



© Simon B. Opladen

Elifuraha Marco Yacobo, Tanzania

HOW TO MAKE THE LABOUR MARKET SYSTEM WORK FOR YOUNG PEOPLE

CAPABILITY STATEMENT

Zurich, November 2022

ABOUT HELVETAS

Helvetas Swiss Intercooperation is a renowned, not-for-profit, non-governmental development organisation formed in 2011, by the merger of Helvetas, the first private development organisation in Switzerland (founded in 1955), and the Foundation Intercooperation (founded in 1982). Helvetas is a denominationally and politically neutral association governed by Swiss law.

HOW HELVETAS WORKS

The impact of our work is the product of a three-pronged approach: project work, thematic and methodological advice, as well as policy dialogue at local, regional, and international levels. Helvetas has three working areas which are: Skills, Jobs, and Income; Water, Food, and Climate; and Voice, Inclusion and Cohesion.

ABOUT YOUTH EMPLOYMENT

Almost 90% of all young people live in developing countries, whose economies are often dominated by the informal sector. According to ILO, more than 73 million young people are unemployed and more than 150 million young workers live in poverty. Also, more than one in five youth are not in employment, education or training (NEET), with three out of four of these

With about 300 projects worldwide, Helvetas is present in over 30 countries, triggering real change in the lives of over 3 million disadvantaged people each year.

We are convinced that development cooperation can only be effective if the conditions of long-term engagement are met. To achieve its objective, in partnership with various local and international actors, the organization applies multiple proven approaches such as the inclusive systems approach.

being women. This means that globally youth are almost three times more likely to be unemployed as adults and are particularly vulnerable to insecure and poorly paid jobs (in the informal labor market). Lack of skills, scarcity of jobs and low level of understanding of labor market functioning by both, job seekers and employers, are common reasons for unemployment.



© Helvetas, Franz Thiel



© Ale Miranda Lopez

Chala I, Bolivia

This situation has been exacerbated by the Covid-19 pandemic. On the one hand, many schools have been temporarily closed and not all have been able to switch to online and distance learning, which is particularly acute for young people in low-income countries. On the other hand, a disproportionate number of young people, whereof young women are

even more affected than young men, have lost their jobs, affecting their career prospects. Economic and social exclusion often also lead to mental health problems, which in turn affects employment. It is expected that in the next decade, globally one billion young people will enter the labor market and many of them face a future of illegal or informal employment.

