



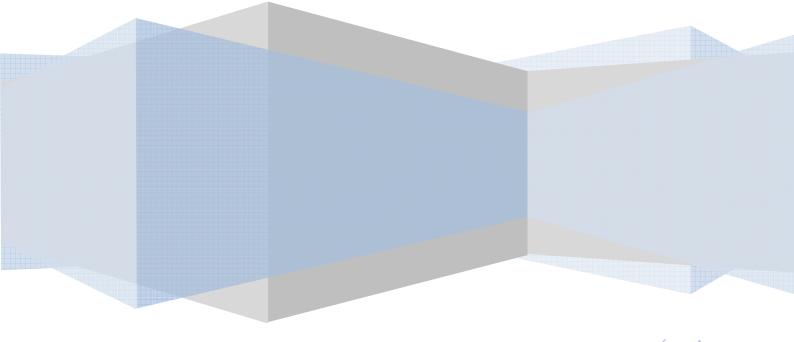


# **RESEARCH, NETWORK AND SUPPORT FACILITY (RNSF)**

"Support to enhance livelihoods for people dependant on informal economy and improve social inclusion of marginalised and vulnerable persons" - EuropeAid/135649/DH/SER/MULTI

Launching Effective Collaboration to Strengthen Project Implementation on the Informal Economy and Social Inclusion

**Research Network Support Facility Seminar** 





# **Table of Content**

Introduction	3
Outcomes and observations	
Day 1	3
Day 2	
Day 3	14
Conclusive observations, actions to take and lessons learnt from the permanent staff	18

1

#### Annexes

- Annex 1 List of participants Annex 1b – Register of participants Annex 2 – Seminar agenda Annex 3 – PPT Zegers Annex 4 – PPT Charmes Annex 5 - PPT Snijders Annex 6 - PPT Horngren Annex 7 - PPT Verschuren Annex 8 – PPT Di Pillo Annex 9 – PPT List of grant beneficiaries Annex 10 – PPT Leenaerts Annex 11 – PPT Gobbi Annex 12 – PPT King Annex 13 – PPT Charmes
- Annex 14 PPT Taylor

# Introduction:

The Research Network Support Facility Seminar was held from 1<sup>st</sup> to 3<sup>rd</sup> June 2015 at the Siru Hotel in Brussels (BE).

# The RNSF project permanent staff and key EC staff with respect to the project are:

#### KEY EC Staff:

Ms. Françoise Millecam, Deputy Head of Unit (ESIP/EC) Mr. Pierre Ghilain, Programme Officer (ESIP/EC)

ARS Progetti:

Ms. Mei Zegers, KE1 Team Leader Mr. Jacques Charmes, KE2 Research Expert Mr Alessio Lupi: Project Officer Mr. Francesco Barilli: Moderator/Animation Expert Ms Anna Carla Amato: Backstopping Manager

The **list of the participants**, including the implementing partners, the speakers and consortium partners' representatives is enclosed in Annex 1.

The meeting agenda is attached in Annex 2.

# Outcomes and observations.

The current report includes a summary of the outcomes and main observations.

# Day1

# Registration:

All participants registered (see Annex 1b), with the support of the TRIVENT staff, and each was provided with a badge and a folder.

# **Opening** session:

Mr. Ghilan introduced the project team. Mr. Signore, Head of Unit (ESIP/EC) gave the opening speech including the following key points:

- Reasons for organising the seminar:
  - Opportunity to gather the participants who are the survivors of a very competitive process: only 17 proposals out of 1400 concept notes have been awarded a grant.
  - The RNSF was conceived to address the criticisms received from EC auditors on the lack of coherence and visibility, fragmentation present in the EC programmes.
  - To maximise the added value of the awarded projects and the effectiveness of the projects implementation.
- This seminar and the RNSF project represent an example of a best practice for the EC. The RNSF will not interfere with the role of the EC Delegations. It will help the implementing partners to implement their projects and support the EC to increase the effectiveness of the EU programmes.
- Three elements should stressed: the high level determination of the participants who received EC funds; the evaluators' appreciation of the submitted project proposals; the participants' responsibility to run their project successfully

# <u>Ice breaker:</u>

After a brief presentation during which each participant introduced him/herself by providing the name of his/her organisation and the project title, Mr. Barilli organised an exercise, called the "identikit exercise" to allow the participants to familiarize themselves with each other. Each participant was given the assignment to choose another person and guess his/her job title, hobby, favourite book and sport. A template was distributed.

Mr. Lupi informed the participants to join the IESF group on Twitter.

# Introduction to the RNSF project

Ms. Zegers introduced the project and underlined the following points:

- IESF does not replace the work of delegations in the countries.
- The goals of the seminar are as follows:
  - Project implementing partners, RNSF staff, and key relevant DEVCO staff will be well acquainted on a professional and personal level
  - Implementing partners will be able to effectively use the IESF (Platform) for the benefit of their projects and collaborate with others to improve theirs.
  - Functioning of the IESF will be improved due to input from participants
  - Implementing partners will have acquired strengthened capacities on relevant technical subjects
  - RNSF staff will have acquired a better understanding of the support needs of the implementing partners
  - RNSF staff will have gained improved conceptual insights on research options on implementing partners' project implementation experiences
  - The ultimate potential of projects will have improved due to increased focus on ownership and sustainability

Please see Annex 3 for full PPT presentation.

