



# Vocational skills development: key to employment and income

Insights into the SDC's cooperation  
in vocational skills development



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

**Swiss Agency for Development  
and Cooperation SDC**



# Contents

<b>Editorial</b>	<b>5</b>
<b>Creating new perspectives through vocational skills development</b>	<b>6</b>
Youth employment – a global challenge	6
Skills for employment	6
Improving the image of vocational education and training	6
Building on key factors of the Swiss system	7
Companies must be actively involved	7
<b>Vocational skills development in Switzerland: an inspiration for other countries?</b>	<b>8</b>
State of the art: Swiss vocational education and training	8
Key factors in Swiss VPET	10
A model that has evolved over centuries	11
<b>An example from Nepal: Vocational skills development for the disadvantaged</b>	<b>13</b>
Imparting technical and practical life skills	13
Encouraging start-ups helps create additional jobs	13
Result-oriented funding for training providers	13
Reaching out to the disadvantaged: A lesson learned from almost 60 years of cooperation	13
<b>An example from Albania: Labour market integration</b>	<b>15</b>
New curricula and innovative teaching methods	15
Coming together to identify obstacles to employment	15
<b>An example from Niger: Training adapted to the needs of a young rural population</b>	<b>17</b>
Strengthening existing training structures	17
Dual vocational training approach	17
Replicating the pilot projects	17
<b>An example from Bangladesh: Cooperation with the private sector</b>	<b>19</b>
Qualified professionals desperately needed	19
No state intervention	19
A win-win-model	19
<b>An example from Honduras: Vocational skills development to prevent violence</b>	<b>21</b>
Developing alternatives to violence	21
Involving the employers	21
<b>Facts and figures</b>	<b>22</b>
International links	23
Swiss links	23
Imprint	24





# Editorial

Dear readers:

Vocational skills development has been a hallmark of Switzerland's development cooperation efforts for over 60 years. The reason is simple: Switzerland's dual system of vocational education and training is widely known to be a key factor of Switzerland's own economic success and social cohesion. Many of our partner countries face high rates of youth unemployment, as they struggle to provide young people with the skills they need to enter the workforce. That is why basic education and vocational skills development will become a priority area of our development cooperation activities over the next few years.

Vocational skills development can make an important contribution towards reducing poverty. It seeks to equip everyone with the practical skills and qualifications needed to compete in today's world of work. The Swiss Agency for Development and Cooperation (SDC) aims to ensure that vocational training options are available to all sections of society in its partner countries – in particular the poor and vulnerable, such as young people, women, and the rural population.

Building on the Agenda 2030 and particularly the Sustainable Development Goals 4 (quality education) and 8 (decent work and economic growth), the SDC focuses on creating efficient and flexible vocational skills development systems that take into account the needs of the local labour market. Its two priority action areas are:

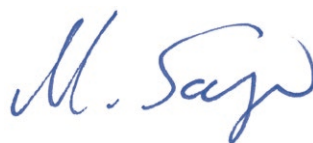
1. **Inclusive vocational skills development:** Making vocational training available to as many people as possible requires a mix of both public and private training providers. The SDC supports development of national standards that facilitate the school-to-work transition and clarify the role of public and private vocational training institu-

tions. In addition, we aim to lower entry barriers so that the illiterate, the poor, and people from remote regions are also given the opportunity to access and attend vocational schools. Therefore, the SDC promotes innovative teaching and learning methods, adapted to the needs of rural populations and those working in the informal sector. The seamless transition from basic education to vocational training opens up new perspectives for disadvantaged young people.

2. **Quality and labour market relevance:** To ensure that students enrolled in vocational education and training ultimately find employment, the SDC's programmes aim to bring such training more into line with the needs of the labour market. This is best achieved by getting the local private sector involved in developing occupational profiles and delivering training. Cooperation with the private sector is important because it ensures that vocational skills development programmes actually meet the demand for specific qualifications in the labour market and improves the quality and relevance of the training itself. Dual system training also plays a part in promoting entrepreneurial skills that stimulate the creation of new businesses.

This brochure is an introduction to Switzerland's development cooperation activities in the area of vocational skills development. It includes a select sample of the many different projects and contexts in which we operate today.

I hope you will find it an interesting read.



Manuel Sager, Director-General



# Creating new perspectives through vocational skills development

## Youth employment – a global challenge

When young people are unable to find work for many years or withdraw completely from the labour market, this not only has dramatic consequences in terms of economic development; it also poses a threat to social cohesion. More than 75 million young people worldwide are unemployed; in some countries in North Africa, Southern Africa, and in the Balkans, more than half of all young adults are out of work.

However, these statistics do not reveal the true extent of the employment crisis. More and more young people – especially young women – are giving up their search for work after becoming disillusioned. In English-speaking countries, the acronym NEET (Not in Education, Employment or Training) has been coined to describe this situation. In Latin America, the term *'ni-ni'* (*ni estudian, ni trabajan*, 'neither student nor worker') has become a popular equivalent. Many other young people have no option but to take on informal jobs, often working under precarious conditions, in order to keep their heads above water. They work as day labourers in agriculture and the construction sector, or as street vendors. But their potential for economic and social development goes unused.