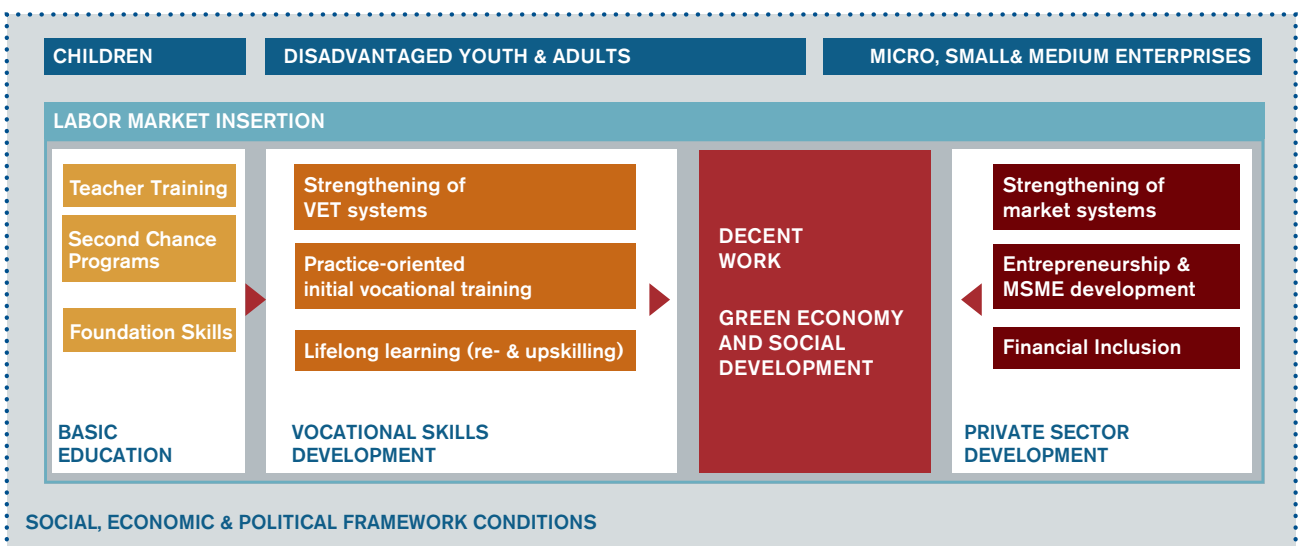


Figure 1: Holistic approach to youth employment

Helvetas addresses the challenge of youth unemployment with a holistic approach working through the continuum of basic education, vocational skills development, and private sector development (cf. figure 1).

Helvetas' work is based on the Inclusive Systems Approach (ISA) – also known as Market Systems Development (MSD) approach –, understanding labor markets as systems consisting of a demand for and supply of workforce, labor market related supporting functions and connected policies (cf. figure 2). Thereby, we analyze and address the root causes of labor market failure to create socially inclusive widespread and lasting improvements in income generation and access to decent jobs. Helvetas is promoting changes in public and private sector actors' behavior (confidence, trust) and capacity (technical, business, influence/advocacy), as well as their relationships with each other. Our tested practices in using the ISA approach for engaging the public and private sector come from the application of three core principles, which are 1) a clear vision for sustainable and scalable change, 2) a deep understanding of the market system, 3) a pledge to put local partners into the lead. The latter uses a facilitative approach which emphasizes local ownership of the change processes. This idea is at the heart of Helvetas' work in designing and implementing programs.

“.....
We analyze and address the root causes of labor market failure.
”

To tackle this problem in an effective manner, Helvetas proposes a holistic and systemic vision to promote youth employment, whether in wage employment or self-employment by working from different entry points (cf. figure 2):

1. promoting accessible and high-quality career guidance services to help youth make informed educational and career decisions,
2. developing relevant skills through vocational skills development (VSD),
3. creating, diversifying or improving intermediation services to improve the speed and quality of matching between available jobs (labor demand) and job seekers (labor supply),
4. creating and improving jobs and self-employment opportunities through private sector development (PSD), and
5. improving labor market policies and regulations.

These five entry points are explored more in-depth below.

Helvetas places particular emphasis on a Gender and Social Equity lens; for example, in Albania we work on childcare services as an important supporting function to allow women to access the labor market.

In our experience, a combination of entry points has the highest potential to achieve systemic change in the labor market and lead to lasting results for the primary stakeholders.

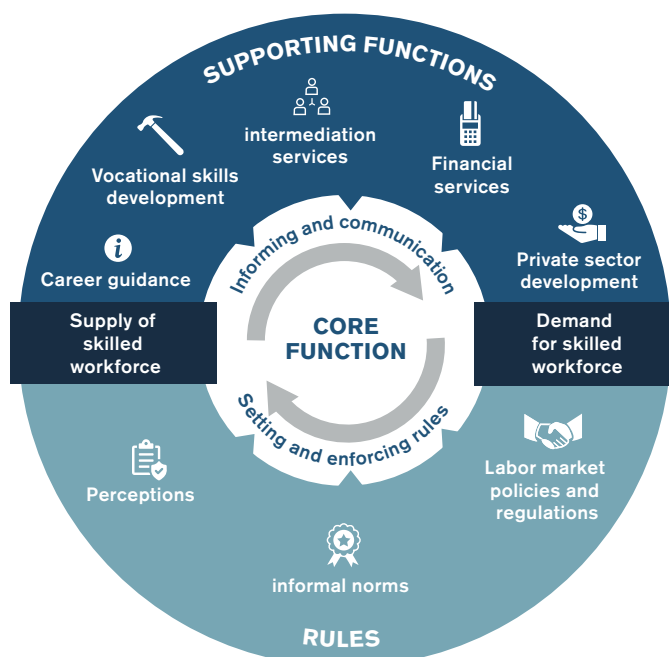


Figure 2: Labor Market diagram

Decent work

Access to decent work is one of the best routes out of poverty. According to the International Labour Organization, decent work means “productive work in which rights are protected, which generates an adequate income, with adequate social protection”.