# Social inclusion in the informal economy:

Mr. Charmes gave his presentation focused on the following elements:

- Introduction on the informal economy (zoological metaphors, substantive and statistical definitions and characteristics)
- Description of the informal economy components
- Presentation of statistics on informal economy worldwide
- Data on the involvement of children and women in the informal economy: women represent less that 50% of total employment in the informal economy, except in Latin America, but the prevalence of informal jobs in total female employment is low, except in Latin America, and shows that most women are employed in the formal economy
- Employment in the informal economy is mainly urban, masculine and tertiary; but when taking secondary activities into account, employment in the informal economy becomes mainly rural, feminine and manufacturing
- Informal employment is negatively related to GDP per capita and it is positively related to population living below national poverty line
- Definition of social inclusion and its goals
- Public and donors' policies addressing the informal economy
- Conclusion:
- While public policies are necessary to provide the foundation for national institutional and legal frameworks, they are not sufficient;

- Monitoring and mentoring are key aspects of the policies designed for the transition from the informal to the formal economy;
- It is up to grassroots organisations to challenge the obstacles at local and field levels.

Please see Annex 4 for full PPT presentation.

# Questions & Answers:

Q: Are the agricultural activities included or not in the informal economy? Shall this sector continue to be called informal or could a better term should be created to define it? Is the formalisation of the informal economy the best solution? Can the entrepreneurs, who produce wealth but who do not pay taxes, be defined as part of the formal or informal sector?

A: Agricultural activities are included according to the international definitions. However "non-agricultural employment in the informal economy" is the preferred indicator because it better highlights the real trends that are hidden by the indicator including agriculture, which is too large and masks rural-urban migrations.

Rural non-farm activities and especially secondary activities that are performed by farmers, are a major component of the informal economy. Informal is normal when it concerns more than <sup>3</sup>/<sub>4</sub> of the population and it is defined as informal because the regulations are not adapted to this population.

Informal entities may pay taxes to the formal authorities but taxes management should be improved in the sense that authorities should go to the payers to collect the taxes rather than requiring informal operators to go to the fiscal offices to pay. Informal operators don't pay taxes but they pay bribes to tax officers or other officials, which are often higher than taxes themselves.

# Enabling environment development:

Ms. Snijders gave her presentation focused on the following elements:

- SMEs and their role in job creation
- The major constraints SMEs face during the set up phase (access to finance and electricity, competition of informal enterprises, tax rate, political instability) and the solutions to reduce these difficulties (policies should be developed by the government in close cooperation with employers and employee organisations so that they focus on the real needs)
- Possible actions:
  - Adapting business registration and licensing regimes to simplify the administrative processes of registration
  - Simplification of taxation policy and administration, in order to ease tax compliance
  - Reforming incomplete cadastres and costly land registration systems, and enabling female ownership of land and assets
  - Guarantee a proper functioning of the labour market, basic social protection for workers and skills development
  - Improving access to justice in bureaucratic administration
  - Improving the enforcement of existing laws regarding trademarks and other property rights
  - Improved access to financial services
  - Access to information about business regulation and rules
  - Incentives for reform and communicating these to informal enterprises: micro and small enterprises should see formalization as an opportunity for greater access to markets and growth
- Stimulate formalization of informal SMEs
- Definition of informal enterprises
- Positive effects of the transition from the informal to the formal sector
- Costs and benefits to make a choice between the formal or informal entrepreneurship

# **Conclusions:**

- The comparing of practices has to be done with care, since local circumstances differ considerably. The effect of changing practices can differ per country
- More monitoring and measuring impact is needed in each programme. This should include not only on the number of start-ups but also longer term impact on performance and the level of employment created
- Effects of changing business entry forms is low. The decision of becoming formal is not so much determined by the cost of becoming formal, but the costs and benefits of *being* formal.
- Strengthening the enforcement of laws has been shown to lead to good results
- Decision to formalise is often taken in start-up phase. More effective to focus on new start ups.
- Focus should be on (informal) growth oriented enterprises since they may benefit more from formalization then subsistence enterprises.
- Subsistence entrepreneurs might have less skills and less motivation to formalise their business (preferring a paid job)
- Large reforms combining more than one reform at one moment are preferred. Studies show that number of business registrations increase significantly if costs are reduced by 50% or more and the time needed to complete procedures is reduced by 15%
- Existing initiatives do not show that being formal means easier access to bank loans or public contracts. So effects should not be overestimated in campaign to stimulate entrepreneurs to formalise.

Please see Annex 5 for full PPT presentation.

#### Questions & Answers:

Q: Should the governments implement strong regulatory frameworks? Regulations cannot solve the practice that keeps the operators in the informal sector. By not registering and by keeping the wages below the regulated minimum wage, a situation results where they cannot compete in the world market. This is because they can only produce at less costs and poor production levels. How can this situation be solved? What is needed time to achieve the impact of the formalisation scheme?

A: Entrepreneurs and governments should put the right systems in place to enhance the formalisation of the informal economy. Looking at 3 or 5 -year time span is sufficient to give an idea of the effects of the programmes and to evaluate if the enterprises are formalised and if formalisation gave positive effects. This is not normally done by project monitoring activities because once the project is over there is no check of the long-term effects. It is recommended to include such monitoring in your project work plans.