## Skills for employment

Many young people never finish their schooling. But even those with a university degree have no guarantee of finding work that will provide them with a living wage. Courses often have a strong theoretical focus, offering qualifications that fail to correspond to the skills and capabilities sought by the labour market. Experts refer to a 'skills mismatch'. In particular, graduates lack real-world skills and workplace experience. As a reaction to these findings, vocational training has again been placed high on the international development agenda in recent years. Switzerland is committed to vocational skills development (VSD) in more than 30 priority countries and regions on four continents.

---

## Vocational Skills Development (VSD) and VET

The broad concept of Vocational Skills Development (VSD) encompasses all organised learning processes for development of technical, social, and personal skills and qualifications that contribute to sustainable long-term integration of trained people in decent working conditions into the formal or informal economy, either on an employed or self-employed basis. Thus, this broader vision of VSD has shifted away from classical Technical and Vocational Education and Training (VET/TVET), which aims at acquiring qualifications for employment in the formal economy.

Source: SDC (2010), Guidelines for Basic Education and Vocational Skills Development.

By promoting basic education as well as vocational training, Switzerland supports its partners in the south and east in helping young men and women gain qualifications they need to participate in the labour market and enabling them to make a successful start in working life. Even though vocational education and training alone does not create additional jobs, it still establishes the conditions required for young people to find work or set up a business for themselves. Looking beyond the purely economic dimension, vocational skills development also plays a role in the personal development of poor and disadvantaged young people, thereby contributing to improved social cohesion. Thus, a SDC project in neighbourhoods plagued by violence in Honduras gives young men and women new prospects and highlights alternatives to widespread gang crime (see p. 21).

## Improving the image of vocational education and training

In many developing and emerging countries, vocational education and training (VET) is not considered particularly attractive and is seen as the last resort for those unable to afford an academic education. Skilled manual trades and agricultural work are neither popular nor considered desirable: they are associated with hard physical work and low wages. Despite various adversities, many young people still hope to find a job in the public sector that provides social security, even though their chances of doing

so are becoming more and more remote. Jean-Michel Limat, Swisscontact representative in Niger (see p. 17) has made a similar observation: «Young people all want to turn their back on agriculture, no matter what, because they get next to nothing in return for their efforts. To stop this trend and encourage them to stay on their parents' farms, we teach them new methods that can increase both their productivity and income.» The same applies to skilled trades. Young adults find it is only worth investing in training if it will allow them to earn sufficient income to live on later.

Vocational training for young women presents a particular challenge in developing and emerging countries. Girls are the ones most likely to miss out already on basic education and young women wishing to attend vocational training outside the home often meet with resistance from their families. Traditional female occupations however, are often badly paid. Nevertheless, not all young women can be won over to the idea of technical occupations with a future.

## Building on key factors of the Swiss system

In Switzerland, vocational education and training is based on a dual system of theory and practice that imparts the skills young people need to work in a given occupation (see p. 8 ff.). The SDC's approach to vocational skills development is guided by the key elements of this dual system, such as the alternation between theoretical and practical training and close cooperation between social partners. Individual elements are singled out and adapted to the conditions in the partner country, taking existing structures into account.

In West Africa for instance, the SDC is building on the informal and traditional system of apprenticeships by supporting establishment of complementary theoretical training modules. These enable young people to take part in structured and comprehensive vocational skills development. In Niger, it promotes setting up mobile job information centres. This is an example of the way in which it adapts the Swiss recipe for success to local circumstances (see p. 17).

There is also often a need to bring the length of training into line with local requirements: many young people cannot afford to study or train for three or four years – or they have to work in a second job at the same time. For example, in Nepal (see p. 13) they learn a trade in demand on the labour market in short, modular courses. At the same time, young people from disadvantaged groups are taught social, cognitive, and emotional skills in order to increase their long term employability.

## Companies must be actively involved

The decisive factor in any successful VSD system, no matter where it is located, is close collaboration between all the stakeholders. The private sector in particular is required to play an active role. Ideally, local companies will be involved throughout the entire training process, helping shape curriculum development, taking on apprentices or imparting training modules and contributing to the certification and financing of training.

Significant success stories have already been achieved in this respect: in one project in Albania (see p. 15), the close partnership between the government, VET schools, employment agencies, and the private sector guarantees that young people receive training geared towards the current needs of the labour market. And this form of engagement also pays off profitably for private companies involved. A second example is a training project run in close cooperation with the leather industry in Bangladesh (see p. 19). Not only are apprentices better trained, but employment conditions are being enhanced for all workers here.

# Vocational skills development in Switzerland: an inspiration for other countries?

The Swiss system of vocational and professional education and training (VPET) is widely admired both at home and abroad. It is one of the things foreigners associate with Switzerland, in the same way as chocolate, clocks, cheese, punctuality, and direct democracy. So what is Swiss VPET, and where does it come from?

## State of the art: Swiss vocational education and training

Two thirds of the population in Switzerland opts for a VET qualification in the first place. That is why the VPET system receives such strong political support. In formal terms too, VET qualifications are equivalent to general education and lead to (applied) uni-

versity entrance qualifications. Most young Swiss opt for apprenticeship and VPET directly after their nine years of compulsory schooling. They embark on their vocational education at the age of 15 or 16 and receive practical training at a company for two, three, or four years – depending on the sector and profile. At the same time, they attend school at least once a week to receive a theoretical grounding.