Helvetas takes this into consideration by promoting the creation of employment opportunities (= more jobs), increasing productivity, incomes, and working conditions (= better jobs), and by improving access to jobs (= inclusive labor markets).

Future of work

The world of work is changing, shaped by four global megatrends: globalization, climate change, demographic change, and technological progress. The global COVID-19 pandemic accelerated existing trends in remote work, e-commerce, and automation. Young people are particularly vulnerable to fluctuations in economic trends and have been hit particularly hard by the coronavirus crisis. For young people to benefit from the changing nature of the world of work, they need to be prepared, both in terms of skills acquisition and level of ambition and aspiration.

Our impact in 2021

- Helvetas reached more than **4.6 million people** through more than **300 projects** and programs in 32 partner countries.
- In 2021, 46,115 people (out of which 49% female) have attended and 33,940 (50% being female) have successfully completed VSD education or training.
- 80,947 girls and 77,051 boys got their chance to go to school in 2021 thanks to Helvetas. 28,430 (54% being female) have successfully completed quality primary and lower secondary education.
- 359,438 persons (39% being female) benefitted from supporting activities to the private sector.



© Helvetas, Franz Thiel

Pilot study with electrical engineering students at two government vocational training school

SYSTEMIC ENTRY POINTS TO FOSTER YOUTH EMPLOYMENT

Career guidance

The process from education to employment starts early: crucial moments occur at the transitions from basic education to VSD and to the labor market. Career guidance refers to services and activities intended to assist individuals, of any age and at any point throughout their lives, to make educational, training, and occupational choices and to manage their careers. Our work in career guidance aims at enabling young people to make the right career decisions. Helvetas supports public and private actors to introduce and improve the quality of career advice services. Helvetas strengthens their professional and institutional capacities and often works with media to produce and disseminate information on professions and career paths.

Vocational skills development

Helvetas supports demand oriented, practical VSD that leads to gainful self- or wage employment. Our understanding includes not only developing vocational knowledge and skills, but a broad range of knowledge, skills, and attitudes (life skills) that are recognized as indispensable for meaningful participation in work and life. Depending on the context, Helvetas facilitates VSD projects and programs in formal, non-formal or informal systems. We therefore do not only focus on initial training, but also support upskilling to make sure that the skills remain relevant to fast changing labor markets.

Intermediation services

Well-trained youth often face challenges entering the labor market. A potential employer might not be aware of the suitable candidate, or the graduate might not have information on the company offering jobs or on self-employment opportunities. That is why there is a need of intermediation services. These services aim to improve the speed and quality of matching between available jobs (labor demand) and job seekers (labor supply) but also offer business services such as information on setting up and registering new businesses. The main customers of such services are unemployed or underemployed workers and companies looking for new employees. Helvetas supports private and public intermediation service providers to create, diversify, improve, and enhance such services.

Private sector development

Helvetas fosters private sector and market systems development to support creation of jobs and to strengthen entrepreneurship, especially for youth. We promote opportunities in both agricultural value chains (production, processing, trade) as well as in non-farm sectors such as manufacturing, construction, food-processing industry, and services like ICT, tourism, and hospitality. We do this by addressing constraints within markets, for example missing/underperforming business development services, entrepreneurship services (incubation, acceleration) or access to finance.

Labor market policy

Policies and regulations affect labor force participation, productivity and economic performance among businesses and youth. Helvetas recognises the importance of general and market-specific business environment, particularly how regulations and administrative procedures enable or disable business activity, with a direct impact on young job seekers (as employees or self-employed). For example, we support the creation of enabling conditions for the entrepreneurial ecosystem and businesses for growth, which typically includes reducing the burden of regulatory compliance, so that businesses can generate economic growth and opportunities for the poor. It considers advocacy as a system in which policies and regulations are influenced by interactions among a variety of people and institutions. Helvetas emphasizes strengthening advocacy processes.

The following box illustrates our five systemic entry points through the example of the RisiAlbania project.