#### Social Behaviour Change Communication (SBCC) and advocacy:

Ms. Horngren gave her presentation focused on the following elements:

- Behaviour Change Communication often tries to remove the beliefs and attitudes that underlie the social behaviours (example of not using the latrines because the underground is the world of the spirits and defecating there would be considered as loosing one's soul). The simple provision of information is not enough to trigger the social change: working on the power relations can instead help to change and transfer the information through creating debates.
- A Brazilian soap opera about the right to land was screened as an example of how story telling can raise questions on the status quo. Storytelling is a universal tool efficient to remember situations and create political and social discussions in the society. Communication cannot do what political movements are entitled to but it can help to achieve the change in a quicker way.
- Key points on Social Change Communication: changing attitudes towards social/cultural/political norms takes time.
- Social change and behaviour change paradigms: dominant paradigm versus critical paradigm
- Description of the roadmap for a change:
  - To define the content know the audience for the story you want to tell

- Use the creation emotion and connection
- It is important to make sure that the message is clear to the audience and it is required to test whether the message has been perceived correctly.
- The audience can be influenced by external communications, which can affect the original message: take this risk into account, measure and mitigate it.
- The identification of the groups who will ideally support the original message should be addressed.

Please see Annex 6 for full PPT presentation.

The participants were provided with a template to do an exercise: they were requested to indicate a problem and its solution so that the notion of change is clear. Some of them shared their work done for this exercise and Ms. Horngren provided the following recommendations:

- Be careful with the use of the words "policy makers" or "decision makers" because they indicate broad groups and instead provide the most precise identification of the target that is possible
- Give a surprising message because if the audience is surprised, they will listen
- For communication purposes, try to cut your projects into different parts and look at them from different angles with respect to the message you wish to provide

# Communication and EU visibility requirements:

Mr. Verschuren, from the EC/DG DEVCO, gave his presentation focused on the following elements:

- Communication is needed to show the results of EU cooperation, accountability towards the EU tax payers, visibility of the EU as global player to promote the fundamental values such as human rights and governance which are at the heart of the Lisbon Agenda, to support long-term change and improvement.
- The EuropeAid communication strategy was revised in 2013 and it focuses the visibility on results instead of the EC financial contributions which conversely were the core visibility message in the past.
- Most of the EC Delegations implement the projects in partnership with local governments or international organisations which normally do not provide much visibility to the EU contribution. The NGOs, however, are usually keen to acknowledge the EU funds and ensure decent EU visibility.
- Visibility is requested, not just for the sake of it, but for the work the EU does on the world scene
- Rationalisation of publications, reports and videos can and will preferentially be done in digital format at the EC headquarters in Brussels in order to apply a zero-paper policy. This cannot often be done with work in remote and illiterate areas where appropriate communication tools should be used such as investing in media such as radio, paper, television.
- Contents of communications (three pillars): projects' results, the EU policy, the EU as global partner
- How to communicate: tell human stories and follow the EU communication and visibility manual
- Main suggestions to the implementing partners:
  - Pay attention to the visibility clause in the EC contract
  - Allocate a budget line for visibility activities
  - Make a plan for the communication and visibility
  - Allocate human and financial resources to implement the communication plan
  - Take high quality level photos in the field, ensure that you are allowed to use the photos, that is that they are not copyrighted by others, and send your best pictures to the EU Delegation and to DEVCO HQ (photo-library)
- Ensure EU visibility, by putting the EU logo along with a motto, in an international environment already full of competitors and donors with their own visibility strategies
- Tips to make a good video: target the audience, use a documentary style rather than institutional film, keep it short and dynamic, tell a human story and avoid long interviews, use appropriate music and dynamic editing

Please see Annex 7 for full PPT presentation.

#### Questions & Answers:

Q: How to deal with sensitive issues such as the mining sector? Where there is a joint funded project by different donors and/or with several partners, how can visibility be ensured? How can the users use the photo-library? How can communication be used during the planning for trainings? Is there a precise tool for a specific audience?

A: Communication can be sensitive, sometimes counterproductive and even dangerous. When the communication plan is designed, however, sensitive issues should be taken into account and addressed without putting the project beneficiaries or the institution in danger. A well-adapted communication plan should be well drafted. It is better to test the message on a reduced target group and see if it is not controversial as intended initially. It's not rocket science but pure common sense.

If the EU co-fund is over 75% of the total project budget, the EU logo should be clearly visible and the indication "the project is co-funded by the EU" should be present so that the main funder is more acknowledged versus the others. In addition, the logos of the co-participants should be present as well so all implementing partners should be acknowledged. DEVCO photo-library is public and everybody can download/upload pictures from/to it: there is no precise policy. Pictures uploaded on the IESF platform could be shared with DEVCO photo-library upon permission of the implementing partners: in this case, Mr. Barilli will be in charge of transferring those photos.

Videos and pictures are easily reachable by a broad audience and useful to spread the message content of the trainings that the projects provide (this answer was co-provided by another participant as a practical result and achievement of the platform aim which is to have the participants themselves answer each other on comments, problems and solutions). There are no general communication rules that are applicable everywhere and to everyone: communication tools should be selected according to the target group and the environment because the impact of the message may change.

# Screening of videos:

The videos of the following implementing partners were screened by the moderation of Mr. Barilli:

- Maroc: INSAF
- Colombia: Antioquia
- Somalia: World Vision
- India: Action Aid
- Cote d'Ivoire: Save the Children
- Senegal: ADG

# Welcome drink

The staff and the participants had a gathering at the Jazz Club of the SIRU Hotel with some drinks and food. It was a social event to familiarize the participants with each other and exchange views and experiences.

# <u>Day 2</u>

# Wrap-up session:

Mr. Ghilan summarised the lessons learnt from Day 1 with the support of Ms. Zegers and Mr. Charmes.

