

Number 4 June 2016

# **Newsletter Research, Network and Support Facility**



Marketplace literacy training of trainers

#### In this issue

#### Special Focus on

**Entrepreneurship Development** 

#### Stories from the field:

Traore from Ivory Coast Fanny from Peru

#### *News from the Projects:*

Young Africa, Fautapo, Oikos East Africa, CEOSS, PLAN International UK

#### Reporting

The Business Facilitation Model - World Vision Australia

### Now available on the IESF Group

By RNSF Team

### Reaching for the stars!

Since it has gone public, the IESF Group has grown by almost 50% and has risen above the number of 100 members, making it one of the most active groups on the Capacity4Development platform. The RNSF team would like to welcome the new experts joining the IESF platform and thank all of you, new and older members, for your involvement in our development community dedicated to the informal economy. Our exchanges, especially through Question Time and Speaker's Corner, are more intense and richer. Would you like to make a contribution or share with us ideas or feedbacks on the IESF group? Let us know by contacting at f.barilli@arsprogetti.com.

By going public, the IESF Group has significantly expanded its audience and its activity. To keep this momentum, do not hesitate to invite your professional network to join the EU development community dedicated to the informal economy by clicking on: <a href="mailto:capacity4dev.eu/iesf">capacity4dev.eu/iesf</a>

#### Two new thematic briefs

Two new contributions from the expert Eric Huby on traditional apprenticeship and career guidance in Africa are available.







# **Newsletter Research, Network and Support Facility**

### **Special Focus on**

### **Entrepreneurship development**

By Mei Zegers, RNSF Team Leader

#### What is entrepreneurship development (ED)?

ED can be summed up as the process of enabling a person to acquire the necessary skills and knowledge for starting and running an enterprise of any size. Usually ED activities focus on strengthening the capacities of informal economy operators and/or small/medium sizes enterprise owners.

#### History

Development organisations have been working on ED starting in the late 1970s or, as some experts may state, even earlier. From the early stages the focus of ED was on micro, family owned, and/or small enterprises. Training and associated tools were developed while entrepreneurial advisory services, mentoring, and coaching were provided. Over time, the services to strengthen the capacities of informal economy operators to develop their economic activities have been fine-tuned. This includes the development of targeted tools and services for women, youth, people with disabilities, migrants and others.

This newsletter includes an interesting example from the EC funded World Vision Australia project in Somalia.

#### Types of entrepreneurship development

ED commonly includes the acquisition of knowledge and skills on basic marketing, financial management, recordkeeping, management of workers (including the owner's time management), and production management. Every one of these areas has many sub-topics that need attention to enable an economic activity to grow.

For example, past experience over many years has shown that it is important for informal economy operators to learn and implement the separation of personal from business expenses. When owners dip into their working capital for personal expenses the economic activity often fails to thrive. In the informal economy it is also important for operators to know how to manage their credit sales as this is a frequent challenge that can lead to informal economy business failure.

As part of production management training issues such as

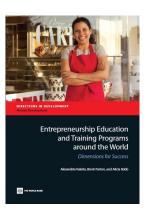
stock management and Occupational Safety and Health (OSH) are covered. Ensuring OSH is a major component of assuring decent work conditions in the informal economy.

ED may include guiding individuals who wish to start an economic activity on how to carry out basic feasibility studies of potential activities. Informal economy operators frequently forget to assess their potential market and underestimate the various costs associated with starting and operating their activity successfully. Other topics that may be included in ED focus on strengthening capacities to engage in well-considered business risk taking and fostering the ability to deal with uncertainty in the environment.

An important area of more recent focus has been on providing training for informal economy operators on formalising and ensuring decentwork conditions for themselves (and their workers).

# Available tools and materials on ED

Many agencies have developed tools, materials, training and other services for successful ED. The World Bank has published a major document (available on openknowledge.worldbank.org) describing many of the available training and education services on entrepreneurship around the world The ILO is one of the leaders in ED with its basic courses such as



Start and Improve Your Business (SIYB), Improve Your Exhibiting Skills, courses on OSH and others. Within the area of OSH the ILO has several courses such Work Improvement for Safe Home (WISH), for home workers; Work Improvement for Small Construction Sites (WISCON), for small construction; and Work Adjustment for Recycling.