“.....
Helvetas fosters private sector and market systems development to support creation of jobs and to strengthen entrepreneurship.
.....”

HOW RISIALBANIA FOSTERS YOUTH EMPLOYMENT

RisiAlbania is an innovative project, supported by the Swiss Agency for Development and Cooperation, SDC, works to provide more employment opportunities for young women and men in Albania.

It is doing so by:

- facilitating systemic change in the agrobusiness, tourism and ICT and Business Process Outsourcing (BPO) sectors (for new job creation);
- career guidance and job intermediation (more placement of young women and men in existing vacancies and enabling them to better choose a career); and
- improving labour market-oriented skills through non-public non-formal training.

Career guidance

A holistic, multi-parallel approach activates and supports all the necessary functions in career guidance:

- Institutional and organizational capacities of service providers
- Development of content (digital tools, tests, manuals)
- Development of career counselors
- Support the national media to produce and disseminate career orientation information.

Vocational skills development

Focusing on the non-formal training market, RisiAlbania aims to enhance the training providers offers in tourism and ICT in terms of relevance, outreach, and inclusiveness through:

- Linkages between training providers and businesses
- Effective training methodologies
- Promotion of training offers
- Channeling financial means to private training market

Intermediation services

At the core of this is matching supply to current market demand for jobs, enabling young job seekers and potential employers adjust to markets change.

- Linkages between the National Agency for Employment Services NAES and businesses
- Performance of job matching services for jobseekers
- Quality and diversification of services such as recruitment, job placement of private intermediation providers in diversifying their services such as recruitment, job placement.

Private sector development

Business growth is an important job demand catalyst. Therefore, RisiAlbania strives to promote private sector development for job creation in three sectors.

- Innovative solutions that foster job creation
- Partnerships between the public and the private sector so that they jointly address barriers to growth.

Labor market policy

- Sectoral Skills Committees (SSCs), a formal mechanism which allows industry and actors in the education and training system to coordinate more effectively qualification, knowledge, and skills that industry needs.
- Public-private dialogue for improved framework conditions for doing business, e.g. cybersecurity regulation



MAP





OUR PROJECT EXPERIENCE IN ASIA

SHAMERTO – BANGLADESH

CLIENT/FUNDING SOURCE:

European Union

IMPLEMENTED BY:

Helvetas Bangladesh

DURATION:

2017–2020

VOLUME:

\$3.7 MIO

The Shamerto project was designed to strengthen skills, employability and income of workers/entrepreneurs of small, micro and cottage agro-food processing enterprises (SMCE).

Shamerto means “ability” in Bangla and in this sense the Shamerto project tries to improve capacities of women and men, but also of training providers and private sector representatives in the agro-food processing sector.

The project responded to the lack of employment opportunities in rural areas and targeted the poorest segments of the population to facilitate their greater involvement as entrepreneurs, traders, employees and producers. Shamerto applied a mix of interventions covering measures working on both supply and demand side as well as strengthening framework conditions through advocacy work. As a result, over 21,000 women and men were trained and 73% of them found employment or started their own business afterwards.



© Helvetas Bangladesh

A special focus was given on addressing constraints for women entering the labor market. Besides Business Development support and access to new technologies, SMCE's were also supported to create more women friendly working conditions. Hence, SMCEs could not only increase their productivity, but also create more and better job opportunities especially for young women.

Shamerto from the beginning worked on institutional sustainability of project activities by aligning processes and products to the national qualification frameworks and developing curricula together with educational institutions and private sector to ensure market relevance. Capacity building and ownership of respective actors ensured that activities continue beyond project end.

Helvetas fosters private sector and market systems development to support creation of jobs and to strengthen entrepreneurship, especially for youth.

Shamerto, Bangladesh

OUR PROJECT EXPERIENCE IN EASTERN EUROPE

ENHANCING YOUTH EMPLOYMENT

(EYE) – KOSOVO

CLIENT/FUNDING SOURCE:

Swiss Agency for Development and Cooperation (SDC)

IMPLEMENTED BY:

Helvetas Kosovo

DURATION: 2012-2024 (Phases 1-3)

VOLUME: \$21,351,000

Helvetas works with the public and private sector to promote youth employment in Kosovo.