# Informal Sector Support Facility (IESF)

Ms. Di Pillo, Programme Officer at the EC DG DEVCO, gave her presentation focused on the following elements:

• Knowledge sharing is part of the quality assurance of the EC-funded projects because it helps to capitalise the knowledge and expertise that stems from the implementation of thousands of EC-funded projects

- Capacity4dev is an interactive website created in 2009 within the EC capacity development strategy: it was firstly dedicated to internal use and then, in 2010, it was opened to the public and involvement of actors in development cooperation. It is a DEVCO website which differs from other standard websites because users are invited to give their own individual contribution to trigger exchanges and conversations. It's a living platform which evolves over time and is users use it to organise their own work through private groups.
- The DEVCO website is the official voice of the EU and not Capacity4dev, which is an open platform
- The group administrators should moderate the information and documents within their groups.
- Data on the users: Half of the existing groups are private meaning that shared information stays within the members' group. The other half is visible to everyone. 20% is composed of EC groups (EC staff). There are 16.000 members, 430 knowledge pieces (articles directly edited by the EC), 29.000 posts on 363 groups.
- A migration from the current open source Drupal version 6 to the version 7 will happen in September 2015 and two platforms will temporarily exist until a complete shift is made.
- Capacity4dev ensures the highest standard of data protection because it has been set up on a secured platform that the EC manages.

Please see Annex 8 for full PPT presentation.

#### Questions & Answers:

Q: Shall the NGOs themselves or their members set up an account on the platform? Can the NGOs' websites be related to the IESF platform? Who from each NGO can access the platform? Are there any criteria for filtering the information? Can we upload any relevant information on the platform or just the ones related to the awarded projects? Who are the 16.000 members?

A: Either a personal or an association account can be created. Each NGO shall decide the best organisation. The links to the NGOs can be included but it will not be a sufficiently direct tool to access the information. Therefore it is recommended to upload the information directly onto the platform. Everyone is free to contribute to the discussions on the platform because the aim is to have an honest exchange through a "one-to-many" approach instead of one-to-one reality. The platform is a free space where everyone can share what they want. Groups are topic-based, therefore information should fit each group. 1/3 of the users work for the EC; the remaining ones are from NGOs, private companies, public sectors, academies, universities, European development State agencies

Mr. Barilli and Mr. Lupi showed the main features of the IESF platform and, in particular, the aims and the structure of the IESF group, including:

- Pages: main page on the RNSF project and subpages about the project grants
- Blog: a virtual space for the group members' interaction
- Library: a collection of documents, good practices and methodologies
- Events: the calendar of meetings and international events related to the RNSF project
- Surveys: a space for possible surveys
- E-meetings: a thematic chat

In addition to the IESF, a private group for each beneficiary organization was created: the aims and structures of these "private" groups were further introduced. The participants were required to verify whether they were correctly subscribed to the two groups.

Ms. Zegers asked each participant to cite his/her own experience with using the social media. The feedback was very positive: all of them have already set up a Facebook account related to their own projects; some use twitter accounts as well. Impressive is the feedback from the CEOSS in Egypt that have two websites, 1 million subscribers, one software which allows users to upload their CVs through their mobiles, a users' pool composed of 30.000 youth and 6.000 companies connected to them.

#### Questions & Answers:

Q: How will you overcome the language constraints? How should we describe our organization? The information provided will be made public? Is it possible to manage the number of notifications or it is mandatory to receive the entire number of notifications?

A: Every entry cannot be directly translated on the platform. For the moment most of the entries are in English since is the language more widespread among the implementing partners. The documents in the library will be posted in their original language. Each beneficiary can write on the blog in English/French or Spanish. Members can use Google Translate to read postings and other information, even if this is not an ideal solution.

The contents of common interest will be translated in the three languages. In order to describe your organization do not limit to post to a link to your NGO website on the IESF platform. The moderator of each group should make his/her own decisions on what contents are to be published.

A privacy policy is currently applied: the IESF is a closed group where each representative of the implementing partners decides on which documents should be shared where. As some information will migrate to the Knowledge Sharing Platform (KSP) on the EuropeAid website, they will become public and accessible to any user. Prior to migrating, the moderator and the project team will ask to each implementing partners prior authorisation on which documents and information to make public. The categorisation of the documents currently uploaded on the library of the IESF private group is based on an alphabetical order: it will be shortly revised by the project team based on a thematic order. The email notifications can be rationalised and reduced by selecting the frequency (daily, weekly, monthly) on the

The email notifications can be rationalised and reduced by selecting the frequency (daily, weekly, monthly) on the platform itself: each group moderator will establish the frequency of the email reminders and wrap ups.

# Exercise session:

Mr. Barilli asked the participants to create test comments on the blog in order to start the interaction

# Summary of selected project proposals:

Ms. De Paolis, from the EC DG DEVCO, gave her presentation focused on the following elements:

- A high level competition has been for the call no. 135181 which turned to be one of the most successful ones over the last years. Only 40 full proposals out of 2.400 were shortlisted for the final selection: 17 of which have been awarded a grant. Congratulations.
- The new visibility manual will be published soon, probably on September 2015
- The indication of the EU logo with a motto will give visibility to your project and the EU. Please involve the EC Delegation in these visibilities choices.
- The list of the awarded beneficiaries was distributed to the participants. Please find it as Annex 9.

