

THE CENTRE FOR EMPLOYMENT INITIATIVES



The Centre For Employment Initiatives

---

**A desk study into the constraints to skills and  
job opportunities for young women, adolescent  
girls and marginalised youth in Mozambique**

---

PREPARED FOR  
DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

By A. Machin and Y. Sithoe

Head Office Address  
Bridge Street  
Llangollen LL20 8PL  
Wales  
Fax +44-161-773-2223  
Telephone +44-7787820765  
info@cei-international.org  
www.cei-international.org

*This literature review identifies the economic and social conditions faced by “marginalised” youth in Mozambique, focusing upon the problems and constraints they encounter in accessing employment and training to develop their skills. The report also examines the effectiveness of the government’s policy response to the problems and makes recommendation for future steps.*

## Abbreviations and acronyms

ACIS	Association of Chambers of Industry and Commerce
ADPP	Ajuda de Desenvolvimento de Povo para Povo (Mozambique NGO)
AfDB	African Development Bank
AIMO	Association of Industrial Manufacturing firms
AMRU	Association of Rural Women
ANEP	Autoridade Nacional Educaçao Profissional. (National TVET Authority) (not yet established).
ANJE	National Association of Young Entrepreneurs (NGO)
ATT	Africa Training Technology
CBE	A recruitment agency (private)
CBT	Competency-Based Training
CFP	Centro Formacao Profissional (Vocational Training Centre)
C0G	Capital Outsourcing Group (S. African-based training provider)
CPI	Centro de Promoção de Investimentos (Investment Promotion Centre)
CNJ	National Youth Council
COREP	(interim) government-private sector consultation forum on TVET.
CTA	Confederação das Associações Económicas de Mozambique (Association of Private Business)
DFID	Department for International Development (UK Aid)
DINET	National Directorate of Technical Education (now located in the Ministry of Higher Education)
ECP	Entrepreneurship Curriculum Programme
EEFP	Estratégia de Emprego e de Formação Profissional
EP	Ensino Primário (Primary Education)
ESG	Ensino Secundário Geral (General Secondary Education)
ESSP	Education Sector Strategy Plan
ETP	Ensino Técnico Profissional (Technical Vocational Education)
ESSOR	French-based (NGO)
FP	Formação Profissional (Vocational Training)
GDP	Gross Domestic Product
GIZ(GTZ)	German international development agency
GoM	Government of Mozambique
HHS	Household Survey
ICA	Investment Climate Assessment
IESE	Institute of Social and Economic studies (independent research body)
IFTRAB	Labour force survey report (based on a household survey)
ILO	International Labour Organization
INE	Instituto Nacional de Estatística (National Statistics Institute)
INAS	Instituto Nacional de Acção Social (National Institute for Social Action)
INCAF	Household continuous survey
INEFP	Instituto Nacional de Emprego e Formação Profissional (National Institute for Employment and Vocational Training)
IYF	International Youth Foundation
LMI	Labour Market Information
LMO	Labour Market Observatory
MDG	Millennium Development Goals
MINED	Ministério da Educação (Ministry of Education)
MINTRAB	Ministério do Trabalho (Ministry of Labour)
MJD	Ministerio da Juventude e Desportos (Ministry of Youth and Sport)
MMAS	Ministério da Mulher de da Acção Social

	(Ministry of Women and Social Action)
MoU	Memorandum of Understanding
MOZAL	Mozambique Aluminium (a BHP-Billiton company)
MPD	Ministério de Planificação e de Desenvolvimento
ONG	Organização Não-Governamental (Non-Governmental Organization)
OJM	Mozambican Youth Organisation
OTM-CS	Organization of Mozambican Workers (Trade Unions Federation)
PARPA	Plano de Acção da Redução da Pobreza Absoluta . (Action Plan for the Reduction of Poverty)
PIM	Plan International (Mozambique) (NGO)
PIREP	Programa Integrado de Reforma do Ensino Profissional (TVET reform project funded by the World Bank)
PRSP	Poverty Reduction Strategy Paper
PS	Private sector
PTP	Private Training Provider
PPP	Public Private Partnerships
QNQP	(proposed) TVET Qualifications Framework
RPL	Recognition of Prior Learning
SCIP	Strengthening Communities through Integrated Programming
SME	Small and Medium-Sized Enterprises
SNV	Netherlands based (NGO)
SSA	sub Saharan Africa
TVE	Technical and Vocational Education
TVET	Technical Vocational Education and Training
UNDP	United Nations Development Programme
UNESCO	United Nations Educational Scientific and Cultural Organisation.
UNIDO	United Nations Industrial Development Organisation
UPA	Unidos Para Ajudar (Mozambican NGO)
YA	Young Africa (NGO)
WB	World Bank

### Local Terms used in the report

**Localidade:** a ‘small semi-rural settlement’.

**Vila Sede:** a medium sized semi-urban settlement, typically 2<sup>nd</sup> or 3<sup>rd</sup> largest town in a province.