The first phase of the Enhancing Youth Employment (EYE) focused on furnishing information about the employment market, career counseling and job placement. The overall goal of EYE phase 2 was a dynamic and socially inclusive labor market which provides more and decent jobs including self-employment for young women and men in Kosovo.

This was achieved in a socially inclusive and sustainable way through systemic interventions in three interrelated areas:

1. improved skills that meet market requirements as result of a better functioning formal and non-formal education system
2. more effective and efficient matching of labor market supply and demand through improved access to information and services for youth as well as employers
3. private sector investment through better access to business services and a more conducive business environment generating new job opportunities.

Helvetas supported the development of a TV show that entertainingly informs the viewing public about the labor market and job applications has gained nationwide popularity. During Phase 2, 11,923 young women and men were employed, 7,568 youth had received training, 2,487 full-time equivalent new jobs had been generated for young people, and 9,436 women and men found jobs as a result of changes in matching facilitated by EYE.

RECONOMY – EASTERN EUROPE, SOUTH

CAUCASUS, AND WESTERN BALKANS

CLIENT/FUNDING SOURCE:

The Swedish International Development Cooperation Agency (SIDA)

IMPLEMENTED BY:

Helvetas

DURATION: 2020–2022 (Inception phase)

VOLUME: \$3,7 MIO

This regional program in 12 countries aims to enable women, youth and other vulnerable and marginalized groups to increase their income and take up decent jobs. The name of the program, Reconomy, stands for 'starting afresh', revitalizing the transitioning economies in the region.

The Swiss-Swedish partnership aims to achieve this via three workstreams:

1. improving the supply side, i.e. making sure that the job seekers have the skills that the market needs, and that there are platforms that pair up job seekers and vacancies efficiently.
2. improving the demand side, i.e. strengthening financial and business services.
3. advocating for policies and regulations that promote inclusive economic development.

Reconomy pays special attention to the importance of environmental constraints and opportunities. The economic development will not be sustainable without considering resource efficiency, climate mitigation, carbon removal, and biodiversity protection.



© Simon B. Opladen

EYE, Kosovo

CLIENT/FUNDING SOURCE:

Private donations

IMPLEMENTED BY:

Helvetas Tanzania

DURATION:

2018–2025 (phase 1 and 2)

VOLUME:

\$1,650,000

The goal of the Youth Empowerment through Skills enhancement (YES) project is to improve and empower the living conditions of socially and economically marginalized young women and men through improved skills and gainful employment. In its first phase, 2,695 youth finished a vocational short course with the support of YES. The market relevance of the courses was ensured through a rapid market assessment, which was conducted jointly by YES and project partners, such as vocational training centres. The results-based financing is another mechanism to ensure training providers offer market relevant skills training and facilitate internships, employment and business establishment by linking youth to public and private entities.

Among their graduates, YES succeeded to reduce un and underemployment: 62.9% of the graduates consider themselves employed compared to 40% before the training. When looking at the income, it shows that the training also made a difference for the youth who considered themselves employed before. Before the training 80.4% earned less than 22 USD per month compared to 44.6% after the training. Though 22 USD corresponds with the national poverty line, the income after the training remains low with only 12.9% of the graduates earning above 100 USD after the training, which is considered a decent living wage by the Global Living Wage Coalition. However, if one only looks at employed graduates (part-time, self- and wage employed), more than 80% earn above 22 USD and more than 40% above 44 USD monthly.



© Simon B. Opladen

Mariam Albert, YES, Tanzania

OUR PROJECT EXPERIENCE IN LATIN AMERICA AND THE CARIBBEAN

CHALA-I

CLIENT/FUNDING SOURCE:

Private donations

IMPLEMENTED BY:

Helvetas Bolivia

DURATION: 2019–2024 (Phase 1 and 2)

VOLUME: CHF 1,700,000

Chala-i aims to increase the living conditions of young women and men by addressing key issues of young entrepreneurs such as access to appropriate business services by the entrepreneurial system, a conducive business environment and access to information, including on safe and inclusive migration. The project's interventions were designed to address the priorities and needs of the primary stakeholders and other actors in the entrepreneurial systems involved.