# Logical Frameworks:

Mr. Leenaerts, from the EC DG DEVCO, gave his presentation focused on the following elements:

- The Logical Framework Approach: analyses of the context, lessons learned, cross cutting issues and risks which helps to plan actions and make the follow up of the results
- Difference between the Logical Framework matrix (problem/objectives) and the intervention logic (what changes and how: it questions the hypothesis put in the project plan) that has been recently adopted as new EC trend
- Link between the Project Cycle Management and Logical Framework Approach (the problem tree and the objective trees the theory of change, the selection of the strategy the excluded elements should be considered in the analysis of assumptions/risks).
- Graphical visualisation of long-term project impacts
- The EC capitalises the results taken from similar geographical contexts
- Why using a Logical Framework: useful participative and flexible tool with multi functions for the planning, monitoring and management of a project

Please see Annex 10 for full PPT presentation.

# Questions & Answers:

Q: Can the logical framework be modified during the course of the project implementation? Shall we ask for the prior EC Delegation official approval? It is sometimes difficult to indicate risks and assumptions by not showing the weakness of the project or the context: what approach shall we use? Is the EC new trend recommended? Shall the project budget be amended if a resource reallocation is needed?

A: The logical framework is a flexible instrument, which follows the life and changes of the project goals. It can be adjusted in accordance with the EC Delegations without any administrative order. This is strictly linked to the Theory of Change approach. With regard to the risks and assumption, please describe the reality as it is because the EC Evaluation Committee will appreciate a clear overview of the situation and the credibility of the proposal. The EC suggests to keep the logical framework approach but including the changes suggested by the new trend towards a Theory of Change. Upon prior communication to the EC Delegation, a 25% flexibility can be applied to the budget headings (not subheadings). It is recommended to group the possible changes in a unique administrative order for the reallocation or extension of resources.

# Vocational Education and Training & Skills Development in EU Development Cooperation

Ms. Gobbi, from the EC DG DEVCO, gave her presentation focused on the following elements:

- Definition of Vocational Education and Training (VET) and Skills Development (SD) was provided.
- The EU's Communication on "Increasing the Impact of EU Development Policy: An Agenda for Change": the mere expansion of VET does not solve the problem of unemployment and low economic productivity. Nevertheless, quality VET with functioning links to the labour market is an essential element in encouraging inclusive and sustainable growth and enabling countries to diversify their economies and provide decent work
- VET needs to do more than just provide learners with knowledge and skills for specific jobs. It needs to be demand-driven, learner centred, inclusive, accessible, and flexible
- The main challenges for VET in developing countries:
  - Most work and workers is in the informal economy
  - Fast changing labour market needs
  - Rapid urbanization, rural exodus and slum formation
  - Changing patterns of migration in developing regions
  - Environmental change and skills for a low-carbon economy
  - Large number of fragile states where development aid is increasingly focused
  - Fragmented and low capacity of governance structures
- Main findings concerning VET and Skills Development in EU development cooperation:
  - The uneven distribution of funds: a lot of resources are invested in the Northern Africa and in Asia, less in Southern Africa
  - There are 30 VET-related projects funded by the EC and implemented worldwide which underline the increased number of countries working with the EU on VET matters
  - Efficiency, effectiveness and impact should be balanced, in the full respect of accountability, transparency, efficiency and best management practices.
  - Policy, strategies and plans proposed by the EC are often in contradiction with the existing legal frameworks
  - Most of the VET interventions are not embedded in systemic approaches
- Lessons learned from cooperation in VET:
  - Need for a solid evidence-based analysis and information on the Labour Market and VET system in order to better focus projects.
  - The focus should be on equity and quality of VET for everybody
  - Early and systematic involvement of social partners and businesses in project formulation and delivery increases effectiveness, ownership, sustainability and impact.
  - Support to local skills development initiatives such as associations of artisans and rural women or local training institutions to cater for local needs and opportunities proved more relevant and effective.
- The post-2015 strategy:
  - It calls for a more comprehensive approach for supporting inclusive growth.

- A stronger engagement is required in order to enhance focus on quality and equity of VET and skills development.
- The EU cooperation should optimize the impact of economic development on the standards of living of all citizens and VET can be the main cornerstone of a new strategy based on decent work and social inclusion.

Please see Annex 11 for full PPT presentation.

# VET, Skills Development & the Informal Economy

Mr. King, Professor Emeritus at the University of Edinburgh and President of the British Association for International and Comparative Education (BAICE), gave his presentation focused on the following elements:

- Difference between work and employment: in developing countries, most people work but are not employed because of the lack the employment benefits
- Difference between the formal and informal sectors: it is not possible to divide them neatly, there are not two separate sectors. The formal sector is a very dubious concept in itself because there is a great deal of informal work within the formal sector. There is now phenomenon where we also see the informalisation of the formal economy.
- "The vocational school fallacy in development planning" is an article written by Philip Foster in 1965
- The vast majority of all trainings can be found as in the examples of Indian formal sector and the traditional system of apprenticeship of Cote d'Ivoire. The informal sector in India is the 90% of 1.3 billion people who work (but are not employed) in the unorganized sector. When governments intend to invest on skills they do not realize that many people are already skilled
- The education level of workforces is increasing but at a different level in the world. There are so many different Vocational and Educational systems. Therefore, before implementing a project, an analysis of the context, including culture, and current VET system is recommended.
- There are many different kinds of skills that shall be distinguished and that the "Education for All Global Monitoring Report" by UNESCO was not satisfactory in this sense. The concept of what kind of skills one wants to propose in the informal sector interventions should be clear.
- According to a DFID study, the poor do not access formal vocational training, instead the less poor do.
- The World Bank finding that "four years of education increase agricultural productivity" is true in an enabling environment which is already moving; providing skills without an enabling environment is difficult.
- Many formal sector employees, including teachers, also have informal work, and/or second and third jobs.
- There are dynamic political processes that are informalising the formal sector, including corruption
- There are multiple types of interpretations and application of skills type training in basic and post-basic education
- TVET tips for planners and politicians:
  - Take into account the context, culture and history
  - "Skills for poverty reduction" is a very nice concept but the poor don't get into many of these skill opportunities
  - Skills don't equal jobs
  - There are massive and growing rich/poor disparities
  - Skill acquisition is not same as skill utilization
  - The pursuit of no single sector like primary school will secure goals
  - Intersectoriality between agriculture and labour and industry is essential and critical

