which consists of all household services and production.

2.2 Measuring the Shadow Economy[7]

The definition of the shadow economy plays an important role in assessing its size. By having a clear definition, a number of ambiguities and controversies can be avoided. In general, there are two types of shadow economic activities: illicit employment and the in the household produced goods and services mostly consumed within the household. The following analysis focuses on both types, but tries to exclude illegal activities such as drug production, crime and human trafficking. The in the household produced goods and services, e.g. schooling and childcare are not part of this analysis. Thus, it only focuses on productive economic activities that would normally be included in the national accounts but which remain

6 See also the excellent discussion of the definition of the shadow economy in Pedersen (2003, pp.13-19) and Kazemier (2005a) who use a similar one.

7 Compare also Feld and Schneider (2010) and Schneider (2011).

underground due to tax or regulatory burdens.[8] Although such legal activities contribute to the country's value added, they are not captured in the national accounts because they are produced in illicit ways (e.g. by people without proper qualification or without a master craftsman's certificate). From the economic and social perspective, soft forms of illicit employment, such as moonlighting (e.g. construction work in private homes) and its contribution to aggregate value added can be assessed rather positively.

Although the issue of the shadow economy has been investigated for a long time, the discussion regarding the "appropriate" methodology to assess its scope has not come to an end yet.[9] There are three methods of assessment:

1. Direct procedures at a micro level that aim at determining the size of the shadow economy at one particular point in time. An example is the survey method;
2. Indirect procedures that make use of macroeconomic indicators in order to proxy the development of the shadow economy over time;
3. Statistical models that use statistical tools to estimate the shadow economy as an "unobserved" variable.

Today in most cases the estimation of the shadow economy is based on a combination of the MIMIC procedure and on the currency demand method; or the use of only the currency demand method.[10] The MIMIC procedure assumes that the shadow economy remains an unobserved phenomenon (latent variable) which can be estimated using quantitatively measurable causes of illicit employment, e.g. tax burden and regulation intensity, and indicators reflecting illicit activities, e.g. currency demand, official GDP and official working time. A disadvantage of the MIMIC procedure is the fact that it produces only relative estimates of the size and the development of the shadow economy. Thus, the currency demand

8 With this definition the problem of having classical crime activities included could be avoided, because neither the MIMIC procedure nor the currency demand approach captures these activities: e.g. drug dealing is independent of increasing taxes, especially as the included causal variables are not linked (or causal) to classical crime activities. See e.g. Thomas (1992), Kazemir (2005a, b) and Schneider (2005).

9 For the strengths and weaknesses of the various methods see Bhattacharyya (1999), Breusch (2005a, b), Dell'Anno and Schneider (2009), Dixon (1999), Feige (1989), Feld and Larsen (2005), Feld and Schneider (2010), Giles (1999a, b, c), Schneider (1986, 2001, 2003, 2005, 2006, 2011), Schneider and Enste (2000a, b, 2002, 2006, 2013), Tanzi (1999), Thomas (1992, 1999).

10 These methods are presented in detail in Schneider (1994a, b, c, 2005, 2011), Feld and Schneider (2010) and Schneider and Enste (2000b, 2002, 2006, 2013). Furthermore, these studies discuss advantages and disadvantages of the MIMIC and the money demand methods as well as other estimation methods for assessing the size of illicit employment; for a detailed discussion see also Feld and Larsen (2005).

method[11] is used to calibrate the relative into absolute estimates (e.g. in percent of GDP) by using two or three absolute values (in percent of GDP) of the size of the shadow economy.

In addition, the size of the shadow economy is estimated by using survey methods (Feld and Larsen (2005, 2008, 2009)). In order to minimize the number of respondents dishonestly replying or totally declining answers to the sensitive questions, structured interviews are undertaken (usually face-to-face) in which the respondents are slowly getting accustomed to the main purpose of the survey. Like it is done by the contingent valuation method (CVM) in environmental economics (Kopp et al. 1997), a first part of the questionnaire aims at shaping respondents' perception as to the issue at hand. In a second part, questions about respondents' activities in the shadow economy are asked, and the third part contains the usual socio-demographic questions.

In addition to the studies by Merz and Wolff (1993), Feld and Larsen (2005, 2008, 2009), Haigner et al. (2011) and Enste and Schneider (2006) for Germany, the survey method has been applied in the Nordic countries and Great Britain (Isachsen and Strøm 1985, Pedersen 2003) as well as in the Netherlands (van Eck and Kazemier 1988, Kazemier 2006). While the questionnaires underlying these studies are broadly comparable in design, recent attempts by the European Union to provide survey results for all EU member states runs into difficulties regarding comparability (Renooy et al. 2004, European Commission 2007): the wording of the questionnaires becomes more and more cumbersome depending on the culture of different countries with respect to the underground economy.

These two sets of approaches are most broadly used in the literature. Although each has its drawbacks, and although biases in the estimates of the shadow economy almost certainly prevail, no better data are currently available. Let me clearly argue that there is no exact measure of the size of the shadow economy. Each method has its strength and weaknesses (shown in detail in Schneider and Enste (2000b). Every estimate of the size of the shadow economy has an error margin of +/- 15.00 percent. The macro estimates (e.g. MIMIC, currency demand method, elec-

11 This indirect approach is based on the assumption that cash is used to make transactions within the shadow economy. By using this method one econometrically estimates a currency demand function including independent variables like tax burden, regulation etc. which "drive" the shadow economy. This equation is used to make simulations of the amount of money that would be necessary to generate the official GDP. This amount is then compared with the actual money demand and the difference is treated as an indicator for the development of the shadow economy. On this basis the calculated difference is multiplied by the velocity of money of the official economy and one gets a value added figure for the shadow economy. See footnote 9 for references discussing critically this method.

tricity approach are upper bound estimates and the micro (survey) estimates are lower bound estimates. In tax compliance research, the most interesting data stem from actual tax audits by the US Internal Revenue Service (IRS). In the Taxpayer Compliance Measurement Program (TCMP), actual compliance behavior of taxpayers is observed and is used for empirical analysis (Andreoni, Erard and Feinstein 1998). The approach of the IRS is broader in a certain sense as tax evasion from all sources of income is considered, while the two methods discussed before aim at capturing the shadow economy or undeclared work and thus mainly measure tax evasion from labour income. Even the data obtained from the TCMP is biased however because the actually detected tax non-compliance could only be the tip of the iceberg. Although the perfect data on tax non-compliance does therefore not exist, the imperfect data in this area can still provide interesting insights also regarding the size, the development and the determinants of the shadow economy and of the shadow economy labour force.

2.3 The Main Causes Determining the Shadow Economy

A useful starting point for a theoretical discussion of tax non-compliance is the paper by Allingham and Sandmo (1972) on income tax evasion. While the shadow economy and tax evasion are not congruent, activities in the shadow economy in most cases imply the evasion of direct or indirect taxes, such that the factors affecting tax evasion will most certainly also affect the shadow economy. According to Allingham and Sandmo tax compliance depends on its expected costs and benefits. The benefits of tax non-compliance result from the individual marginal tax rate and the true individual income. In the case of the shadow economy the individual marginal tax rate is obtained by calculating the overall marginal tax burden from indirect and direct taxes including social security contributions. The individual income generated in the shadow economy is usually categorized as labour income and less probably as capital income. The expected costs of non-compliance derive from deterrence enacted by the state. Tax non-compliance thus depends on the state's auditing activities raising the probability of detection and the fines individuals face when they are caught. As individual morality also plays a role for compliance, additional costs could pertain beyond pure punishment by the tax administration in the form of psychic costs like shame or regret, but also additional pecuniary costs if, e.g., reputation loss results.

Kanniainen, Pääkönen and Schneider (2004) incorporate many of these insights in their model of the shadow economy by also considering labour supply decisions. They hypothesize that tax hikes unambiguously increase the shadow economy, while the effect of public goods financed by those taxes depends on the ability to access public goods. Morality is also included in this analysis. But the costs for individual non-compliers resulting from moral norms appear to be mainly captured by state punishment although self-esteem also plays a role.

A shortcoming of these analyses is the neglected endogeneity of tax morale and good governance. In contrast, Feld and Frey (2007) argue that tax compliance is the result of a complicated interaction between tax morale and deterrence measures. While it must be clear to taxpayers what the rules of the game are and as deterrence measures serve as signals for the tax morale a society wants to elicit (Posner 2000a, b), deterrence could also crowd out the intrinsic motivation to pay taxes. Moreover, tax morale is not only increased if taxpayers perceive the public goods received in exchange for their tax payments worth it. It also increases if political decisions for public activities are perceived to follow fair procedures or if the treatment of taxpayers by the tax authorities is perceived to be friendly and fair. Tax morale is thus not exogenously given, but is influenced by deterrence, the quality of state institutions and the constitutional differences among states.

Although this leaves me with a rich set of variables that might influence the size of the shadow economy, it is only the starting point. As labour supply decisions are involved, labour and product market regulations are additionally important. Recent theoretical approaches thus suggest following a differentiated policy to contain the shadow economy's expansion.

2.3.1 Deterrence[12]

Although the traditional economic theory of tax non-compliance derives unambiguous predictions as to their impact only for deterrence measures and despite the strong focus on deterrence in policies fighting the shadow economy, there is surprisingly little known about the effects of deterrence from empirical studies. In their survey on tax compliance, Andreoni, Erard and Feinstein (1998) report that deterrence matters for tax evasion, but that the reported effects are rather small. Blackwell (2009) finds strong deterrence effects of fines and audits in experimental tax evasion. Regarding the shadow economy, there is however little evidence.

12 This part is taken from Feld and Schneider (2010, pp.115-116).

This is due to the fact that data on the legal background and the frequency of audits are not available on an international basis. They would also be difficult to collect even for the OECD member countries. A recent study by Feld, Schmidt and Schneider (2007) demonstrates this for the case of Germany. The legal background is quite complicated, differentiating fines and punishment according to the severity of the offense, to true income of the non-complier, but also regionally given different directives on sentences by the courts in different Länder. Moreover, the tax authorities at the state level do not reveal how intensively auditing is taking place. With the available data on fines and audits, Feld, Schmidt and Schneider (2007) conduct a time series analysis using the estimates of the shadow economy obtained by the MIMIC approach. According to their results, deterrence does not have a consistent effect on the German shadow economy. Conducting Granger causality tests, the direction of causation (in the sense of precedence) is ambiguous leaving room for an impact of the shadow economy on deterrence instead of deterrence on the shadow economy.

Feld and Larsen (2005, 2008, 2009) follow a different approach by using individual survey data for Germany. First replicating Pedersen (2003), who reports a negative impact of the subjectively perceived risk of detection by state audits on the probability of working in the shadows for the year 2001, they then extend it by adding subjectively perceived measures of fines and punishment. Fines and punishment do not exert a negative influence on the shadow economy in any of the annual waves of surveys, nor in the pooled regressions for the years 2004-2007 (about 8000 observations overall). The subjectively perceived risk of detection has a robust and significant negative impact in individual years only for women. In the pooled sample for 2004-2007, which minimizes sampling problems, the probability of detection has a significantly negative effect on the probability of working in the shadow economy also for men (keeping the one for women) and is robust across different specifications.[13]

Pedersen (2003) reports negative effects of the subjectively perceived risk of detection on the probability of conducting undeclared work in the shadows for men in Denmark in 2001 (marginally significant), for men in Norway in 1998/2002 (highly significant),[14] men and women in Sweden in 1998 (highly significant in the first and marginally significant in the second case), and no significant effect

13 An earlier study by Merz and Wolff (1993) does not analyze the impact of deterrence on undeclared work.

14 The earlier study by Isachsen and Strøm (1985) for Norway does also not properly analyze the impact of deterrence on undeclared work.

for Great Britain in 2000. Moreover, van Eck and Kazemier (1988) report a significant negative of a high perceived probability of detection on participation in the hidden labour market for the Netherlands in 1982/1983. In none of these studies perceived fines and punishments are included as explanatory variables. The large scale survey study on Germany by Feld and Larsen (2005, 2009) thus appears to be the most careful analysis of deterrence effects on undeclared work up to date.

Overall, this is far from convincing evidence on the proper working of deterrence as it is always the combination of audits and fines that matters according to theoretical analysis, but also to pure plausibility arguments. The reasons for the unconvincing evidence of deterrence effects are discussed in the tax compliance literature by Andreoni, Erard and Feinstein (1998), Kirchler (2007) or Feld and Frey (2007). They range from interactions between tax morale and deterrence, thus the possibility that deterrence crowds out tax morale, to more mundane arguments like misperceptions of taxpayers. Likewise, these reasons could be important for the evidence on the deterrence effects on work in the shadow economy. As the latter mainly stems from survey studies, the insignificant findings for fines and punishment may also result from shortcomings in the survey design.

2.3.2 Tax and Social Security Contribution Burdens

In contrast to deterrence, almost all studies ascertain that the tax and social security contribution burdens are among the main causes for the existence of the shadow economy.[15] Since taxes affect labour-leisure choices and stimulate labour supply in the shadow economy, the distortion of the overall tax burden is a major concern. The bigger the difference between the total labour cost in the official economy and after-tax earnings (from work), the greater is the incentive to reduce the tax wedge and work in the shadow economy. Since the tax wedge depends on the level and increase of the social security burden/payments and the overall tax burden, they are key features of the existence and the increase of the shadow economy.

2.3.3 Intensity of Regulations

Increased intensity of regulations, for example labour market regulations, trade barriers, and labour restrictions for immigrants. is another important factor which reduces the freedom (of choice) for individuals engaged in the official

15 See Thomas (1992), Lippert and Walker (1997), Schneider (1994a, b, c, 1997, 1998a, b, 1999, 2000, 2003, 2005, 2009), Johnson, Kaufmann, and Zoido-Lobatón (1998a, b), Tanzi (1999), Giles (1999a), Mummert and Schneider (2001), Giles and Tedds (2002) and Dell'Anno (2003) as more recent ones.

economy. Johnson, Kaufmann, and Zoido-Lobatón (1998b) find significant empirical evidence of the influence of (labour) regulations on the shadow economy; and the impact is clearly described and theoretically derived in other studies, e.g. for Germany (Deregulierungskommission/Deregulation Commission 1991).[16] Regulations lead to a substantial increase in labour costs in the official economy. But since most of these costs can be shifted to employees, regulations provide for another incentive to work in the shadow economy where they can be avoided. Johnson, Kaufmann, and Shleifer (1997) report empirical evidence supporting their model which predicts that countries with higher general regulation of their economies tend to have a higher share of the unofficial economy in total GDP. They conclude that it is the enforcement of regulation which is the key factor for the burden levied on firms and individuals, and not the overall extent of regulation – mostly not enforced – which drives firms into the shadow economy. Friedman, Johnson, Kaufmann and Zoido-Lobaton (2000) arrive at a similar conclusion. In their study every available measure of regulation is significantly correlated with the share of the unofficial economy and the estimated sign of the relationship is unambiguous: more regulation is correlated with a larger shadow economy.

2.3.4 Public Sector Services

An increase of the shadow economy can lead to reduced state revenues which in turn reduce the quality and quantity of publicly provided goods and services. Ultimately, this can lead to an increase in the tax rates for firms and individuals in the official sector, quite often combined with a deterioration in the quality of the public goods (such as the public infrastructure) and of the administration, with the consequence of even stronger incentives to participate in the shadow economy. Johnson, Kaufmann, and Zoido-Lobatón (1998a, b) present a simple model of this relationship. According to their findings, smaller shadow economies occur in countries with higher tax revenues achieved by lower tax rates, fewer laws and regulations and less bribery facing enterprises. Countries with a better rule of law, which is financed by tax revenues, also have smaller shadow economies. Transition countries have higher levels of regulation leading to a significantly higher incidence of bribery, higher effective taxes on official activities and a large discre-

16 The importance of regulation on the official and unofficial (shadow) economy is more recently investigated by Loayza, Oviedo and Servén (2005a, b). Kucera and Roncolato (2008) extensively analyze the impact of labour market regulation on the shadow economy.

tionary framework of regulations and consequently a higher shadow economy. Their overall conclusion is that "wealthier countries of the OECD, as well as some in Eastern Europe, find themselves in the 'good equilibrium' of relatively low tax and regulatory burden, sizeable revenue mobilization, good rule of law and corruption control, and a (relatively) small unofficial economy. By contrast, a number of countries in Latin American and the former Soviet Union exhibit characteristics consistent with a 'bad equilibrium': tax and regulatory discretion and burden on the firm is high, the rule of law is weak, and there is a high incidence of bribery and a relatively high share of activities in the unofficial economy." (Johnson, Kaufmann and Zoido-Lobatón 1998a, p. I).

2.3.5 Other Public Institutions

Recently, various authors[17] consider quality of public institutions as another key factor of the development of the informal sector. They argue that the efficient and discretionary application of tax systems and regulations by government may play a crucial role in the decision of conducting undeclared work, even more important than the actual burden of taxes and regulations. In particular, corruption of bureaucracy and government officials seems to be associated with larger unofficial activity, while a good rule of law by securing property rights and contract enforceability, increases the benefits of being formal.

Hence, it is important to analyze theoretically and empirically the effect of political institutions like the federal political system on the shadow economy. If the development of the informal sector is considered as a consequence of the failure of political institutions in promoting an efficient market economy, since entrepreneurs go underground when there is an inefficient public goods provision, then the effect of institutions of the individual's incentive to operate unofficially can be assessed. In a federal system, competition among jurisdictions and the mobility of individuals act as constraints on politicians because "choices" will be induced that provide incentives to adopt policies which are closer to a majority of voters' preferences. Frequently, the efficient policies are characterized by a certain level of taxation, mostly spent in productive public services. In fact, the production in the formal sector benefits from a higher provision of the productive public services and is negatively affected by taxation, while the shadow economy reacts in the op-

17 See e.g. Johnson et al. (1998a, b), Friedman et al. (2000), Dreher and Schneider (2009), Dreher, Kotsogiannis and Macorriston (2007, 2009), as well as Teobaldelli (2011), Teobaldelli and Schneider (2012), Schneider (2010) and Buehn and Schneider (2010).

posite way. As fiscal policy gets closer to a majority of voters' preferences in federal systems, the size of the informal sector goes down. This leads to the hypothesis that the size of the shadow economy should be lower in a federal system than in a unitary state, ceteris paribus. Moreover Teobaldelli and Schneider (2012) found out that direct democracy has a quantitative and statistically significant influence on the size of the shadow economy. The more direct democratic elements a country has, the lower the shadow economy, ceteris paribus.

2.3.6 Tax Morale

In addition to the incentives effects discussed before, the efficiency of the public sector has an indirect effect on the size of the shadow economy because it affects tax morale. As Feld and Frey (2007) argue, tax compliance is driven by a psychological tax contract that entails rights and obligations from taxpayers and citizens on the one hand, but also from the state and its tax authorities on the other hand. Taxpayers are more heavily inclined to pay their taxes honestly if they get valuable public services in exchange. However, taxpayers are honest even in cases when the benefit principle of taxation does not hold, i.e. for redistributive policies, if the political decisions underlying such policies follow fair procedures. Finally, the treatment of taxpayers by the tax authority plays a role. If taxpayers are treated like partners in a (tax) contract instead of subordinates in a hierarchical relationship, taxpayers will stick to their obligations of the psychological tax contract more easily. In addition to the empirical evidence on these arguments reported by Feld and Frey (2007), and by Kirchler (2007) present a comprehensive discussion of the influence of such factors on tax compliance.

Regarding the impact of tax morale on the shadow economy, there is scarce and only recent evidence. Using data on the shadow economy obtained by the MIMIC approach, Torgler and Schneider (2009) report the most convincing evidence for a negative effect of tax morale. They particularly address causality issues and establish a causal negative relation from tax morale to the size of the shadow economy. This effect is also robust to the inclusion of additional explanatory factors and specifications. These findings are also in line with earlier preliminary evidence by Körner et al. (2006). Using survey data, Feld and Larsen (2005, 2009) likewise report a robust negative effect of tax morale in particular and social norms in general on the probability of respondents to conduct undeclared work. Interestingly, the estimated effects of social norms are quantitatively more important

than the estimated deterrence effects. Van Eck and Kazemier (1988) also report a marginally significant effect of tax morale on the participation in the hidden labour market.

2.3.7 Summary of the Main Causes of the Shadow Economy

In Table 2.2 an overview of a number of empirical studies summarizes the various factors influencing the shadow economy. The overview is based on the studies in which the size of the shadow economy is measured by the MIMIC or currency demand approach. As there is no evidence on deterrence using these approaches – at least with respect to the broad panel data base on which this table draws – the most central policy variable does not show up. This is an obvious shortcoming of the studies, but one that cannot be coped with easily due to the lack of internationally comparable deterrence data. In Table 2.2 two columns are presented, showing the various factors influencing the shadow economy with and without the independent variable, "tax morale". This table clearly demonstrates that the increase of tax and social security contribution burdens is by far most important single contributor to the increase of the shadow economy. This factor does explain some 35–38 % or 45–52 % of the variance of the shadow economy with and without including the variable "tax morale". The variable tax morale accounts for some 22–25 % of the variance of the shadow economy,[18] there is a third factor, "quality of state institutions", accounting for 10-12 % and a fourth factor, "intensity of state regulation" (mostly for the labour market) for 7-9 %. In general Table 2.2 shows that the independent variables tax and social security burden, followed by variables tax morale and intensity of state regulations are the three major driving forces of the shadow economy.

18 The importance of this variable with respect to theory and empirical relevance is also shown in Frey (1997), Feld and Frey (2002a, 2002b, 2007) and Torgler and Schneider (2009).

Table 2.2: Main Causes of the Increase of the Shadow Economy

Variable	Influence on the shadow economy (in %)[1)]	
	(a)	(b)
(1) Tax and Social Security Contribution Burdens	35-38	45-52
(2) Quality of State Institutions	10-12	12-17
(3) Transfers	5-7	7-9
(4) Specific Labour Market Regulations	7-9	7-9
(5) Public Sector Services	5-7	7-9
(6) Tax Morale	22-25	-
Influence of all Factors	84-98	78-96

(a) Average values of 12 studies. *Source:* Schneider (2009)
(b) Average values of empirical results of 22 studies.
1) This is the normalized or standardized influence of the variable average over the 12 column a and 22 studies in column b

3. Estimation Results of the Shadow Economies

3.1 Germany

Various estimates of the German shadow economy (measured in percentage of official GDP) are shown in Table 3.1 (see also Feld et.al. 2007). The oldest estimate uses the survey method of the Institute for Demoscopy (IfD) in Allensbach, Germany, and shows that the shadow economy was 3.6 % of official GDP in 1974. In a much later study, Feld and Larsen (2005, 2008) undertook an extensive research project using the survey method to estimate shadow economic activities in the years 2001 to 2006.[19] Using the officially paid wage rate, they concluded that these activities

19 In my paper there is no extensive discussion about the various methods to estimate the size and development of the shadow economy; I also do not discuss the strength and weaknesses of each method. See Schneider and Enste (2000), Schneider (2005, 2011), Feld and Larsen (2005, 2008, 2009), Pedersen (2003), and Giles (1999a, b, c).

reached 4.1 % in 2001, 3.1 % in 2004, 3.6 % in 2005 and 2.5 % in 2006.[20] Using the (much lower) shadow economy wage rate these estimates shrink however to 1.3 % in 2001 and 1.0 % in 2004, respectively. If I consider the discrepancy method, for which I have estimates from 1970 to 1980, the German shadow economy is much larger: using the discrepancy between expenditure and income, I get approximately 11 % for the 1970s, and using the discrepancy between official and actual employment, roughly 30 %. The physical input methods from which estimates for the 1980s are available, "deliver" values of around 15 % for the second half of that decade. The (monetary) transaction approach developed by Feige (1989) places the shadow economy at 30 % between 1980 and 1985. Yet another monetary approach, the currency demand approach – the first person to undertake an estimation for Germany was Kirchgässner (1983, 1984) – provides values of 3.1 % (1970) and 10.1 % (1980). Kirchgässner's values are quite similar to the ones obtained by Schneider and Enste (2000, 2002), who also used a currency demand approach to value the size of the shadow economy at 4.5 % in 1970 and 14.7 % in 2000. Finally, if I look at latent MIMIC estimation procedures, the first ones being conducted by Frey and Weck-Hannemann (1984), and later, Schneider and others followed for Germany, again, the estimations for the 1970s are quite similar. Furthermore, Schneider's estimates using a MIMIC approach (Schneider 2005, 2009) are close to those of the currency demand approach. Again as already argued there is no precise estimate of the shadow economy, also the MIMIC estimates have an error margin of +/-15.0 percent.

Thus, one can see that different estimation procedures produce different results. It is safe to say that the figures produced by the transaction and the discrepancy approaches are rather unrealistically large: the size of the shadow economy at almost one third of official GDP in the mid-1980s is most likely an overestimate. The figures obtained using the currency demand and hidden variable (latent) approaches, on the other hand, are relatively close together and much lower than those produced by other methods (i.e. the discrepancy or transaction approaches). This similarity is not surprising given the fact that the estimates of the shadow economy using the latent (MIMIC) approach were measured by taking point estimates from the currency demand approach. The estimates from the MIMIC approach can be regarded as the upper bound of the size of the shadow economy. For the reasons

20 Feld and Larsen (2008) argue, that due to the extraordinarily low rate of participation based on a relatively small sample, the results for 2006 must be interpreted with extra great care. The results for 2006 should be regarded as tentative and, at the most, as an indication that black activities do not appear to have increased from 2005 to 2006. Additionally it should be noted that they measure "only" black household activities and not the ones of firms.

outlined in Section 2, the estimates obtained from the survey approach provide for its lower bound. It should be noted that the "true" size of the shadow economy does not necessarily lie between both bounds, nor is it precluded that it is closer to the upper than the lower bound. But both benchmarks help us to understand the phenomenon better.

3.2 21 OECD Countries

In order to calculate the size and development of the shadow economies of the 21 OECD countries, I have to overcome the disadvantage of the MIMIC approach, which is, that only relative sizes of the shadow economy are obtained such that another approach to calculate absolute figures must be used. For the calculation of the absolute sizes of the shadow economies from these MIMIC estimation results, I take the already available estimates from the currency demand approach for Austria, Germany, Italy and the United States (from studies of Dell'Anno and Schneider 2003, Bajada and Schneider 2005, and Schneider and Enste 2002). As I have values of the shadow economy (in % of GDP) for various years for the above mentioned countries, we can use them in a benchmark procedure to transform the index of the shadow economy from the MIMIC estimations into cardinal values.[21]

Table 3.2 presents the findings for 21 OECD countries until 2007. They clearly reveal that since the end of the 90s the size of the shadow economy in most OECD countries continued to decrease. The unweighted average for all countries in 1999/2000 was 16.8 % and dropped to 13.9 % in 2007. This means, that since 1997/98 – the year in which the shadow economy was the biggest in most OECD countries, it has continuously shrunk. Only in Germany, Austria and Switzerland the growing trend lasted longer and was reversed two or three years ago. The reduction of the share of the shadow economy from GDP between 1997/98 and 2007 is most pronounced in Italy (-5.0 %) and in Sweden (-4.0). The German shadow economy ranges in the middle of the ranking, whereas Austria and Switzerland are located at the lower end. With 20 % to 26 %, South European countries exhibit the biggest shadow economies measured as a share from official GDP. They are followed by Scandinavian countries whose shadow economies' shares in GDP range between 15 and 16 %. One reason for the differences in the size of the shadow economy between these OECD countries includes, among others, that for example there are fewer regulations in the OECD country USA compared to the OECD country Germany where everything that is not explicitly allowed is forbidden. The

21 This procedure is described in great detail in the paper by Dell'Anno and Schneider (2004, 2009).

individual's freedom is limited in many areas by far-reaching state interventions. Another reason is the large differences in the direct and indirect tax burden, with the lowest in the U.S. and Switzerland in this sample.

3.3 Development and Size of the Shadow Economies all over the world[22]

Figure 3.1 shows the average size of the shadow economy of 162 countries over 1999-2007.[23] In Tables 3.3 und 3.4 the average informality (unweighted and weighted) in different regions is shown using the regions defined by the World Bank. The World Bank distinguishes 8 world regions which are East Asia and Pacific, Europe and Central Asia, Latin America and the Caribbean, Middle East and North Africa, High Income OECD, Other High Income, South Asia, and Sub-Saharan Africa. If we consider first Table 3.3 where the average informality (unweighted) is shown, we see that Latin America and the Caribbean have the highest value of the shadow economies of 41.1 %, followed by Sub-Saharan Africa of 40.2 % and then followed by Europe and Central Asia of 38.9 %. The High Income OECD countries have the lowest with 17.1 %. If we consider the average informality of the shadow economies of these regions weighted by total GDP in 2005, Sub-Saharan Africa has the highest with 37.6 %, followed by Europe and Central Asia with 36.4 % and Latin America and the Caribbean with 34.7 %. Once again, the lowest are the High Income OECD countries with 13.4 %. If one considers the world mean weighted and unweighted, one sees that if one uses the unweighted measures the mean is 33.0 % over the periods 1999-2007. If we consider the world with weighted informality measures, the shadow economy takes "only" a value of 17.1 % over the period 1999-2007. Weighting the values makes a considerable difference.