---

## Swiss vocational education and training (VET) programmes

### 3-year or 4-year VET programmes for the Federal VET Diploma

These VET programs provide learners with the competences needed to work in a specific occupation and open access to tertiary-level professional education and training (PET). Learners also have the option of preparing for the Federal Vocational Baccalaureate (FVB) either during their training or after graduation.

### 2-year VET programmes for the Federal VET Certificate

These VET programmes provide young people with more practical skills to obtain a recognised qualification for a specific occupational profile. Graduates of the two-year VET programme may enrol directly in a three- or four-year VET programme leading to the Federal VET Diploma.

### Federal Vocational Baccalaureate (FVB)

Learners enrolled in a 3-year or 4-year VET programme for the Federal VET Diploma have the option of preparing for the Federal Vocational Baccalaureate (FVB). This preparatory course covers general education subjects and those who pass the FVB examination may enrol in a Swiss university of applied sciences (UAS) without having to take an entrance examination.

Source: SERI (2015): Vocational and professional education and training in Switzerland - Facts and figures 2015



Some 250 occupations can be learnt in this way. The training lasting three or four years can be combined with a vocational baccalaureate. Two out of every three young Swiss now earn a VET qualification – around one-fifth of them in combination with a vocational baccalaureate (FVB). A wide range of continuing education and training opportunities is available to young professionals in all sectors once they have completed their apprenticeship. Professional education and training (PET) is of particular importance to the economy and society. These courses are aimed at adults already in employment.

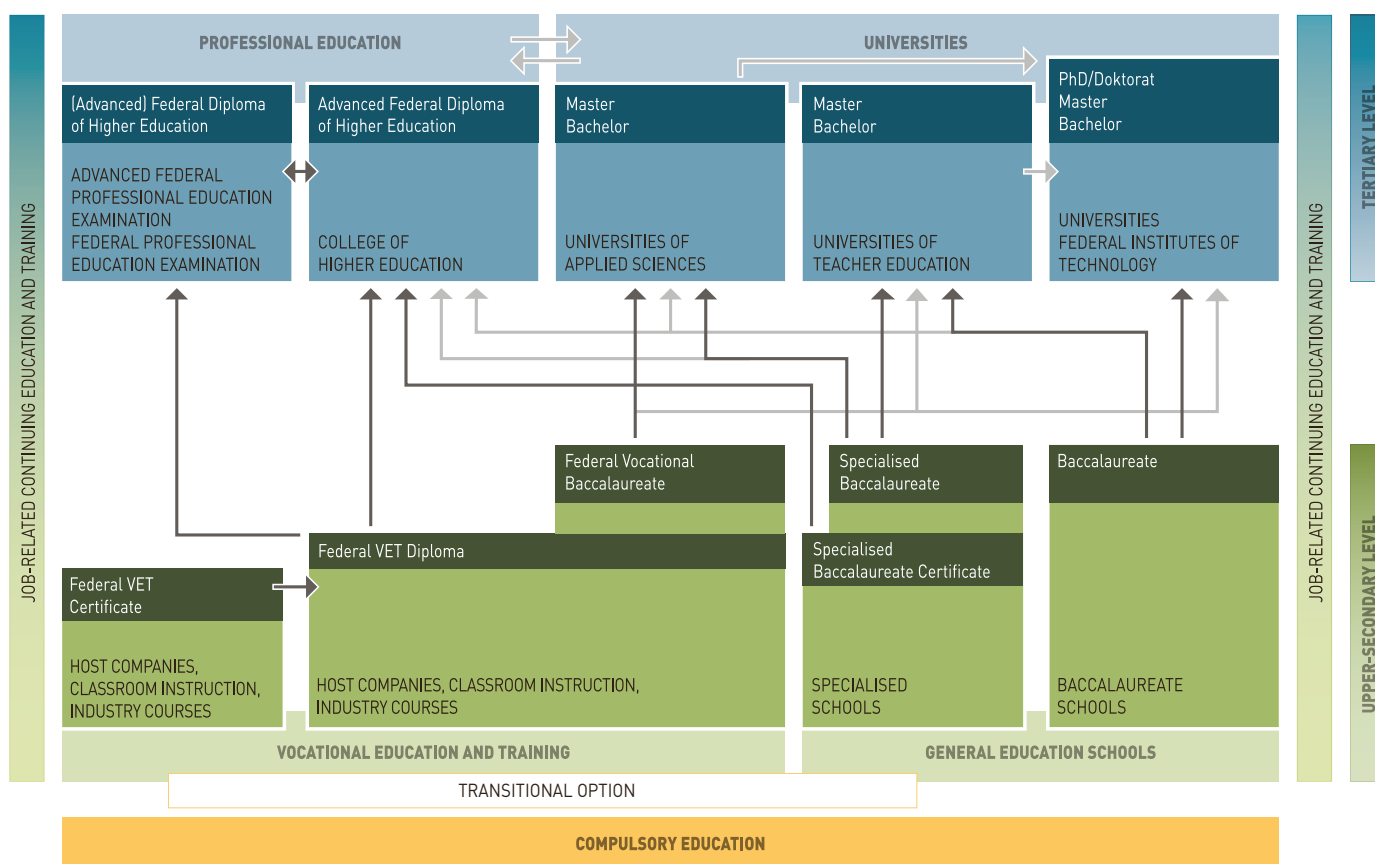
The qualifications fall into the tertiary level category, they are formally recognised and widespread in all branches of the economy. In a business environment dominated by small and medium-sized enterprises like Switzerland's, PET graduates are considered to be the backbone of free enterprise. Holders of a vocational baccalaureate can continue their training at a university of applied sciences. Altogether, around half of all tertiary-level qualifications in Switzerland are gained by graduates of professional education and training courses or universities of applied sciences.