Some of these courses, such as SIYB require a good basic education while others, such as GET Ahead, are more accessible for less educated persons. Visit the ILO website and search the on the site search box for Governments in countries as diverse as Guyana, South Africa, the Philippines, and India have developed specific materials for use in various settings in their countries.





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Supporting entrepreneurship development

USAID, DFID, World Vision (see also the World Vision Australia article in this newsletter), CARE, Save the Children, OXFAM, SEWA and other agencies have developed various types of relevant training materials. Unfortunately, in some cases these materials have stayed within specific projects and are not widely disseminated. We invite all readers to share their tools on the Cap4Dev IESF platform.

Please also note interesting innovative initiatives on ED such as those of the Global Village Energy Partnership, and the Village Enterprise programme. The Village Entrepreneurs one-year program provides groups of three entrepreneurs with seed capital, training and on-going mentoring by a local business mentor.

Some types of training and other ED services provision are tailored towards specific types of social inclusion groups. ED may be integrated with vocational education and skills training for youth. RNSF Implementing Partner Young Africa Zimbabwe, for example, engages in such training. Materials need to be adapted to make them accessible and usable for people with different disabilities. This may include using large letter types, sign language, and ensuring training locations are physically accessible. Programmes such as the ILO's GET Ahead are targeted to women.

#### Good Practices and Lessons Learned

RNSF research has determined that the most effective entrepreneurship and skills training uses a combination of theory and practice during training followed up with technical inputs and advisory support. Note that, accordingly, trainers need to have skills in consulting/mentoring so that they can provide the type of support to informal economy operators and entrepreneurs that they prefer and/or need.

Be aware that some informal economy operators are more interested in receiving consulting/advisory services as opposed to attending training. Capacity strengthening of informal economy operators should be supported in accordance with their needs while verifying if they have specific needs in the areas of:

- collective decision making
- investment in and implementation of business plans
- record keeping
- available financial services and knowledge on how to access and use them
- value-adding/value chain processes
- mechanisms to access (new) markets and buyers
- risk management

### Reporting

# Entrepreneurship Development in Practice: Making Puntland's Communities More Economically Viable One Business Facilitator at a Time

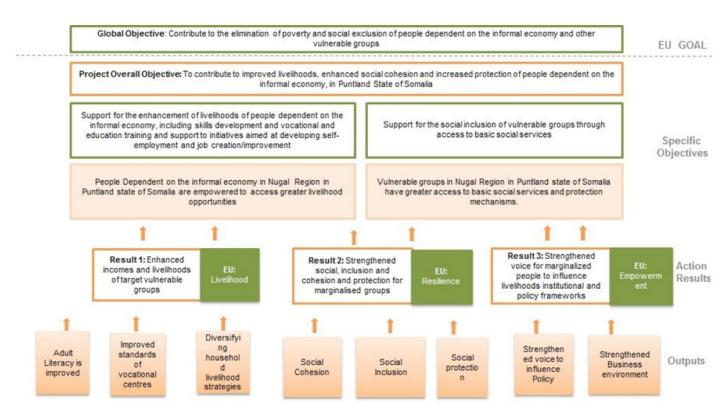
By Anne Hoelscher, World Vision Australia

The Nugal Empowerment for Better Livelihood Project is a 36-month project delivered by World Vision under contract to the European Commission. This project aims to bring greater opportunities to vulnerable families who are dependent on the informal economy and labour market in Nugal region, Puntland State, Somalia. The Theory of Change underpinning the Action is that lack of skills severely constrains livelihood opportunities in the target districts, giving rise to conflict and illegal or dangerous activities among young people. To address this, the project provides support to existing and new structures enhancing livelihood opportunities for targeted groups, as well as supporting the social inclusion of vulnerable groups through improved access to basic social services.





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Theory of change of the project

To achieve the project's goal and objectives, World Vision implements a tripartite model:

1. Enhanced income and livelihoods of target vulnerable groups is achieved by improving the standards of and accessibility to vocational education centres, adult literacy programs and the diversification of household livelihoods with the aim to enhance household income in the target areas.

- 2. To support a peaceful and productive society, this project strengthens social cohesion, inclusion and protection of marginalized groups in communities which are conducive to livelihood activities. World Vision focuses on informal and formal social protection mechanisms that can mitigate against risk to livelihoods for those dependent on the informal sector. This includes financial protection such as culturally appropriate savings and loans schemes, child protection, and ensuring access to basic social services, child registration and referral mechanisms.
- 3. Strengthened voice of the marginalized people to in-

fluence livelihood institutional and policy framework focuses on empowering groups to influence relevant institutional and policy frameworks through a better understanding of their rights and how to advocate for these rights.