One general result of the size and development of the shadow economies world wide is that there is an overall reduction in the size. In Figure 3.2 the size and development of the shadow economy of various groups of countries (weighted averages by the official GDP of 2005) over 1999, 2003 and 2007 are shown. One clearly realizes that for all groups of countries (25 OECD countries, 116 developing counties, 25 transition countries) a decrease in the size of the shadow economy can be observed. The average size of the shadow economies of the 162 countries was 34.0 % of official GDP (unweighted measure!) in 1999 and decreased to 31.2 % of official GDP in 2007 (compare Table A1 in the appendix). This is a decrease of almost 3.0 percentage points over 9 years. Growth of the official economy with

22 This part and the figures are taken from Schneider, Buehn and Montenegro (2010)
23 In the appendix a list of these 162 countries in alphabetical order is shown.

reduced (increased) unemployment (employment) seems to be the most efficient mean to reduce the shadow economy.

Table 3.1: The Size of the Shadow Economy in Germany According to Different Methods (in Percentage of Official GDP)

Method	Shadow economy in Germany (in percentage of official GDP) in:								Source
	1970	1975	1980	1985	1990	1995	2000	2005	
Survey	-	3.6[1)]	-	-	-	-	-	-	IfD Allensbach (1975)
	-	-	-	-	-	-	4.1[2)]	3.6[2)]	Feld and Larsen (2005, 2008)
Discrepancy between expenditure and income	11.0	10.2	13.4	-	-	-	-	-	Lippert and Walker (1997)
Discrepancy between official and actual employment	23.0	38.5	34.0	-	-	-	-	-	Langfeldt (1984a, b)
Physical input method	-	-	-	14.5	14.6	-	-	-	Feld and Larsen (2005)
Transactions approach	17.2	22.3	29.3	31.4	-	-	-	-	Langfeldt (1984a, b)
Currency demand approach	3.1	6.0	10.3	-	-	-	-	-	Kirchgässner (1983)
	12.1	11.8	12.6	-	-	-	-	-	Langfeldt (1984a, b)
	4.5	7.8	9.2	11.3	11.8	12.5	14.7	-	Schneider and Enste (2000)
Latent (MIMIC) approach	5.8	6.1	8.2	-	-	-	-	-	Frey and Weck (1984)
	-	-	9.4	10.1	11.4	15.1	16.3	-	Pickhardt and Sarda Pons (2006)
	4.2	5.8	10.8	11.2	12.2	13.9	16.0	15.4	Schneider (2005, 2007)
Soft modeling	-	8.3[4)]	-	-	-	-	-	-	Weck-Hannemann (1983)

1) 1974.
2) 2001 and 2005; calculated using wages in the official economy.

Table 3.2: The Size of the Shadow Economy (in % of Official GDP) in 21 OECD Countries between 1989/90 and 2007
Estimated Using and MIMIC Method and the Currency Demand Approach to Calibrate the MIMIC values

	Shadow Economy (in % of official GDP)									
OECD-countries	Average 1989/90	Average 1994/95	Average 1997/98	Average 1999/00	Average 2001/02	2003	2004	2005	2006	2007
1. Australia	10.1	13.5	14.0	14.3	14.1	13.7	13.2	12.6	11.4	10.7
2. Belgium	19.3	21.5	22.5	22.2	22.0	21.4	20.7	20.1	19.2	18.3
3. Canada	12.8	14.8	16.2	16.0	15.8	15.3	15.1	14.3	13.2	12.6
4. Denmark	10.8	17.8	18.3	18.0	17.9	17.4	17.1	16.5	15.4	14.8
5. Germany	11.8	13.5	14.9	16.0	16.3	17.1	16.1	15.4	14.9	14.6
6. Finland	13.4	18.2	18.9	18.1	18.0	17.6	17.2	16.6	15.3	14.5
7. France	9.0	14.5	14.9	15.2	15.0	14.7	14.3	13.8	12.4	11.8
8. Greece	22.6	28.6	29.0	28.7	28.5	28.2	28.1	27.6	26.2	25.1
9. Great Britain	9.6	12.5	13.0	12.7	12.5	12.2	12.3	12.0	11.1	10.6
10. Ireland	11.0	15.4	16.2	15.9	15.7	15.4	15.2	14.8	13.4	12.7
11. Italy	22.8	26.0	27.3	27.1	27.0	26.1	25.2	24.4	23.2	22.3
12. Japan	8.8	10.6	11.1	11.2	11.1	11.0	10.7	10.3	9.4	9.0
13. Netherlands	11.9	13.7	13.5	13.1	13.0	12.7	12.5	12.0	10.9	10.1
14. New Zealand	9.2	11.3	11.9	12.8	12.6	12.3	12.2	11.7	10.4	9.8
15. Norway	14.8	18.2	19.6	19.1	19.0	18.6	18.2	17.6	16.1	15.4
16. Austria	6.9	8.6	9.0	9.8	10.6	10.8	11.0	10.3	9.7	9.4
17. Portugal	15.9	22.1	23.1	22.7	22.5	22.2	21.7	21.2	20.1	19.2
18. Sweden	15.8	19.5	19.9	19.2	19.1	18.6	18.1	17.5	16.2	15.6
19. Switzerland	6.7	7.8	8.1	8.6	9.4	9.5	9.4	9.0	8.5	8.2
20. Spain	16.1	22.4	23.1	22.7	22.5	22.2	21.9	21.3	20.2	19.3
21. USA	6.7	8.8	8.9	8.7	8.7	8.5	8.4	8.2	7.5	7.2
Unweighted average for 21 OECD countries	12.7	16.2	16.8	16.8	16.7	16.5	16.1	15.6	14.5	13.9

Source: Own calculations.

Table 3.3: Average Informality (Unweighted) by World Bank's Regions

	Region	mean	median	min	max	sd
EAP	East Asia and Pacific	32.3	32.4	12.7	50.6	13.3
ECA	Europe and Central Asia	38.9	39.0	18.1	65.8	10.9
LAC	Latin America and the Caribbean	41.1	38.8	19.3	66.1	12.3
MENA	Middle East and North Africa	28.0	32.5	18.3	37.2	7.8
OECD	High Income OECD	17.1	15.8	8.5	28.0	6.1
OHIE	Other High Income	23.0	25.0	12.4	33.4	7.0
SAS	South Asia	33.2	35.3	22.2	43.9	7.0
SSA	Sub-Saharan Africa	40.2	40.6	18.4	61.8	8.3
World		33.0	33.5	8.5	66.1	12.8

Source: Schneider, Buehn and Montenegro (2010)

Table 3.4: Average Informality (Weighted) by Total GDP in 2005

	Region	Mean	median	min	max	sd
EAP	East Asia and Pacific	17.5	12.7	12.7	50.6	10.6
ECA	Europe and Central Asia	36.4	32.6	18.1	65.8	8.4
LAC	Latin America and the Caribbean	34.7	33.8	19.3	66.1	7.9
MENA	Middle East and North Africa	27.3	32.5	18.3	37.2	7.7
OECD	High Income OECD	13.4	11.0	8.5	28.0	5.7
OHIE	Other High Income	20.8	19.4	12.4	33.4	4.9
SAS	South Asia	25.1	22.2	22.2	43.9	5.9
SSA	Sub-Saharan Africa	37.6	33.2	18.4	61.8	11.7
World		17.1	13.2	8.5	66.1	9.9

Source: Schneider, Buehn and Montenegro (2010)

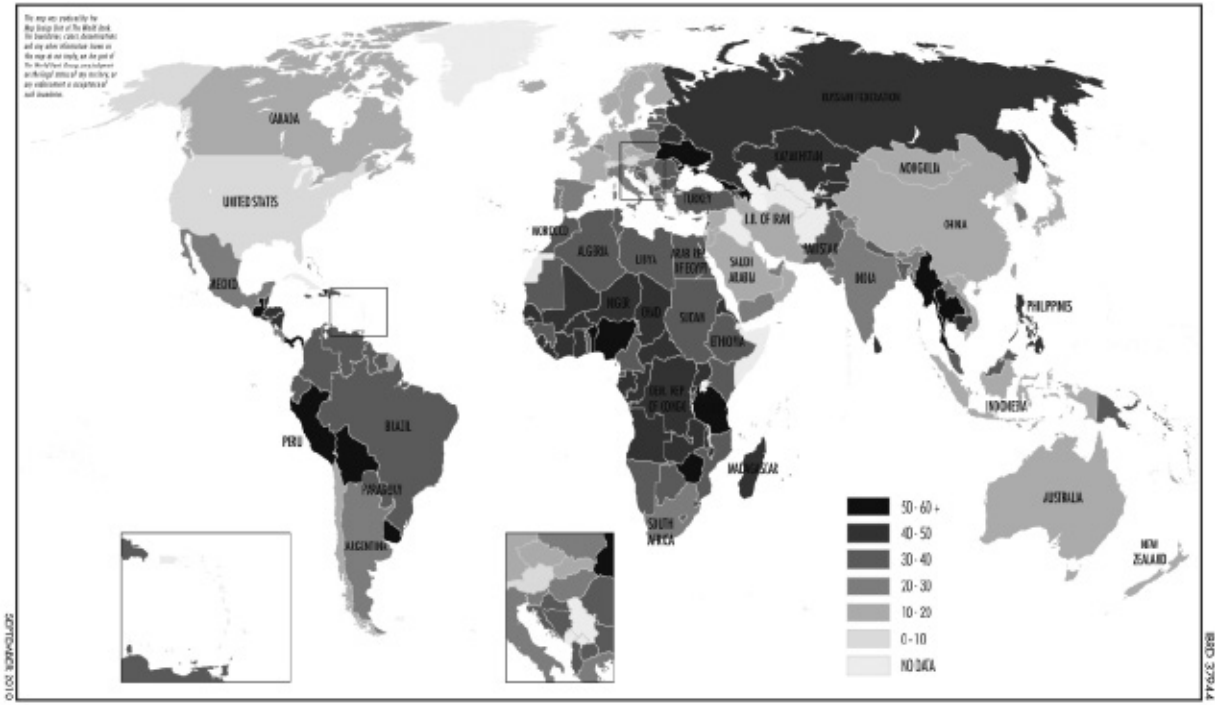
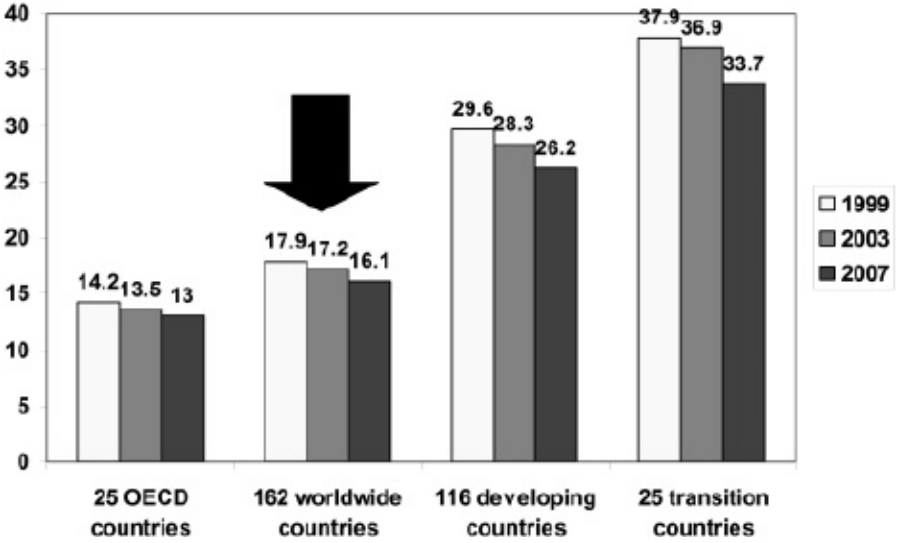


Figure 3.1: Average Size of the Shadow Economy of 162 Countries over 1999-2007
Source: Schneider, Buehn and Montenegro (2010)

Figure 3.2: Size and Development of the Shadow Economy of Various Countries Groups (Weighted Averages (!); in percent of official total GDP of the respective Country Group)



Source: Schneider, Buehn and Montenegro (2010)

4. Concluding Remarks

This introduction provides a preliminary overview over the difficult topic of defining, measuring and interpreting the result of the size of shadow economies all over the world. One clearly realizes that some knowledge about the size and development of the shadow economies exists on a world wide basis. However, what one does not know sufficiently well are the exact motives why people work in the shadow economy and what is their reaction and/or feeling if a government undertakes incentive orientated reforms in order to bring them back into the official economy.

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Orienting Literacy – TVET – Life Skills Towards Poverty Eradication: Learning from Nepal and the Philippines

In the 1970s up through the 1990s, Technical Vocational Education and Training (TVET) in developing countries had been considered a poor cousin of higher education. Nowadays, governments acknowledge it as a key strategy to meet the demands of the country and global labour markets. Some civil society organisations frame it as a driver for sustainable development.

This paper attempts to look at how TVET can stand out as a poverty eradication strategy. While locating TVET within this framework is limited, it is hoped that such can be a building block towards understanding the other facets of TVET as a development strategy for inclusive growth. Drawing from the cases of Nepal and the Philippines and learning from other experiences in Asia-Pacific, this paper scrutinises 1) how TVET has been oriented towards the needs of marginalised youth and 2) how it is integrated into poverty eradication programmes of governments. It focuses on three questions:

- *Who are the marginalised and vulnerable youth?*
- *How are TVET policies and programmes designed for these youth?*
- *What are the institutional support programmes that link TVET to poverty eradication?*

It concludes with a set of recommendations that argue for an integrated approach, where literacy and life skills are embedded in TVET policies and programmes to harness the full potentials of the youth who were denied access to education and life opportunities. The paper argues for the need to scale up literacy – TVET – life skills programmes through anti-poverty measures and strategically through policy and institutional reforms in the education system with the vision of empowering marginalised youth.

Affirmative Action

Poverty is most often interpreted from an economic perspective. While this viewpoint is significant, it is also important to examine the several dimensions to poverty so that these can be equally tackled in poverty eradication measures. The "Statement of Commitment for Action to Eradicate Poverty", issued by the Administrative Committee on Coordination (ACC) in 1998 reaffirmed that poverty eradication is a "key international commitment and a central objective of the United Nations system." It declared that:

> "Fundamentally, poverty is a denial of choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to, not having the land on which to grow one's food or a job to earn one's living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living on marginal or fragile environments, without access to clean water or sanitation."

The Statement of Commitment was followed by a declaration of the Millennium Development Goals (MDGs) in 2000 with its first goal "to eradicate extreme poverty and hunger" with three sub-goals namely: 1) to halve the proportion of people whose income is below $1.25 a day, 2) to achieve full and productive employment and decent work for all and 3) to halve the rate of people who suffer from hunger. While MDG 1 approaches poverty through income and food security, the other goals, such as on education, health, gender equality and others, also contribute to poverty eradication, albeit civil society organisations (CSOs) criticised these as "minimum development goals."

It is important to note that alongside poverty eradication there is also the use of the language "poverty reduction" and "poverty alleviation." Some governments and institutions view these targets as more realistic and doable, citing the impossibility of eradicating poverty. For some, these concepts are used interchangeably. For social movements, such as the World Social Forum, there can be no comprise to removing the injustices of poverty; they argued the redistributive measures such as social protection, access to social services are not enough and that sustainable peasant agriculture "is the true solution to the food and climate crises and includes access to land for all who work on it."[1]

1 Declaration of the Social Movements Assembly – World Social Forum 2013, Tunisia, 2013.

The Asia South Pacific Association for Basic and Adult Education (ASPBAE) works towards the vision of poverty eradication, positioning education as a transformative tool. Its overall goal is to "secure equal access of all citizens to basic and Adult Education of good quality, contributing to poverty eradication, sustainable development, and lasting peace." ASPBAE's 50 years of experiences in working with Adult Education practitioners and policy advocacy through CONFINTEA and EFA platforms informed its policy recommendations for education oriented for marginalised learners. Based on its quality Adult Education framework, orienting education programmes such as TVET, towards poverty eradication requires 1) targeting the marginalised – knowing who they are, where they are and what their needs and aspirations are, 2) designing relevant programmes integrating learning to empowerment – where acquisition of skills and knowledge are geared towards enhancing the learners' agency as productive and active citizens and 3) financing fully-costed programmes sustainably – where governments programmatically finance education programmes and their necessary support systems (such as counselling, community organising, social protection assistance, an integrated approach linking education to productive and political opportunities) for marginalised sectors.

Education for poverty eradication should be an affirmative action by government; different from school provision, it does not wait for learners but seeks them out from remote, marginal, excluded communities. It does not content itself with the neutral notion of universal access where it is assumed that when the schools or education programmes are made available, learners automatically participate in them; instead it is a deliberate effort to address education for youth and adults who have been denied an education. Understanding these contexts, literacy and life skills are therefore essentially integrated into TVET to make it effective for learners who failed to complete or acquire enough years of education to retain literacy skills. This framing does not discount the reality that there are structural obstacles to eradicating poverty, among others, inequitable access to assets, lack of job opportunities and gender discrimination. While education alone cannot solve all poverty problems, it can enable people to radically change their lives and that of society.

In the Asia-Pacific region, affirmative action for marginalised youth and women are urgently needed. Amidst economic growth in the region during the past years, many women have been denied education, a fundamental right that when secured can enable them to develop their full potentials, exercise decision-making in the family and participate in political affairs. It is a shame that governments and do-

nors have failed in delivering their commitments to halving adult illiteracy by 2015. Women remain discriminated against even though they comprise two-thirds of the 775 million illiterate adults worldwide, most of them in Asia Pacific, particularly in West and South Asia (EFA GMR 2012).

While women's literacy remains a problem, further challenges beset countries that have to contend with the youth bulge. The phenomenon is characterised by increasing youth population, where the proportion of persons aged 15-24 years old has the largest share of the population (Ortiz and Cummins 2012).[2] Of the 80 countries faced with the youth bulge, most of them are developing countries.

Table 1: Top 10 countries with largest share of youth in total national population and Asia-Pacific countries with youth bulge, 2012.

Ranking and Country	Percentage Share of Youth (%)	Ranking and Country	Percentage share of youth (%)
1. Swaziland	24.4	18. East Timor	21.2
2. Zimbabwe	24.2	20. Pakistan	21.1
3. Lesotho	23.0	27. Nepal	20.8
4. Lao PDR	22.9	34. Afghanistan	20.5
5. Maldives	22.8	50. Bangladesh	19.9
6. Tajikistan	22.8	52. Vanuatu	19.8
7. Cape Verde	22.2	54. Mongolia	19.8
8. Micronesia	22.1	59. Philippines	19.7
9. Burundi	21.8	72. Solomon Islands	19.4
10. Yemen	21.7	76. Papua New Guinea	19.2
		80. Vietnam	19.0

Source: Ortiz and Cumming 2012

The prospects for many youth within the region are bleak if urgent actions are not undertaken. First of all, unemployment is high. The Asia-Pacific region is home to 45% of the world's unemployed youth 15-24 years old (UNICEF 2011). Further, female youth labour force participation is lower compared to male youth, for ex-

2 Ortiz, Isabel and Mathew Cummins, *When the Global Crisis and Youth Bulge Collide*, UNICEF, 2012.

ample in South Asia, where it is 27.3 % compared to male participation of 64.3 %. In an economic crisis, the youth unemployment rate is higher than that for adults for various reasons, including lack of experience, a higher degree of job changes, and a greater likelihood of entering and exiting the workforce. Young people also appear to be among the first to be retrenched in many of the industries hit hard by the global slowdown (Ortiz and Cummins, 2012).

Second, youth labour market transition is slow and problematic. The International Labour Organisation (ILO) defines this transition as the "passage of a young person (15-29 years old) from end of schooling (or entry to first economic activity) to the first stable and satisfactory job". ILO defines a stable job "in terms of contract of employment (written or oral) and the duration of the contract (greater than 12 months)." The lack of quality education, mismatch between education and demands of labour market, inadequate jobs generation and the prevalence of vulnerable jobs in the region are among the factors that impact on labour youth transition according to ILO.

Further, unemployment and transition to the labour market become immensely difficult for marginalised youth who missed out on education. The Education for All (EFA) Global Monitoring Report (GMR) 2012 reported that in poorer countries only one half of young people enrol in lower secondary school. Further, it noted that 71 million adolescents are out of school, a statistic that has remained unchanged since 2007. There is utmost concern for the adolescents who live in South and West Asia as well as Sub-Saharan Africa where a majority of them lack foundational skills – 91 million in the former and 57 million in the latter (EFA GMR 2012).

Why the urgency to address youth? Previously, governments and multilateral institutions focused mainly on children's access to education, their efforts geared towards the attainment of EFA Goal #2 on universal primary education. In fact, EFA Goal #3 on appropriate learning interventions for youth and adults along with EFA Goal #4 on adult literacy were neglected goals according to the EFA GMR 2012. However, recent years witnessed the strong advocacy for secondary education and the imperative to provide both quality education and employment opportunities for the youth. The paper *Rising Unemployment and the Global Youth Bulge* (http://www.cfr.org/publication) provides an analysis of this concern. It posited that many of the countries which will experience demographic shift are some of the most vulnerable in terms of political and social instability and are already severely limited by the lack of employment opportunities available for integrating youth into the labour market.

- Historical evidence: There is an abundance of historical evidence establishing a direct link between societies with large proportions of young people and political and social violence, especially when employment prospects are severely limited;
- Rapid urbanisation: Many cities in the developing South lack the infrastructure and resources to support large bursts of population growth, yet more and more rural youth are moving to metropolitan areas in search of employment only to find inadequate economic opportunities; and
- False expectations: The educational opportunities afforded by recent development progress means there are more skilled workers in the world than available prospects. I.e.: there is a fundamental disconnect between the demand for work and the supply of jobs.

Who they are, where they are: focus on Nepal and the Philippines

Often governments suffer from lack of data on the marginalised, excluded and vulnerable learners because of the difficulty of tracking down children/youth/adults who are out-of-school or illiterate. The Education Management Information System (EMIS) of governments establishes data on those who have registered in school and fails to keep track of those who are not. But while this information system is not complete, governments have institutionalised data gathering on education performance indicators on a yearly basis and this therefore provides a reading on how many children/youth are not in school or dropping out of school or not completing school. Data gathered from the community by local governments and non-government organisations (NGOs) complement the EMIS and provide information on people who missed out on education.

The case studies on Nepal and the Philippines done by Didibahini and E-Net Philippines respectively with ASPBAE, for example, give qualitative situations on the out-of-school and youth at risk in the country. Though of different cultural contexts, both Nepal and the Philippines are faced with a youth bulge; both countries are challenged to translate this into a "youth dividend" amidst the high number of out-of-school youth and illiterate young adults.

In Nepal, young people ages 14-35 account for 38 percent of the total population. Students' drop-out ratio is very high. Ninety percent of the students enrolled in class one drop out by the time they reach class ten. The number is approximately 500,000 students per year. In 2010, thirty-six percent of students failed the SLC ex-

aminations and were found wandering without work[3]. The Youth Survey of Nepal 2011 validates this situation, reporting that dropout rates are high primarily after the eighth grade because the youth are expected to start earning for the family and gain economic independence[4]. For those who were able to acquire literacy, employment remains a problem. The Youth Survey, citing the Nepal Labour Force Survey 2008, revealed that 46 % of young people aged 20-24 years are "highly under-utilised despite the 70 % literacy rate among these youth."[5]

In the case of the Philippines, the incidence of formal school dropouts in elementary and high school in the Philippines has increased in the recent years, this amidst the commitment of the Philippines to achieving the Education for All (EFA) goals and the Millennium Development Goals (MDGs) by 2015. The Functional Literacy, Education and Mass Media Survey (FLEMMS) 2008 report shows that 13.7 % are out-of-school youth from the 6-24 years old age bracket[6]. The top three reasons for dropping out according to FLEMMS is: 1) increasing cost of education, 2) lack of interest and 3) looking for employment. Poverty has compelled youth to drop out from school and they are now forced to work to help their family earn a living and to make both ends meet. However, citing Peano et al.[7], the case study raised the alarm that "due to their little or no academic and skills qualifications, this particular sector remains one of the highest in the unemployment statistics, at 14.9 % in 2007, as reported in the United Nations Statistics Division MDG Indicators Country Data."

Similarly, child labour is a major concern in the country. The International Labour Organisation (ILO) together with the National Statistics Office (NSO) conducted a survey of child labourers in 2011 which showed that out of 29 million children between 5-17 years of age, 18.9 percent or 5.49 million are working. Fifty-five percent of them are child labourers, 2.4 million of whom are in hazardous work in agriculture, services and industry. These children may not have the chance to get out of the poverty cycle if government does not act urgently.

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3 Regmi, Aryal et al, *A Study on Technical Education and Vocational Training: A Need Analysis for Generating Employment Opportunities for the Youths of Nepal*, DidiBahini, 2011.

4 Youth Survey of Nepal conducted in 2010 by Save the Children and the British Council of Nepal in 2011 in partnership with the Association of Youth Organizations in Nepal (AYON).

5 Regmi, Aryal et al, *Youth Survey of Nepal*, 2011.

6 Magpusao, Chris-Jerome J., *Technical-Vocational Education and Training (TVET) System in the Philippines*, E-Net Philippines, 2011.

7 Peano, S.; Vergel De Dios, B.; Atchoarena, D. and Mendoza, U., I*nvestment in Technical Vocational Education and Training (TVET) in the Philippines*, UNESCO and International Institute for Educational Planning: Paris, http://unesdoc.unesco.org/images/0018/001804/180405e.pdf, 2008.

Table 2: Percentage of children engaged in hazardous work by age group and school attendance, Philippines 2011

Age Group	Attending school	Not attending school
5-9	91.0	9.0
10-14	86.7	13.3
15-17	52.7	47.3

The Education Watch of E-Net Philippines in 2007, citing the NSO survey in 2001, said that working male children are twice as likely to drop out compared to working females. Similarly, the physical and mental strain of working exacts a heavy toll on those who continued to study. Some 44.8 percent of the young working students admitted that they had difficulty doing both at the same time. The most common problems encountered were difficulty in catching up with the lessons (52.1 %), low grades (39.7 %), absenteeism (30.2 %) and tardiness (25.6 %). Therefore, while working children are attending school, their quality of learning affects the kind of work that they may be able to get when they get out of school.

School leavers and working children in Nepal and the Philippines are compelled to work due to poverty. While the thrust is to keep these children in school, they will benefit much from TVET that integrates literacy and life skills, whether formal or non-formal education, that prepares them for labour market transition and empowers them towards decent work and breaking the cycle of exploitation and poverty.

Aside from the youth, TVET should also target women who comprise the largest group working in the informal sector. In Nepal for example, the largest sector is agriculture, which is for the most part informal. Often, one earning family member might come with one or more unpaid family members attached (Sigmund 2011)[8]. Similar to agriculture, "of those in employment, a much higher proportion of women than men are to be found working in the informal sector, 77.5 percent of females and 66.0 percent of males have their main jobs in non-agriculture informal sector (Nepal Formal Labour Survey 2008)" according to Sigmund.

8 Florian, Sigmund, *Nepal's Informal Economy*, AWO International e.V. Regional Office South Asia.

TVET Policy and Programmes: Pathways for the poor?

The UNESCO International Centre for Technical and Vocational Education and Training (UNEVOC) stressed that TVET is very important if EFA is to be achieved because skills development for employment strongly motivates the illiterate population to engage in Lifelong Learning. A focused TVET policy is needed to achieve gains in poverty reduction, job creation, health and environment. EFA and Education for Sustainable Development (ESD) could not be achieved without it.[9]

Didibahini, E-Net Philippines and ASPBAE[10] scrutinised the potentials of TVET in empowering marginalised youth and women. The inquiry into the relevance of TVET for poor marginalised sectors, specifically of the youth has been approached through a policy and provision review (supply side) and a youth narrative review (demand side). Complementing these cases, ASPBAE reviewed TVET experiences in Asia-Pacific.

For many countries in the region, the good news is that TVET has been institutionalised through policies and mechanisms within the education sector. ASPBAE's policy review showed that two-thirds of the countries in Asia-Pacific have implemented a national strategy to oversee policy formulation and the planning and management of TVET. Over half of the countries in the region monitor its progress against some established benchmarks and set up mechanisms to ensure that it is relevant to the world of work. Accessibility is a primary concern for most countries.[11] ASPBAE research noted that many countries in the region also established administrative institutions for TVET, thereby incorporating TVET into the formal education system. Importantly, TVET and life skills are espoused in legislation in many countries in the Asia-Pacific Region, as Table 3 shows. Differences in definition among countries reflect how policies are implemented.