## Professional education and training (PET) at tertiary level

Holders of the Federal VET Diploma or equivalent qualifications may specialise or deepen their expertise at tertiary level by pursuing a PET qualification. Preparation also includes acquisition of managerial skills. The PET sector is designed to meet the needs of the labour market, builds on existing work experience and prepares professionals for highly technical and managerial positions.

Source: SERI (2015): Vocational and professional education and training in Switzerland - Facts and figures 2015

## The Swiss VPET system



Source: SERI (2015): Vocational and professional education and training in Switzerland - Facts and figures 2015

## Key factors in Swiss VPET

The Swiss VPET system and training courses on offer have certain noteworthy features:

- Close cooperation of several stakeholders: the public and private sectors steer, fund, and manage the training together.
- Dual-track approach: the VPET system is based on the idea of learning in a real workplace and as part of a real-world working process. Training takes place at the host companies' production facilities, not in a special, segregated training context. Company customers and cooperation partners are accustomed to being served by apprentices and accept this. The principle of learning on the job is combined with targeted theoretical inputs imparted at a VET school.
- Labour market relevance: as occupations are defined and regularly reviewed by the professional associations, and training takes place largely in the workplace, the training received matches the needs of the labour market.
- Nationally recognised and protected: VPET qualifications are recognised throughout Switzerland, have protected status, and are comparable at the international level. This enhances the employability of those who receive such training and improves their career mobility. A profession (and the wide-ranging qualification it ultimately represents) serves to structure the world of work while also endowing social status.
- Permeability: Vocational education and training is the top choice for young people in Switzerland – not least, because VET actually leads somewhere. The system operates on the principle of 'no dead-end qualifications' and enables VPET graduates to follow practically any career pathway. At the same time and under certain circumstances, graduates who qualify under the general education system (baccalaureate) can switch to VPET options.
- VPET as business case: Because trainees are fully integrated into the productive work process, investing in VPET generally also pays off for companies involved. In the first year, the wage and training costs for apprentices will naturally significantly outweigh their productive output. This changes as trainees grow more productive, so that, after three or four years, the host company often generates net income from the relationship.

## A model that has evolved over centuries

- The current Swiss system of vocational education and training has evolved over several centuries, continually adjusting to changes in the economic and social environment and its needs. The roots of the Swiss VET system lie in the medieval town guilds, which established a sense of order in the local economy and way of life. They also controlled the skills training of apprentices in the towns and cities, although the interests of tradesmen and merchants were uppermost in this process at the time.

Following the Industrial Revolution and ensuing liberalisation of the economy in the 19th century, the guilds' authority began to wane. In 1884, the newly created nation-state decided to place the apprenticeship system under government control. The new rules provided for vocational training in the workplace and additional attendance at a professional school. In cases where there was a shortage of trainers or host companies, full-time public trade schools were set up, e.g., for carpenters or metalworkers. Vocational skills development thus became a means of promoting competition in the context of an internationalised economy.

To assert itself in the face of tough competition, an 'open' Switzerland had to rely on achieving innovation through practice-based skills development as well as boosting productivity and quality. Nevertheless, it was not until the 1930s that vocational education and training was put in place across the board and attendance at VET school became an essential part of the system. Vocational education and training for all was gradually established, and direct entry to work without any form of professional training began to recede. Economic prosperity encouraged this trend.

Finally, in recent years, resolute efforts have been made to promote greater permeability between vocational and general education. Pathways and opportunities were created that enabled individuals with a VPET qualification to pursue more academic studies and *vice versa*. The vocational baccalaureate and the wide range of universities of applied sciences (tertiary education) mean that people on a VPET track can now switch to an academic pathway, and people in general education can embark on a vocational qualification.

Globalisation and the presence in Switzerland of multinational corporations have put increasing pressure on the VET system to remain innovative and adapt to the fast-changing economic environment while retaining its strengths. In the international context, the greatest challenge lies in providing graduates with qualifications that give them international mobility. This is especially crucial for professional education and training at the post-secondary level.

*You can find further information on the Swiss VPET system on the SERI website ([www.seri.admin.ch](http://www.seri.admin.ch)) and in the following brochure: "State Secretariat for Education, Research and Innovation SERI (2015): Vocational and professional education and training in Switzerland – Facts and figures 2015".*





Reaching out to women and youth: on-site reconstruction training in Saurpani/Nepal  
© Naresh Singh Tharur/EF-SR



# An example from Nepal: Vocational skills development for the disadvantaged

Switzerland has been running VSD programmes in Nepal for almost 60 years. Together with the government and other partners, it set up the Employment Fund programme in 2008 with the aim of providing training to disadvantaged young people. The know-how and technical skills they acquire in some 80 occupations help improve their chances on the employment market.