#### **Business Facilitation**

Since 2006, World Vision has piloted and evolved the Business Facilitation (BF) project model across six countries, supporting around 3,000 small business owners. For the first time, this project model is implemented in a fragile context as part of the EU funded Nugal Empowerment for Better Livelihood Project.

The BF project model is a replicable approach for supporting the development of new or existing small businesses, typically micro enterprises. It offers standardized project design, implementation and evaluation guidance and tools that can be adapted to local contexts by local practitioners. The goal of a BF project is for small business owners who are caregivers to run profitable enterprises so that they can better provide for their children.



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Business Facilitation achieves this by responding to common constraints facing small businesses in their respective contexts; namely external barriers relating to the local business environment in which they operate; and internal barriers relating to individuals' lack of business competencies to start and run a business. To address these constraints, a local Business Facilitator is engaged whose role is to:

- Support a group of small business owners, referred to under BFasaCommunityBusinessCouncil(CBC), to collectively prioritize and overcome local business environment barriers;
- 2. Deliver a training course to small business owners to build their business competencies (i.e. skills, knowledge and attitudes);
- 3. Provide a coaching service to small business owners to strengthen their business competencies and make referrals to relevant networks and resources.

Supplementary interventions can be integrated to a Business Facilitation project in response to local business environment priorities. For example, when access to finance is identified as a binding constraint to small business development, the introduction of Savings Groups or the formation of a partnership with a microfinance provider can be progressed. The current project included a Psychological First Aid training for Business Facilitators to strengthen social cohesion and protection among the beneficiaries.



Saido Ahmed Abdirahman

"One day I hope to become a successful business woman" – Interview with a Business Facilitation Trainee Saido Ahmed Abdirahman

Saido Ahmed Abdirahman is one of our first Business Facilitation trainees in Eyl. In this interview, she tells World Vision staff about her experience.

World Vision: Hi Saido, thank you for taking the time to talk about your story. Could you tell us a little bit about yourself?

Saido: I am 34 years and a mother of 5 children, 4 boys and 1 girl. Together with my family, I live in Eyl Dawad where I own a small shop.



Saido in her shop in Eyl

# NUGAL EMPOWERMENT FOR BETTER LIVELIHOOD PROJECT

DURATION: 1 January 2015 – 31 December 2017

TARGET AREA: Garowe, Burtinle, Dangorayo, Eyl and Godobjiran districts of Nugal region, Puntland

TARGET GROUPS: Women and girls; PWDs; out-of-school youth; ex-militia; IDPs and returnees

PARTNER: Puntland Ministry of Labour Youth and Sports

MAIN ACTIVITIES: Facilitate access to non-formal education and TVET programs; Psychological First Aid Training; Business Facilitation Training; community dialogues; birth registration; Child Protection training; advocacy training for marginalized groups.

World Vision is a worldwide community development organisation that provides assistance to 100 million people in 96 countries. World Vision engages people to work towards eliminating poverty and its causes through relief and development, policy advocacy and change, collaboration, education about poverty, and emphasis on personal growth, social justice and spiritual values.







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World Vision: What made you open your own business?

Saido: It's the only thing I know to do. I grew up in a pastoral community near Bacadweyn – a small town in the north-central Mudug region of Somalia. As a child I never had the opportunity to go to school. Instead, I helped my mother in her small store. When I was older we moved to Bosaso where I opened a small shop of my own. With the little income I earned from the shop I paid the fees for the non-formal education classes I took in a private school in Bosaso. There I learned to write and read in Somali and how to calculate. Eventually, I moved to Eyl with my family.

World Vision: Why did you decide to join the Business Facilitation training?

Saido: I only earned very little money with my shop. It helped to pay for a few things my family needed but it was never enough and we always struggled at the end of each month. One day, I met Osman from World Vision who works as a Business Facilitator in Eyl. He told me about the training course and that I would qualify to participate. I wanted to be able to provide my children with a better life. So I decided to give it a try.

World Vision: What did you learn during the Business Facilitation training?