9 UNESCO International Center for Technical and Vocational Education and Training (UNEVOC), *Rethinking Work and Learning*, ASPBAE Working Paper, Patria, Claridad, Tanvir, 2009.

10 The ASPBAE research team is composed of Kim Arveen Patria of the Kabataan Kontra Kahirapan (Youth Against Poverty – Philippines) and ASPBAE staff, Claudine Claridad and Muntasim Tanvir.

11 Chinien, A.; Chinien, C.; McOmish and Perera, 2009, 750.

Table 3: Legislation and policies on TVET and Life Skills in Asia-Pacific countries[12]

Country	Legislation/Policy	Definitions/Key concepts	Notable programmes
Bangladesh	Non-formal Education Policy, 2006	**Premises:** To introduce a system and national framework of non-formal education as supplementary and complementary to formal education; to institute a framework of equivalence for non-formal compared to formal education; and to vocationalise non-formal education, keeping in view literacy levels emerging from non-formal education	
Cambodia	Policy for Curriculum Development 2005-2009; National Policy on NFE issued in 2002; National NFE Action Plan issued in 2003	**Life Skills:** Skills needed by each individual to use in his/her daily life. Those skills include family life skills, economic and income generating skills, knowledge of the environment, knowledge and skills on basic health care	Priority Action Programmes (PAP)
Indonesia	Law 20/2003; EFA Action Plan	**NFE:** Education that complements and/or supplements formal education **Vocational and Technical Education**: A type of education alongside general, academic, professional vocational, technical, religious and special education	National Competence Standards and Professional Certification
Malaysia	Education Act 1996	Technical education includes the provision of skills, specialised training related to a specific job, training for the upgrading of existing skills	
Nauru	Education Plan 2008	Increased TVET delivery through secondary schools	Adult and community education classes using the new Nauru Secondary School site after class hours

12 Policy scan done by ASPBAE research team 2011.

Country	Legislation/Policy	Definitions/Key concepts	Notable programmes
Philippines	Republic Act 9155	Basic education must also provide out-of-school youth and adult learners with skills, knowledge and values needed to be more caring, self-reliant, productive and patriotic citizens through informal and non-formal education	Alternative Education System Accreditation and Equivalency (ALS A&E) Test
Solomon Islands	College of Higher Education Act 1984 amalgamated the Solomon Islands Teachers College, Honiara Technical Institute and the Solomon Islands School of Nursing		
	Education for Living: Policy on TVET, 2005	Comprehensive document, with 22 policy areas aimed at integrating TVET into the education system	

In the Philippines, the Technical Education and Skills Development Authority (TESDA) is mandated to integrate, coordinate and monitor skills development programs, restructure efforts to promote and develop middle-level manpower; and approve skills standards and tests in the Philippines among others. Currently, the country's TVET emphasises the need to 1) contribute to poverty alleviation targeting the out-of-school youth; 2) meet market needs for people with voc-tech skills and 3) adapt to global employment needs given the shift from agriculture to service-oriented jobs (Magpusao 2011)[13].

This role of TVET in poverty alleviation is echoed in Nepal. Technical education and vocational training (TEVT) has emerged to prepare human resources and infrastructure for poverty alleviation, employment and to promote economic development. For this course, the Council for Technical Education and Vocational Training (CTEVT) was established by the Technical Educational and Vocational Training Act 1989 (amended in 1993). By decree of the Act, CTEVT was established in 1989 for the purpose of regulating and upgrading the standard of technical education and vocational training, maintaining coordination among different agencies imparting

13 Magpusao, Chris-Jerome J., *Technical-Vocational Education and Training (TVET) System in the Philippines*, E-Net Philippines, 2011.

such trainings and determining and certifying standards of skills (Regmi, Aryal, et al. 2011)[14].

There is a promise of TVET catering to the marginalised youth and women, a majority of whom are in the agriculture and rural communities, as shown in the cases of Nepal and the Philippines. In the Philippines, however, the programmes mostly cater to the services sector and not the agriculture sector. TESDA offers programmes such as computer technology, hotel and restaurant management, automotive, butchery, bartending, welding and other service-oriented programmes. These programmes are cognisant of the country's shift from agricultural-based economy to service-oriented economy and the high demand for skilled labour, especially overseas. "With not enough employment opportunity in the country, many people have turned to TVET as a means to gain employment abroad. Now, the country is considered to be one of the leading sources of migrant workers in the world (Magpusao 2011).[15]

Can marginalised youth benefit from such programmes? The E-Net Philippines case study pointed out that one of the requirements for one to qualify or be enrolled in a TVET programme of TESDA is a high school diploma. This particular requirement clearly negates the intended objective of the TVET programmes, i.e. to develop the skills of the idle labour force, and that includes the out-of-school youth. Requiring enrolees of TVET to present their high school diploma is seen by some as a hindrance to their desire to get a decent job with adequate salary (Magpusao 2011).

Similarly, the focus on capturing the global market through TVET, while attractive to many Filipinos, belies the fact that people need money to pay for medical tests, processing fees and other expenses to facilitate employment abroad. Marginalised youth and women would not have the resources to compete in that labour market. In fact, the ILO reported that internal migration is the most common form of migration open to large numbers of Asian youth, and cross-border migration is more for the educated and skilled. For the vast majority, ILO said, they "may fall prey to smugglers and traffickers and migrate under irregular situations suffering gross violations of human rights." [16]

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14 Regmi, Aryal et al, *A Study on Technical Education and Vocational Training: A Need Analysis for Generating Employment Opportunities for the Youths of Nepal*, DidiBahini, 2011.

15 DOLE, as cited in Investing in TVET in the Philippines, 2003.

16 Wickramasekara, Piyasiri, *Decent work, youth employment and migration in Asia*, International Labour Office, International Migration Programme, Geneva, ILO, 2012.

Technical education (TE) and vocation training (VT) policy in Nepal shows more promise as it is designed as long term training, particularly in health, engineering and agriculture. Vocational training, on the other hand, has been implemented through NGOs, private institutions and other donor agencies. VTs are designed on the basis of rapid market appraisal and assessment of traditional occupations. The main aim of VTs is to conserve the traditional practices by enhancing the skills of people adopting traditional occupations.

But there are questions on the effectiveness of VTs in Nepal according to the Youth Survey of Nepal 2011. Several weaknesses were cited:

- Trainings being district headquarter centric
- Information about trainings not imparted adequately amongst needy youth, especially in rural areas
- Nepotism in the selection of trainees
- Inequity in the trainings – a handful of youth reported to enjoy the opportunity of more than one training while majority of the youth never had any access
- Needs assessment of trainees not adequately carried out before selection
- Market demand not assessed
- Trainings not long enough to develop into competitive professional skills
- Many vocational skills trainings requiring a minimum qualification of grade eight of SLC which leaves out a large portion of the population who drop out starting from the fourth grade to the seventh.

DidiBahini reported accessibility as a major gap in Nepal's TVET provision.

- **Distance (district covered**): Most of the institutions that deliver TVET are centred in cities, towns and urban areas. If a person from a very rural area such as Kalikot, Jajarkot, Humla, Rolpa, and Taplegunj wants training, then s/he needs to come to the urban areas like Nepalgunj, Surkhet, Pokhara, Kathmandu, Biratnagar, etc.
- **Cost**: Cost disparities are found in both the provider side as well as recipient side. The investment in the TVET sector seems to be less in comparison to the formal education sector, though the school dropout ratio is very high. The receivers have to bear both direct, indirect and opportunity costs. The direct cost that the receiver has to bear is training fees. The indirect costs that need to be borne by receivers are bus fares, rent, food and clothing. The opportunity costs are care for family, household work and income generating activities like working in fields, rearing animals, etc.

- **Cultural acceptance**: There are many traditional occupations in Nepal which need to be conserved and are good sources of income as well. In Nepal, work division was initially done on the basis of ethnicity, where some of the groups still continue the work although many of the practices have been left. The coping strategies to tackle this gap have not been addressed in the policy. A person from the higher classes is not accepted as a cobbler in society. The cobblers are supposed to be from a lower-class ethnic group.

Recommendations: What works?

Nepal and the Philippines, as well as other countries in Asia-Pacific were on the right track when they framed TVET as part of poverty alleviation. However, much is to be desired in policy implementation and making TVET work for the productive and political empowerment of marginalised youth and women.

1. Decentralise provision from city-centric to finance community-based programmes. Literacy-TVET-Life skills need to be integrated into poverty eradication measures and employment/enterprise development at the community level.

Low land productivity is a "push" for the youth to migrate from rural to urban communities. According to Gill (2003) "pull" factors that dissuade people from migrating are new livelihood opportunities at home[17]. In Nepal, there are opportunities in agriculture such as growing "off-season vegetables which sell at a large premium both at the domestic and Indian market." Gill reports that this "process has been facilitated by the combined efforts of government and NGOs. The latter have been particularly active in supporting the development of marketing co-operatives, which have had some success in enabling the smallholder to achieve the scale economies needed to break into this difficult, but lucrative, market."

In the Philippines, the intervention of Kapagawida Development Services Association Incorporated (KDSAI), together with BEAM-ARMM on the technical-vocational skills training programme for Out-of-School Youth as part of the Design Individual Access Programme Support proved effective. Their programmes include: 1) Food Processing Programme – aims to provide skills on food processing for livelihood. The training includes teaching the students on how to process meat,

17 Gill, Gerard J., *Seasonal Labour Migration in Rural Nepal: A Preliminary Overview*, Overseas Development Institute, London, 2003.

fish, fruit, juice and crackers; 2) Agricultural Technology Programme – aims to provide knowledge and skills in organic and inorganic farming technologies for out-of-school youths and adults farmers; and 3) Building Wiring Installation and Maintenance Programme – aims to provide skills on micro electrical installation and maintenance to gain employment locally or abroad.

2. Reach out to more marginalised youth and women. Governments need to scale up and finance good practices being implemented by government and NGOs and promote these programmes in remote and marginalised communities.

In many countries, the private sector is the main provider of TVET. The cost of TVET, therefore, hinders access to marginalised sectors. Governments must commit to the provision of TVET as part of EFA Goal #3. UNESCO's Education for All (EFA) Global Monitoring Report (GMR) 2012 reported that "Although there are numerous innovative second chance programmes around the world, many of which are provided by NGOs, the number of young people they reach only scratches the surface." Governments need to invest in TVET to help remedy the inequity in access to opportunities in education and productivity.

With low investment in TVET, there is a tendency of governments to promote public-private partnerships, leading to the danger of complete privatisation of the provisions and commodification of learning. ASPBAE consider this as a dilemma, as labour market interests are supposed to drive vocational education; and vocational education is more likely to be identified as a marketable commodity rather than a public good.

Similarly, SEAMEO reported that "there are also insufficient funds to promote opportunities in vocational education. While there are so many children and people scattered in wide geographic areas that should be reached, many governments focus their efforts on the easy to reach for social, economic or geographic reasons."[18] This sentiment was echoed by the youth who participated in the focus group discussions of DidiBahini and E-Net Philippines who said that they were not aware of government and NGO TVET programmes and how they can avail themselves of them.

TVET as an EFA and poverty eradication strategy should proactively seek out the marginalised learners, and as an equity strategy, governments must finance fully-costed TVET programs.

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18 Sadiman, Arief, *Problem of Equity on Education*, SEAMEO, Bangkok, 2004.

3. Literacy and life skills must be integrated into TVET programmes to ensure effective and quality learning of marginalised youth and women. Therefore, quality literacy – TVET – life skills programmes need the cooperation of different agencies in government as well as partnership with NGOs.

Marginalised youth and women who missed out on education necessarily need to have their literacy and numeracy skills upgraded. They also need to develop further critical analysis, productive skills and citizenship skills. These considerations need to be embedded in the design of programmes, curriculum development, teaching/learning processes and materials development for TVET. Linking literacy to livelihood and technical education needs the collaboration of different agencies such as education, agriculture, TVET, social work, labour and employment and others. Coordination of these agencies to the anti-poverty bodies as well as NGOs equally needs to be established.

A finding of the ASPBAE team shows that a collaborative and participatory mechanism for TVET programme design should be adopted. A recommendation is that the target population must be consulted to distil their expectation from such programmes and also to incorporate indigenous knowledge into the design. The economic players should also be brought on board to identify the required set of skills. NGO experience of administering flexible youth and Adult Education programmes should also be valued in designing such programmes.

Importantly, community organising and support systems are important components to ensure that learners participate. For example, there are gender barriers to participating in education programmes such as TVET – for women, child minding, limits to mobility, language barriers and work for the youth are obstacles that need to be addressed to ensure participation. In this regard, the relationship between local/village governments, community, the youth and women learners themselves and other local stakeholders as well as parents and spouses become indispensable.

| Best Practices: Integrated approaches |

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Transfer of Technical Skills among Collectivised Slum Adults strengthens Community Actions for Slum Improvements

The number of slums and their populations in rapidly urbanising Indian cities are continually increasing due to a large influx of poor migrants. However, a very large number of these slums are located on land owned by the central and state government agencies who do not even accept the existence of slums. Urban middle and upper classes also question the contributions of slums to the economy and sociology of cities. So, slum-dwellers face what can be termed as an 'identity and existence crises'. They are often evicted or displaced by governments and other vested interests. Slums are also the most neglected destinations for deliveries of urban services. Absence of collectives, federations or associations of slum-dwellers in most slums makes slum situations worse.

However, with little encouragements and facilitations, as the experiences of PRIA suggest, youths and adults in many slums have formed collectives/committees of adults. These committees are called Slum Improvement Committees (SICs). The SICs have become hubs of adult learning in their slums. Helping the SICs to learn basic skills – such as how to count the number of slums in a city, how to profile social and economic services in a slum, how to analyse functional and non-functional relations in and around the slums through system analysis and how to do GPS mapping of slums (and upload maps on Google Earth for creating alternative identities for slums) – has catalysed significant community actions for improvements of services in slums. These voices and actions have become more focussed and effective after facilitation of community-led analysis of government schemes for slums. Three SICs have already completed system analysis and uploaded GPS maps of their slums to Google Earth. This paper describes and analyses the significance of collectivisation and learning of technical skills by youths and adults in slums. It assesses how learning of basic technical skills has empowered groups of youths and adults in establishing alterna-

tive identities for their slums and improving the environment for better deliveries of public services related to water, sanitation, education, social securities, housing and health. These skill sets have also strengthened social relations in the slums.

1. Contexts and background

For the first time in the history of India, as its 2011 census data suggests, the increase in the urban population was more than the increase in the rural population. The rate of urbanisation in India increased from 27.81 % in 2001 to 31.16 % in 2011[1]. The contribution of the urban sector to the Indian economy has also increased significantly. Studies by the Government of India and others suggest that now Indian cities have become locus and engine of economic growth. The report of the Steering Committee of Planning Commission[2] estimates that the contribution of the urban sector to India's GDP will increase from the current 62-63 % to 70-75 % by 2030.

Thus, Indian cities are naturally the current and future destinations of a majority of Indians who migrate to the cities in search of better livelihoods and better lives. A very large number of these migrants are rural poor who temporarily settle down in different (existing or new) informal settlements in cities. These settlements are actually slums, though they have different names in different places. Often, state governments officially refer to these slums as *Kachchi Basti* (temporary habitation), *Jhuggi – Jhopari* (cluster of huts) or *Malin Basti* (dirty habitation) in their official records. Interestingly, different agencies of governments (Union, state and local) in India define slum differently. Demeaning names and varying definitions of slums in India more or less clearly reflect our social and political attitudes towards slum-dwellers and their issues.

Census of India defines slums as residential areas where dwellings are "unfit for human habitation" because they are dilapidated, cramped, poorly ventilated, unclean, or "any combination of these factors which are detrimental to the safety and health". But census 2011 counted only noted or registered slums (excluding roughly 37 % of existing slums which do exist but have not been noted by the government. It can be mentioned here that these non-noted slums are 'recognised' by

1 Government of India, *Census of India 2011, Rural Urban Distribution of Population*, Ministry of Home Affairs, New Delhi, http://censusindia.gov.in/2011-prov-results/paper2/datafiles/india/RuralUrban2011.pdf 16, 2011.

2 Government of India, *Report of the steering committee on urban development for eleventh five year plan (2007-2012)*, Planning Commission of India, New Delhi, http://planningcommission. gov.in/plans/mta/11th_mta/chapterwise/chap18_urban.pdf.

the different development schemes of Union and state governments). Accordingly, the Indian Census of 2011 found that 17.4 % of urban Indian households lived in slums in 2011. Thus one out of every six urban citizens in India lives in a slum.

Life in an Average Indian Slum

- Large numbers of families live in very small land areas inside or at the outskirts of city.
- Identity of slum questioned by government and private agencies. So always threats of getting evicted/displaced.
- Unhygienic living conditions: Lack of proper sanitation, water, garbage disposal, approach road or any other basic services.
- Disoriented youth, insecure childhood, unsupported old age and daily challenged adult life.

The gross underestimate of the slum population by the 2011 census is currently a well-known debate topic among Indian planners and practitioners. Even the Union Minister responsible for alleviation of urban poverty (Mr Ajay Maken) has publicly questioned the exclusionary census data on slum population. But these problems are not limited to census data only. In different cities, PRIA facilitated identification and counting of slums by slum-dwellers themselves. To everyone's surprise it was found that government records showed a fewer number of slums in the cities. That is, municipal governments do not even have the correct information about the total number of slums in their cities. Most of the slums have existed in cities for decades. So, either municipal records deliberately exclude some of slums or these records have remained out-dated for decades. The official contradictions and callousness of governments in relation to the definitions and data of slums clearly indicate the neglected and marginalised positions of slums in cities and the deficiencies in governmental policies and programmes.

Exclusion of slums from mainstream political and development debates gets further compounded by absence of local supports for slum-dwellers. Interestingly, the urban middle class heavily depends on slum-dwellers (domestic workers, waste-pickers, hawkers, construction workers, rickshaw pullers, etc.) for their personal and professional well-being. But when it comes to the well-being of slum-dwellers, the same middle class opposes (or remains indifferent to) the existence of slums in the name of 'beautification' and 'socialisation' of the city.

Civil society organisations and other development actors in India have traditionally remained focussed on rural governance, rural development and rural poverty. Civil Society presence and supports could be discerned in almost all pockets of rural India. It questions, corrects and supports the governments in ensuring inclusive policies and effective programmes for rural poverty alleviation. Rural development and rural poverty remain top priorities of the political parties. Critical and supportive roles of NGOs in India have made huge differences. It is a proven fact that Indian civil society has been able to catalyse significant improvements in the quality of life of the rural poor. But unfortunately, at a time when urban population and urban poverty is increasing very fast, civil society has remained more or less indifferent to urban issues. When PRIA did a mapping of civil society organisations working for urban governance and urban poverty in different cities, it was found that more than 95 % of city-based NGOs (having offices and residences in cities) do not work in the cities where they live. Their work areas are villages near or far from cities. These NGOs follow the tradition of Indian civil society actions for rural India. A majority of the remaining 5 % of NGOs work in cities, but often for charitable purposes. Urban poverty and urban governance thus remain a neglected area not only by the government but also by civil society in general.

Slum situations further worsen because of the absence of an 'internal' collective voice. In most parts of the country, except in Maharashtra and to an extent in Tamil Nadu, slum-dwellers do not have any association or any collective platform to raise their voice against the absence of basic amenities of life in the slums. Absence of civil society supports and absence of associations or any collective platform of slum-dwellers makes individual slum-dwellers more vulnerable to the indifference of cities and exploiters in society. Perpetual vulnerabilities have also contributed to deviant behaviours and negativism among youths.

2. Strengthening Voices of Communities and Civil Society on Urban Poverty

Taking note of urban contexts and the need to strengthen voices of civil society and the communities, PRIA and its partners started working in as many as 34 cities across 11 states of the country. One of the main objectives of this initiative is to collectivise slum-dwellers and strengthen their collective capacities to demand their democratic rights and also democratically engage with service providers and other external challenges.

That requires social mobilisation of a community where individual members are engrossed with their personal challenges. Also, the community as such has no experience of collective actions. Thus mobilisation was a big challenge. Somehow, after a number of consultations, trials and errors and efforts to convince, a few slums agreed to form Slum Improvement Committees (SIC) to coordinate internal mobilisation of slum-dwellers. However, later on, most of the slums formed their own SICs. The SICs also agreed to engage with government and other actors on behalf of the community.

Slum Improvement Committee (SIC)

An SIC is a group of adults living in a particular slum who volunteer to work for the community issues in the slum. Usually, an SIC comprises of 14-15 members (often youths) and each SIC has one or two group leaders. The SIC is a representative group of the community acting as a bridge between the community and the external world. The main functions of an SIC are: information dissemination, convene and facilitate community dialogues, support community to access governmental schemes, represent the community at different levels and also pioneer actions for benefits of the community.

3. Transfer of Technical Skills

3.1 Use of GPS to Self-Define Identity

In current contexts, as discussed above in detail, many of the slums do not find a place on the city map and in the data of various governmental agencies. Sometimes slums are presented as mere black circles, as if these settlements are uninhabited. Quite often government surveyors casually misreport a slum's location and the realities on the ground. These misrepresentations or the under-reporting of the realities become big challenges for the urban poor in availing themselves of appropriate public services. On the basis of such past experiences, the SICs and PRIA agreed to find alternative ways to self-define the identity and profile of slums in an independent public domain. So, the use of GPS mapping of the slum and the storing of the latest profile of a slum in Google Earth was found to be a better alternative. Since most of the SIC members are young and techno-enthusiasts, they showed more interest in learning the operation of GPS tools. PRIA provided basic theoretical orientation followed by some practices. The whole process of learning GPS mapping and uploading the data to Google Earth initially took about 10 days. It is important to note that most of the SIC members are barely literate.

Ketwari Mohalla (in Patna, Bihar) was the first slum to be mapped by SIC members of that slum. Since the community knows its details better than anybody else, the quality of data generated was excellent. But besides establishing an alternative identity, this process also helped in sensitizing and mobilising the community around the need to participate in joint collective actions for improvement of services in the slums.

After discussions with the SIC members, it was agreed that the whole community should be made aware about the need and process of GPS mapping. So PRIA highlighted the benefits of GPS mapping to communities through posters and pamphlets as well as through community meetings. It was argued that such mapping would provide slum-dwellers more opportunities to contest and make claims in their interests.

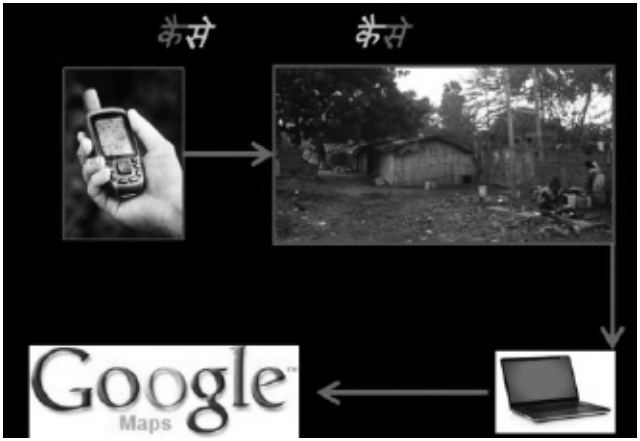
GPS mapping by the community would be useful because:

a. It would provide a permanent identity to the slum, as its existence-related data would be available on Google Earth, which can't be manipulated like government records which have been doctored by vested interests in the past.
b. It would facilitate support to individual members of the slums in claiming their property rights and or share in common resources.
c. It would also provide an alternative and real picture of available infrastructure and facilities in the slums.
d. Benefits of new centrally sponsored schemes such as *Rajiv Awas Yojna* (Rajiv Housing Scheme) would be available to all members of the slum whose details are included in the GPS Map.
e. The whole exercise will provide the community with a sense of pride and ownership.

The youths were encouraged to take up community-led GPS mapping in their slum settlements. The process of slum mapping with the help of GPS and uploading the map to Google Earth was also explained and a separate guidebook for the same in the local language (Hindi) was also provided.

women collecting data for GPS mapping Source: PRIA

With this facilitation, the youth of Ketwari Mohalla took it upon themselves to map their own community. The map that they plotted can be accessed on: http://tinyurl.com/pqqlr2y[3].



Poster used to encourage community to participate in GPS mapping

3 Detailed stories on GPS mapping available on PRIA's urban blog http://terraurban.wordpress.com/.

Google maps view before and after the mapping *Source: PRIA*

3.2 Participatory Social Network Analysis to Identify Critical Relations

As discussed above, urban poverty becomes more complex in absence of collective action and/or support from civil society and the government. Because of continuous challenges due to antipathy in cities and lack of livelihood opportunities, slum-dwellers do not find time and space to think, discuss and act collectively. Some of the following questions always bother people individually. But slum-dwellers rarely use collective wisdom and collective support to answer and resolve the following questions:

- What is the structure of poverty?
- What processes alleviate or exacerbate poverty?
- How is poverty related to relations between people?
- How does the system recreate poverty?
- How is the system resistant to change?
- How can change be created?
- Which changes might be necessary to lead to the kinds of improvements we want to see in our neighbourhoods/city/lives?
- Which actions could be taken to try to change the system?
- How might the (delivery) system respond to those actions?
- What does the response of the system to our actions tell us about how the system really works?
- Does it reveal any areas that might be particularly susceptible to influence?

PRIA encouraged SICs in Raipur to use Participatory Social Network Analysis (PSNA) to address the above questions. Participatory SNA allows participants to see their own

personal networks, gain insight into the structural connections that they have to people, including those with power. Many times people have never realised that they are connected to so many others, or to other people with such power or influence, and it helps to gain a sense of empowerment that one is relevant and well connected. It also helps for strategic planning to see a diagram of which other people/actors/agents you are connected to so that you can deliberately choose to approach some over others.

Beyond the individual participants, it also helps groups learn that they may be more connected to important actors than they knew. Some members of the community may be connected to some important people while others are connected to others. The community as a whole, then, is connected to all of those, and if the community can take coordinated collective action, if may be able to take advantage of its position by using all those connections, whereas before, members may have seen their connections only from the individual perspective, and they would have seemed relatively more isolated.

Impact of the New Skills

Over a period of time, the community has learnt a number of new skills, such as how to operate collectively, how to identify and link with important actors in the service delivery system and how to undertake GPS mapping. The collectivization and negotiation skills have helped communities to access and use government-provided (often free or highly subsidized) services such as water supply, sanitation, schooling, etc. For example, the women's collectives from three slums in Patna (through which water pipes pass) successfully negotiated with a private water supplier to provide five free public water taps in each of the three slums.

GPS mapping of their slums and subsequent uploading to Google Earth created permanent identities for slums on the Internet. This has given great confidence to communities in the legitimatization of their identities. GPS mapping has great scope for the future employment of skilled slum-dwellers (in fact negotiations have already begun very positively with two state governments) since the government of India has proposed to undertake very detailed GPS mapping of cities. Government officials informally agree to engage slum-dwellers in mapping city landscape by paying them appropriately.

Other economic results of the project processes have been enhanced availability of employment information and collective bargaining for contractual employment. For example, a group of construction workers from one slum were able to get a much delayed raise in their daily wage rates.

4. Empowerment of the Community: Learning and Challenges

A community is by nature action-oriented because actions bring visible changes to the lives of the people in the community. Technology and technical knowledge usually relate to concrete actions rather than theoretical discussions. Moreover, youths across all parts of India (and the world) are technologically savvy. So, GPS mapping was something seen as modern as well as very serious business for youths in general. The community found PSNA very helpful in strengthening relationships among the community members and also the relationship with possible external supporters who could be helpful in bringing changes for the better to the slums. Thus both of these tools were helpful in mobilising and collectivising the community around commonly understood and internalized issues. That itself is a great source of internal strength to the community.

It also helps the community to engage with external actors, including service delivery agencies and the government, more effectively. For example, SICs in Raipur city presented their GPS map to the government and so, logically pressurised the government to formally accept their identity by rectifying related governmental records. The SICs of different slums in Bihar are collectively negotiating with the government to pass an order (thus the government would also provide financial support) to ensure that future (GPS based) data generation should be done by the community rather than vested interests, whose past records have not been in the interests of the communities. Community-created-data on infrastructures and facilities in slums would certainly shift the development paradigm in favour of the communities if the government accepts their demands. Whatever happens to this demand only time will tell. But it is also a fact that wherever GPS mapping and/or Participatory Social Network Analysis has been undertaken, there is vibrancy in the slum. The community has become more aware, more demanding and seeking accountability. All these things have resulted into slow but steady improvements in the social and physical lives of slum-dwellers.