Since mid-2019, Helvetas facilitated the articulation of key players from public, private, academia and civil society in the entrepreneurial system of Sucre, the capital of Bolivia, which previously worked in isolation. It has stimulated two important changes which would not have happened otherwise: Firstly, the creation of an entrepreneurship agency – Foundation ACTÍVATE – under the leadership of the Federation of Private Entrepreneurs of Chuquisaca, the University “Universidad Mayor, Real y Pontificia de San Francisco Xavier de Chuquisaca” and the Autonomous Municipal Government of Sucre with the support of the actors of the Entrepreneurial System of Sucre. It has the objective of offering quality services to entrepreneurs in an articulated manner

Secondly, the enactment of a Law for Strengthening and Dynamization of the Entrepreneurial System of Sucre and the elaboration of a Municipal Plan for the promotion of entrepreneurship. With this, the project has managed to articulate the disperse entrepreneurship support services with the objective to support young entrepreneurs more efficiently and effectively and to positively influence the entrepreneurship system.

SECOMPETITIVO (PRIVATE SECTOR COMPETITIVENESS) – PERU

CLIENT/FUNDING SOURCE:

Swiss State Secretariat for Economic Affairs (SECO)

IMPLEMENTED BY:

Helvetas Peru

DURATION: 2018–2022 (Phase 2)

VOLUME: \$12,833,000

The main objective of SeCompetitivo is to support Peru in improving the competitiveness of the private sector, thus contributing to sustainable economic development and poverty reduction. More specifically, the project focuses on supporting the public and private sector in increasing productivity, fostering skills development and facilitating access to international markets, aiming at the creation of more and better jobs. The project strengthens value chains with links to international markets which have the potential to become drivers of competitiveness of their regions and also fosters inclusive and decentralized economic development in Peru. The project has three implementation mechanisms:

- Support initiatives at a national policy level. Helvetas provides technical assistance to public entities in the design and/or implementation of policies that lead to greater productivity and competitiveness.
- Support initiatives in competitive value chains. We strengthen value chains at the regional level in order to increase productivity and export offers and to support employment generation. The program focuses on four sectors: coffee, cocoa, agroindustry, and tourism.
- Provide specialized Swiss Expertise. We provide specialized advice through a network of Swiss experts, and also promote policy dialogue and knowledge management.

In 2019, the implementation of 6 value chain projects began in the following areas: cocoa, coffee, tourism, bananas, sugarcane, and sacha inchi. The project aims to benefit 16,293 people, of whom 12,062 are considered vulnerable populations.

OUR TECHNICAL EXPERTS



Sabrina Würmli

Head, Skills, Jobs & Income
sabrina.wuermli@helvetas.org



Bettina Jenny

Head, Skill, Jobs & Income
bettina.jenny@helvetas.org



Esther Haldimann

Senior Advisor
esther.haldiman@helvetas.org



Franziska Huwiler

Senior Advisor, Financial Sector
franziska.huwiler@helvetas.org



Georg Felber

Senior Advisor, MSD
georg.felber@helvetas.org



Daniela Lilja

Advisor, VSD
daniela.lilja@helvetas.org



Andreas Müller

Advisor, Youth Employment
andreas.mueller@helvetas.org



Adrien Rebord

Advisor, VSD
adrien.rebord@helvetas.org



Paulo Rodrigues

Advisor, MSD in fragile context
paulo.rodrigues@helvetas.org



Fabienne Tödli

Advisor, VSD and Entrepreneurship
fabienne.toedtli@helvetas.org



Rob van Hout

Senior Advisor, MSD
rob.vanhout@helvetas.org



Annick Vollmar

Senior Advisor, MSD
annick.vollmar@helvetas.org



Katharina Walker

Senior Advisor, VSD
katharina.walker@helvetas.org



Siham Boukhali

Advisor, Financial Sector
siham.boukhali@helvetas.org

“

Our vision is of a just world
in which all men and
women determine the
course of their lives
in dignity and security, using
environmental resources
in a sustainable manner.

.....”





HELNETAS Swiss Intercooperation
Weinbergstrasse 22a, CH-8021 Zurich

helvetas.org