

German Development Cooperation with Afghanistan

## Bazaar study Afghanistan and conclusions for a systemic approach



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## German Development Cooperation with Afghanistan

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## German Development Cooperation with Afghanistan

### Study approach

#### Theme

1. Social background of the young people in the bazaars
2. Training courses and training organization
3. Personal plans after graduation

#### Kabul

#### Mazar

#### Charikar

#### Cities

Large city  
Approx. 3 mil. population

Province capital city  
Approx. 375,000 population

Province capital city  
Approx. 30,000 population

#### Sectors

Ironware dealers, leather makers, mechanic, motorcycle mechanic, refrigerator mechanic, handicraft training for women: clothing trades, pottery

Ironware dealers, leather makers, mechanic, motorcycle mechanic, refrigerator mechanic

Ironware dealers, leather makers, mechanic, motorcycle mechanic, refrigerator mechanic

sample:  
1294 people  
528 craftsman.  
766 apprentices

#### Sample

Craftsman: 265  
Apprentices: 383

Craftsman: 86  
Apprentices : 141

Craftsman: 177  
Apprentices : 242

11 sectors  
by sector  
Ø 48 craftsman  
Ø 70 apprentices

#### Methods

1. Document analysis
2. Mapping and grouping of companies
3. Structured interviews with key people in the Afghan handicrafts organizations
4. Survey of craftsmen and apprentices
5. Focus group discussions with apprentices

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## Apprenticeship's training

### Apprentices

#### Age

- Ø 17.2 years
- Age range: 8-50 years

#### Education

- Illiterate: 11%
- Basic education: 30%
- Secondary school 7-9: 37%
- Secondary school 10-12: 22%

#### Why do an apprenticeship?

- Learning: 89%
- Income: 45%
- Better future: 42%

#### Social relationship with the owner of company

Family member: 33 %  
Relates ; friend : 38%  
external : 21%

#### Starting points for the training program:

1. Apprentice social status
2. Perceived training gaps by from involved parties
3. Schooling parallel to the training
4. Establishing an independently company is the goal for 78 % of apprentices

### parents (♂)

#### Education

- Illiterate: 38%
- Basic education: 19%
- Secondary school 7-9: 9%
- Secondary school 10-12: 20%
- University: 13%

#### Occupation

- Self-employed: 47%
- Official: 14%
- Farmer: 9%
- Unemployed: 23%

### Training

#### Access

- Through family member : 80%
- by own initiative : 17%

#### process

- Henchman activities
- difficult tasks

#### schooling

50 % attend general school  
Parallel to schooling

#### Training completion

Processing of customer order:

- technically successful
- commercially successful

Cerebration of finishing the training In-company

#### Duration

Depending on occupation and location : 3 - 10 years

#### Others

Training allowance,  
free lunch, if applicable  
transportation allowance

### Personal plan

Establishing company  
independently: 78%

Working in company, where  
he got training: 20%

Continuing study: 12%

#### Criticism on the training:

1. Modern technologies and tools are missing
2. Literacy courses for all apprentices
3. No standardized knowledge of the Masters
4. better pay

## Training companies

### Training

#### Why vocational training

- Increasing income: 50 %
- Increasing production: 33 %
- No benefit : 9%

#### Number of apprentices

Ø 3.6 Apprentices/company

#### Duration of training

Apprenticeship period master = training period of apprentice = Ø 7.2 years

#### Implementation

- Working time: Ø 7.5 h/day
- Supervision during training : Ø 63 % of working time
- School permit: 87 %
- barriers to learning
  - Lack of technologies: 39%
  - Motivation of apprentice: 11%

#### Others

- Criterion for training allowance: Work experience: 93 %
- Training allowance : Ø 33 € / month
- Food allowance: 94 %
- Transportation allowance: 32%

### Economic situation

#### Ownership

- Rented premises: 75%

#### Infrastructure

- too small spaces
- unreliable power supply
- unhygienic conditions

#### Markets

- Local and regional 100 %
- Except leather makers : 70 % export

#### Economic situation of companies

- low wealth
- high debt

#### Company management

- Accounting, writing: 50 %
- Accounting, memorizing: 49%

#### Access to credit

Depending on the location and sector.