The overall experiences of transferring technology and technical skills have been very positive for the empowerment of the communities. However there have been some initial challenges as well. The time, resources and energies invested in getting the community ready to accept and use such knowledge may initially be too high. But as our experiences suggest, these can be reduced significantly over a period of time. In the long run, investment in the form of technology and technical skill transfers are very high-output oriented and sustainable investments.

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A Pedagogy of contingency for precarious work

The informal economy is characterised by precariousness: large numbers of unemployed people and workers in informal enterprises and jobs are most at-risk in terms of food insecurity and scant income opportunities on the one hand, and because they are not covered by social security or labour legislation. They work in a variety of jobs as opportunities arise, and while they have aspirations beyond daily survival their dreams often remain unfulfilled. Informal workers have little or no access to education and training and cannot afford to access skills development programmes as these are financially, educationally and geographically inaccessible. Furthermore, attendance would mean forfeiting the small insecure incomes they depend on for survival.

This article builds on scenarios of high-risk environments in South Africa marked by poverty, abuse and violence and extreme livelihood insecurity. The article proposes two responses to current TVSD (Technical and Vocational Skills Development) challenges in the urban informal economy: firstly, a livelihood approach to the design and provision of education and training that is informed by the specifics of an economic sector, and secondly, a "pedagogy of contingency" that is mindful of the context within which would-be workers operate. A pedagogy of contingency delivers TVSD when and where it suits learners, and, epistemologically, it inculcates previous knowledge and skills, includes risk-assessment strategies, and offers information on rights and by-laws pertaining to the specific sector represented by participant learners. Thus, it works holistically and relationally, aiming to strengthen rather than substitute existing capabilities and structural capacities.

The article proposes that a "pedagogy of contingency" requires educators and trainers who are able to respond to the particular needs of worker-participants both epistemologically and in terms of practice and logistics.

Introduction

Charmaine (not her real name) lives in Delft roughly 34 km north-east of Cape Town. Delft was designed in 1989 as a "mixed-race" area for black and coloured people; it is notorious for high crime rates, sub-standard schools and living conditions and extremely high unemployment. Charmaine grew up there but has since moved to a shack adjacent to Blikkiesdorp (Tin-can town; a relocation camp made-up of corrugated iron shacks), on the edge of Delft. After years of domestic abuse she decided she and her then 2 small children would be better off fending for themselves than living with a man who was unemployed and yet expected to be served at home – when he was not out drinking with his friends.

Charmaine's working life story[1] is fairly typical for working class households in the "Flats": having left school early because she was pregnant she has never in her life been in secure employment. As women everywhere, she was conditioned to assume primary responsibility for unpaid subsistence, household and care work. Short stints as a domestic worker interspersed with contracts doing manual labour assisting with road works and trying to sell home-made craft items through her woman's group interrupted long spells of unemployment. Today, she is hoping that her "connections" will create access for her to guard the bread-truck when it delivers in Delft. Busdrivers are on strike and there is a risk of attacks and looting. Working as a guard for a few hours will bring in enough cash to buy bread and vegetables and so, with luck, their evening meal is guaranteed. Next week is "all-pay" when she can collect her social security grants (including the child support grant for the baby) and pay back some of her debts. She must also go to the community meeting – in the build-up to elections she may join a working group and earn a stipend and gain access to food distribution.

She enjoys participation in weekly popular education classes as these offer a break from the tedium of everyday struggles and challenge her to think. She hopes classes will actually lead to creating that planned co-operative with the other women. They intend to assemble "stationary packs" and sell them to local schools and parents at reduced rates from shops. Included in the packs will be home-made educational toys which will set them off from other such packs. If this co-operative scheme takes off they can target pre-schools, and branch out... .

1 For a profile of workers in the informal economy in South Africa, see Wills (2009) and other stories at http://www.inclusivecities.org/organizing/worker-stories/.

Precarious work in the urban informal economy

Roughly 40 years ago the ILO (ILO 2002) first used the term "informal sector" to describe the activities of the working poor who were working very hard but who were not recognised, recorded, protected or regulated by the public authorities. The term "informal sector" has increasingly been replaced by "informal economy" to encompass the expanding and increasingly diverse group of unemployed youth, workers and enterprises who have lower earnings and face greater risks than workers in the formal economy. Often living from hand to mouth not recognised under the law, receiving little or no legal or social protection and unable to enforce contracts or have security of property rights, they are rarely organised with the capacity to speak up for their interests. Like Charmaine, they often rely on informal, often exploitative institutional arrangements, whether for information, markets, credit, training or social security. Like Charmaine, the only defense against accidents and illness comes from forging social links and creating chains of protection (Lund 2012) which may also lead to opportunities of access to education and training.

An informal trader plucking a chicken for sale *Source: Jeeva Rajgopaul*

Chen (2012: 20) has pointed out: "Informal employment is here to stay in the short, medium, and probably long term. It is the main source of employment and income for the majority of the workforce and population in the developing world." A study of three sectors of the informal economy in ten countries conducted in 2009 concluded that "the informal economy should not be viewed simply as a "cushion" for retrenched formal workers during crises, but that impacts of global economic trends and events since the beginning of the crisis on the informal workers and enterprises also need to be understood and addressed". (Horn 2011: 4) In a second round of interviews in 2010, workers were asked to identify interventions that would support their livelihoods. Skills training, market analysis and access were prioritized along with access to financial services, wage protection, workplace improvements and a range of social protection measures.

Any discussion of TVSD must be mindful of a context in which persistent unemployment and underemployment in the formal economy continues to drive new entrants into the informal economy and precarious work is becoming the norm rather than an exception. Any discussion must include increasing food insecurity and ever rising inequality, and consider that workers in the informal economy are already operating under conditions of high-risk and crisis, vulnerable to both private and public, local and global pressures. Workers, especially women and mothers, are constantly called on to respond to domestic political turmoil as well as extreme weather patterns, the effects of food and fuel crises and the "normal" everyday emergencies that have knock-on effects on all the others. Skills training, the positive effects of which may often only manifest in longer-term trajectories, is pushed onto the back burner when coping with the everyday absorbs all the energies available. Furthermore, it is unclear what kind of vocations and vocational training may be accessible for street traders, waste pickers and casual labourers.

A livelihood approach to technical and vocational skills development[2]

The general assumption underpinning TVSD initiatives is that education and training will lead to greater employability and hence to jobs – and this in turn will result in poverty alleviation and greater equality. In the words of the UNESCO-UNEVOC International Centre (2003: 5):

2 For more on the livelihoods approach to technical and vocational training, see von Kotze, A., Negotiating processes of educating, learning and livelihoods, *Journal of Workplace Learning* 7/8 2008, 480-492.

> Technical and Vocational Education and Training (TVET) has been identified by UNESCO member states as a priority area within UNESCOs range of programme activities. This is to be expected since there is overwhelming evidence to demonstrate that TVET can play an essential role in promoting economic growth and the socio-economic development of countries, with benefits for individuals, their families, local communities, and society in general.

The motivation campaign developed by the UNEVOC International Centre targets "marginalised groups in least developed countries" with twelve video clips and accompanying booklets that illustrate the activities shown in the video. The film, together with counselling and a variety of activities provide the basis for motivating members of marginal groups to become involved in vocational training or start up their own income-generating activities. These are based on common locally available materials and crafts as sample economic activities.

Despite user-friendly design and good intentions the weakness of this pack, like so many others, lies in its accessibility to the daily reality of unemployed youth and adults, on the one hand, its lack of clear contextualisation and reference to the socio-economic, political and environmental conditions that gave rise to the marginalisation of those long-term unemployed, on the other. Furthermore, it assumes that the beneficiaries of this campaign do not have aspirations beyond generating incomes, and that they would welcome learning technical skills and crafts as a means of addressing poverty. Within changing global and local contexts even poverty-stricken rural and urban people have aspirations beyond fulfilling basic needs – and manual, repetitive, boring and perceived old-fashioned activities are rarely on the list of desirables for youth.

Powell (2012) refutes the dominant conception of VET as an efficient or effective response to development challenges. The purpose of VET should be radically revised, she suggests, and, in particular, there needs to be a turn away from the "productivist frameworks" in which VET is currently located. Instead of an approach that seeks to develop human capital for economic development and employability as a solution to unemployment, there should be a focus on human well-being. Powell suggests that the capability approach, also known as the human development approach, offers an emphasis on human agency and takes into account the perspectives, voices and aspirations of students. Placing the wellbeing of unemployed people or people in the informal economy in the centre of concern for TVSD requires a move towards issues of improving peoples" capabilities rather than a concern with the growth of the formal economy.

Extensive research (www.wiego.org) allows us to better understand the daily realities of people in informal sectors. If the primary focus of training is to move from economic development towards human development, a livelihood analysis must be the first step towards designing new curricula. A livelihood approach encourages insights from a wide range of perspectives to come together in order to construct a more complex understanding of how gender and the division of labour in homes, household economics, political, economic and environmental processes intersect with institutions and organisations. A livelihood approach considers participants" capabilities and knowledge as primary assets, and recognises local knowledge, the how-to of survival in specific economic sectors and socio-political contexts within the constraints of power wielded by individuals and institutions.

A livelihood perspective allows us to plan education and training contextualized within a person's whole life – including their hopes and aspirations, not just their work-for-pay. It builds understanding of their lives from *their* perspective as they are the authors of their own story. It also recognises that in a complex dynamic context things change and also that events at the macro level impact on the micro level. Practical interventions such as skills training that is of immediate use may be the first priority for participants. However, they also see the need to influence institutional structures and processes that govern their lives. The capabilities needed for that have little to do with vocational, rather than organisational skills.

Training for informal economy workers

Research by Skinner (2000: 25) to investigate support interventions for street traders generated some useful information with regards to both potential trainers and trainees. Asked about servicing informal traders, one training director responded that there was "one line below which most trainers will not go – the group that has never been formally employed." He identified a range of impediments to training provision from the perspective of TVSD trainers. These ranged from the lack of profitability, as it was difficult to secure government funding and trainees were unable to cover their own costs, to the fact that trainees were often regarded as "untrainable" due to low levels of formal education; since trainees were very mobile and difficult to access, trainers would not be able to use their usual methods and materials, and many were frightened to go to the areas where trainees worked or lived. In addition, there were language barriers.

Temporary work as a builder *Source: Jeeva Rajgopaul*

On the other hand, reporting the perspective of trainees, Pat Horn, from "Street-Net International" responded that traders were keen to learn: "In our experience traders are often education hungry. In many cases however they have not been in a classroom context for sometime. They may be quickly alienated if training does not draw on their experience, build their confidence levels, is not correctly pitched or relevant."

Admittedly, like many other (women) workers in the informal economy, street traders have some constraints to participation in training: they cannot leave their work stations for long times as time lost is money lost; however, different traders in different sectors could all identify times when business was slow and it would be possible to attend training sessions. For some it may be on a weekday morning, for others Saturday afternoons would be preferable. All women indicated they would need child care facilities, and that training sites would have to be close by as they could not afford money and time spent on travelling. Furthermore, courses should not be largely text-based, and the language of instruction should not be English. Some women suggested being given the option of being trained by women as they

were shy in the presence of men. Hence, Horn lays the blame of failed interventions squarely at the feet of training providers: "If training service providers find that traders are not attending their courses then they must not blame the traders but must look seriously at the design of their training intervention. (Quoted in Skinner, 2000.)

These findings clearly indicate that skills training in/for the informal economy must be highly specialised for particular groups and that the logistics of provision (time and place) need to be negotiated in terms of accessibility for trainees rather than convenience for trainers. A warning published by DfID-Education in 1994 echoes this: "initiatives for self-employment and informal sector development do not emerge as elements that can be easily isolated from a particular social, cultural and economic context. Innovations for the poor or for micro-entrepreneurs cannot readily be lifted from one cultural context and be grafted on to a fundamentally different institutional situation".

Towards a pedagogy of contingency

In response, I suggest that we need a pedagogy that responds assertively to the conditions they seek to improve – and those are conditions of contingency. Contingency means "dependence on chance or on the fulfilment of a condition; uncertainty; fortuitousness". (Oxford dictionary) Precarious work in insecure high-risk conditions calls for skills development that strengthens rather than substitutes or undermines existing capabilities. The skills may be common to numerous sectors, but their usefulness and applicability are specific to a particular sector in specific places and times. A "pedagogy of contingency" is an approach that responds to uncertainty, chance, conditionality; it reflects the dynamics and dynamism of micro-differentials within the forces of macro power environments.

Charmaine's income is contingent upon the permutations of the day: Will she meet the interlocutor that arranges for access to a meal? Will the workers still be on strike so she may earn some cash by protecting the bread-truck? Will her child's chest-cold improve or require medical attention? In the same way, the provision of skills training must make allowances for shifts in time and place or a focus on urgent current issues that require deeper analysis and understanding. The really useful knowledge that people need in order to survive not just physically but also emotionally, creatively, spiritually, convivially, demands a pedagogy that responds to the particular conditions of the participants" location and their livelihood rhythms.

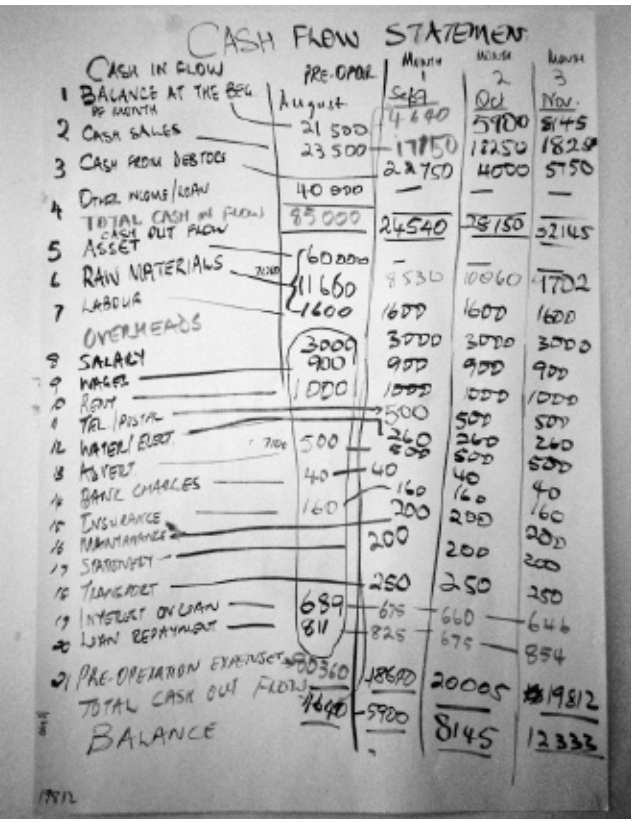
While some of the subject-matter of the skills development may be similar given the common socio-economic and market conditions and constraints of the informal economy, the logistics of the learning and teaching process and questions of applicability need to be responsive to the particulars of a given group of participant learners and the time and place that is accessible to them.

For example, most workers in the informal economy require economic skills: financial management skills, such as profit/mark-up, credit; they need the tools to analyse their markets within the context of the pressures of global market forces. Most workers indicate the desire to improve their communication skills: how to assert themselves, how to negotiate and solve conflicts, how to cope with and respond to (life-)threatening situations. Many want more information about the laws and policies that regulate their sector. And all require the skills to organise, to mobilise and speak up and act collectively so that their work will be better understood and valued, that instead of humiliation and defeat they can act for recognition, access to credit and basic services such as storage facilities and toilets.[3]

But how such skills development training is designed and implemented will differ according to who participates, it is contingent upon the trainees in terms of the language and cultural identity, the specific capabilities and knowledge they bring from their sector, their location and the rhythm of their daily/seasonal work. A pedagogy of contingency disrupts the notion of continuity and stability as it is constantly being produced and re-produced in relation to changing dynamics. Like the economy in which it operates, it is open to the unforeseen emergence of "what may happen".

Clearly, this places particular demands on both the content/subject matter of the training and the skills and methodology of trainers. Currently, there is little expertise in educating and training workers in the informal economy. Worse, there are few trainers working in skills development prepared and ready to engage with precarious arrangements regarding provision: a shift in time, a move to a different location, a change in focus. Trainers must be more ready to learn: access resources that give information pertinent to a particular group of people, translate the jargon of legalistic technical language, negotiate meanings of documents specific to an industry, practice her/his ability to mobilise people to speak in order to be heard. None of this is about a routine delivery of training packages; it is more of a high-wire balancing act that requires giving up some of the power of expertise and

3 Smith and Perks (2006) define skills in terms of competencies or abilities; they differentiate between personal-, technical-, business operations- and management skills.



Informal trader's financial records
Source: Jeeva Rajgopaul

acquiring some of the humility a co-learner.

Another way of skills development may be establishing communities in practice in which experienced trainees are equipped with the skills to teach, and assisted in guiding other workers in a planned and organised way. In this way, neither would have to forfeit hours spent in workshops instead of at their workplace. Lund (2012: 26) describes how stall holders in the massive informal markets in Accra suggested they could be valuable purveyors of important health information if health services made accurate information accessible and available for dissemination. Similarly, members of working groups within a sector could function as educators, trading important information about legislation and markets.

A search for models of "good practice" is a useful inspiration.[4] However, rarely do these function as "best practices" given the peculiarity of each context. The very idea of a single "best practice" or generic model is absurd given the variability and dynamism of the informal economy and the sectors within. The only stable denominator in an attempt to transplant TVSD from one place/set of conditions to another is the readiness to be flexible, to embrace contingency.

4 A useful site for Good Practice documentation that focuses on identifying and disseminating urban policy approaches and organisational practices that have resulted in securer livelihoods for informal workers can be found at http://www.inclusivecities.org/research/good-practices/. Documentation looks at how the working poor experience urban policies and planning processes, approaches to infrastructure and service delivery programmes, and their organizations.

Conclusion

Looking to TVSD as one way of addressing poverty, inequality and critical problems of urban youth unemployment and its concomitant issues is undoubtedly important. But beyond training, two things are crucial: firstly, the informal workforce and economy must be valued for their contributions and need to be recognised and included in planning and legal frameworks, and, secondly, governance of urban spaces should be supportive of the livelihood strategies of urban informal workers. As long as the only work valued is that executed in exchange for cash, the labours of workers in the informal economy will remain as undervalued as the home and care-work done mainly by women out of the public eye.

Chen (2012: 12) has pointed out that improving the incomes of the working poor in the informal economy necessitates increasing the supportive measures to "improve assets and market access", and to provide "legal identity and rights". As much as educators, urban planners and local authorities need to embrace the informal economy as the main generator of jobs and livelihoods in most cities in the developing world, urban planners, city officials and education and training providers need to develop an approach to policies, planning, and practices that includes – rather than excludes – urban informal livelihoods and the urban informal workforce.

For a start they need to stop doing harm to urban informal livelihoods. In many developing countries new laws and policies are being introduced that actively undermine informal economic activities. Wastepickers are being displaced by recycling companies, traders face new restrictions in terms of where and when they are allowed to trade and face heavy fines if caught. A car-guard who is much valued by surfers for looking after their car-keys in exchange for small change, is criminalised for "illegal activities" because he refuses to pay "protection fees" to corrupt officials. And unemployed young people are blamed for their lack of skills and qualifications, further attacking their already denigrated status.

Thus, skills development is only one aspect of addressing the injustices in our unequal world. Unless education and training goes hand in hand with other supportive measures, targeting in particular food, housing and energy, poor workers will not be able to avail themselves of training opportunities – even if they are offered as pedagogies of contingency.

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Kunzwana Women's Association, Zimbabwe

Kunzwana Women's Association: Technical and vocational skills development for youth in Zimbabwe

The Kunzwana Women's Association, a non-profit indigenous development institution, has introduced a blended skills development model that optimises existing capital capacities in order to equip youths from extremely vulnerable and poor households with technical and vocational skills. Kunzwana was established in order to provide practical training to women and youths resident in farming areas, to newly resettled villagers and to those in nearby villages. Out-of-school youths that register for a training either wish to continue with formal skills training or to build up their own business as middle level handymen/women who provide a service in the communities or even build up businesses that have the potential to export their goods. As part of the training, students are placed, where possible, with private companies for apprenticeships. Kunzwana contributes to reducing the dependence on aid by providing practical skills so that youths can earn a living and live productive lives. Tough situations required bold ideas and innovation that transform lives. This low level vocational training presents opportunities for overcoming poverty and despair.

Economic background

The gradual decline of Zimbabwe's economy since the year 2000, coupled with the global financial crisis, has resulted in huge unemployment estimated at 80 %, with the majority being youth unemployment. Zimbabwe's once strong industrial and agricultural base, which absorbed the majority of the workforce, is operating at levels below 15 % of capacity. Yet the formal education system continues to churn out administrators, accountants and public relations officers that cannot be absorbed by these obsolete institutions. Qualified students from universities with degrees

in marketing, public relations and management find that there are no products to manage or market upon completion of their courses.

Out of the 98 registered state-owned enterprises, very few are fully functional. The rail systems, urban commuting bus system, forestry commission and the related paper production industry, agro businesses, mineral value addition companies, packaging firms, motor engineering and mechanics, artisans and so forth have been replaced by small to medium enterprises (SMEs) that are filling the gap. These SMEs are largely informal businesses that have staff without proper training and adequate credentials. This is because most youths have had to learn on the job, out of necessity and out of poverty. Hence Zimbabwe urgently needs to prioritise vocational skills development as a driver to its economic recovery. The switch to providing a holistic and coordinated approach to technical and vocational skills development in Zimbabwe has recently been prioritised through the Integrated Skills Outreach Programme (ISOP). This policy complements other educational provisions such as the Basic Education Assistance Module (BEAM) which supports children from difficult backgrounds to get access to education.

The mainstay of Zimbabwe's economy, agricultural production, was drastically reduced following the Fast Track Land Distribution Programme implemented by the Zimbabwe government in 2000, coupled with several seasons of drought. At least 50,000 women and youths – former commercial farmworkers – were displaced, lost their livelihoods and had to relocate. They are unofficially Internally Displaced Persons.

Educational challenges

Zimbabwe's 2012 academic "O" level results statistics are shocking. More than 70 % of those who sat for the examinations did not qualify to be registered for advanced level. Only 10,000 pupils passed Mathematics and Science out of a possible 100,000.

Despite this grim and gloomy state of affairs, the Ministry of Education, Sports, Arts and Culture continues to allocate more than half of its budgetary resources to formal education. Hence, the National Youth Council has called for an ambitious reform agenda to have vocational and educational training systems be responsive to the needs and demands of the unemployed youths. The reform agenda advocates for state institutions to incorporate a comprehensive skills training programme for youths who fail to progress to academic institutions of higher and tertiary educa-

Kunzwana women listening during a lesson.
Source: Kuzwana Women Assosiation

tion. The Ministry of Youth Development Indigenization and Empowerment[1] has responded with various facilities that allow young people to access operational capital for skills training and business development, such as the CABS administered $30 million loan facility which has just ended. However, the young people continue to lament the uneven geographical representation in the selection of beneficiaries of these financial incentives.

UNICEF has provided resources to support the Education Transition Fund through the Ministry of Education Sport and Culture as part of the various recovery programmes for Zimbabwe. Partnerships with existing facilities have provided "catch up courses" and developed practically oriented basic education modules and skills training.

Kunzwana's Approach is building on the suggestions of the reform agenda of the National Youth Council

During the period 2005-2009, Kunzwana Women's Association undertook to regroup displaced former farmworkers, organised them into club networks of up to 30 members and facilitated self-governance systems within individual clubs. The clubs are now familiar with presenting their own plans of action, mobilising resources and responding to community challenges. To date, Kunzwana has registered and trained 152 clubs that are managing economic projects, benefiting from social education including health and hygiene, civic education and HIV/Aids prevention. Kunzwana has operationalised its programme in 5 provinces in Zimbabwe. Strong partnerships have been forged, resulting in the signing of 150 Memorandum of Understanding in the 194 villages where income generation activities are vibrant and making a difference to women and youths as well as their families. Kunzwana Women's Association has prioritised the provision of

1 http://www.africayouthskills.org/Ministry_of_Youth_Development

practical skills training to its members, of whom 2,000 are out-of-school youths. This is consistent with UNWomen[2] capacity-building objectives that direct efforts to entrepreneurship among the youth.

Next to vocational training, psycho-social support is an important pillar for the success of the project

Since the onset of the land distribution exercise, the number of out-of-school youths has increased to 30,000. Kunzwana has registered only 2,000 of the youths into its skills training programmes. The youths are mostly squatting in farming areas, resettlement areas and nearby villages since having been evicted along with their parents when commercial farms were re-distributed. Nearly 12 % of the former farmworkers are fourth and fifth generation migrant workers from neighbouring countries.

The youths are emotionally affected and concerned by the lack of permanent residency. They have to start a new life away from the commercial farms. They are without kinship group support since they are third or fourth generation descendants from migrant farmworkers who came to Zimbabwe. Several of them do not have birth certificates due to lack of birthing facilities in remote areas. Host villagers are hostile, ostracise them and accuse them of witchcraft. Some are blamed for the increased rape statistics and general gender-based violence. Even though conditions of living and employment were not perfect prior to the land distribution exercise, the situation has been worsened because the new farmers do not have the capital to engage an experienced farm workforce. Most new farmers have opted to engage casual workers whom they do not supply with protective clothing and have no obligation to for long term employment tenure. Water and sanitation is not available, placing former farmworkers in extreme vulnerability. The United Nations has asserted that maternal mortality has worsened by 28 % among former farmworkers. The prolonged political and economic crisis in Zimbabwe, exacerbated by the HIV and AIDs pandemic, has gravely affected former farmworkers.

The youths have lost hope. They are without adequate education, have limited employment opportunities, are displaced and have no land ownership. Kunzwana's interaction with the youths indicates that much more needs to be done concurrently with skills training, such as psycho-social support. Several of the youths have lost at least one parent and many are orphaned at an early stage. Child-headed

2 UN Women 2012 Annual Report, New York, http://www.unwomen.org/, 2012.

households are very noticeable, surviving on wild fruits and hand-outs. Young girls cannot afford sanitary pads and have not been able to participate fully in organised programmes. Several resort to prostitution for survival. Below is an analysis of the conditions in which the out-of-school youths find themselves in.

Living Conditions of youths in farming communities in Zimbabwe	
Problem	Solution
Youths are required to provide seasonal labour on farms without long term proper contracts.	The constitution requires the state to provide free and compulsory basic education to children and higher and tertiary education.
On the farms, they work long hours without compensation. Female farmworkers do not enjoy maternity leave.	The National Employment Council specifies that ordinary hours for all employees shall not exceed forty-five hours a week.
Use of pesticides, chemicals and hazardous chemicals exposing youths to health risks.	Appropriate and protective clothing should be supplied free of charge for youths working in farming areas.
There is no equality between women and men. The maternity mortality rate is highest among the displaced former farmworkers.	The Zimbabwe Gender Policy requires that women and men have equal opportunities. Former farmworkers require food, clothes and means of sustenance. Girls should receive sanitary pads each month.
Former farmworkers are harassed, intimidated, tortured, raped and victimised.	Practical skills training provides former farmworkers with survival skills and brings an asset to the host villages.
Health and Safety laws are not observed. Prevalence of HIV and AIDS continue to be highest among former farmworkers.	Dissemination of information, introduction to relevant unions and support groups is important. Youths need to be consulted on all issues of occupational health.
Youths have been living in insular communities for more than four generations. They have no national identity as they do not have birth certificates. More than 50% of births are unattended in remote areas.	Psycho-social education is required, introducing youths to environmental sustainability, gender equality and prevention of HIV and AIDS.

Within the specialised vocational skills classes, numeracy and literacy skills are mainstreamed

In following its youth training policy, Kunzwana is implementing a flexible two-pronged approach to the provision of technical and vocational skills. Out of a staff compliment of 23, six full time Field Officers assigned to Kunzwana programme

areas throughout Zimbabwe continually provide vocational skills as part of Kunzwana's comprehensive Outreach support programme. Field Officers seek support and collaboration from local leadership and other NGOs working in rural areas to introduce the wide array of skills on offer. Potential participants often register for training in two or more skills. The youths work in clusters of a maximum of 30 but a minimum of 10. They bond in the group and are supported so they can realise their potential. Right from the onset, the acquisition of practical skills is introduced concurrently with the much needed marketing skills, business planning and management.

Since the out-of-school youths resident in farming areas are a special target, Kunzwana has adopted various Adult Education approaches which include mainstreaming of numeracy and literacy. Teaching is carried out in the mother tongue and makes reference to familiar and local objects. This also influences recruitment of Field Officers who are familiar with the geographical areas, specific culture and norms. Empirical measurements, weights and distances are all expressed using familiar objects and landmarks found in the area.