**Machamba:** a family owned piece of land for subsistence and ‘cash-crop’ agriculture.

**Chapa:** a private locally owned mini-bus or other vehicle used to transport people for a fare

**Estaca:** a local material for making houses

**Biscato:** a term for ‘piece’ work, helping to carry, cutting, working on a Machamba, or doing any other kind of (usually irregular) tasks for money.

**Desenrascar a vida:** a term used to describe “to eke out a living”

**‘não tem condicoes’:** a term used to express “I don’t have the means”

## Table of Contents

Executive Summary.....	4
1. Introduction.....	7
1.2 Methodological Approach.....	7
1.3 Limitations.....	7
1.4 Content of the report .....	9
2. Who are the Marginalised Youth? .....	10
2.1 Definition of Marginalised Youth .....	10
2.2 The Profile of Marginalised Youth in Mozambique .....	12
2.3 Demographic profile .....	12
2.4 Education and literacy .....	13
2.5 Youth unemployment and under-employment.....	14
2.6 Social and economic impact on marginalised youth in Mozambique.....	18
3. Employment and Skills Training Opportunities.....	19
3.1 Employment, economic growth and poverty .....	19
3.2 Education and skills opportunities for youth.....	23
4. Constraints in accessing employment and skills training .....	29
4.2 Access to Skills Training Constraints .....	35
5. What is the Government doing to solve the problem .....	38
5.1 Economic Development and Poverty Reduction .....	38
5.2 Youth Policies .....	39
5.3 Gender Equity, Access and Protection Policies .....	40
6. Policy-oriented recommendations .....	42
6.1 Tackling the employment problem.....	43
6.2 Tackling the skills problems and lack of work experience .....	44

### Annexes:

- Annex 1: Models of training deployed by Private Sector Firms. Providers
- Annex 2: A summary of the activities of some of the larger and more established NGOs that
- Annex 3 : Map of Mozambique

## Executive Summary

This study is the first part of a wider study to identify the economic and social conditions faced by “marginalized” youth in Mozambique, focusing upon the problems and constraints they encounter in gaining access to employment and training to develop their skills. The disadvantages and constraints faced by the youth is implied to extend to both males and females in the age group 15-24 collectively. However, young females also face additional constraints and obstacles due to educational disadvantages, discriminatory recruitment practices and cultural pressures which are highlighted in the report.

This study confirms that poverty is widespread for the vast majority of the youth in Mozambique. Youth unemployment rates are almost double the national average and in urban areas it is as high as 60%. Under-employment extends this problem further in that only one in 10 working adults across the economically active population has a real wage job. As such, the vast majority of the youth remain permanently locked into a state of poverty in which they are only able to find “vulnerable employment” in the informal sector of the economy where they are working in conditions where their incomes are low and irregular and in which they are exposed to a high risk of disease, violence and crime. On balance, young females fare worse than their male counterparts with higher levels of urban and rural unemployment rates. A higher percentage of females are represented in (both sub-categories of) vulnerable employment and as a result, females (of all ages) can be said to be bearing the brunt of poverty in the country. The study finds that there are several important factors which are contributing to this state of affairs.

First and foremost, there are limited job opportunities available in a few growth sectors of the economy, despite more than a decade of consistently high levels of annual economic growth. This “jobless growth” scenario is primarily the outcome of the government’s prevailing economic strategy which is built around the development of a mineral resources extractive sector which is both hi-tech and highly capital intensive with the result that (i) it does not generate many jobs and (ii) of those jobs that it does generate, most are medium to high-skilled positions which are being filled by foreign skilled labour. Moreover, while there are some job opportunities in other growth sectors of the economy, these tend to be limited in number and scope. In essence, there are far too few job vacancies to absorb the large and growing population of young adult workers.