Please see Annex 12 for full PPT presentation.

# Questions & Answers :

Q: Is education the only factor which makes a difference? There are no incentives to become skilled because skilled people are paid as much as those who are unskilled, in fact they are exploited due to corruption. How can this problem

be solved? How can quality of the VET be improved? How can projects support the strengthening of the enabling environment, apart from doing advocacy? Are there any programmes integrating VET and microfinance?

A: Education is not the only factor: there are several ones such as enabling environment and the VET itself is composed of different components. NGOs should focus on efforts which can compensate for intelligence. South Asia and India have a high number of highly skilled people who are exploited because they are prevented from a skilled wage increased by petty corruption: this is a human right issue, which discriminates skilled people. A holistic approach in the VET sector should be applied because according to the EC it is the right approach.

Nevertheless quality costs money and requires that inspection and governance systems be put in place in order to monitor and ensure quality. These mechanisms can only be implemented by the national governments therefore their investments are fundamental to guarantee the quality. There are areas in Africa where NGOs are providing trainings to the people not reached by the governments, (most excluded people). This might represent a risk because, if the NGOs keep being successful, the government will loose motivation to support these groups. In addition, sustainability is a key element to guarantee to project beneficiaries.

There are many countries in Africa where the training systems is well developed and includes a lot of skills (social, entrepreneurial, financial ones). Providing training in real context creates an atmosphere that is totally different from providing training within an industrial training institution that has no direct access to the direct work in a firm. This makes a difference in the way one acquires the skills.

#### Decent work and related formalising aspects

Mr. Delarue, from the EC DG EMPL, gave his presentation focused on the following elements:

- The speech is focused on three components: what decent work is, how the EU cooperates in promoting it, what the cooperation of the EU with international partners is to facilitate the transition from informal to formal economy.
- 80% of the workforce is employed in the informal economy and this not only affects the domestic work but it has got negative effects on the competitiveness and productivity within each county.
- Decent work development has four dimensions: job creation, ensuring fundamental social rights, social protection and social dialogue. This has been agreed in 2008 by ILO members and endorsed by the UN and EC and Trade Agreements etc. It has a development dimension as well and it contributes to it.
- The new development framework "Post 2015 Agenda", which is addressed to both the less and industrialised countries, includes some novelties: decent work is very present compared to the past.
- A recommendation called "The transition from the informal to the formal economy" is being discussed in Geneva this week and will be submitted to the General Conference of ILO for its adoption next week **Note from RNSF team:** the recommendation will become an international labour recommendation. Countries that ratify it are expected to work towards its implementation although it is not a legally binding instrument like a core labour standard/convention. It is not related only to the labour market but also to taxation, economic policies, services for companies and workers. This instrument stipulates that each country should establish a national policy addressing and identifying the needs and priorities for the progressive transition which is a process over time.
- The efforts of the implementing partners come timely in a peculiar international moment.
- The EC includes decent work in its EU development cooperation including social protection and private sector. It also promotes decent work in the 50 trade agreements currently in place.

#### Questions & Answers:

Q: What are the parameters to define and identify the decent work? What are the benefits to increase and promote decent work? Domestic taxation could push poor people in a worse situation: how can this risk be faced? Are the data on informal economy including the immigrants present in Europe and working in that sector? Is decent work included in the Sustainable Development Goals (SDGs)? What about decent wages?

A: Taxation should be fair and effective but the debate on fair taxation is still ongoing on how all parties of the society should contribute. This discussion is part of the European agenda in fact the OSCE has recently issued a report on the economic cost of raising inequalities in industrialised countries.

A social pact between the social and economic parties should be established and lead to the decision of who will contribute more in terms of financial coverage, including taxation.

The massive Indian campaign on domestic work was a push for ILO to adopt the "Convention on domestic workers" in 2011. The discussion on decent work was a sensitive issue twenty years ago instead now it's an open and objective dialogue.

There are no cases so far in which trade agreements have been used for protectionist reasons. The Decent Work Agenda states two principles:

1) the core labour standards cannot be used for protectionist reasons;

2) comparative advantages that are related to the non respect of the core labour standards cannot be used neither. Therefore lack of decent work should not be used to have unfair trade competition but on the other hand labour standards cannot be used for protectionist reasons. There is now not so much discussion on including decent work in bilateral agreements anymore because countries realised they share the same commitment. The SDGs include decent work at goal no. 8.

There are labour standards on decent wage: many countries have a minimum wage but it has not been adjusted to the cost of living so it is so low that it is not sufficient to ensure a decent life. There are also international standards on working time. The goal is to reduce the cost of money transfers and export the pension rights easier on the basis of bilateral agreements.