Partnerships with local leadership help make the programme affordable and sustainable

Kunzwana has forged partnerships with local leadership in rural areas, making the programme affordable and sustainable. Training premises and venue hire is usually provided at subsidised costs with villagers taking full ownership of logistics, supply and preparation of food for participants. Kunzwana staff makes use of church buildings, chief's halls, schools or under trees to set up and mount training equipment intended for vocational training. Vocational training in villages requires a lot of creativity and innovativeness. The approach adopted by Kunzwana to train villagers moving from door to door and mounting a makeshift training centre brings skills to those who are extremely vulnerable and marginalised, including the disabled.

Advanced training courses enable youth to continuously upgrade their skills level and increase their chances

The Kunzwana training programme has a beginner's course where basic skills are imparted with a view to introducing participants to a trade or skill. This course also provides an opportunity for Field Officers to identify those that will qualify

for intermediate and advanced training. Selected students with a potential to undertake higher level training are brought to the Mationesa Skills Training Centre, some 117 km away from the capital city of Harare. The Centre is designed to accommodate up to 50 registered participants at a time. It is staffed by nine core staff including housekeeping and vegetable garden staff. The Centre is organised in such a way that there are several workshops with modern equipment to train participants in various skills. The underlying principle in all the practical skills offered at the Mationesa Skills Training Centre is that they use natural resources and facilitate students to commence business enterprises which are critical for their survival. Upon completion of the training, qualifying participants are provided with *Start-Up Kits* as part of the business incubator programme. Cost benefit analysis indicates that one participant can realise a profit margin of up to 45 % in the first year of operation.

Kunzwana member – organic horticulture training. *Source: Kuzwana Women Assosiation*

Training expertise has been developed in various areas

Weaving

The Weaving Department is equipped with hand operated wooden looms that make intricate patterns, including floor rugs, table mats, scarves and other household items. The weaving department is staffed by a qualified weaver, who maintains contact with students until they reach the advanced stage and obtain a certificate. Kunzwana has since introduced a hand held weaving loom which can easily be replicated in the village and is cost effective. Materials used for weaving are usually obtained from factory selvage waste, wool and strips of materials. Recently woven garments by rural women were exhibited at the prestigious Harare International Festival of the Arts (HIFA) during a special programme called Rural to Ramp Handcraft Showcase[3].

Metal Fabrication

This competency-based course prepares students for entry-level positions in industry, specifically for metal fabrication and welding. At the Centre, students receive expanded experience in fabrication. Units of instruction are provided in gas welding, MIG[4], braising, arc and gas cutting, and project layout. Also included are cost analysis, plan development and proper choice of materials. The instructor and self-designed projects will be used to assess student readiness needed in related occupations. Special emphasis for the welding classes is placed on work ethics, work quality and other job related skills. This course includes classroom instruction and laboratory work.

Carpentry

The course objective is to provide intensive instruction for those wishing to acquire or develop a high level of competence of fine woodworking within a four week period. The course is to be seen as an alternative vocational skill development. At the end of the course students will have the opportunity to do drafting, design development through models, mock-ups, and prototypes.

3 http://www.hifa.co.zw/special-projects/rural-to-ramp-handcraft-showcase-2/
4 https://en.wikipedia.org/wiki/Metal_inert_gas_welding

Garment Making

The garment making course is unique in that students are taught the construction of a garment, and finishing techniques. In addition to making school uniforms, home use items, students also make special projects. These include sewing for profit, items for holiday tourists, resort wear, gifts accessories and toys.

Horticulture

The course in horticulture includes an understanding of organic farming principles, entomology and genetics. Students are taught seeding, weeding, plant nutrition, post harvest technologies, crop science as well as crop rotation. Recently, adaption to climate change has been an important aspect of the training. This course is particularly useful as it ensures food security at family level.

Cosmetology, including soap and candle making

For less than a dollar and using common kitchen equipment, Kunzwana teaches youths how to make 5 litres of moisturising lotion, soap and candles. Skin care lotion is made from an emulsion of oil and water. As an introduction to this wonderful and useful craft, youths can make a quick profit with just Marula oil, water and emulsifying wax.

In order to build a bridge from training to income generation, Kunzwana introduced the Zimbabwe Market Fair

Market access remains limited largely due to a lack of capacity to coordinate and promote the products produced by the youth. There is limited access to business development services such as market information, promotion and space. Kunzwana has introduced the Zimbabwe Market Fair which is held in urban areas three times a year. The key strategy of Market Fairs is to create market linkages by showcasing and exhibiting youth products to sophisticated markets in urban centres. Zimbabwe Market Fairs compliment local and community efforts to market household furniture, school desks, church benches, mending pots and pans as well as sewing school uniforms.

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| Best Practices: Women Empowerment |

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Fostering Gender Equality and Inclusion: Skills Training and Income Generation for Lower-Class Urban Migrant Aymara Women

The Popular Cultural Centre Foundation (Fundación Centro de Cultura Popular or FCCP) was created in 1979 in a peripheral area of the City of La Paz, Bolivia, as a social project of the Oblate Missionaries of the Immaculate Virgin Mary (Misioneros Oblatos de María Inmaculada) for the purpose of creating an education space for poor women.

The FCCP was created to provide an option for impoverished women and an educational strategy as a tool to change the situation of gender inequality and discrimination; its mission is to help such women recognise themselves as agents of change, capable of overcoming situations of poverty through an organisation based on solidarity that enables them to satisfy their families' basic needs.

During its first years, the FCCP programme managed to achieve results such as instilling a sense of gender-based, cultural and class identity as important factors to raise the level of consciousness in the women themselves and in their environment, which is mainly that of the family.

Various organisational strategies were developed, such as group savings funds, group purchasing and rotating credit, thereby allowing the women to make the most of their scanty economic resources and ensure a safety margin in the family's food supply.

The main thematic and cross-disciplinary approaches accompanying this educational process have made it possible to generate a change in women's attitudes by shifting the focus from their home environment to the socially emerging world of the poor, by reason of their multiple problems and unsatisfied needs.

Context

The FCCP performs its work in the "Peripheral Macro-District" to the northeast of the City of La Paz, which contains 150 different zones and is considered to be one of the poorest, with a migrant population from the High Plateau and Los Yungas. With a population of 159,123 inhabitants, it is the second most populous zone of the municipality of the City of La Paz. We currently have 1273 women participating, of an average age of 35; most of them are married and have a basic level of education. 58 % of the beneficiaries report that they do not have a steady job and mainly do housework. 75 % of those who work are self-employed, engaging in informal trade, handicrafts, cooking, babysitting, housework, laundering, and other services.

Women at the Food Festival *Source: Fundación Centro de Cultura Popular*

MAIN RESULTS OBTAINED BY THE FCCP

- The first achievement was the changeover from dependence on food donations to self-governance based on a savings strategy.
- While improving their basic household goods, the same women developed healthy nutritional alternatives to improve their health.
- The increased cultural appreciation of Andean foods has enabled positive changes in dietary habits.
- "Group purchasing" has been encouraged as an area characterised by trust, solidarity and supplying the basic household goods, as opposed to individualism.
- Mobile grocery shops have been created as a strategy for optimal use of economic resources, allowing an appropriate form of access to food while ensuring a secure food supply at affordable prices.
- The groups have succeeded in developing collective and delegated leadership to obtain the most urgently needed foodstuffs. That explains why all the participants feel a strong sense of solidarity and social responsibility towards the group.
- Women play the leading role in these programmes and ensure their success through their capacities of association and organisation.
- Job-creating production units have been formed through micro-enterprises to meet the need for women to generate income of their own equivalent to the national minimum wage as a contribution to the family economy.
- Women have been trained to become skilled workers capable of administering and managing production units with hundreds of women in order to undertake independent and profitable economic initiatives in the spirit of solidarity.

Opening spaces for women: A Women's festival to improve dietary habits

"We can educate from the kitchen, as well", certain ladies told the public visiting the HEALTHY FOOD FESTIVAL held on the 2nd of June of this year in the "peripheral macro-district" of the City of La Paz, Bolivia. While some women treated the public to innovative menus of healthy food, others lent a festive atmosphere to the event by accompanying the meals with native dances, making the food even more enjoyable.

Project meeting *Source: Fundación Centro de Cultura Popular*

To help improve families' dietary habits and state of nutrition, 6 out of the 31 groups of mothers belonging to the FCCP (Popular Cultural Centre Foundation) gave the occasional visitors at their tables educational demonstrations of the nutritional value of Andean grains and leguminous plants, as a proposed alternative diet to combat the problems of undernourishment and malnutrition found among the population.

The objective of the festival is to reach the population with alternative menus that are not only nutritious but also affordable, conveying the message that it is possible to eat healthy food at no great expense. The festival also included practical demonstrations of proper food handling to ensure hygienic consumption. It is a contribution to food safety, but this time based on food quality.

> "How can we learn these things or join these groups? one couple asked. ... I would like to learn how to make those dishes. What do I have to do?"

That is how some women come to join the women's groups of the FCCP.

Being able to influence another population group and reproduce its learning processes is also useful for evaluating the educational process and allows women to make an impact on the community.

Empowering women: A comprehensive educational approach

First, it should be noted that the women we work with are victims of triple discrimination: firstly because of their poverty, secondly because of their culture, and thirdly because of their gender. We implement programmes that enable them to develop their own systems of association and solidarity, which are based on their own culture. In this way, they find solutions and alternatives in order to overcome exclusion.

Women have historically been assigned the roles of feeding the family and supplying it with basic household goods, and those roles have provided a mechanism for inviting thousands of women to come to the various centres for mothers. We therefore set our objective in this context:

> "To promote improvement of the quality of life of "Peripheral Macro District 3" based on women with a vision of fairness and social equality and to exercise a general impact on public policies through organisational, educational and economic actions".

The first challenge, as Paulo Freire would say, is that: "No one frees anyone else and nobody frees themselves alone. People free themselves in fellowship". The group and the organisational capacity of women have made it possible to find in their organisation the roadmap and strategy for obtaining, in the initial phase, the food that was and still is their chief concern; after that, we were able, in the first years of the programme, to achieve results such as instilling a sense of cultural, class and gender-based identity as important factors to raise the level of consciousness in the women themselves and in their environment, which is mainly that of the family.

Following P. Freire's motto "See, Judge and Act" as a mechanism for finding solutions to the situation of poverty and marginalisation of women, we found organisational strategy to offer a real possibility for change in the search for solutions to their basic needs. We developed various strategies to that end, such as group savings funds, group purchasing and rotating credit, thereby allowing such women to make the most of their scanty economic resources and ensure a safety margin in the family's food supply.

The main thematic and cross-disciplinary approaches – "We learn our history in order to understand our reality", "Grandfather's advice", "Women and organisation" – accompanying this educational process have made it possible to generate a change in women's attitudes by shifting the focus of attention from their home environment to the socially emerging world of the poor, by reason of their multiple problems and unsatisfied needs.

This process has borne fruit in the form of women's leadership in the organisations, in an effort to project what they have learned onto their current situation, which will allow them to accomplish changes that turn their current conditions of minimal survival to their own advantage. Freire said "every educational act is a political act." That has nourished our hopes of a different society, where women become policymakers, leading us to propose the following mission:

> "To reinforce the women of Peripheral Macro District 3 to ensure that they are able to propose public agendas based on their demands that are capable of influencing local development".

Lessons Learnt: Educational challenges

In the course of our activities we have encountered certain educational failures or difficulties resulting in ruptures, but that ultimately allowed us to improve our range of services or, if not, to find solutions.

One such failure occurred at the start: we were looking for a strategy to work with women and tried to adopt practices that were successful in our population centres, such as "soup kitchens" (*ollas communes*) which had been implemented in the era of Salvador Allende in Chile and in the "pueblos jóvenes"[1] of Peru. It was not a success in our educational practices because the first participants in the CCP said that eating together as a family was a moment of great intimacy and they would not give up on that time of sharing. This was our first lesson to learn.

Then, to meet women's demands, an agreement was signed with the Ministry of Education to provide women with technical school teachers to give training courses in the centres for mothers. That failed because the teachers imposed a curriculum and certain requirements (times, type of evaluation, etc.) that was incompatible with the reality of the women trainees, who only had a few hours a week in which to complete the modules. The women soon gave up or simply failed to bring along their study materials, or finally handed in homework done by others to avoid getting a bad grade. What the teachers didn't understand is that such training has an economic price that the participants could not afford to pay.

Another time, we tried using teachers who lived in the same neighbourhood, based on the assumption that being familiar with the surroundings and being one of them would help them understand the situation and improve the training. They did, in fact, understand the participants better and were aware of their

1 Editor's note: unsuccessful urban development projects that subsequently turned into shantytowns

needs, but this time it was the participants who were not prepared to receive the services offered, because they could not accept one of their own as a teacher; having internalised the oppressor, they said that they didn't see what such teachers could give them.

Later on, in an attempt to meet the women's economic needs, we started a process of founding micro-enterprises, and five of them were created: (a jewellery shop, thermal blanket sewing, bakery, hand-woven fabrics and crafts using EVA rubber). Intensive training was given to them, which they greatly appreciated, but when it came to assuming the responsibilities for production and dividing up the profits among the group, we failed because individualism arose that did not make it possible to become established as companies, much less to be self-sustaining. They accepted us as their employers or forewomen; added to this was the fact that such skills are abundant in our city, since most of its population is in our country's informal economic sector.

At present, they have joined the large host of self-employed craftspeople and artisans who work at home exploiting the labour of their own family.

Lessons Learnt: Educational successes

The first and most significant act was seeking out organisational alternatives based not only on women's needs but also on their experience. The first groups formed were based on charity, since they received donated food through "Clubes de Madres" (Mothers' Clubs) which helped mothers of children under 6 years of age; they imposed a series of internal requirements which, far from liberating the women, subjected them to a purely reproductive role, and far from encouraging an improvement in maternal and infant health, awarded an extra ration of food to pregnant women and to mothers who had undernourished children, which created an uncritical mind-set of dependency; some mothers even intentionally kept their children underweight in order to receive the extra ration.

Besides being discriminatory, that system favoured a corrupt and authoritarian system within the groups for the purpose of staying inside them.

A first accomplishment was to change from the dependence on food donations to self-governance based on a strategy of savings.

Then an alternative organisational system arose, since access to food is the main concern of all mothers. This was an opportunity to form another type of group capable of obtaining food without all the pressure; in any case, the main idea (how

to get food without begging) was the starting point, giving rise to an organisation which, in a manner that challenged the existing system, successfully formed self-governing groups; self-management of diet made it possible to break away from the dependency on food donations. When it came to improving their family's diet, the same women developed healthy and nutritious alternatives to improve their health. "Group purchasing" was encouraged as a space characterised by trust, solidarity and supplying basic household goods, as opposed to individualism.

Mobile grocery shops have been created as a strategy for optimal use of economic resources, allowing an appropriate form of access to food, while ensuring a secure food supply at affordable prices.

The task of organising numerous groups of women over time was substantial, but it has allowed them to recognise their organisational capabilities autonomously; thanks to their decision-making capabilities they have created and re-created their working mechanisms as well as tools ensuring continued access to food, such as group purchasing in a spirit of solidarity, group savings, group credit within the groups, festivals focusing on food, recreation and education; above all, it allowed us to develop alternative educational services that go beyond "cooking is the way to win the heart of the community".

To make this educational process a success, it was first necessary to take into account the popular culture of the participants, which indeed is very rich in values, the participants' sensitivity to the topics and realities, as well as a historical fact that reflects such sensitivities: when the first group of women was formed, they argued about the name of the group: some of them said it

Participants in team building
Source: Fundación Centro de Cultura Popular

should be named after a prominent Bolivian politician such as Marcelo Quiroga; most of them said it should be named after Father Luis Espinal, who died for us, the poor people, and whose body was thrown into our neighbourhood after he was tortured and killed. It was therefore decided that the first group would be named Luis Espinal, which for many years provided a lifeline for women who were not allowed to express themselves.

An analysis of the overall situation was the starting point for understanding what was happening in Bolivia, which was affecting its families. We were going through the period of transition from military dictatorships to democracy, and we also had to learn the meaning of devaluation and inflation – and what it meant to reclaim the country after the five centuries of the Spanish conquest.

The groups have succeeded in developing collective and delegated leadership to obtain the most urgently needed foodstuffs. That explains why all the participants feel a strong sense of solidarity and social responsibility towards the group.

All of this enabled us to throw a lifeline of leadership to the women so that they could break with the system of caciques imposed by the patriarchal society and replace it with collective, "horizontal" leadership, where everyone has something to contribute from their knowledge and skills, equipping themselves with an organisational structure in which no one is privileged and everybody has a role to play in the organisation. The work is done in working committees; in addition to the governing body, the work is performed through a system of committees to help with group's tasks, not only to supply basic household goods but also in areas such as health, recreation and micro-credit, to name only a few of their activities.

Women play the leading role in these programmes and ensure their success through their capacities of association and organisation.

Job-creating production units have been formed through micro-enterprises to meet the need for women to generate their own income, equivalent to the national minimum wage as a contribution to the family economy.

Women have been trained to become skilled workers capable of administering and managing production units with hundreds of women in order to undertake independent and profitable economic initiatives in the spirit of solidarity.

These actions have given women a voice and vote in the community. At present, they are called upon by the local, municipal, departmental and national authorities to help build plans, public policies and/or occasionally laws, such as the "Law Against Violence".

The importance of Alliances

In a highly patriarchal and male chauvinist society, competition for the public spaces of the community primarily depends on the powers of governance over such spaces granted to the male-dominated residents' associations. They are the ones who decide who will use the social centres and community buildings. The women's struggle depends on being able to meet in their own neighbourhood. Their struggle has now borne fruit, as shown by the presence of women leaders in such spaces; thanks to their close contact with the local authorities, the members of the neighbourhood are obliged to sign agreements regulating the use of such spaces. Such leaders were also the main players and planners who ensured that the municipality incorporated the "Municipal House of Women" into its building plan.

Those same actions have also allowed us to incorporate ourselves as an important force into the women's movement of the municipality of the City of La Paz – along with other women's groups such as the AMUPEI (women's organisation for fairness and equality) and the municipal Women's Alliance, and to actively participate in the municipal Women's Citizen Council; we have also recently been invited to participate in the Citizen's Council of Food and Nutrition.

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Prodesarrollo del Occidente de la Sabana Foundation, Columbia

A Women's Life and Work Training Programme

In Colombia, growth and urbanisation of geographic areas around Bogota, the country's capital, and settlement of industries and agricultural development bring about a considerable increase in population and female employment. In this context, in some municipalities to the west of the Bogota savannah, a small but important group of women discovered a way to earn money through the "Integrated Pre-school Care Training Project" project (APE) (Proyecto de Capacitación en Atención Integral al Preescolar, APE), which helps them to develop skills from informal education to work as early childhood carers.
This article lists the main results of the Integrated Pre-school Care Training Project developed between 1997 and 2007, in a subregion in Colombia, near the capital, Bogota, within the framework of cooperation between dvv international and the Prodesarrollo del Occidente de la Sabana Foundation, PRODEOCSA.

Participation in the music module. *Source: PRODEOCSA Foundation*

Socio-spatial context

Considerable changes have been made in the agricultural sector since the nineteen eighties in Madrid's municipalities, Mosquera and Funza, in the west of the Bogota savannah, whose central municipality is Bogota, the country's political and administrative capital. Flower growing started and increased, which encourages people, especially women, looking for employment to immigrate to this area, causing a great impact on the admission of workers required for this new economic activity.

During the years the Pre-School Care Training Project was being developed, floriculture contracted 70 and 80 % of female employees to work in agricultural activities. This new female worker situation produced different effects, some of which include relative economic stability of homes due to periodic income, enrolment in the social security system, increased social relations with conflicts between couples due to the absence of the wife at home during workdays, health deterioration, increased female autonomy.

The APE project increased the supply of adequate places and qualified people to take care of children under 6 years of age, which affected women in two ways. A) People working with flowers were entitled to special attention for caring and protecting their pre-school age children while they were at work, either in private, institutional or community establishments. B) Women from the formal and informal sectors and some with low levels of education were trained and qualified as full-time pre-school carers.

If we look at families in terms of fathers/mothers using kindergartens administered by the Prodeocsa foundation, we find that 48 % used to work in floriculture.

In this context an alliance is created between non-governmental and private organisations to design and offer adults a project on employment and human development, focused on caring for children from 0 to 6 years of age. This project was approved by Bogota's Department of Education, which confirms technical and legal support for the offer made.

The Integrated Pre-school Care Training Project

The described programme is considered a non-formal education project for people bringing up, caring for, protecting and educating pre-school children. Its aim is to help carers, men and women who interact with children from 0 to 6 years of age, to become familiar with and discover ways of thinking, feeling and acting, develop

processes that improve the quality of the relationship they have with themselves, children and other people.

The project's educational model is seen as a life, work and community development training process.

The teaching process in the context of the Integrated Pre-school Care Training Project was designed based on the student situation, which implied analysing each student's experience through theoretical and practical workshops to enrich training courses.

The following aspects were also considered for developing concepts, educational applications and teaching processes by students:

a) The methodological process followed with regard to beliefs, values and knowledge of students for them to be able to recreate, transform and build new methods of interaction with children and communities.

b) The learning process broaching different educational currents that consider the diverse nature of human beings, such as the focal point of teaching and creation of a common language based on dialogue, the search for understanding, exchange of knowledge, experiences, questions to find solutions to specific knowledge-related problems in child education.

Programme structure

The project's structure was developed by masters specialising in different subjects who conducted the training proposal, using different approaches, methods and educational activities in five areas: a) basic, b) playing, c) education, d) health and sexuality, and e) community. Each one of these areas defined related modules, supporting development to the following level based on the integrity of the human being as a learner and teacher.

The project developed skills for participants and their work, providing them with knowledge on integral development of minors; tools for their stimulation through music and games; understanding of their social and affective development, logical and mathematical thought, approach to reading and writing, and qualified them to establish curricular planning and organise educational and community development projects.

The project trained over 700 people, mainly women. From these, 457 obtained the final academic certificate in "Integrated Pre-school Care", 454 of whom were

women and 3 men. The training included 360 hours of in-person education given over 18 months.

Profile of women participants

In general, women participants had formal and incomplete basic education (undergraduate degree) at the beginning of the project and came from lower class families, without jobs or with temporary badly paid jobs. They lived in municipalities where training was offered and enrolled in the project to acquire knowledge and vocation, complete studies or comply with the requirements of the entity they were working for.

Evaluation

To analyse the project's results after its termination, the Prodesarrollo del Occidente de la Sabana Foundation PRODEOCSA, financed by *dvv international*, proposed that the immediate results and their impact on the participants be evaluated based on three thematic aspects:

a. Training
b. Job training
c. Community development

The evaluation study was conducted in 2009 under the supervision of the teacher, Pedro Lizarazo, who had considerable experience in evaluating community programmes. Below is a summary of the evaluation, showing its essential aspects such as methods, results in core areas and conclusions.

Evaluation methods

The methods used were designed to assess the programme's results by consulting management indicators; the receipt of content by participants through the certification presented; the effects indicated by them regarding improvement of their quality of life and in communities covered through surveys and field visits.

From an operative point-of-view, methods contemplated:

a. Semi-structured interviews were carried out: 7 interviews with APE project graduates, teachers and leaders.
b. Focal group work: 2 sessions with graduates.
c. Visit to an educational institution: work in a kindergarten.
d. Surveys and graduates: 53 surveys, corresponding to 12 % of certified participants.
e. Review of secondary sources: reading and analysis of educational material available produced by graduates.

APE Project Certification. *Source: PRODEOCSA Foundation*

Results in the three enquiry areas: general training, job training and community development.

a. Training Process

The Integrated Pre-school Care Project gave students hope for improving teaching and developing new concepts, strategies to learn new things, based on methods and educational proposals. According to one of the graduates:

> "Teachers always attempted to teach their classes in creative ways. It wasn't what they taught but how they tried to find different ways of presenting the subjects, with games, flyers, etc., and everything they could think of. This meant that, in addition to the subject taught, we had the advantage of learning different methods so that we would be able to teach at a given time" (Interview with graduate).

This new learning experience strengthened the participants interest and motivation to continue with their educational career.

Training Process

The training developed by the Integrated Pre-school Care Training Project showed the conceptual, pedagocical and educational capacity of teachers involved in the process, proving that they could react to a variety of situations and make use of differences in the students' levels of schooling.

Students showed their satisfaction over the knowledge they acquired, especially their practical way of working directly with children.

The training was based on students' prior knowledge, so the educational process considerably helped to facilitate understanding and assimilation of it.

b. Job Training

The Integrated Pre-school Care Project helped to train students in terms of concepts, training and teaching. Their main interest was to become trained to work at community education institutions like children's homes, private or public kindergartens and in primary education and preparation for task orientation and care of babies and young children from the community.

An attempt was made to adapt the Integrated Pre-school Care Project to the needs of students requiring knowledge, education and strategic methods for caring for

the infant population, such as the attention of leaders of institutions where they worked.

Teachers involved in the project gave specialised counselling for dealing with specific problems arising from the teaching and learning process at institutions where they worked.

The employment situation of female participants from the informal sector changed and they were able to be promoted in institutions, find job opportunities, and improve their income from the private qualified care of children.

68.9 percent of the respondents indicated that the Training received through the Integrated Pre-school Care Programme really helped in teaching (see Table No 1).

Table No. 1: Usage of new Skills and Knowledge

Training received through the Integrated Pre-school Care Programme really helped in teaching.	69.8%
Training received through the Integrated Pre-school Programme was clearly beneficial for participants compared with other people in the same teaching position.	11.3%
Participation in the Integrated Pre-school Training Programme was of little or no importance to job training, given the teaching experience or its abandonment by programme users.	9.4%
Participation in the Integrated Pre-school Training Programme really helped to enter an institution as a teacher.	9,5%

In graduates, parents found support for the education of their children. The project's content has proven suitable for raising the awareness and understanding of both teachers and students towards "interpreting" the situation of the infant population and their surrounding environment. Using specific applications, overcoming rhetoric, abstract ideologies and concepts, which often prevented a real view of the living environments of educational communities, represented by their students.

The new knowledge and skill also impacted on the job possibilities. The employment situation of female participants from the informal sector changed and they were able to be promoted in institutions, find job opportunities, and improve their income from the private qualified care of children. Opinions of some graduates:

88.7 percent of the respondents stated that the knowledge acquired during the trainings helped them to assume responsibilities as child carers (see Table No 2). 9.5 percent answered that they were able to enter an institution as a teacher as a result of the training received (see Table No. 1).

"The APE opened a lot of doors for me. I cleaned and looked after children in a kindergarten and I managed to be promoted to child educator. I was promoted thanks to studies offered by the APE. I was offered this job opportunity on the same level as others."

"Thanks to the APE, I entered schools as a primary teacher and started my degree in Child Education. I would like to thank the Prodeocsa foundation for opening the door to a better future. I feel satisfied as a teacher and can hope to occupy better positions in any educational institution".

Table No. 2: Relevance of the training for income generation

Knowledge acquired helped people to assume responsibilities as child carers.	88.7%
It was not considered because people already had the knowledge of how to be early childhood carers when the programme began.	3.8%
No response.	7.5%

Job Training

The Integrated Pre-school Care Training Project generated conceptual, training and educational strategies to qualify students, according to their job requirements, such as those working for educational institutions like children's homes, community homes, private kindergartens, care and training of children on an informal level (family, neighbourhood, etc.).

The PRODEOCSA Foundation, through the Integrated Pre-school Care Training Project, enabled the admission of several graduates in nursery teaching to carry out institutional work at children's homes belonging to the Colombian Institute of Family Well-Being under its administration.

The qualification given by the Integrated Pre-school Care Training Project enabled project graduates to prepare themselves for jobs in child education. Now, over 40% of the foundation's kindergarten teachers are graduates from the project, with their respective certificates, who have stable jobs and decent salaries with all bonuses established by law.

c. Community development

The Integrated Pre-school Care Project provided community project spaces in town halls and municipal entities for training graduates. There, graduates as community education agents supported the following projects: Children's day, White day, Old people's day, Day of non-violence against women, Family day, etc.

Community programmes were promoted including prevention of domestic violence and sexual abuse of women and children, strengthening of basic social organisations, local women's associations and groups.

The certificate issued by the Integrated Pre-school Care Project facilitated access to community spaces in order to multiply the impact of learning at the community level.