A second important factor explaining the high levels of unemployment is the “mismatch of skills” – the difference between the skills requirements of a wide range of semi-skilled and higher skilled occupations in the labour market and the skills profile of the adult workforce. Many employers have complained that the chronic lack of skills in the workforce is a serious contributing factor to poor levels of labour productivity which is undermining the competitiveness and growth potential of businesses with knock on effects to the wider economy. According to many private sector respondents, the skills deficiency applies both to technical and soft skills. This problem led the study researchers to a wider examination of the multiple contributing factors underpinning the national skills deficit. Among these are:

- (i) The relatively low adult literacy level and the low primary school completion rates of young people. Although school enrolment rates have improved significantly since the beginning of the new millennium, still more than 50% of the children who enrol in school today do not complete five years of schooling with the result that (a) they leave the school system and enter the labour market without the most basic foundation skills for finding employment and (b) they fail to achieve the minimum education entry requirement for acquiring further access to technical and vocational

skills training programmes. Here again, females are especially disadvantaged in that the national literacy level for females is much lower than for males - although there have been significant improvements for younger females in recent years. Nonetheless, these two consequences of early school drop-outs therefore condemn them to a life without further opportunity for finding skills training and/or employment opportunities.

- (ii) Notwithstanding the high primary school drop-out rates, the national skills deficit problem is further compounded by a public technical and vocational training system which is heavily compromised by both a limited capacity to absorb a large number students/trainees annually; and by poor quality. Despite low levels of female participation in TVET schools, the employers in the private sector, especially in the growth sectors of the economy, complain that the public technical/vocational training institutions do not produce graduates with skills that are relevant to their business needs and therefore they deploy other measures to find skilled workers, either by recruiting foreign skilled labour or paying for their own (high cost) training. In other words, the private sector does not depend on the public technical and vocational training system to source most of its skilled labour needs. The study describes some of the alternative training approaches adopted by the private sector.

A third significant factor explaining the high level of youth unemployment is due to the fact that many young people entering the labour market for the first time are not able to demonstrate that they have had any prior work experience – which is usually a minimum pre-condition set down by employers in their recruitment practises. Essentially, this points to a failure in the training system where young people are not given the opportunity to apply their skills in a workplace environment through a structured internship and/or apprenticeship programme. The study concludes there is a chronic shortage of structured internship programmes.

A fourth factor – faced by young females when applying for jobs – are the discriminatory recruitment practises of private sector employers who (i) seek to avoid potentially incurring costs associated with (compulsory) maternity leave for young working mothers; and (ii) believe that females are only suited to certain types of work and occupations, thereby restricting the number of jobs they can apply for. In addition to discrimination in the workplace, females also encounter huge cultural pressures, especially in the rural areas where they are forced into marriage at an early age and, by consequence, they drop out of the labour market.

Having assessed the limitations and obstacles in finding jobs, the study then looks at the opportunities and constraints that exist in accessing skills training programmes (while making the assumption that skilled workers will have better opportunities to find employment). The study describes five major pathways by which young people can theoretically access the skills training system but concludes that effectively three of these – the public technical school system, the public vocational training system and the private sector (in house) training system - are not accessible to the majority of the marginalised youth, especially those that do not complete primary school and even many of those who complete or drop out of high school.

A major reason for this lack of access is based on the failure of the vast majority of primary schools students to achieve a Grade 7 certificate which serves as the minimum entry requirement for further technical and vocational studies. For those recruited into the select number high skills apprenticeship training courses offered by the large foreign companies (in the extractive sector), the entry requirement is a Grade 12 certificate. Notwithstanding these

entry requirement restrictions, the technical and vocational training system has also not encouraged large numbers of females to enrol except in a few commercial and hospitality study courses. Overall, female enrolments in technical schools is less than 40 per cent whereas in vocational training centres it is even lower.

Other contributing supply side factors are also significant such as the lack of career guidance and advisory services and materials in the general schools; the high failure and high dropout rate from the technical school system; and the poor quality of the technical and vocational training programmes which is underpinned by out dated curricula and unqualified and inexperienced teachers/trainers employed in the technical and vocational school system.

Of the remaining two potentially viable training pathways for the marginalised youth, the study concludes that only a small number of well organised NGOs holds some promise. However, despite the potentially good training schemes these NGOs offer, the scale of implementation is very low and unable to effectively deal with the massive demand for skills development generated by the large population of marginalised.