No access to credit

- Mazar - about 54 % , Kabul, Charikar about 19%
- Refusing credit for cultural reasons , depending on location and sector about 40 % - 100 %

### Companies - guilds

#### Data

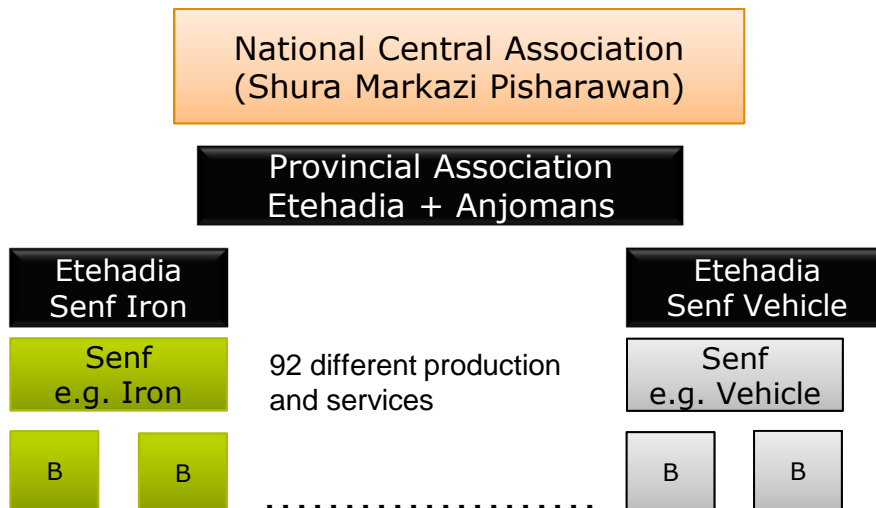
- voluntary Membership

#### Benefits of Membership

- Etehadias do not provide service: 94 %
- The Guild (Senf) solves our problems : 35 %

## Guilds and the Central Association

### Organization



1. Senf organize enterprises/companies of same sector .
2. Etehadias organize Senfs on provincial and central level. They are registered with the Ministry of Economy. Anjomans are modern organized associations. They are registered with the Ministry of Justice.
3. The Central association combine the provincial associations of Etehadias and Anjomans together .

### Facts and Figures

1. There are
  - about 300.000-530.000 micro-enterprises/companies
2. Average size of company
  - about 5 employees, including about 2 apprentices
  - => 600.000-1.060.000 apprentices
3. 75,000 companies/enterprises are organized in Etehadias
4. In the organized companies
  - There are 92 different manufacturing and repair services
  - There are about 300 different job profiles (= informal training profile)

The companies in bazaar are by far the largest and probably most qualified provider of vocational education:

- 600,000 apprentices (min. estimate) - about 30 % of an age cohort
- Formal vocational training system : 70,000 vocational students - approximately 4% (2012 ) of an age cohort



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## Conceptual adaptation of the vocational training program

### Main idea

#### Preserve the traditional in-company job training and develop it systemically:

- Connecting to modern technology through vocational school education and professional training system
- Recognition the self-administration of informal economy, and supporting actively its further development
- Consensus oriented subsidiary governmental vocational training policy as policy advice focus

### Vocational school education

#### Starting points

- 50% of apprentices visit a general school
- 94% lacking knowledge of modern technologies
- 50% want prof. training

#### Solution

- Redirection of the apprentices in vocational schools
- Theory and practical lessons on advanced technologies

#### Extension

Training for journeymen and master in cooperation with guilds/Etehadias and in coordination with the DM TVET

### self-administration of economy

#### Starting points

- Criticism of members because of inadequate services (94% Ethadia; 44% Senf)
- Self-insight: cut of from modern technology
- No overview of Bazaar systems

#### Solution

- Inventories
- Development of services for members: company management; professional trainings
- Nation-wide distribution with multiplier system through Chamber network

### Vocational training policy

#### Starting points

- Senfs/Etehadias are self-governing bodies
- Financial overstrain of the Afg. Government in the nationwide construction of the formal vet system

#### Solution

Governmental subsidiary of vocational education policy towards the informal economy:

1. education in responsibility of the economy
2. Recognition of the self-financing principle of in-company vocational training
3. Publicly funded additions of in-company training

1. 78% of the apprentices plan to establish an independent business
2. Construction program of vocational school in the Financial Cooperation: vocational schools should be designed as a regional competence centers and should be open also for training of craftsmen and journeymen from the city and the region.

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