60.9 percent of the respondent indicated that Participation in an Integrated Pre-school Training Programme and obtaining the certification facilitated access to community programmes. Another 15.2 percent experienced that certificate given by the Integrated Pre-school Training Programme was taken into account by institutions when offering the possibility to perform community work. 13.0 percent of respondents stated that certificate issued by the Integrated Pre-school Training Programme enabled them to give orientation and support to other people and community groups. (see Table No 3)

Table No. 3: Significance of the certificate

Participation in an Integrated Pre-school Training Programme and obtaining the certification facilitated access to community programmes.	60.9%
The certificate given by the Integrated Pre-school Training Programme was taken into account by institutions when offering the possibility to perform community work.	15.2%
The certificate issued by the Integrated Pre-school Training Programme enabled orientation and support to be given to other people and community groups.	13.0%
The certificate awarded by the Integrated Pre-school Training Programme was of no importance in terms of community work achievements.	10.9%

The community projects developed by the project showed graduates the importance of collective identity, the sense of belonging instilled in a certain community, giving special value to mutual support amongst students, with specific educational activities involving children.

Entities such as the Colombian Institute of Family Well-Being, ICBF, Compensar and PRODEOCSA played an active role in associating students with community programmes. Municipal boards did the same.

Community development

The Integrated Pre-school Care Training Project permanently qualified community groups such as educating mothers, community mothers, nursery teachers, facilitating their work as child educators, and gave support to mothers and fathers on institutional programmes offered by their municipalities of origin.

Women experienced an increased valuation, receiving support in community activities through projects organised by the Prodesarrollo del Occidente de la Sabana Foundation, PRODEOCSA, and institutions and municipal councils, as is the case of community playrooms.

Community awareness of children's rights, through educational models more in line with child development and more harmonious and comprehensive family relationships was generated.

The link between graduates and municipal programmes that involve mass community activities was strengthend.

CONCLUSIONS

Based on non-formal Adult Education, with participation of different institutions (Prodesarrollo del Occidente de la Sabana Foundation, PRODEOCSA, Compensar, *dvv international* and the Bogota Education Department), a new academic proposal was created that facilitated constant updating of knowledge on early childhood education, access to the formal employment market and support for community and social activities for many women, the majority of whom are still linked to early childhood training processes.

As an additional contribution and impact of the project, child care support was offered for women whose integration in the world of employment and formal economy was restricted by their responsibilities at home, including caring for their children. The project was the indirect cause of their release from this task when they found other trained and qualified women to replace them in protecting and educating pre-school children during their workdays, which was what occurred with women working in floriculture.

In different articles from the Adult Education and Development Review, especially number 78 of 2012, the report by Ricarda Motschilnig shows the benefits of Adult Education, similar to those indicated in the evaluation of the Integrated Pre-school Care Training Project: civil and social commitment, change of attitude, educational progress, reduction of poverty, among others, and it stresses the need to continue with systematic studies on the current benefits of Adult Education.

Therefore, achievements made with this project invite us to ask participating entities to discuss and follow it up with graduates in order to obtain more information on its impact.

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Best Practices: Entrepreneurship

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"On your own, but not alone" Self-employment in Manzini, Swaziland

For more than twenty years now the Don Bosco Skills Centre in Manzini has been working with young people, those who are the most disadvantaged and in even greater need of education and money than others. This educational work has always been good and the clients dedicated, but still only 20% of graduates find a job. This challenging situation called for an innovative approach, and according to the head of the Don Bosco Skills Centre that was by taking the path of independence, founding small- and medium-sized enterprises (SMEs). Although an individual's success in the business world is not necessarily held in high respect in Swaziland, and competition is viewed with a critical eye as the community counts for far more than the individual, in 2008 a new programme was launched. YES, the Youth Entrepreneurs Service. Its aim is to encourage young, independent businesspeople who work together and are able to survive on the market.

The project brings together members of the Likusasa Life Skills Centre, the Bosco Skills Centre and the Youth Entrepreneurs Service. Since the YES programme started, a total of 107 young people have trained as independent entrepreneurs. The concept behind this course for young entrepreneurs, in brief, involves the young people starting out on a course at one of the two Don Bosco Centres: either two years of training or a one-year course for craftspeople ending with a state-recognised qualification. At the Don Bosco Skills Centre, entrepreneurs work in their own businesses. They pay minimal rents and, in return, commit to training young people. This gives them the advantage of a low-cost workshop and an 'industrial park'. Until now the Likusasa Skills Centre has used its own resources to support the theoretical and practical training, but as that has become too expensive there are also plans to bring in entrepreneurs.

Achieving the project aim involves overcoming economic and social obstacles: this is a challenge to everyone concerned. The entrepreneurs underline how chal-

Learners at the workshops of YES
Source: Andreas Mesli

lenging it is to find a balance between their role as businesspeople and as trainers. They are very well acquainted with having to juggle acting in the interest of the community and taking individual responsibility. Mubli Mabuza (42), the manager of the YES programme, is confident: 'If we manage to motivate the young people and give them the skills they need, then we can do something about high youth unemployment.'

The instructors recommend taking on 80 school-leavers a year in the YES programme. They can then found a small company at the workshops on land owned by the Salesians of Don Bosco. In line with the strong community spirit, they generally form business teams; small cooperatives. These groups, formed during the programme, pay 800 ZAR rent (about 80 Euros a month) per workshop for the premises and the equipment. They pay 1,500 ZAR (roughly 150 Euros) for a whole year of training. They earn this money entirely independently from their work at the workshops. In other words, they are both in a protected environment and also in the entrepreneurial business world. During the first year, the aim is for the young entrepreneurs to develop a customer base and save up to go into regular business for themselves at the end of the year, paying for tools and machines from their own pockets. This savings plan is mandatory. Five per cent of profits from their business transactions are managed by programme members and paid out when the entrepreneurs go independent.

There is one aspect which is almost more important than honing their craftsmanship skills and practising financial discipline, and that is the additional subjects they study. They need to be able to use computers as a matter of course, as well as developing and applying marketing strategies. A lot of effort is put into developing participants' entrepreneurship; theory and practice are intended to complement one another. The variety of crafts at the 16 workshops is designed to fit the market as best possible: automotive and bodywork repairs, (home) electrics, woodwork and metalwork, plumbing, dressmaking, upholstery, refrigeration technology, silkscreen printing and arts and crafts.

As well as supporting individuals, the Don Bosco Skills Centre also negotiates with the government to push for more industrial parks to be set up with small, affordable workshops. This would help multiply the great results that have been achieved so far and make it easier for participants to cross the threshold to independent employment. The existing workshops also need further investment. In the field of car mechanics, in particular, the equipment is far from modern. The instructors are keen to point out that this leads young candidates to fail the theoretical part of the state examinations. Currently that is not a major limitation for graduates, as many vehicles on Swaziland's roads are still very simple and old. The basic mechanical training course is still enough to learn how to repair them.

Challenges

- Motivating young people to become independent and giving them opportunities without breaking with social conventions in Swaziland;
- Identifying and applying the measures and topics needed to complement informal crafts teaching: business skills and entrepreneurship are hard to teach anywhere;
- The educational level of the target group is generally very low, so training must have a strong practical basis and suit their needs.

Success factors

- In Swaziland, community comes before individual success. Promoting small cooperatives stays in line with this social structure and sets forces in motion.
- In Swaziland the informal market (about 80 % of the industry) provides a lot of opportunities, as many everyday needs cannot yet be met by domestic companies. Giving people the qualifications for these fields, and entrepreneurial skills, fosters success and creates an income.
- The holistic approach of Salesian training (technical training and personal development, life skills) helps people achieve success in their career and advance in social terms.

Initial success

It is very important to everyone involved that YES reaches the poorest of the poor. The level of need can be seen from the fact that university graduates are now applying for places: for them, too, independence is a way out of unemployment. The fact that the programme is nonetheless reaching its core target group can be seen from the story of 29-year-old Sibongiseni Bhembe, who sums up his beginnings pragmatically: 'I had nothing.' Not even a formal school diploma, of course. Now a trained carpenter, he makes wooden pallets in the Bhunya industrial area. He found his niche, and his business model works because it is in the right surroundings. Demand for his product is high and his business connections are good. Sibongiseni now has ten employees and has registered his company.

Learners at the workshops of YES *Source: Andreas Mesli*

The story of Thabile Mabuza is equally persuasive. The 30-year-old already wanted to become 'a real businesswoman' many years ago. The fact that she has actually achieved that is particularly impressive considering that only few girls choose to train as upholsterers and follow through to the end. Thabile stuck with it. Marketing and business administration had always been her favourite subjects. With that spirit she fitted into the business incubator at the Salesians of Don Bosco, joining up with four young people to form a business team. 'Thabile got the whole team moving and always motivated her fellow workers to go along with her', explained her former instructor, Mubli Mabuza. She herself has a very simple, clear view of things. She enjoys her job, is dedicated and hard-working. In

2010 she completed her training and opened her upholstery business, producing furniture and repairing armchairs, sofas and car seats. Thabile has two employees, both men. Their customers include large companies and institutions such as the University of Swaziland. Their business is on a site provided by the government, but they still pay rent. Their competitors, with the same portfolio, are right around the corner. Is that not difficult? 'No; I have my own customer base', she replies, full of self-confidence. The other small enterprises are, of course, not run by women. Thabile sets a huge example for her partners. Her aims for the future are to further extend her customer base, employing even more Swazis. Then she would like to buy a van for transport. Marriage and a family still take second place. 'There's still time. But I would like to do that in future', she says. Her family is very proud of her.

Further reading:

- Statistics about Swaziland:
  http://data.worldbank.org/country/swaziland
- Statistics about Swaziland:
  http://www.who.int/countries/swz/en/

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Training Aymara micro entrepreneurs – migrants in the city of El Alto

El Alto is a city in Bolivia with one million inhabitants, the majority of them from migrant families of the Aymara altiplano and 70% of them members of the informal economy. The Energy and Population Research Centre (CIEP) is a Bolivian NGO which implements projects that create employment and income based on the knowledge and productive potential of the indigenous people of Bolivia.
The skills that incubate enterprises are strengthened through the technique of learning by doing, starting from the preservation of traditional know-how which is reflected in cultural craft products. Later on, products are added to the market to generate income. Productive cycles are reproduced with technical assistance to develop planning capabilities. The aim is sustainability in applying what has been learnt, creating leadership and aptitude for working as a group.
The values inherent in this training are: entrepreneurship, creativity, identity, interculturalism, citizenship, partnership, complementarity between producers and recognition of the work of women and young people.

1. The geographic and socio-economic context of the problems

A few years ago El Alto was just an outlying suburb of the city of La Paz, in Bolivia; now it is a city of around one million inhabitants, mostly indigenous Aymara.

They are migrants who, due to the breakdown of the traditional rural economy, moved to the outskirts of a large city to live and work. Despite this, they continue to maintain close economic, social and cultural relations with the rural communities they came from. They supplement their low incomes in the city by selling products grown in the community at planting and harvesting time. In addition, the links are cultural and organisational in nature: they take part in community festivities and even hold positions as community leaders on a rotating basis.

Their involvement in the city takes the form of working in the informal sector, on the margins of a range of social benefits that those working in the formal sector receive, such as the right to job security, health care and a pension. They are mainly indigenous people and families with little education, especially the women, with high levels of poverty and extreme poverty. Their informal production units are based on family work, which in many cases does not pay for the participation of relatives or of trainees below the age of 30. The level of investment and use of technology is low, resulting in low productivity.

Women are involved in the informal sector, primarily in small businesses and micro enterprises producing craft goods reflecting their cultural identity. Despite the precarious nature of this type of work, it enables them to earn a wage of their own, supplementing that of their men folk, who are often faced with unemployment. This gives them greater economic independence and empowerment.

Craft products preserve indigenous techniques, materials and designs, and are destined mainly for the market, where people with higher incomes and tourists buy them.

The young people in these Aymara families also participate in the informal economy although, being better educated, they seek better jobs but do not often find them. Youth unemployment is high and often results in crime and gang membership.

2. The Energy and Population Research Centre (CIEP)

CIEP (Centro de Investigación de Energía y Población) is a Bolivian NGO that trains people in order to promote alternative ways of generating income through training in productive enterprises, preservation of the traditional methods of producing cultural objects and adaptation of these traditional methods to the requirements of the market. It operates in several regions of Bolivia, aiming to achieve greater competitiveness in micro and small enterprises while knowing that the success of taking these measures depends on national policies which encourage and support productive development, as well as paying greater attention to rural areas.

The organisation was created to incorporate the use of technologies suitable for the social and economic development of poor people. The first thing it did was to focus on assisting with the preservation and diversification of the pottery of the rural communities of pot makers.

It focused its area of activity based on a description of the territory inhabited by potters in pre-colonial times produced by John Murra: Los Olleros del Inca (The Pot Makers of the Inca). Traversing the altiplano, he located them in the vicinity of Lake Titicaca, the Desaguadero River and Lake Poopó. This CIEP initiative had a major impact on the traditional production of pottery and diversified its production.

As part of this undertaking, CIEP came across the Collana Baja community, where only a few old people remained and continued to work at the trade.

CHALLENGES

- Very little capability by the formal sector to involve the informal sector:
  The problems of the Bolivian economy do not make it possible for human resources and enterprises trained in the informal sector to receive the benefits of social welfare, job stability and level of income of the formal sector. Work must be done to extend these benefits to entrepreneurs trained in the informal sector.
- Intermittent nature of informal training:
  Training in productive skills in the informal sector does not rely on strong institutional structures or on stable financial resources. The State and NGOs must be involved in working together to integrate this type of technical training into formal schemes.

SUCCESS FACTORS

- Entrepreneurial capability:
  El Alto reflects the dynamism of the population who are of Aymara origin in an urban context: persevering, creative, entrepreneurs, able to live frugally and to work long hours.
- Cultural riches in an urban setting:
  The Aymara culture gives craft products a cultural personality that is enriched with other cultural influences.
- Closeness to technological resources and markets:
  Training in the production of cultural crafts has greater likelihood of gaining access to new technologies and to markets with greater purchasing power in an urban context than do producers in rural areas.

3. Experience and results of the educational work with Aymara migrants

3.1 Female potters

CIEP came into contact with the migrant families of the Collana Baja community in the Janko Kalani district of the city of El Alto with the aim of preserving their pottery making skills. A group was formed to undertake this task with the daughters of those potters who were still producing goods in their community. Even though they were helping their parents in the pottery, in order to involve other migrants it was decided to teach simple techniques, such as modelling by hand

Miguel Limachi´s hand made production in El Alto show the influence of the ancient pottery from Tiwanaku, the region from which he migrated. Source: CIEP

Ceramics made by women from El Alto, daughters of rural potters. Source: CIEP

and using moulds. They learnt how to use enamel and how to operate an electric oven. They positioned their products in the market. CIEP supported this process until 2006, when it implemented a project which was the first stage in the producers becoming self-managing.

Through practice, the building and strengthening of productive skills reaffirmed a methodology tailored to each context. In the case of Chualluma, a community in the province of Camacho on the border with Peru, in the far north of the altiplano, the distance from the urban centres and inaccessibility because of the lack of roads meant that the training was focused on ancestral techniques, without any variations, to avoid being dependent on materials, tools or equipment that were difficult to obtain.

On the other hand, the techniques applied with the potters of Janko Kalani included technological advances which were present in an urban environment. It was necessary to reinforce the women's right to have access to technologies which until then seemed intended for men or people with higher incomes, ending the unequal access to new technologies.

The design of their products reflected the cultural changes that affect migrants and the aim of penetrating markets with greater purchasing power. The products that were successful were those which stylised the nostalgia for their community, such as replicas of houses, and utensils for serving food in which traces of the Aymara culture were subtly evident.

The development of this trade empowered the women as citizens:

- Their work was turned into a demonstration of pride in the legacy of their potter ancestors in the indigenous community.
- Their contribution to generating the family's income raised their importance within the family.
- Their involvement in a producers' organisation enabled them to learn about other regions and techniques, broadening their view of the world.
- Their presence in commercial centres and involvement in political advocacy made them powerful women.

3.2 Young producers

In 2006, Project Concern International called upon CIEP to motivate the young people of El Alto about local development by making use of games in a show covering various public squares and educational centres. CIEP organised a series of

What we see: Puppetry, pottery and candle making are part of the presentation in a cultural exhibitions hall in La Paz of The Productive Hands Network of Young Producers. Source: CIEP

tents called the "Productive Quarter". A productive skill was shown in each of them: pottery, basket making, needlework, creative crafts and cookery. To the surprise of the students, an object was produced in minutes and then there was an opportunity for those wishing to do so to try out the technique they had observed.

The outcome of this motivational event was the spontaneous creation of a group of supporters who wanted to learn the techniques that had been demonstrated in the travelling "Productive Quarter". This was the basis for the training of the "Productive Hands Network of Young Producers", made up of children or grandchildren of Aymara migrants.

Between 2010 and 2011 an enterprise incubator methodology was applied to this network, in conjunction with other organisations. Its members mastered the productive skills they chose, developed sets of products, created their corporate image, organised exhibitions, appeared before the mass media, exchanged knowledge with young producers from other regions, coordinated with their local councils, established relationships with other networks, generated income for their families and replicated their knowledge by training other young people.

The diversity of the participants led to basic knowledge being passed on, and this continued to be improved. A 'made by young people' stamp was given to the products developed to attract young consumers. By this means, what we term creative crafts (the manufacture of candles, dolls and chipboard decorations) were

supported, with an ethnic touch set in an explosion of colours. In addition, there were also confectionery products based on Andean foodstuffs.
Both experiences were reflected in the following outcomes:

- Research into the lives of craft producers and their products (publications in books, newspapers and videos);
- Preserved and revitalised pottery production;
- A wide range of craft products;
- Products used in the everyday life of urban consumers;
- Access to technology through production centres;
- Corporate and product images (catalogues, posters, packaging, labelling);
- Young people's enterprises created;
- Producer networks organised;
- A presence at local, national and international exhibitions;
- Leaders who develop political advocacy for the benefit of their peers.

Annex 1 compiles the main skills developed in the different project components.

Young entrepreneur leaders represent their peers on TV in La Paz. *Source: CIEP*

4. Training methodology for incubating productive enterprises

The following steps are taken in the comprehensive methodology for incubating productive enterprises:

1) Diagnosis and preservation

Research activities to preserve usages and customs in the production of cultural crafts within the framework of employment and the productive power of each region and analysis of supply and demand structures for this type of production.

2) Training based on developing a productive identity

a. **Introductory training**

Acquisition and reinforcement of knowledge and understanding of selected production techniques based on a review of the participants' productive tradition and their immediate environment, and the demands of the market they wish to reach.

b. **Further training**

Improvement of production techniques through replicas of prototypes designed based on the determined productive personality (product development).

3) Reproduction of the productive cycle in relation to the market

Experimental introduction of the product to the market. Assessment of the results obtained in each incursion to determine what and how to produce, in what quantities and for whom.

4) Promotion of the productive units

Development of corporate identity and product image by organised and associated productive units. Publicity about the work of the producers based on the development of their ability to organise events.

5) Business management

Strengthening administrative capabilities during reproduction of the productive cycles. Development of business skills in planning, implementing and monitoring production and marketing.

6) Strengthening partnerships and political advocacy

Promotion of the desire to participate and become involved, development of leadership and understanding of the importance of involvement in networks. Legal standing and legalisation of own organisation. Organisation of individual, family or collective enterprises in parallel with the inclusion of the participants in subsequent productive cycles. Development of the productive personality of each enterprise to promote its partnership through complementarity, an Andean value where one part is integrated harmoniously and in a complimentary manner with the whole.

Distribution of information about rights, development of political advocacy strategies and search for ways of establishing them on a formal basis.

7) Access to financial and material resources

Training in the use of microcredit, seed capital, leasing, funds to acquire materials, revolving funds.

5. Lessons learnt

5.1 Lessons learnt from the Aymara women's project

The strong presence of women in this economic area is a disadvantage that nevertheless presents opportunities.

The participation of adult women in training processes requires them to reorganise their everyday lives, which are divided between domestic tasks and activities that generate an income. For this reason, it is important to maintain motivation, promoting rapid success through short but intensive learning cycles.

The training is adapted to the varied levels of knowledge, skills and level of familiarity with their productive powers with the techniques imparted. From this, greater knowledge is obtained in periodic cycles of growing complexity. This involves monitoring each individual. For this reason, training cannot be done on a very large scale.

The women take ownership of their tradition, which anchors them in their identity and gives them strength to face the challenges of the urban environment, and of new technologies that are turned into an option that they can access as a right.

The holistic approach in teaching considers women as productive powers and as human beings with unacknowledged rights, delayed expectations and abilities to contribute to the development of their society.

The inclusion of members of the family as participants in the training process is important. Despite this, their children and husbands often limit the use of the potential of women who are fully trained.

Training develops women's self-esteem, the value of their ethnic origin, the status of their gender and their talent to create, produce, organise and consolidate. It empowers them to take decisions and to come up with goals and strategies to achieve them.

Because of the way in which they live, in an urban context Aymara women are used to facing challenges and to making a space for themselves in the territory which they inhabit. This status encourages them to participate in the challenges that this methodology continues to create.

5.2 Lessons learnt from the young producers project

A characteristic of young people in the low income urban sectors is their high geographical and occupational mobility. In the 5 years we have been working with them we have seen them move house, change their main activity, change the way they integrate into the family and their objectives. Unlike working with women, which offers greater stability in the medium term, economic initiatives for young people are often short-term in nature. What remains in the final analysis is the ability to be an entrepreneur acquired in the process. This enables them to become involved in similar activities or to resume working at some other time. This characteristic requires institutions to pay them appropriate attention. Young entrepreneurs who have to wait a long time for financing end up choosing other options.

In the process of becoming producers, young people in the low income sectors find the opportunity to channel their rebelliousness, distancing themselves from forms of behaviour that do not build society, a risk that exists in a city such as El Alto.

They face an identity crisis that is the result of the double cultural pressure coming from their parents and grandparents, chained to their original Aymara community, and of the availability of means of communication which transmit a mass culture based on consumption. It is important to rescue the elements of cohesiveness and motivation that are present in their cultural identity, rich in new nuances.

They are often ignored as citizens, except when they take to the streets in social protest. For this reason, the training of leaders who are able to present demands aimed at encouraging economic initiatives that can be negotiated with local authorities and public and private institutions is included.

Young people need mentoring in the processes of putting what they have learned into practice, but at the same time they are predisposed to share experiences, thus becoming tutors of their peers. Opportunities must be created so that those trained can replicate what they have learnt.

A characteristic of young people is their sociability and their capacity to give. These qualities help to strengthen organisations.

In the experiences described, the participants consist of individual or family productive units or of units made up of a combination of several individual producers. Young people generally do not dare to become individual entrepreneurs.

As part of the informal economy, young producers have not achieved rights similar to those of salaried employees. The change from self-employment to decent employment is an issue still waiting to be addressed.

6. Factors that influenced the experience

Impulses driving the initiative:

- Interest from potential purchasers of craft products for objects with a cultural stamp;
- Creativity that emerges from the productive tradition of the rural altiplano surrounding El Alto;
- Interest by the population of the informal sector in mastering a trade related to their economy to support themselves with it;
- Less resistance to change by women and young people in the sector who are ready to include new ideas in their productive practice;
- Training of producer and implementer networks that instigate co-ordinated action for the common good.

The German Adult Education Association, *dvv international,* deserves special mention. It is noted for its non-bureaucratic support focused on key specific needs and its empathy for the efforts made by beneficiaries and implementers. This institution collaborated with research and dissemination, training, equipping and strengthening organisations. It recently encouraged the adoption of a systematic approach to the methodology and the design of a proposal to incorporate the experience into formal education.

Limiting factors:

- Narrowness of the internal market, resulting in low purchasing power by the population and therefore in low demand for products with a cultural identity;
- Limited development of the formal labour market which prevents the inclusion of those trained for jobs in related fields;
- Intermittent nature of international financing that converts this training programme into a slow process that discourages those it is intended for;
- Few financial resources contributed by the municipal authorities and a lack of stable coordinating bodies;
- Lack of a state agency to provide comprehensive support and coordinate inter-agency efforts.

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Appendix 1: Table of skills developed

Target group	Description of members	Skills developed in production and marketing	Products created	Sales outlets	Leadership skills developed
Female potters from Janko Kalani in El Alto	25 women from an original group of 40, housewives, recent migrants who were supported for 10 years.	Hand-made pottery and pottery made in moulds. Production and marketing management.	Decorative and utilitarian items that recall images of the producers every day life back in their rural community. Products decorated with elements of stylised iconography of the Andes.	Exhibitions in El Alto, La Paz, Colombia, Argentina, Chile, Germany, United States. Production for contracts for local and foreign markets.	Strengthening of collective ability for exercising leadership in their own organisation and in producer networks. Ability to pass on knowledge about production to their peers. Self-management.
Productive Hands Network of Young Producers	90 young people between 15 and 30 years of age, studying at school or university, or people seeking work, children or grandchildren of Aymara migrants who were supported for 4 years.	Creative crafts (manufacture of candles, dolls, party packs, chipboard modelling, wood carving, macramé, needlework, tailoring, and jewellery).	Products that are essentially decorative with universal appeal, except the doll which represents people from El Alto and the party packs which represent animals of the Altiplano.	Exhibitions in El Alto and in the city of La Paz.	Strengthening of collective ability for exercising leadership in their own organisation and in producer networks. Communication techniques for developing corporate image. Self-esteem and reappraisal of cultural identity. Political influence on local government.
Students at educational establishments in El Alto	200 young people from schools in El Alto of between 15 and 20 years of age who were supported for one year.	Chocolate shop and cake shop.	Chocolates and cakes containing Andean cereals.	At school break time and snack service contracts for public events.	Entrepreneurship.

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| Best Practices: Cooperation and coordination |

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Supporting women in the informal sector– experiences from Ethiopia

Even though the informal sector has been part of scientific debate for forty years, "measuring informality is a complex and tricky affair"[1]*. Overlapping concepts of informal economy, the informal sector, informal employment, etc., and a complex reality make it difficult to find an agreeable definition of terms that describe the "essence" of these. In this article, formality/informality will be viewed as framework conditions influencing the lives of females in Addis Ababa and hence having a certain influence on the Integrated Women's Empowerment Programme (IWEP) implemented by dvv international in Ethiopia and funded by the Royal Netherlands Embassy from 2006-2012. This article will give a brief description of the IWEP in the Ethiopian context, and will focus on the possibilities of bringing different stakeholders together to enable poor women to improve their livelihoods within the informal sector.*

Women and informality in Ethiopia

When it comes to describing the state of informality in Ethiopia, the difficulties of the blurred definitions, as mentioned above, lead to challenges. The Analytical Report on the 2012 Urban Employment Unemployment Survey from the Ethiopian Central Statistical Agency[2] reports that in March 2012, out of a total of 1,096,196 working population in Addis Ababa, 12.8% were engaged in the informal sector. As the methodological niceties of labour statistics cannot be deeply elaborated, it still stands to note that informal employment in Addis Ababa is a common phenomenon. And this does not only count for the working status; informal settings form part of the daily life of the majority of people living in Addis Ababa, for ex-

1 Fransen, Jan and von Dijk, Meine Pieter, Informality in Addis Ababa, Ethiopia, Paper prepared for the Conference *Are cities more important than countries*, Erasmus University Rotterdam, 2008.

2 Central Statistical Agency, *Analytical Report on the 2012 Urban Employment Unemployment Survey 2012*, Federal Democratic Republic of Ethiopia, Addis Ababa, 2012, 58.

A women's group labeling food items for sale
Source: dvv international East/Horn of Africa: Integrated Women's Empowerment Programme (IWEP)

ample when it comes to housing and transportation[3]. Formality and informality are interwoven and form a patchwork in which the populace tries to make ends meet. The one exception is education, which covers 95% of participants, but also may be complemented by additional private classes[4].

So when it comes to analysing the situation of women in the informal sector, it becomes clear that a complex set of factors in the environment – ranging from the women's own household to the immediate market potential and the services they can access – have to be considered. For the development of IWEP, these framework conditions reflected deeply on the approach chosen. As improved livelihoods, literacy, and income generation for women were in the scope of the programme and full-time employment for most participants was not an option, different paths had to be taken.

Ethiopia is a multi-ethnic, multilingual and multi-cultural nation where, despite marked economic growth in different sectors, poverty levels remain high. The government's present long-term vision is to transform Ethiopia into a middle-income country within the next 15 years. This vision demands a transformation of the economy, which in turn demands a literate and skilled population as pre-conditions for any nation to become competitive and achieve growth and transformation. There are clear connections between literacy and skill levels and both economic output and GDP capital growth. The country's Growth and Transformation Plan (2010/11-2014/15) elaborates on this vision and how to achieve it.

Women are one of the most marginalised groups and bear a disproportionate share of the burden of poverty in Ethiopia. They take the major responsibility

3 Fransen and van Dijk, 9.
4 ibid.

for household chores in addition to the support they provide in the households' livelihoods activities. Women spend a large part of their day on laborious household tasks, leaving them with little or no time to benefit from training and other opportunities to improve their livelihoods. Since the literacy rate for women – in the population 15 years or older – is 29% versus 49% for men[5] and "a larger percentage of urban young women remains illiterate, and a lower percentage achieves education beyond general education"[6], they are more effected by the lower rates of payment in informality: "The low productivity of the informal sector results in low wages, especially for unskilled workers. Urban markets in Ethiopia are characterised by a large wage gap between the formal and the informal sectors (estimated at 30-40% in 2004)"[7].