Noting the above assessment, the study concludes that it is only prudent to assume that the problems faced by the youth in finding employment can only be addressed by pursuing targeted interventions which address (i) the limitations of the government's economic policy; (ii) capacity supply constraints in the basic and technical/vocational education delivery system that can improve primary school retention rates and improve the quality and capacity of the technical and vocational training system; and (iii) by introducing some incentives and measures to enable the private sector to foster and support internship programmes and to abandon their discriminatory practises against female employees.

The study then examines how the government has responded to the crisis of youth unemployment and the lack of skills training by examining the policies of and strategic plans of four government Ministries whose mandates cover the subject area (Youth Gender, Education and Labour). It concludes that while the policy framework is both extensive and progressive, there has been a failure to translate these policies into action which deliver effective outcomes. Indeed, in some areas the reforms have been slow and disappointing.

In its final assessment, the study concludes that the constraints for the marginalised youth in finding jobs and accessing skills are immense and that the public technical and vocational skills training system has largely failed to provide opportunities for improving their skills and employability with the result that the informal sector is likely to remain the final employment destination for the majority of the youth for the next 20-30years unless radical new measures are adopted. Central to these is the need for the private sector to take a leading role in promoting skills development for the youth through internships and apprenticeships (and with a focus on females) which will have to be supported by various incentive schemes.

## 1. Introduction

This literature review is the first part of a wider study to identify the economic and social conditions faced by “marginalised” youth in Mozambique, focusing upon the problems and constraints they encounter in accessing employment and training to develop their skills. The disadvantages and constraints faced by the youth is implied to extend to both males and females in the age group 15-24 collectively. However, young females also face additional constraints and obstacles due to educational disadvantages and cultural pressures which are highlighted in the report.

The main objectives of this desk review is to:

- profile the economic and social conditions affecting the marginalised youth.
- provide an understanding of what marginalization means in terms of how it impacts on their lives and well-being;
- document the pathways by which they can gain access to employment and skills training;
- identify any constraints and obstacles that hinder the ability of young people to get access to training and employment, especially for young females,
- analyse the effectiveness of the government’s policy response to the problems faced by marginalised youth, in terms of facilitating skills development and finding employment
- make recommendation on what further action needs to be taken.

The results of this study will serve as a useful input to a larger DFID-funded private sector development TVET project (S4E) which is designed to provide occupationally-oriented skills training for young people through support to the private sector.

### 1.2 Methodological Approach

The initial review involved two discrete tasks, running concurrently. The first task consisted of a review of existing literature and statistical data. In particular, the policy documents and strategic plans of four government Ministries have been reviewed as well as statistical data from available government sources on employment, training activity, investment and economic growth.

The second task relied on information which was collected from interviews with relevant stakeholders including (i) key government agencies that target education, training and employment-related support for youth and women, namely the Ministries of Youth, Education, Labour and Women); (ii) other relevant government agencies such as the National Statistical Institute (INE) and the Centre for Investment Promotion Investment (CPI); (iii) business representative organizations such as CTA and AIMO (iv) private and public training providers; (v) a number of NGOs which provide training; and (vi) some donors and international agencies, such as the ILO, which have a declared interest in the youth policy area. All stakeholder consultations were conducted through semi-structured interviews in Maputo. Where it was not possible to schedule meetings directly, an interview was arranged on a skype call.

### 1.3 Limitations

Several limitations were encountered by the researchers in getting access to key organisations and statistical data. Notably, it was not possible to get any information from ACIS (a key employer association representing more than 300 large (mainly foreign) firms registered in the country) while PIREP – the government’s main project for reforming the



TVET system – was only able to provide one line responses to a list of emailed questions. Also the project leaders of some non-governmental organisations were either unresponsive or overseas at the time the study team was in Maputo.

A second problem was that, even in those cases where it was possible to obtain interviews, the respondent organisation either did not have or could not provide the researchers with statistical data to confirm estimates of training activity. A case in point is INEFP – the government's lead vocational training provider and the key government agency responsible for registering all private training providers - whose representative claimed there were no annual statistical reports. Accordingly, the lack of statistical data poses a serious problem both for determining the reliability of the information on training activity in the country on what is happening now and in the recent past; and also for how to plan for the future.

A third problem is that, even where information was available, most of the statistical reports are out-of-date. For instance, a key source for labour market information comes from household surveys conducted in 2004 and 2008.<sup>1</sup> Despite this, the researchers are of the view that the employment and labour market data generally, (and in particular the youth unemployment/under-employment and participation rates) has not changed significantly since the 2008 household data was published. This reason for making this conclusion is that the country's growth trajectory has continued to be dependent on the minerals extractive sector (where job creation is very limited and mostly accessible only by foreign skilled labour) and there has been little structural change in the rest of the economy.