Around half a million young people enter the labour market in Nepal each year, 90% of whom have no formal VET qualifications. Finding a job from which young adults can earn a living remains a distant dream for many of them. Young women and people from poor families and disadvantaged segments of the population have particular difficulty in finding a good job. Two of the Employment Fund's sub-projects open up new prospects for them.

## Imparting technical and practical life skills

The first sub-project – Path to Prosperity (P2P) – is primarily aimed at women, the illiterate, and young people who have been marginalised owing to their ethnicity, family background, or a disability, as well as those who left school without graduating. Short training courses teach them the technical skills they need to successfully gain a foothold in the labour market. They also receive information on reproductive and sexual health and gain instruction in social, cognitive, and emotional skills. To ensure that the poorest sections of society are actually reached, if necessary, their living costs can be funded during the training period or childcare provided.

## Encouraging start-ups helps create additional jobs

The second project component – Micro Enterprising for Job Creation – supports young people in setting up their own small business. Alongside practical vocational training, the primary aim is to familiarise trainees with the economic environment and pass on business skills, including basic grounding in how to manage both their company and their own household financially.

This sub-project is aimed first and foremost at migrant labourers who have returned to Nepal and young people who have already attended an em-

ployment training. Once they have set up a business, project graduates receive advice and support for a further six months.

## Result-oriented funding for training providers

The Employment Fund entrusts 30 private training providers with implementing programmes. These service providers are chosen each year by means of a competitive selection procedure. The firms themselves assess the labour market's needs and adapt their training courses accordingly. The Employment Fund refunds training costs on the basis of a results-oriented financing approach. Reimbursement takes place in three phases:

- 40% of the training costs are paid back when the trainee successfully graduates from the course.
- A further 25% is reimbursed after the trainee has been in uninterrupted employment for three months.
- The training providers receive the remaining 35% when the trainee remains in gainful employment for more than six months and earns above a pre-defined minimum-income level.

Training providers also receive a bonus if they succeed in integrating a member of one of the main target groups – women, economically disadvantaged people, or those who face social discrimination – into the job market.

## Reaching out to the disadvantaged: A lesson learned from almost 60 years of cooperation

The Employment Fund has facilitated training for some 100,000 young people since 2008. Half of them are women, and 84% come from a disadvantaged segment of the population. In response to the devastating earthquake of spring 2015, Switzerland quickly decided to offer additional training in earthquake-proof reconstruction through the Employment Fund and to provide earthquake-affected young people with assistance in building new homes.







# An example from Albania: Labour market integration

In Albania too, large numbers of young people are out of work, and the VSD system is in need of reform. Switzerland is helping to bring teaching more into line with practice and, in so doing, to meet the needs of the private sector.

The situation on the Albanian labour market is less than rosy: the unemployment rate stood at 17%, even climbing as high as 33% among young people in 2014. Paradoxically, companies nevertheless struggle to fill the few vacancies that arise, since most of the candidates lack proper qualifications. One reason is the vocational education and training system, whose origins date back to the Communist era: it fails to meet the labour market's needs and imparts purely theoretical knowledge.

## New curricula and innovative teaching methods

Switzerland has been providing Albania with assistance in introducing improvements and reforms to VSD and youth employment for two decades. During this time, it invested some 20 million francs and delivered encouraging results. Innovative learning techniques have been introduced, new curricula for about 20 professions created, and appropriate teaching materials developed at 35 vocational schools. The VSD project trained hundreds of teaching staff and helped 4,000 apprentices take their first successful steps towards finding work.

In addition, various forms of training that combine the theoretical and practical have become established. In technical areas such as heating installation, tin-smithing, plumbing, and IT, training courses last for three to four years. Practical work is carried out in class. For hairdressing and baking industry apprenticeships, on the other hand, dual training concepts containing a significant amount of on-the-job training have been introduced successfully, thanks to public-private partnerships.

## Coming together to identify obstacles to employment

Switzerland involves various state actors, vocational schools, employment agencies, and private companies in measures to improve the labour market's integration of young people. The various stakeholders work together to identify barriers to employment, look for solutions, and implement the measures adopted. This approach has already met with success in three regions of northern Albania, for example, where 17 coordinated activities promoting youth employment took place. Several hundred young adults were given help in looking for work. State employment services have subsequently reported a rise in the number of jobseekers who manage to find a position. Private enterprise is also playing an increasingly active role.

The private sector's successful involvement has shown itself to be a key element in the process – but one that requires additional measures. To this end, Switzerland uses a market system development approach, which brings all relevant actors in the market closer together to jointly improve the business environment. Therefore, companies invest more in training young talents and, by improving the value chain, tap into new markets. As a result, they are better positioned for growth and thus abler in providing employment, especially to young people.





Vocational training is preparing  
the harvest for tomorrow:  
Rural vocational skills program Niger  
© Swisscontact Niger



# An example from Niger: Training adapted to the needs of a young rural population

Switzerland is committed to improving basic education and vocational training systems in Niger. Over 1.5 million young people living in rural areas currently have no access to either. Their future ability to enter the labour market depends on a successful combination of good-quality basic education and vocational training tailored to their needs.