Saido: Together with about 20 other small business owners, I went to weekly classes. We learned how to do book-keeping and how to calculate profit and losses. I also learned how to come up with different ideas and select the best one. We were trained in marketing and customer service. Osman also coached me one-on-one when I had specific questions or problems with my business.

World Vision: Have you noticed any changes since the training?

Saido: Before the training I had no idea how to run a business. Thanks to the training, I now know how to attract more customers. For example, I order items that people like to buy. I plan ahead and save money. This has helped me to increase our household income.

World Vision: What do you think are the main barriers in Eyl that hinder businesses from being successful?

Saido: People have no idea how to run a business successfully. There are not a lot of different businesses or choices. Most of the business owners sell the same products. In addition, wholesalers and retailers compete with each

other. But after having received the business facilitation training, we understand these challenges better and, with the support from World Vision, we have formed a community business council to tackle these challenges together.

World Vision: Where do you see yourself in 5 years? Saido: I hope to become a successful business woman owning several stores in different areas of Puntland – Inshallah!

World Vison: Mahad sanid Saido!

Saido: Adan mudan!

# 4 GUIDING PRINCIPLES OF 'BUSINESS FACILITATION'

- 1. A group of small business owners that is equipped to collectively identify and over-come key shared constraints in their local business environment, can lead to more enabling conditions for small businesses to start up and/or sustain.
- Delivering a tailored business training course, using participatory adult-learning methods, can build new/existing small business owners' competencies and can contribute to improved business start-up and management practices.
- 3. Providing business coaching and referrals can enable small business owners to strengthen their business competencies and connect with new business resources and networks, which can contribute to improved business practices.
- 4. Combining the 3 interventions holistically can improve business conditions and business practices leading to more favourable results for business profitability and sustainability.

#### We want you!

In the last newsletter we had ActionAid India in the spotlight. This time it is World Vision Australia. Who wants to collaborate with us for the next newsletters? Please let us know!





#### Number 4 June 2016

### **Newsletter Research, Network and Support Facility**



Fanny harvesting her coffe

### Stories from the field: Fanny

# Fair coffee: integrated services in the rural sector for social inclusion

By Lionel Croes, ProgettoMondo Mlal

LAMAS, TARAPOTO, PERU. Fanny Delgado, a 34-year-old Peruvian woman, is a beneficiary of the project "Café Correcto" ("fair coffee") run by ProgettoMondo Mlal, one of RNSF implementing partners, together with six Peruvian and Bolivian partners in four different regions of the two South American countries. The project aims to contribute to the elimination of rural poverty in coffee growing regions of Peru and Bolivia through the promotion of increased levels of decent employment, with a special emphasis on women and young dependents on the informal economy.

To that end, the project particularly supports the access to assurance mechanisms and to new revenues associated with productions.

#### From the doctor's office to the coffee fields

Fanny's father is a doctor and she used to work as his secretary until 2007. When she got married, she began cultivating coffee with her husband and his two brothers. She worked full time and rarely had a day off. She was the only one able to deal with administrative paperwork and had to work both in the field and in the office.

Fanny loves her job and produces a high quality coffee, which will soon be ready to be exported. However, sales prices are still low and she finds it difficult to cover production costs. Most of the time, she must do two jobs at once, spending many hours working in the coffee field. The house where she lives is quite small, she shares it with her husband and his family. Her dream is to save enough money to move to a bigger house where she can stay with her husband and start a family. "If we do not find a way to earn more, my dream will never come true", she explains.

In 2015, the offseason rains delayed the maturation of the coffee beans and the production did not reach the estimated quantities. The corrective measures taken to save the crops increased the production costs and Fanny and her family had to sale it for less than it cost.

Staff of the "Café Correcto" project contacted Fanny and showed her how, by joining a farmers' cooperative, she could significantly increase her production and commercial capacities. She has been an active member of a cooperative called Oroverde since she joined. This cooperative gives her access to useful and beneficial training and gives her the possibility to be in contact with other coffee farmers and share technical knowledge, skills development and best practices in partnership with local technical institutes.

The project promotes sustainable diversification of pro-



Fanny taking care of her coffee plantation







Page 8

# **Newsletter Research, Network and Support Facility**

duction and activities associated with coffee farming: for example, bee products (honey, wax), reforested wood, processed coffee, gourmet coffees, processed fruit and vegetable, small animal breeding and also rural tourism.