#### Screening of videos:

The videos of the following implementing partners were screened by the moderation of Mr. Barilli:

- Egypt: CEOSS
- Bolivia/Peru: PROGETTO MONDO MLAL
- Zimbabwe: YOUNG AFRICA
- Tanzania: Plan UK
- Tanzania: OIKOS (No video- PPT presentation)
- Cote d'Ivoire: AVSO
- Rwanda: AJPRODO JIJUKIRWA
- Peru: CAPACHICA
- Bolivia: FAUTAPO

# <u>Day 3</u>

Wrap-up session:

Mr. Ghilan summarised the lessons learnt from Day 1 with the support of Ms. Zegers and Mr. Charmes.

#### Exercises on IESF platform:

Mr. Lupi and Mr. Barilli suggested that the participants familiarize themselves with the platform by uploading any questions on the enabling environment.

# Organising entrepreneurs and workers in the informal economy

Mr. Charmes gave his presentation focused on the following elements:

• Women in Informal Employment: Globalizing and Organizing (WIEGO): builds and strengthens networks of informal workers' organizations, undertakes policy analysis, statistical research and data analysis on the IE, provides policy advice and convenes policy dialogues, has enumerated more than 800 organizations with more than 3 millions members.

- Self-Employed Women's Association (SEWA) is a major microfinance institution and is a founding member of WIEGO with 2 millions members. It was part of the negotiations for the adoption of the Convention on Home Work (C177) by the International Labour Conference in 1997
- The working poor in the informal economy, especially women, need to be organized to overcome structural disadvantages at the local, regional, and transnational levels
- Formation of global networks greatly enhances advocacy: since 2000, several transnational networks have been formed or consolidated such as StreetNet International (2002), HomeNet South Asia (2000), Latin American Waste Pickers Network (Red Lacre) (2005) etc.
- Organizing economic benefits includes negotiating better wages and conditions, receiving better prices, pooling limited resources and increasing access to financial resources.
- Organizing informal workers is different from organizing formal workers: some informal workers do not perceive themselves as workers, especially women and, in particular, those who produce goods and services in their own homes (home-based workers) or in the homes of others (domestic workers); informal workers belong to various statuses in employment making it difficult to organize around a single identity.
- Most informal workers do not work in a standard workplace, they deal with multiple points of control or multiple dominant players and face control points and dominant players that are often sector- specific: they have to negotiate on several fronts with private businesses and with local authorities.
- New and innovative approaches to organizing and collective bargaining are needed and no one model fits all
- Examples of current models in use:
  - Domestic workers who need solidarity in order to bargain with their employers often form or join trade unions
  - Self-employed home-based workers often form associations to leverage skills training, product design, and marketing services
  - Industrial outworkers who work from their home need to form unions for collective bargaining with employers and their intermediaries
  - Street vendors need to bargain collectively with local authorities often form unions or market-specific associations
  - Waste pickers who provide recycling services to cities or cleaning services to firms often form cooperatives
  - Lessons learned:
- At the heart of each successful campaign, except for the domestic workers campaign, there is a legal case.
- Key to the success of the legal cases is access of the informal workers and their organizations to free pro-bono, high-quality, and responsive legal assistance
- Technical knowledge and political support from civil society—most importantly, from the informal workers themselves –are critical to the success of the legal case
- The motto of StreetNet International "Nothing for us, without us" reflects the key enabling condition to ensure more and better work opportunities for the working poor in the informal economy: participation of organizations of informal workers to help develop appropriate policies, laws and regulations that recognize, validate and integrate their work and livelihoods.

Please see Annex 13 for full PPT presentation.

# Questions & Answers:

Q: How does the ratification process of the ILO Domestic Workers Convention, 2011 (No. 189) work? Does a cartography of the countries that ratified the Convention exist? How to regularize the working time and wages of the domestic workers? How to organise vulnerable people such as people living in slums who do piecework?

A: The ratification procedure is different from one country to another and it usually takes time. Once it is over, the convention shall be included in the national law. There is a mapping of associations by region and country, which will be uploaded on the platform. The piecework is very frequent in the labour market both in the industrial system and in the domestic work (domestic workers with multiple employers): because they are home-based, these workers are

isolated. Trade unions are getting sensitive to this category of workers which are difficult to organise but there are many successful cases.

Mr. Charmes suggested an exercise consisting for each project partners to fill the analysis tool presented for their own group of beneficiaries, identifying priority issues, organising challenges and bargaining counterparts

#### Supporting social protection within the informal economy

Mr. Taylor, the ESIP team, gave his presentation focused on the following elements:

• EU position and approach to social protection: the 2012 EC Communication on "Social Protection in European Development Cooperation", which is a policy document that represents the EC commitment, makes direct reference to the 2020 ILO Conference on Social Protection and is based on the EU value of social cohesion society.

It defines social protection as the element to enhance the capacity of all people, but notably poor and vulnerable groups, to escape from poverty, or avoid falling into poverty, and better manage risks and shocks. It is in line with the ILO position but the EU does not simply advocate ILO. EU is committed to a life cycle approach. Governments should invest in social protection tools such as pensions and not donors who should just support the establishment of national policies therefore social protection should be owned by governments, should be inclusive, including gender. The civil society should be part of the national dialogue at national and local levels.