Half of Niger's population is under the age of 15. These young people should be seen as an asset, but with a population growth rate of 3.9%, the country faces the challenge of providing all its citizens with good-quality education. Over 1.5 million Nigeriens aged 12 to 19 would like to take part in vocational training, but only 1% are currently enrolled in such a programme.

To assist the Nigerien authorities, in 2011 the SDC launched a programme to support vocational training in rural areas. The aim was to help establish local vocational skills development systems to ease integration of young adults into the labour market. Local communities and local authorities are key partners in the effort to meet the needs of both young people and the local labour market.

## Strengthening existing training structures

Various training structures have been strengthened in the rural regions of Dosso and Maradi in southern Niger. These include 'integrated agricultural training sites' which offer practical courses in agriculture, livestock farming, market gardening, and farm machinery. Meanwhile, 'community development training centres' train young people who want to become mechanics or carpenters, or learn how to sew or cook professionally. In both cases, the SDC funds facilities, equipment, and the design of new courses.

Since 2013, some 7,000 young men and women have started a vocational training programme in one of the training centres, where they are acquiring the basic knowledge and skills necessary to pursue a professional activity.

## Dual vocational training approach

One of the innovative projects supported by the SDC is a dual vocational training programme introduced by several local artisans' associations. Much like Swiss apprentices, young people attend a training centre while working in a company or workshop. The programme allows them to combine theoretical and practical learning. To enable as many young people as possible to complete an apprenticeship, the training takes place in the local languages. Apprentices can acquire basic skills and also take literacy courses.

The seamless combination of basic education and vocational training enables young people to enter the job market. With that objective in mind, the SDC also supports a mobile service comprised of vocational information and guidance platforms accessible in all of Niger's regions. Its aim is to offer young people guidance and support in pursuing their professional plans.

## Replicating the pilot projects

The SDC sees its work in Niger as a long-term endeavour. Since 2011, it has invested considerable energy in first clarifying and then strengthening the roles and responsibilities of various public and private actors involved in the vocational training sector. Based on positive experiences in the regions of Dosso and Maradi, the vocational training supported by the SDC is expected to become widespread gradually. By 2020, some 20,000 young people could benefit at the local level. At the same time, the national authorities responsible for vocational skills development will step up their commitment to these various programmes.





Khurshida Begum has a job and is sustaining her family thanks to training at 'Skills for Unemployed and Underemployed Labour (SkillFUL)', Dhaka, Bangladesh  
© Rasehdul Alam Chowdhury



# An example from Bangladesh: Cooperation with the private sector

With Swiss support, the leather industry in Bangladesh is piloting an enterprise-based training model that is new to the country. The Industry-led Apprenticeship project builds on an initiative of the umbrella organisation for Bangladesh's leather sector. The first results of this cooperation with the local private sector are encouraging.

Private sector involvement is a cornerstone of the SDC's vocational skills development policy. No VET system geared to the labour market (and thus imparting relevant skills to the beneficiaries) can be offered in the long term without the participation of employers. Cooperation of this kind can take on a variety of different forms, depending on the context. If the content and outcomes of vocational training offered are geared to their needs, employers are generally willing to share in the training costs, which has a decisive impact on the projects' outreach and sustainability.

## Qualified professionals desperately needed

There are more than 3,000 shoe factories in Bangladesh, 75 of which produce high-quality products for export. The leather industry is booming and employs around 850,000 people. Even though there is no shortage of workers – hundreds of hopefuls queue up outside the factories each day – it is still difficult to find qualified staff. That is why shoe manufacturers and leather goods producers have mainly recruited unskilled labour to date. However, workers who cannot use a sewing machine properly or cut expensive leather correctly cause damage and produce substandard goods. Owing to deficiencies in the state training system, the industry association seized the initiative and set up the Centre of Excellence for Leather Skills (COEL) in 2009. Member companies realised that they could train a new generation of skilled workers more efficiently and cost-effectively by joining together and establishing their own professional training centre. It would develop training courses catering specifically to their needs.

## No state intervention

With SDC support, the COEL designed a workplace apprenticeship scheme. Some 22 companies have now signed agreements with the COEL to enable three main types of training courses for machine operators (cutting, sewing, and lasting of sole to leather) to be conducted by COEL experts in their enterprises. The trainees come from disadvantaged sections of society, and 70% are women. The one-year apprenticeship takes place entirely in-house and on-the-job. Before being integrated into the normal production processes, the young people spend three months acquiring basic skills at a production line within the factory. During these three months, they receive the official basic wage, with the company paying more than half the costs out of its own pocket. At the end of these three months, the apprentices are fully integrated into regular production and added to the company's payroll. However, they continue to be closely supervised and coached by their trainers. The trainers themselves receive theoretical and didactic training from the COEL. In addition to paying the apprentices' wages, companies also pay a placement fee to the COEL for every apprentice who successfully completes their basic training. Yet the state does not intervene in the training. However, it will define future standards and certify diplomas.