Still the "northern" concept of employment does not fully cover the situation of women in Ethiopia, many of them are economically active as "Homemaking (...) seems a statistical artefact, representing a failure to count household chores as work"[8] and, according to Fransen and van Dijk, 81% of women in the informal economy are domestic employees[9]. Due to social and economic constraints, women seek means to contribute to the household income, depending on their individual situation and abilities. "Income diversification has been reported as a risk management and coping strategy, especially for women"[10].

This becomes more evident when engaging with the women themselves. In the IWEP publication 'Faces behind our work'[11], *dvv international* explored the realities of the target group participating in the IWEP. Their stories reveal a life of early and forced marriage, polygamy and the challenges it brings, no schooling or interrupted schooling and engaging in subsistence farming and daily labour that require minimal skill, such as washing clothes for neighbours and working on commercial farms, engaging in petty trade, etc. When asked about their dreams for the future, almost all express the need for more skills, having a job or starting a business and generally having a better life for themselves and their families.

Recognising these challenges and problems women face and their importance in the economy and growth of the country, the Constitution of Ethiopia has guar-

5 EFA Global Monitoring Report 2012, *Youth and Skills, Putting Education to Work.*
6 Denu, Berhanu; Tekeste, Abraham; van der Deijl, Hannah, *Characteristics and determinants of youth unemployment, underemployment and inadequate employment in Ethiopia,* ILO Employment Strategy 7 2005, 8.
7 Brixiova and Asaminew, 10; in detail Denu, Tekeste and van der Deijl, 22.
8 Denu, Tekeste, van der Deijl, 13.
9 Fransen and van Dijk, 8.
10 Denu, Tekeste, van der Deijl, 21.
11 Belete, S., *Faces behind our work*, IWEP, 2011.

anteed equal rights for women and men. The government is promoting gender equality through the National Policy on Women and various institutional arrangements such as the establishment of a Ministry of Women Affairs with corresponding offices at regional and *woreda* (district) levels as per the three-tiered federal structure of Ethiopia. Gender focal persons have also been placed in various sector offices such as Agriculture, Health, Technical and Vocational Education and Training, Education, etc., with the specific intention to mainstream gender in all sectoral programmes.

Overview of the Integrated Women's Empowerment Programme (IWEP)

The National Adult Education Strategy makes provisions for a multi-stakeholder involvement and delivery of Adult Education across sectors and the federal tiers of governance in the country. In addition to the Education Sector Development Programme (ESDP IV), Ethiopia is placing a specific focus on Integrated Functional Adult Education (IFAE), seeking to link literacy and numeracy to livelihoods and technical and vocational skills training. The national TVET strategy aims to provide the necessary relevant and demand-driven education and training that corresponds with the needs of the economy and social factors for employment and self-employment. The strategy also stresses the role and involvement of the private sector and

Almaz Deko, a former fuel wood carrier, 60 years old and a mother of four grownup children, doing weaving as an income-generating activity in her one-room house. Source: dvv international East/Horn of Africa: Integrated Women's Empowerment Programme (IWEP)

non-governmental organisations as well as the community in the delivery of training. Considering the fact that a huge percentage of the target group is illiterate or semi-literate, it requires specific approaches to bring the vision to life. The IWEP attempted to test models and best practice for a specifically female target group, but with the potential to be adopted and adapted for both sexes.

IWEP, as part of the bilateral agreement with the Government of Ethiopia, reached almost 30,000 women across Ethiopia with a three-pronged approach combining literacy, skills training and entrepreneurship support in the form of access to start-up capital and business skills training and business development support services. The programme was implemented with a variety of local partners, ranging from non-governmental organisations (NGOs) to various government sector offices. The implementation approach was designed to mirror coordination structures from micro (municipal and district) to meso (zones and regions) and macro (federal line ministries) levels. IWEP reached out to 6 of Ethiopia's 11 regions and more than 40 districts.

Most IWEP groups started with the literacy component on topics identified during local situation analysis exercises and using either the approach of Functional Adult Literacy (FAL) or Regenerated Freirean Literacy through Empowering Community Techniques (REFLECT). The best practices of these approaches finally culminated in what is now called 'Integrated Functional Adult Education' (IFAE). Women started saving immediately so as to build up complimentary capital for IWEP's available Women Entrepreneurship Fund which could be utilised after the skills training. Facilitators have been trained and continued with literacy classes 2-3 times a week while experts from government sector offices such as Trade and Industry, Agriculture, TVET and primary partners (NGOs and Women Affair Offices) received training in IWEP's market assessment approach, a simplified version of value chain analysis. These experts worked together in teams and conducted market assessments for each operational *woreda*/district of IWEP.

The results of the market assessments were then shared with the women, who usually had their own pre-determined ideas on the kind of business they wanted to engage in. The market assessment exercise and alignment with the women's interest therefore directly determined the kind of skills training that was to be conducted and who was the best role-player/partner to do so. Experts liaised with other members of the district technical team to compile skills training plans that were to enable the women to start these businesses. In the urban context, such as

in Addis Ababa, TVET offices most often conducted the skills training, while in exceptional cases private individuals were brought on board.

Factors that had to be taken into consideration include:

- The number of women that required a specific skills training. It is not cost-effective to conduct training courses for a few individuals, at the same time market saturation needs to be considered.
- Who will conduct the training and do they have the necessary experts and equipment.
- Where will the training be conducted, e.g. in nearby Community Training Centres, bearing in mind that the women cannot leave their households for an extended period of time to attend training. Most training was therefore conducted in centres within walking distance to the women's homes.
- The number of days the training needs. In IWEP's experience, most courses lasted between 2-6 days. The skills training should ideally also not interrupt the attendance of the literacy classes and at the same time consider women's already heavy work load.
- Considering the women's limited literacy skill, course content had to be very practical so that it could be memorised (sometimes with pictures and basic words) and applied immediately.

Women engaging in various handicrafts as income-generating activities
Source: dvv international East/Horn of Africa: Integrated Women's Empowerment Programme (IWEP)

Once women had attended the skills training they became eager to take loans from their group and start their business. It was therefore important to incorporate topics on business skills training as early as possible into the literacy programme so that women gain this knowledge and can start their business having analysed their competitors, being aware of profit calculations, etc. IWEP had worked closely with partners to integrate the contents of its business skills training manual with the literacy programme and facilitators had been trained so that women received this as an integrated skill package where business concepts are linked to literacy and numeracy in a variety of local languages. Business Development Support Services (BDS) were rendered by technical partners who visited the women's groups on a monthly basis to follow-up on the success of their businesses and identified gaps and further training needs.

Acquired skills were applied directly, e.g. by needing a proper book-keeping for the savings scheme. At local level, the programme brought together all those concerned with the matters described above in order to align the different pillars of activities, e.g. to determine the most promising business venture and tailoring the vocational training according to it.

IWEP's integrated nature and the programme's objectives of delivering three different elements to the target group necessitated an approach that involved multiple stakeholders right from the design phase. In order to guide IWEP's implementation and create mutual understanding amongst partners, a number of conceptual frameworks have been developed. For example, the Integration Framework shows the interpretation of the concept of 'integration' across IWEP's 3 key components, starting with a conceptual understanding and moving to how Ethiopia's current policies and strategies embrace integration of these concepts. The framework also explores institutional integration between government, NGOs, different sectors and levels of structures and how that will translate into programme design and ultimately implementation on the ground.

IWEP Integration Framework[12]

IWEP Key Concepts →	Literacy	Skills Training	Entrepreneurship Support
Levels of Integration ↓			
Conceptual Linkages			
Policy and Strategy			
Institutional			
Programmatic Design and Implementation			
Impact for target group			

In order to make the 'Institutional Integration' practical, NGO and government partners across sectors and tiers of government had to be brought together in both coordination and implementation structures. In this regard, IWEP designed a 'Partner Modality' to show who forms part of the structure and the type of role each stakeholder would be playing. The implementation structures were called 'technical teams' and comprised of experts from relevant government sector offices and NGO partners at the local level. These experts would cooperate as virtual teams to deliver training and services to the IWEP target group. At the same time, the heads of the government sector offices and NGO partners formed a structure called 'Steering Committees' who gave oversight and guidance to the programme's overall implementation. In the case of Ethiopia, the steering committees were chaired by the District Administrator, who was well-placed to bring in all sector offices and development initiatives.

IWEP differentiated between primary and technical partner organisations in order to create an implementation modality that can provide the three key skill elements to the target group through different sectoral partner organisations. Primary partners are usually partner organisations that have women's groups in the communities with whom they are already working in one or more of IWEP's key components. Primary partners are usually local NGOs or Women Affairs Offices but can also include Education Offices or TVET centres depending on the context and situation. Technical partners typically play the following roles:

- Education Bureaus and Offices for support on literacy.
- Trade and Industry (MSE) Bureaus and Offices for support on market assessments and business skill training.

12 Belete, Sonja, IWEP Partner Guideline, 2009.

- Agricultural and Rural Development Bureaus and Offices for technical skill training through their Farmer Training Centres (FTCs) as well as business skill training and market assessments. The Development Agents (DAs) also provide business development support services (BDS).
- TVET Bureaus and Offices for technical skill training in Community Skill Training Centres (CSTCs).
- Women Affairs Bureaus and Offices for support on women group mobilisation and orientation and oversight/monitoring.

Both in the context of the IWEP and the Ethiopia Government's programme, each stakeholder had a specific role and responsibility to fulfil. *dvv international* did not only see itself as a financial partner, but also as a technical partner. IWEP's Central Programme Implementation Unit (CPIU) and Regional Coordination Units (RCUs) provided technical support in the form of Training of Trainers workshop in the various methodologies and approaches that IWEP used. It also provided technical backstopping and advisory services to partner organisations. IWEP has developed a number of materials and these were made available to partner organisations in several local languages. The workshops and materials have contributed to build the expertise of government and NGO staff in adult literacy, market assessments, business skills training and business development support services, etc.

Based on the Ethiopian Government's own initiative in the National Adult Education Strategy and the physical proof from the IWEP that such structures played a vital role in the coordination of stakeholders to implement integrated approaches and by so doing improve livelihoods of the most marginalised in an informal context, these structures have been adopted and adapted and are currently named IFAE Boards and Technical Teams and include even more stakeholders – such as the health sector, etc. – than the IWEP required.

Institutional Cooperation to create an enabling environment at local level

One distinctive feature about Ethiopia's system of economic regulation is the possibility to register as a cooperative, which entitles the respective group to business support services, credit, and different types of government support. IWEP ensured, together with its partner organisations, that all women's groups were legalised in order to access a range of services and access to government support and advice beyond the programme's lifetime.

At the time, different options were available and IWEP's partners from both the government and NGO sector briefed the women's groups on the benefits and regulations of each option. Finally, the women made their own choice. In the context of Addis Ababa, most groups were legalised as either Small or Micro Enterprises under the auspices of the Small and Micro Enterprise Development Office or as cooperative societies.

Local NGO partners, together with the Micro and Small Enterprise Development Office, facilitated a process which involved the following:

- Selection and registration of a name for the Women's group under the Ministry of Trade;
- Completion of different forms (Pre-registration, Model Administrative and Model Cooperative Form);
- Opening a savings account and having a legal stamp with the Addis Savings and Credit Association (another government institution);
- Requesting a taxpayer registration certificate from the Ethiopian Revenue and Custom Authority in order to obtain legal registration to start operating their business.

These steps already indicate the complexity of the process for women who do not have sufficient literacy skills and the vast number of stakeholders involved in the legalisation process alone, not forgetting the skills training and literacy components of the programme. Once women obtained their legal status, they deposited their savings funds as well as the IWEP revolving fund contribution into their bank accounts. From these funds they also had to pay costs related to the above-mentioned process. Saving is a pre-requisite to register.

Some of the benefits the groups obtain from registering as cooperative societies are support from government sector offices for:

- Obtaining loans from micro finance institutions;
- Obtaining space and shelter to operate their business from;
- Links with the market chain and business opportunities;
- Business development support services in the form of regular supervision, visits and advice on how to run their business;
- The groups to compete legally in bids; and
- Access to different types of skills training, including bookkeeping, customer handling and conflict management. For technical and vocational skills training, groups are referred to TVET offices.

This supports the argument of Fransen and van Dijk, that the reason for employees to stay in informality is not voluntary[13], formality cannot be obtained due to bureaucratic hurdles or high costs, "they are in business as a survival strategy, carefully combining different coping strategies to reduce their vulnerability"[14].

Conclusion

IWEP could not have reached its objectives if not for the involvement of the multiple stakeholders that were brought on board, each playing its unique role to assist the target group in an informal setting to improve their livelihoods. Livelihoods improvement cannot rely on technical and vocational skills training alone, but needs an enabling environment with a variety of elements such as market-related technical skills training, life skills training, literacy, business skills training, business development support services, access to start-up capital and physical support in the form of a place to operate a business from, support with legal requirements in the country and advisory services.

These services cannot be provided in an uncoordinated manner, and structures have to be set-up and strengthened to facilitate these services. During IWEP's lifespan it became clear that 'institutional integration' was the most complex type of integration to achieve, yet it produced the most benefits. Many District Administrators witnessed that the IWEP not only improved the lives of the target group, but also strengthened government institutions to plan, budget, implement and monitor together. It also brought closer government-NGO collaboration.

The approach takes into account the fact that literacy alone does not have a developmental value in and of itself: Our experience shows clearly that Adult Education and local development can often be effected without literacy skills and that the need for literacy may only arise during or even after the performance of activities by a given community or the society at large. The results of IWEP have been impressive, almost 30,000 women participated in 6 regions by the end of the programme in 2013, and the participants report improved domestic status and stronger participation in decision-making at home. The payback rate of microfunds is more than 90%, indicating a successful implementation of the income-generating activities. Moreover, capacities at local levels in terms of infrastructure

13 Fransen and van Dijk, 15.
14 ibid. 16.

and know-how have been strengthened, so the prospects for sustainability and increasing outreach are promising.

In the frame of the programme to support Adult Education in Ethiopia, financed by the German Ministry of Economic Cooperation and Development, *dvv international* keeps working with the concerned Ministries at the Federal and Regional level. The experiences of IWEP are further developed in line with the national strategies described above.

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Community development and skills for the informal economy in Jordan

The article works on the thesis that technical and vocational training (TVET) is a key, be it not sufficient, element in improving livelihoods and jobs in the informal economy and in formalising informal activities. The informal economy and the specific needs for and characteristics of such TVET are also discussed, but the emphasis of the article is on the role of Community Development Centres, their work and their cooperation with dvv international. It is argued that these centres are ideal players in rural and remote areas in Jordan to provide or facilitate TVET appropriate for the informal economy although, and partly because, their mission is wider and aimed at development of the community in its many aspects.

The community, the whole community and nothing but the community

In the remote, rural village of Jdetta in the governorate of Irbid in Jordan, Umm Hammad (not her real name) now produces schoolbags from home, she can produce them for 2 Jordanian dinar (JOD) per piece and can sell them for 4. She has also struck up a partnership with a local kindergarten which guarantees her a small but stable market for her product. Umm Hammad is a divorced mother who had scant income and hopes that her newly founded business will provide her with enough to be able to support her children, thus being able to win custody over her children who now live with their father and stepmother.

The business is an outcome of one of the activities the local Community Development Centre (CDC) has set up in partnership with *dvv international*. The CDC started training mainly women, some 35 in 2012, in Jdetta in designing and producing schoolbags as a way for those women to increase the family income through informal economic activities on the local market. One of the main problems related to economic activities and employment in Jdetta is the lack of transportation to market places in the governorate where products can be sold. Adding to that are

Trainees during the school bag training in Jdettta community development center – Jordan
Source: dvv international

factors such as cultural constraints on women working outdoors, the long distance (and of course high cost of transport) to locations where formal employment can be found and long working hours keeping women away from the family. The schoolbags, however, can be produced and sold locally at a lower cost than schoolbags found on the wider market. This way, the local producers can increase their income and the local consumers can find quality products at affordable prices. Of course, it also allows women, in a country with one of the lowest female participation rates in the economy[1], to become economically active, even if only on subsistence level. In this case it can also lead to a more equitable solution to the problematic social situation which is the result of a divorce by providing economic empowerment to the woman involved.

The CDCs, some 60, scattered over Jordan, mainly in remote areas but also in some urban areas, funded by the Ministry of Social Development, are small but often highly regarded and trusted by the community. The centre in Jdetta, for instance, has only two staff and is supported by six to eight volunteers working on different projects. The centres often target the unemployed, the poor and the

1 ILO, 2012, 10.

marginalized, but not exclusively. They also offer possibilities for others to advance themselves through training courses or tutoring for high school students. They operate mainly in remote areas where such services are scarce, as are economic activities, and where cultural constraints are often stronger than in urban centres and women, especially, participate even less in the economy. In Muhay, a village in the governorate of Karak, for instance, a young woman, trained accountant, is volunteering as a researcher in the CDC because formal work as an accountant can only be found in the bigger cities and it is culturally not accepted that she would go that far out to work. For her the centre is a source of work experience and life skills, she says, and it also allows her to follow further computer courses, in a computer lab sponsored by *dvv international*.

The CDC in Naseem works in partnership with an active local community committee that helps with designing activities, outreach and networking. One of the problems identified there was the lack of access to work for mentally disabled members of the community. In cooperation with *dvv international*, the CDC set up a programme of on-the-job vocational training for people with disabilities, targeting mentally disabled. 18 people were trained in vehicle maintenance, mobile phone repair, typewriting and various crafts. Through agreements between the CDC and the participating local workshops and employers, the disabled participants gained skills and confidence but employers, their employees and the wider community were also made aware of the potential of people with disabilities and learned how to deal with them.

Next to a variety in training courses, the centres also offer micro-credits to start up small businesses and support community initiatives in other areas. The CDC in Naseem operates a low cost kindergarten, as the cost of child care is prohibitive, especially for women, to find employment or to start their own income-generating activities.

In Mansheye, the population is largely better off but quite isolated and the women are rarely able to venture out of the community. The CDC there provides, among other things, cooking courses for the women there. The courses not only provide the opportunity to socialize and cook. Less fortunate women can also take a food production course in which they learn how to cook for small scale, commercial purposes. These courses take place in the "productive kitchen" funded by *dvv international* which also allows some women to produce food to be sold in the village.

From the above it is clear that the centres are engaged in much more than technical training for the informal economy. The centres indeed offer training but also

supporting micro-credit. They are proactive through their researchers, networks and community groups in identifying the main problems in the community, which are often related to poverty, lack of economic opportunities but also to lack of integration in the community or a lack of constructive and social activities. The centres try to address these problems with the community and with volunteers from the community. This also allows for better insight in the problems in the community and the obstacles for the different members of the community to participate more fully in society, including making a living and creating or finding gainful employment. The centres also address, through their activities, issues of marginalization or lack of integration of certain groups such as the disabled, mentioned above, so they engage in awareness-raising and advocacy. Their success depends to a large extent on their active outreach to members of different underprivileged groups and on their efforts to connect those with other groups, with employers.

The description above suggests that the activities of the centres are rather haphazard, unstructured and little uniform. To some extent this is true. The capacity

Um Hammad during the initial phase of schoolbag training at the Jdetta Community Development Centre in Jordan *Source: dvv international*

to research needs and obstacles in the community, to identify opportunities, also economic ones, is rather limited, both in terms of human resources and methodological capacities. Because of this, currently, four centres are working with *dvv international* on building these capacities. Recently they implemented a Participatory Rapid Appraisal aimed at assessing how to reach larger target groups and focus more on improving economic opportunities for the community. But this diversity and flexibility is also their strength. It allows them to tackle a variety of problems, or to support the community in tackling a variety of problems, to focus on specific groups with specific problems and to work proactively to raise awareness of problems and of the possible solutions, even down to the individual level. It also allows them to take on the role of facilitator in bringing together people in need of skills with employers or people with similar complaints or people with needs with institutions that can help them. This is one of the aims of the cooperation of the CDCs with *dvv international*. Through the funded initiatives, study visits, the creation of a community of practice and other, future activities, the CDCs have the potential to become centres that can refer more to other service providers (private and public), provide access to training, jobs, information to the underprivileged, engage in advocacy of particular problems and solutions and empower through awareness raising, networking and through mobilization of the community.

Of themselves the activities of the centres and the vision of their possible future are necessary and have the potential to substantially change the situation of some underprivileged groups. But how does that tie into the informal economy in Jordan?

The informal economy in Jordan

The informal economy has received more attention over the past few decades as the early expectation that it would disappear in developing countries as they developed has proven wrong[2]. As in much of the developing world and, depending on your definition of informality, in the developed world, the informal economy in Jordan is expanding[3]. Of all the possible definitions of the informal economy and of informal employment, the mentioned figure refers the employment of people working in informal enterprises (including employers, street vendors, apprentices, etc.), unregistered or undeclared workers in formal enterprises, and those working

2 Wiego, 2013.
3 MoP1, 2013.

outside informal enterprises (including homeworkers, etc.) without contract and social security coverage.[4]

One important characteristic of the informal economy is that relatively little data are available on it. Moreover, the available studies, due to the nature of the informal economy, are often incomplete and do not give all the answers. About the informal economy in Jordan, we know that it's size is some 20 to 25% of the official GDP, that 44% of all employment in Jordan is informal, that the majority of informal employment is situated in urban areas (mainly in and around the capital, Amman), we know that the vast majority of informal employment can be found in crafts, vehicle maintenance, transportation, storage and construction, though for women medical and social services, agriculture and education are more prominent.

Though in rural areas only 28% of employment is informal (compared to 47% in urban areas), unemployment is higher and the participation rate (especially of women) is lower. The educational level is also generally lower in rural areas, poverty deeper and economic possibilities as well as related services (training, education, business support) scarce.[5] For these reasons, *dvv international* has decided to work with CDCs in rural areas, so we concentrate on these.

The downsides of working in the informal economy are fairly self-evident, workers have no social security, no contract and no job security, work conditions are not controlled and therefore often characterised by bad health and safety conditions and long hours. Wages are often lower than in the formal economy, capital to start up or to expand or grow is hard to come by and legal protection, in the absence of registration and contracts, is weak if at all available, transaction costs are subsequently higher. Nevertheless the informal economy allows people to create an income and customize their own work environment.[6] This, with the current view that the informal economy is here to stay[7], leads many to the conclusion that the way to deal with the informal economy does not solely consist of pressing for formalisation. Though many governments prefer the latter as this promises higher income for the public purse, it is also necessary to improve the informal economy as such.[8]

Technical and vocational training is a key component in creating both better work and better livelihoods for people in the informal sector and in allowing informal workers and enterprises to formalise. It is not the only component and

4 MoP2, 2013, 3.
5 Figures and data in this paragraph are based on: MoP2 2013, 2, 13, 24-30 and MoP1, 2013.
6 Mop2, 2013, 24.
7 Wiego, 2013.
8 Palmer, 2008, 1.

without other factors such as an enabling environment for formalising informal enterprises, for business in general, access for poor to formal education and other pro-poor measures, training will not make all the difference. Nevertheless, it is a key aspect, especially for the poor and disadvantaged where we usually find a greater gap between the skills they have and the ones they need for the labour market or to lead businesses, whether formal or informal.[9]

Some of the factors that cause informality such as high costs or registering a business, high taxes, a lack of access to finance (sufficient for growth an increasing productivity), lack of reasonable benefits, heavy bureaucracy, a mismatch between the cost of formalising and the benefits it offers have to be tackled through legal and institutional change. However, several studies on the informal economy in Jordan (as well as the experience of the CDCs) point towards a number of factors that CDCs can influence.[10] Such factors are mobility problems, the mismatch of skills taught in formal technical and vocational training (or other education) and the requirements of the private sector (formal or informal), the need to work at or close to home and, especially the lack of awareness of the advantages of formalising employment of enterprises, the lack of awareness of funding sources and educational and training possibilities, the lack of faith in the durability of work in the private sector.

Training for the informal economy, or for transition to the formal economy, is quite specific. This is in part because the informal economy often requires very specific skills for specific, small sectors and target groups, as we've seen above, and because informal markets are quite local and local circumstances and occupations vary a lot. The lack of legal protection also requires other skills such as negotiation skills, networking and organisational skills, often less important in formal employment. The fact that informal enterprises are largely micro and small enterprises also means that business management skills are more important for more workers. All of this calls for very targeted interventions in training and interventions that offer more than the traditions technical and vocational training offers. The geographical, mobility and cultural constraints also require more on-the-job and very localised services. The former is often done through traditional apprenticeships in informal businesses, a form of training which is more flexible and wider than formal TVET but also limited in terms of acquiring modern, technologically up-to-date skills. Training for the informal sector needs to be both flexible (and transferable to other informal sector jobs) and answering the demands of the (local) labour market; skills

9 Ibid.
10 MoP2, 24 and al Quds, 2006, 13-14.

necessary for formalisation of work require forms of certification, which could be competency-based and organised on a local scale.[11]

Whether it is about acquiring skills to work in the informal sector, skills necessary to increase the productivity of informal activities and enterprises or skills necessary to enter the formal economy, it is clear that flexibility and targeting specific, small, target groups is a necessity. Let's then take a look at what the CDCs offer, or potentially could offer, in that regard.

CDCs and their unique position to support technical and vocational training for the informal economy.

As said above, the CDCs are in no position to greatly influence the establishment of an enabling environment for formalising work or businesses and many of the factors limiting the ability of people to get formal or informal jobs or earn a living otherwise. Nevertheless, the centres do and can contribute to training for the informal sector or in order to transition to the formal economy or formal work.

The centres are uniquely located in some of the villages where people encounter most constraints and least opportunities. They are also uniquely positioned to identify and address specific problems of specific groups in those communities, with the members of the community, as we've already seen above regarding disabled and disadvantaged women. The centres already address skills gaps with tailored training and on-the-job training to specific groups. This unique position also allows the centres to gather the knowledge that will allow them to tailor to local economic possibilities which can include non-traditional activities incorporating new technologies that allow for increased productivity and growth of informal or otherwise small enterprises.

The centres also provide some of the services necessary to complement training such as micro-credits and basic work experience. They are well positioned to grow in that function and provide links to other providers of finance, of training, of business counselling who can tailor their services based on the knowledge in the centres. They already organise the community around some services such as kindergartens and employers around themes such as providing work experience to the disadvantaged.

Though the centres have limited capacities for training, for control of informal enterprises and such, through their network in the community, the trust they have

11 Palmer, 2008.

and their active outreach they can be pivotal actors in linking training in the informal economy to new forms of competency-based certification or reaching out to informal employers to improve work conditions and handing them the tools or information about support available to do so.

Because of their presence in the community and their capacity to identify, in a participatory fashion, skills gaps for different groups, they are and can be more so, focal points for designing training for the broader life skills necessary for workers in the informal economy such as negotiation and organisation skills. Moreover, their focus on working in the community and networking specific groups can be invaluable to support informal workers or entrepreneurs in organising themselves on a community level, despite legal constraints on organising workers.

Finally, through advocacy and awareness-raising, they can not only improve life in the community for the disadvantaged, but also provide information and raise awareness about the potential benefits of formalising informal economic activities and about the institutions that can support this, for as far, of course, as they exist.

In sum, the centres are currently working in a variety of ways on improving life in their communities but have the potential to take these activities to a higher level. With *dvv international* the centres are already working on new ways of addressing skills gaps and organised ways of overcoming obstacles to income generation. Together they have worked on upgrading the capacities of the centres in terms of project management and different concepts of Adult Education and work-creation through linking different groups in the community and institutions. Further capacity-building is planned as well as the creation of supporting experts and communities of practice that allow such centres to exchange best practices and new ideas. With a clearer focus on poverty reduction and work or livelihood creation within their community building mission, these centres can take the provision of this broader and more tailored version of technical and vocational training to a new level. Their local knowledge and networks allow them to provide those working in the informal sector (or those likely to end up there) with training that is needs-based, demand-driven, targeted, going beyond technical skills, using traditional informal training mechanisms, involving public and private providers and allowing for incorporating skills for new technologies that can increase productivity in the informal sector. These have been identified as key characteristics necessary for productive technical and vocational training for the informal sector[12].

12 Palmer, 2008, 33-35.

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Skills Development for Work and Life. Initiatives and Support by the Regional Office of *dvv international* in Vientiane, Lao PDR

The Regional Office of dvv international in Vientiane opened late in the year of 2009. Ever since, the issue of skills development for work and life has been on the agenda in debates and plans, capacity developments and trainings with partners and participants in national and regional initiatives. As the majority of people in the partner countries live in the informal sector, most initiatives aim at improvements in work and life.