- The World Bank (WB) focuses on Social Safety Nets, which is a very sophisticated model where social protection is seen as supporting growth through supporting people's abilities to participate in the economy and become progressively active in economic terms. This model is based on three concepts: protect, prevent, promote.
- The EU models differ from the WB approach because it goes beyond poverty reduction because everybody faces risks without social protection (even middle-class) therefore the EU has got a broader view.
- The EU action is based on the European Values of Social Inclusion and Cohesion
- Social protection defined in a broad sense should be directly related to active labour market measures including training of young people and the public services such as education, health, etc.
- The Sustainable Development Goals (SDGs) do not mention social protection but they include a vast research on it and include it in some targets:
  - Goal 1: End poverty in all its forms everywhere, Target 1.3
  - Goal 5: Achieve gender equality and empower all women and girls, Target 5.4
  - Goal 10: Reduce inequality within and among countries, Target 10.4
- WB data on main types of social protection programs classified by regions: 76% of people in Africa has got no social protection.
- ILO terminology is not very appropriate especially in countries where 80% of people are in the informal economy and therefore the concept of "unemployment benefit "doesn't apply to the reality. There is also a misleading difference within social security mechanisms: social insurance where people pay contributions (normally where the formal economy is well established) is different from social support where a free assistance is provided by the government.
- The WB system is target-based therefore it also has shortcomings as it creates a pool of excluded people who are not eligible and should be in principle entitled to appeal and complain (mechanism should be built). Management information system is not a technocratic method but underlines that the way of working should be social inclusive.
- Introduction of Social Protection for Informal Workers (WIEGO): informal workers have the same right as formal workers to healthy and safe working conditions and to have access to social protection schemes; informal workers should be integrated, wherever possible, into formal schemes.
- Social protection is a responsibility of those who benefit from the labour of workers and the goods and services produced by them.
- Social protection requires a long term commitment

Please see Annex 14 for full PPT presentation.

# Questions & Answers:

Q: How can governments ensure mobilisation of domestic resources? How can national laws guarantee social inclusion for indigenous people who have a different perception of the reality of poverty from other groups? Social protection is often provided by the private sector instead of the public one: what do we do to improve this situation?

A: The domestic resources mobilisation has become a big focus of national dialogue. This dialogue is related to the resources that each government allocates to social protection but this goes beyond the scope of this seminar. People should not be beneficiaries of just "charity".

There are many programmes that target the poor in general, without focusing on indigenous people: there is a lack of a peculiar approach on the social exclusion.

The 2014 UN Human Development Report defines a structure for social inclusions and looks at specific groups who are usually excluded such as indigenous people.

The classical economical world maximises the role of market and minimizes the role of the governments and politics: the WB states that "China is getting old before it gets rich" which is an example of countries where there is a large pool of young people but there is no productive work for them.

A sustainable approach has to be taken to avoid a polarised world composed of very rich and very poor people. The EU is moving in this direction. The program that your projects are part of is one of the EC actions towards this achievement. In Africa the economic growth is driven by mineral extraction and not by providing productive jobs for young people. These people, once old, won't have a pension.

# Screening of videos:

The videos of the following implementing partners were screened by the moderation of Mr. Barilli:

- Kenya: Oxfam GB
- Haiti: Oxfam IT

# General feedback on the seminar from the participants:

A message box was made that has been circulated to collect notes on ideas and suggestions. The participants filled the evaluation form in as well. All of them expressed their opinions and suggestions as follows:

- Aspects that are common to all the participating projects have been addressed
- The participants acquired a perception of shared problems, at the international level, and this gives more motivation to carry on with the local work
- A way to find a good balance between the questions of the participants and the answers the project team provided should be found on the IESF platform
- Gathering the grantees is a much appreciated unique initiative
- Participants indicate that they found it shocking news about being one of the 17 proposal selected out of 1400
- Young Africa in Zimbabwe indicated that they will put the SBCC lessons in practise
- The EC officers have a human touch and they are surprisingly flexible towards the procedures
- This seminar will help to re-think the projects' approaches and empowered the participants with motivation
- Further discussions on the tackled problems and each project are requested and suggested
- A reflection on how the IESF platform will be used should be done
- The videos provided the human dimension of the projects
- The EU strategic vision is now clear
- Further discussions on the tackled problems and each project are requested and suggested

# Closing remarks from the permanent staff:

- Reminder of filling the evaluation form in that was uploaded on the platform
- The RNSF project faces a long-term challenge and our approach is very precise and concrete nevertheless please do not expect miracles from this joint work, there are no given answers: you all are part of the answer.
- The participants involvement on the use of the platform is very welcome
- The participants' interest is increased a lot all along the 3-day seminar

# Conclusive observations, actions to take and lessons learnt from the permanent staff:

- Organisation of webinars
- Possible provision of support from Ms. Ghiati from Insaf who is a communication experts and volunteers to help the team with communication activities
- External speakers accepted to be members of the IESF platform and contribute to the discussions
- Photos could be uploaded on the IESF platform and forwarded to the EC photo-library
- Photos could be uploaded on the IESF platform and be forwarded to the EC photo-library
- Improve the presentation on enabling environment and provide follow-up details to the participants
- Improve the categorisation of documents uploaded on the IESF platform and make a summarizing scheme to be uploaded
- Upload on the platform additional documents on minimum wage and decent work
- Create a dialogue between the participants and the external experts
- Involve the participants in suggesting relevant internal events that will take place in their regions
- Draft fiches on advocacy, formalisation of informal economy, communication change and minimum child labour age.
- Motivate the participants to suggest innovative skills and VET