## A win-win-model

The first results are encouraging: to date, more than 4,600 trainees have found permanent jobs. The demand for skilled workers is so high that more than 95% of young people succeed in finding stable work following completion of their apprenticeship. What happens next depends on the companies. If the leather industry considers its investment in training to be worthwhile, it is likely to upgrade the system and secure all the financing itself. The advantages for the companies involved are self-evident: not only do they cut costs (fewer substandard articles, lower training costs through outsourcing and professionalisation), the training also boosts labour force productivity. At the same time, staff turnover drops as skilled workers trained by an enterprise tend to stay with the company longer. Government plans to raise the minimum wage should increase the medium-term incentive to invest in staff productivity. This model could also catch on in other branches of the economy.





A path to self-employed work: vocational training in San Pedro Sula/Honduras  
© Thomas Jenatsch/SDC



# An example from Honduras:

## Vocational skills development to prevent violence

Since 2013, Switzerland has been involved in a project in Honduras that touches on both vocational skills and preventing violence. The aim is to improve and expand low-threshold vocational training for young people in neighbourhoods plagued by violence. The training is intended to be comprehensive. Alongside technical skills, the young adults – who often come from broken homes – are also taught basic human and citizenship values.

Low-threshold vocational education and training in Honduras is of poor quality. The courses are outdated and fail to match the labour market's needs. In addition, there is a lack of attractive opportunities for young men in districts at risk of violence. This diagnosis formed the starting point for the SDC's engagement in Honduras' vocational training sector. The ProJoven project, launched in 2013, increases the availability of workshops and up-to-date courses in poor areas with a high incidence of violence. It also contributes to modernising INFOP, the national vocational training institute.

### Developing alternatives to violence

In Campo Cielo, a poor suburb of Tegucigalpa, local residents estimate that one in every four young people over the age of fifteen is a member of a youth gang prone to violence. Where unemployment and a lack of prospects reign, gangs hold out the promise of social status and easy money. The *Talleres populares* (popular workshops) offer a low-threshold alternative to a career in violence: in courses lasting three to four months, young people learn motorbike maintenance, confectionery, or hairdressing skills, as well as how to use a computer. Some course graduates succeed in finding a job. Others like 17-year-old Carlos, who cuts hair and dreams of owning his own salon, attempt to go into business for themselves. So may single mother Joana, who raises two children on the proceeds from her cheesecakes.

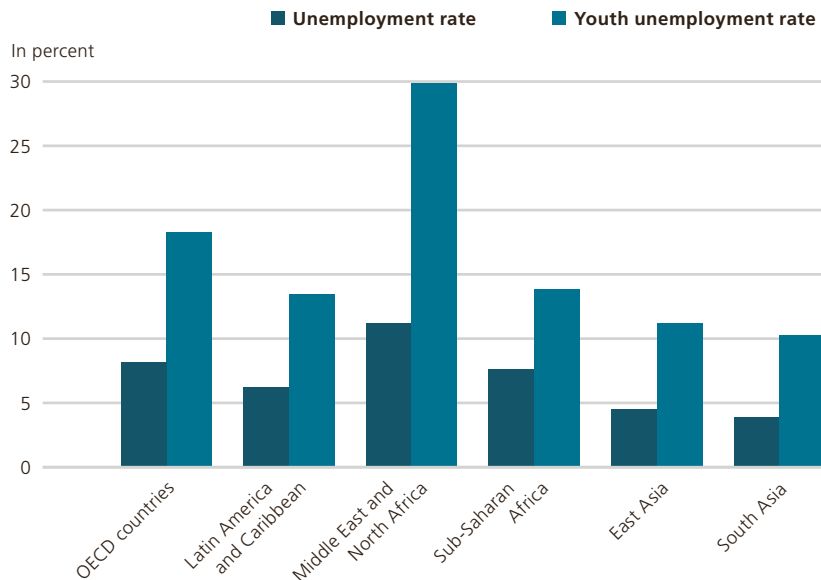
### Involving the employers

Imparting skills and techniques to generate income is just one goal. Inculcating human values in young people from dysfunctional backgrounds marked by violence is the other. The teachers are more than just instructors: they are also coaches who listen to the young adults and help them find their way into the job market. And it's not just teaching professionals who are faced with this challenge. The entire vocational training system is called upon to act. It can certainly help prevent violence by focusing more closely on the needs of young people from the lowest level of society.

To achieve ProJoven's foremost aim, the SDC is working closely with INFOP, the Honduran vocational training institute, and the national industry associations to develop two new courses in construction and tourism. Involvement of employer associations ensures that courses will be tailored to the labour market and make it easier to arrange work experience placements. Young men are the main target. They are more affected by violence than women, yet they remain under-represented in the workshops.