### Health access challenges in a coffee growing region

Access to the health system has many limitations in Peru and informal self-employed workers face the greatest access challenges. Most coffee workers and independent producers do not have access to an appropriate health system. Solutions exist but they are mostly with limited capacities and designed as life insurance products covering risks such as death or disaster and not health related ones.

The "Café Correcto" project works with local authority health service providers to overcome legal and technical barriers preventing access to healthcare. The joint efforts also focus on raising awareness among the coffee-growing families to expand coverage and access to services provided by the State in the project area.

Fanny is not enrolled in any health insurance system because she does not have the necessary documents and, in case of necessity, the closest health centre is too far away from where she lives. For this reason, she faces difficulties in the treatment of her back problems.

As a key part of its activities, the "Café Correcto" project also supports communities of coffee growing farmers to access a suitable and accessible health system. For Fanny, this means she can access the treatment she needs.

The "Café Correcto" project supports Fanny and many others in Peru and Bolivia by leveraging their capacities through improved productivity and health risk reduction. In this way, it enables to give value to the coffee they produce but also, and above all, to their work. As a result, they and their communities can access a better future.

ProgettoMondo Mlal, established in 1966 in Italy, is a non-governmental organization operating in Latin America, Africa and Italy in the field of protection progettomondo.mlal of human rights and child development.





Traore Oumarou, a 12-year-old migrant

### Stories from the field: Traore

### Accompanying the mobility of children and young migrant workers

By Save the Children, staff

KORHOGO, IVORY COAST. Cross-border migration has become a global problem, especially in West Africa, and risks associated with this phenomenon particularly affect children and young people fleeing wars, difficult living conditions and family and social problems. In particular, they may be victims of various kinds of abuse and rights' violations, they also end up being faced with working conditions endangering their physical or psychological wellbeing and development. They often have limited or no access to basic services such as primary, secondary or vocational education, health and social protection.

From the early 2000s, child protection agencies have conducted research in the region which has shown that this issue should not only be addressed through common strategies of systematic interception and return to home country. Rather an overall approach on mobility should be considered. Such an approach takes into account the fact that such migrations may also be initiated on a voluntarily basis. It is, further, aligned with life transition phases as the-





### **Newsletter Research, Network and Support Facility**

se children and young migrants grow towards adulthood.

In a context of mostly informal economies and weak social protection systems, Save the Children has developed a decent-work approach for children and young migrant workers promoting economic autonomy. This is achieved through vocational training, protection through the strengthening of social services and sensitization of local population on the risks related to migration and labour exploitation.

#### Traore Oumarou, a 12-year-old migrant

Oumarou had left the home where he lived with his parents in Sorohouleni, Mali, a neighbouring town located between the cities of Pogo and Zégoua. Son of farmers who only had a small income, Oumarou did not attend school. He participated in fieldwork with his parents but had the desire to discover another world in the quest for a better life. With a friend, he travelled to the locality of Sorohouleni, Chekourani (Mali) before a driver agreed to take both of them in their adventure to Ivory Coast. Forced to pay money at every step along the way, the driver decided to abandon the children halfway.

Thus he abandoned them at the Regional Delegation of the Malian Consulate in Korhogo where they were left without any identification documents. The National Child Welfare Association for Aid to Children in Danger (ANAED) supported the young Oumarou first by conducting a successful search to trace his family in Mali. By a detailed investigation of his story and of his situation, they found out that his elder brother lived in Korhogo in Ivory Coast. Oumarou wanted to live with him and the rest of his family and work with them in their tailor shop.

Traore Amidou, Oumarou's older brother, explained: "I thought he was lost long ago because I did not see him for a long time. I am grateful to ANAED and all their partners as they allowed me to find my little brother today." After an analysis of the psychosocial and educative situation of Oumarou in terms of protection and autonomy, ANAED then supported his integration in the socio-vocational centre Lomana in Korhogo where he has since then joined a tailoring course.

"Nowlamhappy, I want to stay with my brother and dotailoring." Today, Oumarou, is a tailor apprentice at Lomona centre. He is naturally shy and speaks with great reserve. His primary focus is on football. He also says that he wants to become a fashion designer in the future and carry

out his work in Ivory Coast with his brother and his family.