A fourth problem is the lack of detailed information on the skills/occupational profile of specific sectors and the demand for skilled workers. As a consequence, it is difficult to accurately estimate the demand for skilled employment. The few pieces of research available include an ILO-commissioned study (in 2014) into the *indirect* employment effects from extractive mineral (coal, gas and oil) projects in the north of the country;<sup>2</sup> two small skills demand studies (in 2011) commissioned by GIZ into the demand for skilled occupations in the metal-mechanical and electrical-electronic sectors of the engineering sector;<sup>3</sup> and a (unpublished) joint research project between AIMO and OTM which examines the potential employment impact in the mining, construction, transport, tourism and agriculture sectors.<sup>4</sup> Further (labour-demand) studies are being planned by Canada and DFID UK in the future.<sup>5</sup>

This lack of detailed data is somewhat surprising given that almost every study on the country's TVET system, commissioned in the past 12 years, has concluded that employers in the private sector cannot find local labour with the right skills; and that this lack of skills is a major constraint to the productivity and growth of their businesses. Despite anecdotal evidence that there is a huge "skills mismatch" in the country, the private sector seems to be ambivalent about taking the necessary measures to confront the problem other than by sourcing foreign skilled labour to do the work. For example, the CTA - the country's largest employer association - confirmed that it has never carried out a comprehensive survey of its members' attitudes on skills development.<sup>6</sup>

---

<sup>1</sup> INE informed the study team that another household survey is not planned until 2016, a problem due mainly to the limitation of government funds. Apart from the household surveys, some more general and up to date data on employment can be obtained from a quarterly labour market survey (INCAF).

<sup>2</sup> Eurosis /ILO (2014) *Research on Job Creation Potential along selected supply chains feeding into the exploration of coal and gas in Tet province and Cabo Delgado province.*

<sup>3</sup> P. Beck (2011)/GIZ CEREP: *Needs study and competency analysis for skilled workers in the metal-mechanical sector of Mozambican industries: GIZ CEREP*

<sup>4</sup> Interview with AIMO representative

<sup>5</sup> Information provided by local Canada and DFID representative

<sup>6</sup> Interview with CTA representative

These limitations are prevalent in many low- and middle-income countries, where lack of data in skills development and employment is prevalent. In spite of these limitations on availability of data and access to key informants, the paper portrays a comprehensive overview of the situation in Mozambique. Anecdotal evidence also supports many of the key findings.

#### **1.4 Content of the report**

The report is organised into six sections. Section One provides a detailed understanding of what it means to be part of the “marginalised youth” by drawing on research studies into the experience and plight of young people without work, education and skills in the Middle East and other parts of Africa. The review seeks to explain that marginalisation cannot be expressed or defined simply in narrow economic terms – a failure to find paid employment. Instead the definition involves understanding more complex social problems in terms of how a young person fails to gain recognition and social standing among his/her peers and in the wider community which can easily lead to alienation and anti-social behaviour. This can be expressed in the form of depression, alcoholism and drug-use, crime, prostitution, and even social unrest which represent the various different “coping mechanisms” that young people employ to cope with extreme levels of poverty.

Section 2, turns to the conditions that are prevalent among the youth in Mozambique. The section begins with a short demographic profile of the youth followed by an assessment of the literacy level and school participation rates by young people. This is followed by a look at the extent of youth unemployment and under-employment, concluding that the informal sector is likely to remain the final employment destination for the majority of the youth in the next 20-30 years. This section finally describes the social impact of unemployment on the youth with information sourced from local social impact studies.

Section 3 examines the opportunities for the youth in getting access to employment and skills training. The first part of this section looks at the employment situation and concludes that, while some sectors of the economy are growing, the employment opportunities are limited and restricted to those job seekers with medium to high-level skills. The second part of this section offers a short description of five different (public and private) pathways available for young people to access the technical education and vocational training system even though many of these options are not accessible to young people who have not completed primary school.

Section 4 discusses the problems and constraints that youth experience in finding work and getting access to skills training. The first part provides a brief critique of the government's economic development strategy with its heavy reliance on the minerals extractive sector which has led to jobless growth. The last part of this section then explores the obstacles and constraints young people may encounter in trying to find and get enrolled in a skills training course.

Section 5 examines how government has responded to the crisis of youth unemployment and lack of skills training. This is organised into separate assessments of the policies and strategies for economic development and poverty reduction, youth, women (and young females), and the reform of the technical and vocational system.