# Facts and figures

## Figures



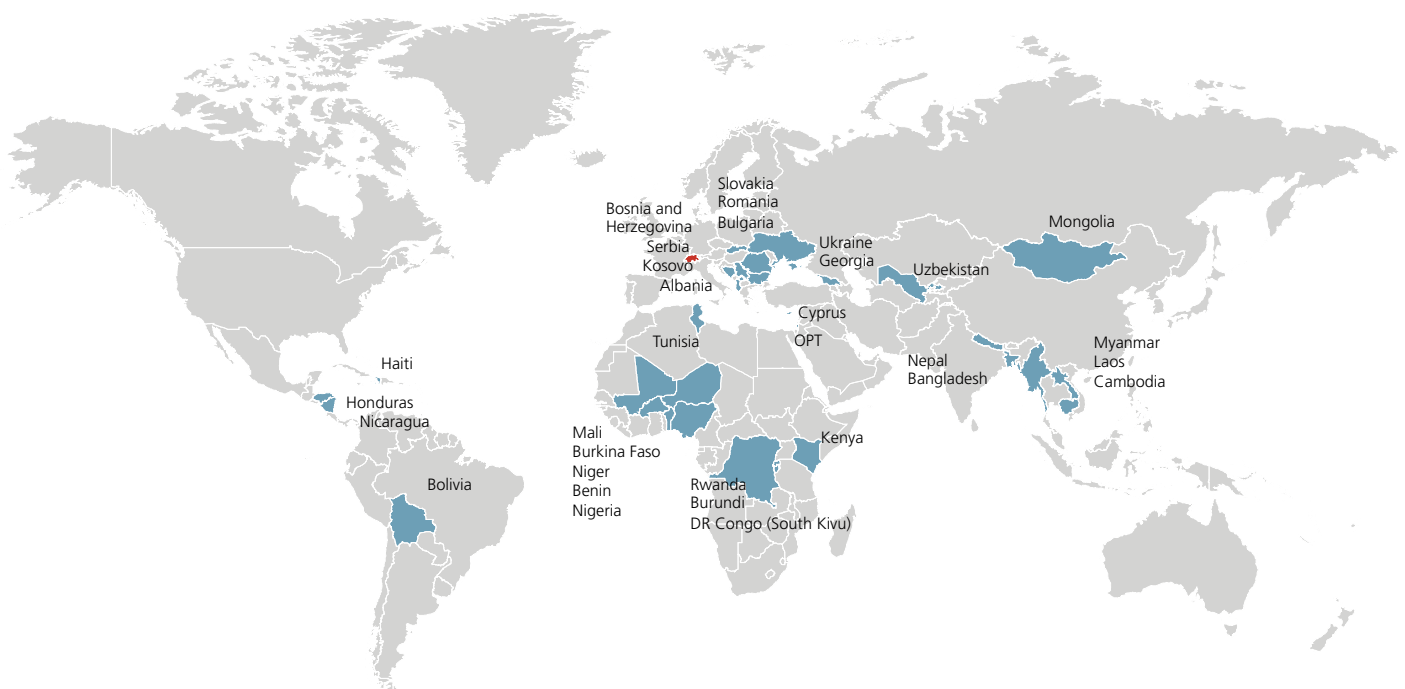
In most countries, unemployment rates among young people (aged 15–24) are two to three times higher than those for the population as a whole.

Source: ILO Key Indicators of the Labour Market for 2013.

- Never before have there been so many young people living in developing countries as today. Their number passed the one billion mark in 2010. Ten million to twelve million young people come onto the labour market each year in Africa alone.
- Over the course of the next 15 years, 600 million new jobs will have to be created if the growing number of jobseekers is to find work.
- In many countries in the Western Balkans, over 50% of youths are unemployed. Unemployment and a lack of prospects for a growing number of people threaten social peace and provide a fertile breeding ground for violence and conflict.
- The SDC commits some CHF 50 million each year to more than 40 vocational training projects in around 30 priority countries and regions. The level of funding has almost doubled in the last four years.

## SDC Projects in Vocational Skills Development (VSD)

Partner countries by December 2015



## International links

UNESCO International Centre for  
Technical and Vocational Education and  
Training (UNEVOC)  
[www.unevoc.unesco.org](http://www.unevoc.unesco.org)

International Labour Organisation (ILO)  
[www.ilo.org/skills](http://www.ilo.org/skills)

European Training Foundation (ETF)  
[www.etf.europa.eu](http://www.etf.europa.eu)

Donor Committee for Dual Vocational  
Education and Training (DCdVET)  
[www.dcdualvet.org](http://www.dcdualvet.org)

## Swiss links

Swiss Agency for  
Development and Cooperation (SDC)  
[www.eda.admin.ch/sdc](http://www.eda.admin.ch/sdc)

State Secretariat for Education,  
Research and Innovation (SERI)  
[www.seri.admin.ch](http://www.seri.admin.ch)

The portal of Swiss vocational and  
professional education and training (VPET)  
[www.vpet.ch](http://www.vpet.ch)

## Imprint

### Editor:

Swiss Federal Department of Foreign Affairs FDFA

**Swiss Agency for Development and Cooperation SDC**

3003 Bern

[www.sdc.admin.ch](http://www.sdc.admin.ch)

### Design:

Visual Communication FDFA, Bern

### Orders:

Information FDFA

Phone: +41 58 462 44 12

E-Mail: [deza@eda.admin.ch](mailto:deza@eda.admin.ch)

### Contact:

Swiss Agency for Development and Cooperation SDC

Employment and Income (e+i) Focal Point

E-mail: [e-i@eda.admin.ch](mailto:e-i@eda.admin.ch)

This publication can be downloaded from [www.fdfa.admin.ch/publication](http://www.fdfa.admin.ch/publication).

Bern, 2016