To support Oumarou and many others in finding their own path, Save the Children, RNSF implementing partner, and its partners have initiated with the support of the European Union the Regional Project to Support Children and Young Migrants that aims to promote social cohesion through improved livelihoods of children and young migrant workers along the borders of Mali, Burkina Faso and Ivory Coast through their sustainable integration in the labour market and coordinated access to basic social services.

The project plans to support 14,000 children and young migrant workers living on the borders between Mali, Burkina Faso and Ivory Coast and to provide 4,000 children and youth workers with access to professional training programmes, development of life skills, education, and job assistance.

For more on this story:

- Presentation of the project
- SCI Global Child Protection Strategy Chapter Child Labour
- Report of the French-speaking regional workshop "Children in situation of mobility in West Africa" (Dakar, 2013)



Fondacion Save the Children is an not-for-profit, non-governmental organization which is part of the international Save the Children network, started in the United Kingdom in 1919.

It operates in more than 120 countries in the fields of child poverty, humanitarian aid, health and nutrition, education and child protection.





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### **News from the projects**

### Zimbabwe: Young Africa

# Excellence programme for young high potential entrepreneurs

As a part of the project "Accelerated access to vocational skills training and decent employment in Zimbabwe", Young Africa has organized a one-day training for 175 young entrepreneurs on Leadership, Life Skills and Business development. They were then offered the opportunity to join the programme "Acceleration, Incubation and Mentoring" (AIM). 15 were selected through a questionnaire administered via mobile phone and several rounds of interviews.

They are now going through a 5-week programme including training on various issues (Leadership Skills Development, 21st Century Non Cognitive Soft Skills Development, Entrepreneurship Education) with an individual support by seasoned entrepreneurs.

#### **Bolivia: FAUTAPO**

#### **New Equipment for trained Production Units**

The project "Production with training, an opportunity for decent work and social inclusion" is run by the FAUTAPO Foundation, funded by the European Union, and co-financed by municipal governments of the cities of Oruro and Potosi. Throughout a public ceremony held on the occasion of the conclusion of the first call for projects, equipment was delivered to 241 production units, operating in sectors such as food & beverage, garment, metal industry and construction, after the completion of the training process, one of the key items of the capacity building plan. The event ended with the awarding of certificates to first-level and auxiliary technicians.



Awarding of professional certificates



Equipment delivery ceremony

#### Tanzania: Oikos East Africa

#### Better marketplace literacy with training of trainers

Oikos East Africa project targets 5,000 Maasai women located in Northern Tanzania. They rely exclusively on informal subsistence economies and are vulnerable to social, economic and environmental shocks. A key part of the programme is the Marketplace Literacy Training. The development of new skills in the field of market literacy will allow women to better deal with the "marketplace" environment as conscious and active players and to get a basic education to successfully run sustainable small business activities. Oikos East Africa is proudly closing in these days the first session of Training of Trainers, spreading the first seeds of awareness.



Marketplace Literacy Training by Oikos Est Africa in Tanzania

### **Egypt: CEOSS**

#### Supporting Women working in the Informal Economy

The Project "Improving Livelihoods of Urban and Rural Poor Women Dependant on Informal Sector in Egypt" plans to strengthen community-based organisations (CBO) and provide a complete training women on job skills, entrepreneurship, business skills, leadership, literacy, etc. After an in-depth desk review, CEOSS is now conducting a field research aiming at identifying the situation and problems faced by women in the informal sector. It has also published a call for proposals aiming at selecting 30 CBOs and has already received 77 applications, which will be reviewed according to previously set criteria by an ad hoc committee.





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Egyptian women play an important role in the informal economy

#### Tanzania: PLAN International UK

#### Empowering youths for improved social inclusion

The first year of the project "Partnership to enhance livelihoods and social inclusion of marginalised young people dependent on the informal economy" operating in nine districts of Tanzania has just ended. A market scan has been carried out to identify employment opportunities and skills in demand. Based on the information collected, 2,112 youths so far are training in specific skills through vocational courses and apprenticeship programs. The project has also formed Youth Saving & Loans groups and Youth Livelihood forums as a platform through which the youth can meet with government officials and other key decision makers to engage ministries on youth livelihood issues.



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The RNSF Project supports the Informal Economy Support Facility (IESF) group on the platform Capacity4Development connecting the EU Development Community.



http://capacity4dev.ec.europa.eu/iesf

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