The article looks at two levels – micro and macro – of interventions:

- *Integrated Vocational Training and Education (IVET) centers in Lao PDR and their work through non-formal approaches: Data are provided on courses run during the last two years, analyzed and aggregated against issues of age and gender, topics and qualifications, practice-orientation, training needs, urban and rural interests and requirements. This project is a joint effort of the Ministry of Education and Sports (MoES), GIZ (Deutsche Gesellschaft fuer Internationale Zusammenarbeit), and dvv international.*
- *dvv international has been involved in a number of regional initiatives: Together with ASPBAE (Asia South Pacific Association of Basic and Adult Education) it engaged in the UNESCO World conference on TVET, played a key role in the ASEAN (Association of Southeast Asian Nations) related meetings on skills, invited professional expertise to report on the up-coming ASEAN qualifications framework, got involved in the launching of the EFA GMR (Education for All Global Monitoring Report)2012 "Youth and Skills", which was supported on regional and national levels in Cambodia and Lao PDR.*

The article will report on and take stock of the diversity of initiatives, and will discuss lessons to be learned in respect to potential further developments in the countries and the region.

Background

The work of *dvv international* in South and Southeast Asia started in the mid 1970s. Partners in the development of Youth and Adult Education (YAE) in India, Indonesia, Philippines and Thailand came from Governments, NGOs and Universities. At the regional level, the activities of of ASPBAE (Asia South Pacific Association for Basic and Adult Education) and of PRIA (Society for Participatory Research in Asia) were supported.

An evaluation on the strategic partnership of ASPBAE and *dvv international* was implemented in 2007. As one of the results, the BMZ suggested phasing out most of the earlier in-country work, to have Laos and Cambodia as new partners, and additionally start a regional office to strengthen the support in South and Southeast Asia, based in Vientiane, the capital of Lao PDR. A subsequent feasibility study looked specifically at potential priorities, partners, and activities.

Regional offices of *dvv international* serve a multitude of functions. A major one is to add regional cooperation as components on top of all the in-country collaboration with partners. Apart from the management and administrative advantages, it especially gives *dvv international* the chance to provide technical expertise rooted in experiences related to Adult Education in Germany, in Europe, and indeed from all the global alliances and larger national associations which an international institute is involved in.

In consultation with ASPBAE, thematic areas and future initiatives for the regional office were identified for collaborative work. Two of them are very important in the context of this study:

- Policy, legislation and financing – looking at existing frameworks, new policies within Lifelong Learning, laws and regulations, and support structures;
- Non-formal vocational education and re-training – looking at the world of work, and what skills are relevant for jobs and life, how to access and acquire them.

Both new partner countries, Lao PDR and Cambodia, still suffer from the legacy of the Vietnamese war. Lao PDR is the per capita most heavily bombed country on earth, receiving more than Japan and Germany together in the Second World War. Out of the more than 200 million bombs and mines, 80 million still remain unexploded to this day. The Lao government has declared UXO (unexploded ordinance) clearance an MDG 9 for the country since it is a major hindrance to development. In Cambodia an unknown figure of between 2 and 3 Million people died during and after the Pol Pot regime of the Khmer Rouge. That means that in almost every

family you have people that suffered and were involved either directly or indirectly. Both countries deserve the best international cooperation possible.

Since starting work in 2010, in Lao PDR the main partner of *dvv international* is the Ministry of Education and Sports (MoES), especially through its two Departments for Non-formal Education (DNFE), and the Department for Vocational Education and Training (DVET). Non-formal vocational training, using the infrastructure of the Integrated Vocational Training Centres (IVET) and of vocational schools, provides skills training at the district and village level. Additionally, the Vocational Teacher Training Division, Faculty of Engineering of the National University of Laos was involved through a tracer study of what has happened to those who were trained earlier, as this may even inform the process of curriculum revision. All in all, *dvv international* is well placed in the framework of the bilateral Lao-German governmental cooperation where education and training is an important feature. As a member of the Education Sector Working Group, there is additionally an excellent chance to exchange information with all other international stakeholders in the country. In Cambodia, *dvv international* has agreed with NEP, the NGO Education Partnership, a member organisation providing services for all organisations running education projects in Cambodia, including those dealing with skills training, to support a special component covering initiatives towards more and better non-formal education. (NEP 2012)

Technical and vocational training plays a key role in skills development, often under the orientation "new skills for new jobs". However, soft skills for a better livelihood as well as for jobs and work get higher attention. Even the world TVET congress claimed "Skills for work and life" as the option for the future. Two more aspects feature here: How is the cooperation of different stakeholders implemented? And how can the experiences gained lead to develop the strategies for policy and advocacy towards skills with Lifelong Learning for all.

Both countries have large informal sectors, in both urban and rural areas. Most of the agriculture is on the level of subsistence farming, however with larger and fast growing investments into plantations for rubber, teak, and bananas, as well as mining and extracting industries. This has severe influence on people living in villages in rural areas and results in internal and cross-border migration. It is interesting that both countries enjoy a similar demographic reality: About half of the population are below 30 years old. The low quality of schooling requires skills

development and up-grading especially for a growing urban and rural labour force looking for employment, semi- or self-employment, often far away of what ILO claims and aims for during the current "Asian Decent Work Decade 2006 – 2015".

This article is selective by choosing Lao PDR for in-country level activities only, whereas on a regional level it looks predominantly at joint ventures mostly taken up with ASPBAE, often initiatives of the UNESCO Bangkok Asia Pacific office.

Engine repair training in IVET, Luang Namtha Province
Source : dvv international

Reminders

The debate on the importance of the informal sector is not new. We have seen it in a diversity of theories, policies and studies, looking at the realities of societies and people around the globe. Often there were separations into the rural and the urban informal sectors. For some time investments into informal sector projects and practices covered by smaller portions of development aid was en vogue. During recent periods, massive rural to urban migration, with the steady growth of the "Arrival City" and the mega-city, received the most attention. However, in practice, this trend has been neglected and rural locations have now recently been hit with ever-growing numbers of youth in the agricultural and informal sector who are unemployed and waiting to migrate to the cities.

"Is Informal Normal? Towards More and Better Jobs in Developing Countries" was the title of an OECD report in 2009 that tried to look closer at the reality of more than half of the workforce in developing countries which are found in the informal sector. Subsequent debates on "formalizing the informal" and "informalizing the formal" (Chen 2009) never led to ground-breaking results, recommendations, and initiatives. However, it is interesting to see that the latest World Development Report has as one of its headlines: "Informal is Normal". (World Bank 2012, 38) Other key findings in there are facts like: 1.6 billion people working for a wage or salary; 1.5 billion people are working in farming and self-employment; 600 million jobs needed over the next 15 years; 600 million young people neither studying nor working. And to quote from the Report: "Skills are acquired throughout life. People learn, adapt, and form their skills through a multitude of interactions and mechanisms within the household and neighborhood, during the formative years of schooling, at work, and in training." (World Bank 2012, 175) It is good to see this recognition of the relationship of skills development for Lifelong Learning!

Skills Initiatives Related to Lao PDR

Actually, some experience was gained earlier in Lao PDR also. A project called BAFIS (in German: Berufsausbildung fuer den informellen Sektor) was run by GTZ, the predecessor of GIZ (Deutsche Gesellschaft fuer internationale Zusammenarbeit), in the late 90s and the early years the last decade. It was oriented towards non-formal vocational training for the informal sector, and it was implemented together with DNFE on the national level. Support structures were started with the Non-formal Education Development Center in Vientiane, and two regional

sub-centres in the North and South of Lao PDR. Substantial inputs were made into curriculum and capacity development, materials and media produced, and attempts undertaken to cooperate and come closer to the provincial, district and village structures. Unfortunately, the results achieved could not impact on policy, legislation and finance enough, and therefore the project ended unfortunately too early, and without deeper and longer lasting effects. In Lao PDR today, however, and similarly in Cambodia, there is hardly any discussion on the informal sector as a special area. Maybe, the informal is too normal as in Lao PDR more than 80% of the population are living and working in rural areas, and maybe only just around 1.5 million are so far in urbanized centers. However that will change due to a diversity of pressures.

No doubt, and no escape: The information and public debate on skills is growing steadily in a diversity of contexts: Lao PDR has just become a member of WTO; 2015 is given as the start of an open market for goods and services within ASEAN (Association of Southeast Asian Nations); joint ventures cannot find the number and quality of skilled workers they need; a national qualification framework is under preparation. The growing attention is reflected also the Vientiane Times, the only English language newspaper in Lao PDR, as the issues around jobs, skills and vocational training are taken up more frequently, as can be seen from headlines like: "Ministry urged to create 277.888 new jobs by 2015", 6.9.2012; "Reform needed in vocational schools", 19.9.2012; "Laos struggeling with skills development", 24.4.2013; "Vocational schools urged to provide more diverse programmes", 10.5.2013.

The Lao government has developed a vocational education and training policy and strategy, and was successful in gaining the support of ADB (Asian Development Bank) and GIZ to implement large-scale projects, especially related to the first cycle of vocational education and training. (UNESCO 2012) More recently, teachers in vocational schools have been focused on. However initiatives towards the upgrading and re-training, the in-service and in-company training, the provision of non-formal and informal opportunities for the majority working in the rural and urban informal sectors are by far too small in number and often of low quality. It is expected that the new study under preparation on skills and training will provide further insights as the TOR suggest. (ILO 2013)

In 2010, in consultations between the GIZ, DVET and *dvv international*, the idea to start a special initiative and make use of the available infrastructure of the IVET centres at the provincial level was floated. The IVET centres are newly built or upgraded vocational schools covering a wide range of subjects for the formal VET

system. The infrastructure includes buildings and land, teachers and administrative staff, budget, curricula, equipment and materials. Whereas they are used for the regular VET courses, the point was made that the facilities could additionally be used for non-formal VET courses. Buildings, teachers, materials, and even most thematic areas would be the same. However, the course structure, the topics, and the participants would be different. Experiences during the years 2011 and 2012 reveal that 25 courses in a variety of subjects like electrical installation, car repair, construction, mushroom breeding, fruit trees crafting, fish and frog raising attracted a total of 415 participants. This is small compared to the needs of the people and the potentials of the IVET centres, but it is an attempt. Further analysis of the data collected from participants shows that there are results which can be built upon for investments on a larger scale following this pilot project. A rough calculation estimates the cost to be about 100 euro per person for a ten-day course, a total of around 2,000 euro. Here are some further results.

Broom-making in CLC, Bokeo Province
Soure: dvv international

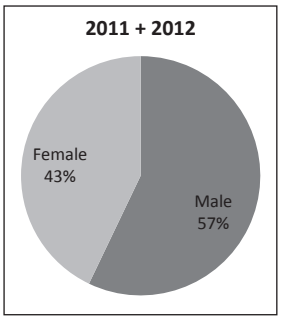

Diagram 1: Gender distribution of participants

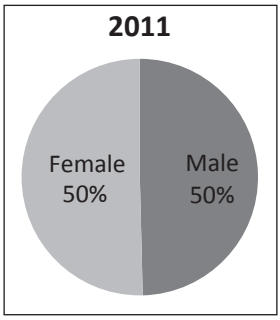

Diagram 1.1: Gender distribution 2011

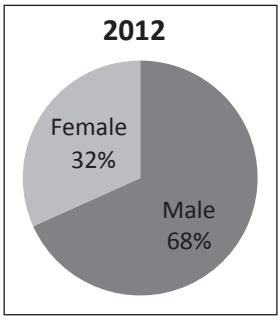

Diagram 1.2: Gender distribution 2012

Diagram 1 shows that all in all there have been slightly fewer female participants. However, if we look at some of the details in Diagram 1.1, we see a 50/50% gender parity for the year 2011 where the diversity of courses were broader, including tailoring and cooking; in 2012 there were several courses like construction or car repair offered which had male participants only. One first lesson therefore is: To achieve gender parity in the overall provision a careful look at what kind of courses the institution offers is needed. Diagram 2 gives a clear indication that the most active age group of 20 – 50 years is well represented by 75%.

45% of the participants come from within the town where the IVET centre is located as Diagram 3 shows; another 39% from rather close by, given distances and access from rural to urban areas; we could therefore claim that most are from

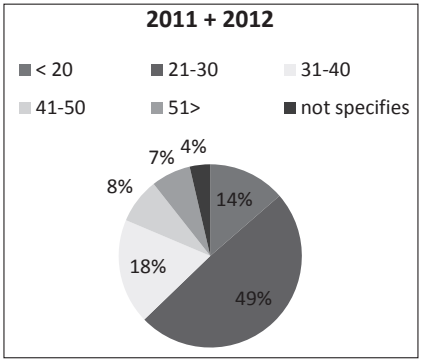

Diagram 2: Age distribution of participants

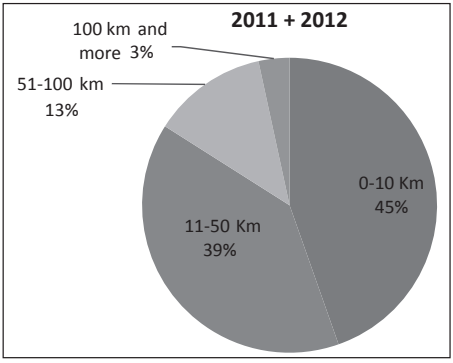

Diagram 3: Distance from home to IVET centre

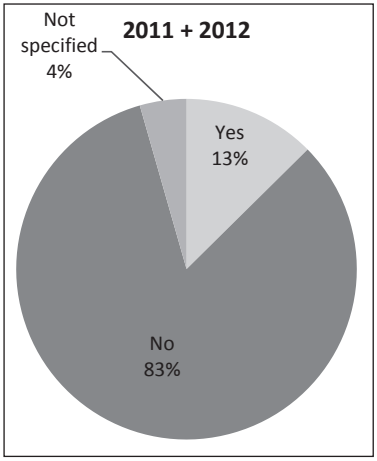

Diagram 4: Professional qualification

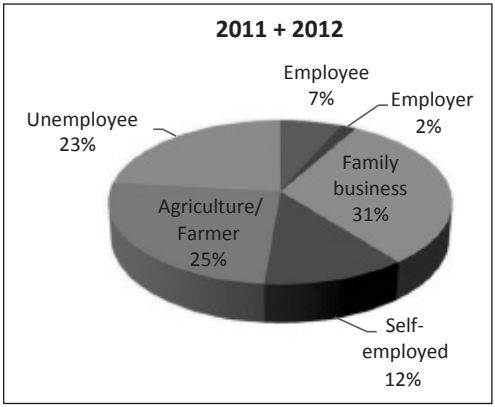

Diagram 5: Source of income

the urban sector, and trained by non-formal VET for work and life in the informal urban sector.

Diagram 4 gives information on previous professional qualifications: 83% state that they do not have any. They would therefore fall into the category of low-skilled.

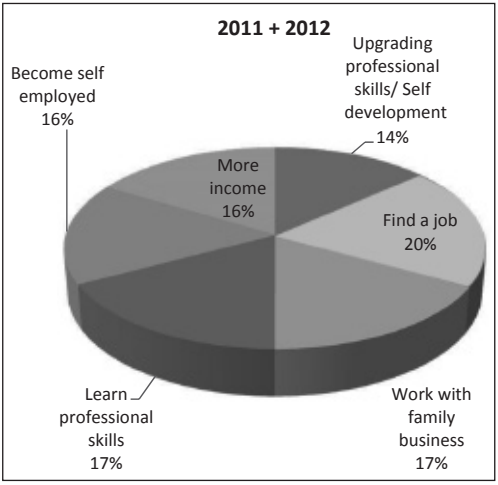

Diagram 6: Reasons given for taking the course

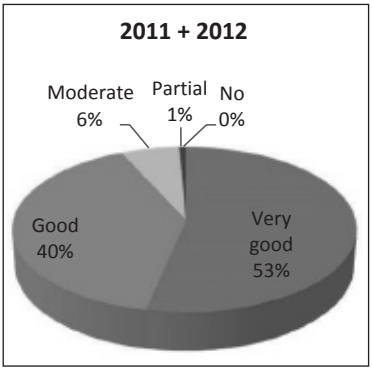

Diagram 7: Did the course meet your expectations?

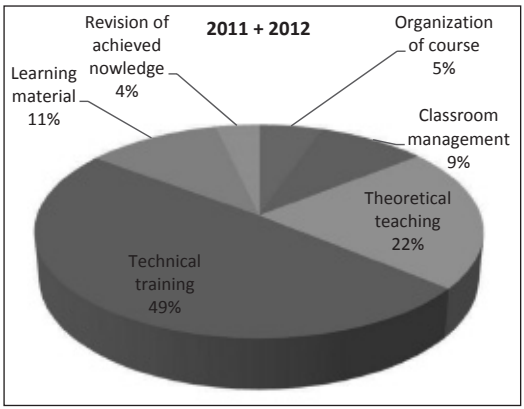

Diagram 8: What part of the training has helped you most?

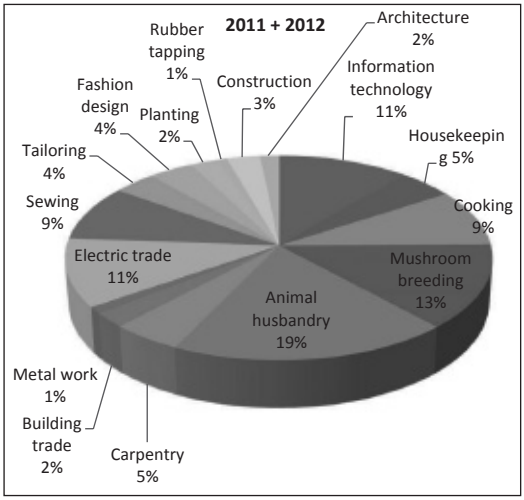

Diagram 9: To which subject do you want additional training?

What are the sources of income? Here data in Diagram 5 are helpful: Only the 2% for employer and the 5% for employee indicate that there is a more formal background in qualifications. Obviously there are higher numbers of those self-employed and un-employed.

Diagrams 6 and 7 could be looked at together: All participants expect to learn more and up-grade skills for employability, improved business, and better income. It is a positive sign that more than 90% have the feeling that their expectations were met.

The IVET centers as providers can learn from Diagram 8: The technical or practical part of the training is valued highest by half of the participants.

Finally, Diagram 9 shows the diversity of interests in subjects for further training as requested by participants: Around 75% could be closer related to non-formal VET for the informal urban sector. Even most of the more rural and agriculture oriented subjects may be useful for those living in the semi-urban periphery, and thus use the skills within their contexts of daily travel or future migration processes.

This rather successful attempt has been discussed in the meantime at several professional events at the national and regional level. All those involved have the

feeling that much more could and should be done in this direction. However, even with the very good prospect of a three-fold increase in investment for these courses in 2013, and by involving additional funders, there is still a clear indication that this is by far not enough when looking at the skills needed and the potential additional work the IVET centres could provide. The positive experiences could be built upon through the excellent cooperation with DVET, the IVET centres, GIZ and dvv international. However, even more advocacy work needs to be done – at the level of some of the golden triangles as well: How to integrate these sorts of trainings better into the policy, legislation and financing for the education sector, and to make sure that they are part of the recognition, validation and accreditation processes. The yearly TVET national conferences or the ESWG focus groups are only two of the many options. And the link to the work of DNFE is important: They are currently preparing their policy, strategy and action plan for non-formal education, and that will include a component of basic vocational training to be part of the curriculum, taking the IVET experiences beyond the provincial into the district and village level, maybe even into the work of the CLCs, the community learning centers, in the informal urban as well as rural areas.

Skills Initiatives Related to the Southeast Asia Region

When the regional office for South and Southeast Asia of *dvv international* started its work, the critical issues around skills for development, the debates on the skills gaps and mismatches, and at the same time the positive options and experiences to integrate all of this into the emerging discussions on qualification frameworks were looked at. Additionally, the paradigm shift towards the importance of Lifelong Learning as well as the full implementation of the EFA (Education for All) goals, especially in respect to non-formal skills training, were discussed towards policy and advocacy strategies. The main partner in initiatives towards these processes was and is ASPBAE, a member organization for civil society organizations, coalitions, and platforms dealing with youth and Adult Education, built around important international agendas like MDG, EFA and CONFINTEA, the UNESCO led world conferences on Adult Education. However, there are important governmental partners also: First and foremost, UNESCO Bangkok, ASEAN, and SEAMEO (Southeast Asian Ministers of Education Organisation) and its institututes like CELLL, the Center for Lifelong Learning in Ho Chi Minh City.

Consultations between ASPBAE and *dvv international* resulted in taking up skills development for life and work as a priority for the past and next few years. Areas like literacy and life skills have been strong features, aspects of non-formal TVET or TVSD had not been high on the agenda for most of the ASPBAE members nor ASPBAE itself, nor other close partners. How to change and develop such an approach? It may be the easiest way for a better understanding of how ASPBAE and *dvv international* worked on a common advocacy line for future action by following the timeline of important steps and recent events in a selective way. Wherever possible there was strong ASPBAE and *dvv international* participation, presentations were made in plenary and workshops, and efforts towards recommendations for the drafting groups. A few examples should be mentioned here a bit more in detail as they show the attempts to take up this important area of skills development for youth and Adult Education within Lifelong Learning.

- A first important initiative in this direction was **"Re-thinking VET and Life Skills for Global Citizenship"** as an Asia-South Pacific Forum, 28 – 29 April, 2011, Melbourne, Australia, hosted by ASPBAE, Adult Learning Australia, Live and Learn, and RMIT University. The invitation included as aims: "The Forum will examine and reflect on the dominant discourse around the emphasis of VET on skills for employability, and the equally narrow focus of Life Skills towards basic survival skills that are limited to traditional cultures and lifestyles. This examination will acknowledge the dynamic global and local contexts, such as the impacts of the global financial crisis and climate change, as critical factors to be considered in re-thinking and re-imagining the nature of VET and Life Skills." The conference created a deeper common understanding of the key issues, not only for the 100 participants, as its results and recommendations, documents and reports were widely disseminated by ASPBAE.
- **UNESCO Third International Congress on TVET: Building Skills for Work and Life**, 13 – 16 May, 2012, Shanghai, China, on invitation of UNESCO and the Government of the Republic of China. Around 700 participants worked through a rich program of keynote speeches, presentations, roundtables, workshops, and visits to skills training activities in a variety of fields for work and life. It was heartening to see the broad perspectives to understand skills much beyond earlier views: "TVET comprises formal, non-formal and informal learning for the world of work. Young people, women and men learn knowledge and skills from basic to advanced levels across a wide range of institutional and work settings and in diverse socio-economic contexts." The so-called greening of skills and TVET got

into the Shanghai Consensus which concluded (UNESCO 2012): "Transforming technical and vocational education and training (TVET): Developing TVET should be a top priority in the quest to build greener societies and tackle global unemployment...". The delegation from Lao PDR was led by a Vice-Minister, with Directors from the VET Department in the Ministry, the Vocational Training Institute, and the Dean of the Faculty of Engineering. ASPBAE and *dvv international* were also present.

- The **Asia Europe People's Forum** (AEPF) met for the ninth time from 16 – 19 October, 2012 in Vientiane, Lao PDR. More than 1000 participants joined the AEPF9, and after four days of official speeches, plenary debates, and around 40 thematic workshops, the Final Declaration was handed over to the Lao Deputy Minister of Foreign Affairs who took it to the ASEM Summit (ASEAN and Europe Meeting). *dvv international*, ASPBAE and EAEA (European Association for the Education of Adults), and their partners from Laos, Cambodia, Philippines, Asia and Europe successfully organised three workshops on environmental education, skills development, and Lifelong Learning. More than 150 participants came and discussed the presentations and about the way forward. The workshop "Skills for work and life: Securing decent jobs and sustainable livelihoods" had several presentations and the recommendations included: "Call on national governments and regional intergovernmental bodies like ASEAN and EU to finance fully-costed literacy, livelihood, life and vocational skills programmes for the marginalised and vulnerable groups as a strategy for poverty eradication and sustainable development ... Put in place institutional systems for policy, legislation and financing in support of Lifelong Learning for all, ensuring learner's continuing education, training and participation in society... Girls and women are more vulnerable in terms of access to educational and employment opportunities. There is a need for relevant education, which can enable women and girls to live with dignity, security and have decent livelihood options ... Need to develop education programs that match knowledge and skills with local economic development and national and global markets for employability, livelihoods and poverty eradication." This was a very big step forward as skills development did not feature high in any previous forum.
- **Education in the Post 2015 Development Agenda**. Regional Thematic Consultation in the Asia-Pacific, 28 February and 1 March 2013, Bangkok, Thailand. This was the third event within a ten month period in which the UNESCO Bangkok-based Asia Pacific Regional Office, this time in partnership with UNICEF,

invited stakeholders to deepen the discussion on education in the post 2015 development agenda. ASPBAE and partners from DNFE in Lao PDR and NEP in Cambodia who earlier provided inputs into the national consultations joined the meeting. *dvv international* was represented by its Regional Directors from Taschkent and Vientiane who served, together with ILO, as convener for a session on "Skills and Competencies for Life and Work". One of the recommendations was: "The need for people (youth, adults, and especially women and persons with disabilities) to acquire relevant technical and vocational skills combined with necessary transversal skills for a decent life and work in a rapidly changing world should be fully reflected in the post 2015 development agenda." The results of this regional consultation were then taken to the global consultation on education in the post 2015 development agenda in Dakar, Senegal, also in March 2013.

- **Launch of EFA GMR 2012 on Youth and Skills, Vientiane, 14 – 15 March, 2013:** After the international launch in Paris in October, the regional followed in Bangkok in December 2012 with participation from ASPBAE, the *dvv international* regional office and partners from Lao PDR and Cambodia. The national launch for Lao PDR took a special turn as the official ceremony was combined with a two-day-seminar in which the MoES, UNESCO, ADB, GIZ and *dvv international* partnered for a substantial exchange on current developments in the country and the region. Different departments from the MoES as well as several representatives from ministries like the Ministry of Agriculture, the Ministry of Labour, the Lao Women Union, the Lao Youth Union, from enterprises and the private sector and skills training centres were invited to comment on the skills needs and on how to improve the situation. Apart from the policy debate, there were a good number of research reports into the skills issues, and practical examples were provided from the projects currently being undertaken. The final session looked at regional experiences and future perspectives and had presentations from participants coming from the ASEAN Secretariat, ASPBAE, Cambodia and Indonesia. The presentations were on: Education in ASEAN and ASEAN Qualification Frameworks; Literacy-TVET-Life Skills for Vulnerable Youth and Women; Skills in the Survey of the Non-formal Education Sector in Cambodia; Skills for Work and Empowerment of Youth and Women – Good Practices from Indonesia; Lifelong Learning for All. Education and Skills in the post 2015 EFA and MDG Debates.

There can be no doubt that all these interventions and initiatives, the presentations and discussions, the materials and documents, broadened the scope of the debates

inside ASPBAE and *dvv international*, and of course the horizon of partners for future collaboration. Today, the concept of skills development as an important part of Lifelong Learning is well established.

Outlook

Even if we take the technical and vocational dimension into the focus then recent debates show very clearly that we talk about a wide range of skills important for VET, using a neverending creativity for new words like the behavioral or transversal skills, basic or soft skills, non-cognitive or pre-vocational skills. They should therefore also be part of any VET training.

Here again it should be noted that the urban informal sector has not been the only focus of the work of our partners. But it seems to be an inclusive component of much of the activities they support, especially when they use phrases like "working for the vulnerable", "poor" or "marginalised", "strengthening the informal economy", "engage with local industries or small and medium enterprises".

Other issues should be in sharper focus, like: How to identify and reach those who have a diversity of training needs? How can training be flexible enough for those who have to earn a living at the same time? Are we looking for mobile trainers who travel to those in need? These were questions brought up in a study on "Employment and Livelihoods" in Lao PDR. "Informal training programmes, lasting a few weeks to a few months, need to be targeted at low-income rural and urban youth ... The courses should be short, practical, inexpensive, accessible, flexible, and spread regionally..." (MPI, UNDP 2009, 186)

In the on-line consultation for the EFA GMR on Skills in February 2012, there were some quite stimulating contributions. One was by a CIDA working group (Canadian International Development Agency), and they stated the importance of demand-driven approaches: "The need to link training to employment (either self or paid employment) is at the root of all good practices and strategies documented." Therefore: "Occupational training initiatives have been mostly targeted at the formal sector of the economy, while the vast numbers of youth live in poverty and engage in some economic activity in the informal sector. Interventions are needed in the informal sector." And: "There is a need to link literacy and basic life skills to technical and vocational education, especially in the context of the vulnerable unemployed youth".

As all these cases mentioned above have skills and training dimensions. There is no reason why they should not be part of a human right to education within a global dimension of Lifelong Learning for all.

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