Section 6 develops some broad conclusions combined with recommendations for action that should be taken forward by the DFID-funded S4E project.

## 2. Who are the Marginalised Youth?<sup>7</sup>

### 2.1 Definition of Marginalised Youth

While there is no universally agreed definition, the term “marginalised youth” is widely understood as being applied to a young person who is disadvantaged and at risk of social exclusion. The UNESCO Working Group on Education for All describes it as “*a form of acute and persistent disadvantage rooted in underlying social inequalities*”<sup>8</sup> It is a term used to describe young people who are unable to benefit from full participation in economic activity and society. The forms and dimensions of marginalisation differ and a range of causal or risk factors can contribute to cumulating disadvantaged situations of vulnerable youth.<sup>9</sup> Heggen suggests in a study on youth that disadvantage is interrelated, clustered and reproduced. “*Multi-disadvantaged young people are therefore forced to contend with a plurality of obstacles but, at the same time, have relatively few resources to do so. Only when a youth has a weak position in a number of arenas simultaneously can we talk of marginalisation. Such positions limit their access to economic, social and political resources.*”<sup>10</sup>

Poverty, due to unemployment in the wage economy, may require youth to **work long hours** (in the informal economy) to support themselves or their families, but often they are not recognised officially as workers. The International Labour Organization (ILO) estimates that 190 million youth between the ages of 10 and 14 work. Three quarters of these youth work six days a week or more; and one half of them work nine hours a day or more.<sup>11</sup> UNICEF estimates that approximately 100 million youth work on the streets in activities such as picking garbage, hawking small goods, parking and washing cars, shining shoes, and begging. They may be forced to work under exploitative and hazardous conditions that endanger their physical, mental, and social development. Normally, lacking job skills, they tend to work in informal sectors of the economy.<sup>12</sup>

Socially marginalised youth often have **weakened or severed family and social ties**. Some have been abandoned by their families, lured or abducted from their families, or sold into bonded labour or brothels. War and/or the HIV AIDS epidemic have turned many into orphans. Psychological and physical abuse at home may have led many to prefer life on the street.<sup>13</sup> Living or spending most of their time on the streets, they may beg, hustle, steal, or sell sex to survive. Others, especially the girls, are domestic workers who live at their place of employment. Cut off from families and the larger society in which they live, these youth have little or no system of social protection. The social support they receive is usually from peers living in similar circumstances.

Lack of family and social ties can be worsened by **social stigmas**. Whether they are members of ethnic, national or religious minorities; migrants or young people in “floating populations;” street children viewed as nuisances or criminals; or homosexual youth facing discrimination or repression; the indifference or hostility with which society treats these youth may further traumatise them. They may be subject to harsh discrimination in the marketplace

<sup>7</sup> The United Nations and the World Bank define youth as all those between the ages of 15-25 (United Nations 2007; World Bank 2007) whereas the African Union, and many African nations, define youth as those aged 15-35 (African Union 2006).

<sup>8</sup> UNESCO (2001) 10<sup>th</sup> Meeting of the Working Group on Education for All (EFA) *Concept Paper on Marginalisation*.

<sup>9</sup> UNICEF. 1996. “Children in war.” *The State of the World’s Children*. Oxford and New York: Oxford University Press.

<sup>10</sup> K. Heggen(2000) “Marginalization: On the Fringe of the Periphery – Youth as a risky life stage” *Young*

<sup>11</sup> International Labour Organisation, 2013. *Global Employment Trends for Youth 2013*. Geneva.

<sup>12</sup> UNICEF. 1997. “Children at risk: Ending hazardous and exploitative child labour.” *The State of the World’s Children 1997*. Oxford and New York: Oxford University Press.

<sup>13</sup> Casa Alianza. 1995. *Street Children: An Overview*. <<http://www.casa-alianza.org/children/child2.html>>

and they may internalise society's negative views of them, damaging their self-esteem and their ability to have healthy relationships with others.<sup>14</sup>

Many of these youth are **victims of violence and physical abuse, including sexual abuse**. Domestic workers may be forced to provide sex to their employers; street youth may be abused by other street youth or by adults. Young girls are trafficked into slave-like conditions in brothels. This abuse can result in STIs, unwanted pregnancy, and physical injury, as well as psychological trauma that increase vulnerability to future abuse. United Nations agencies and non-governmental organizations (NGOs) estimate that at least one million young people under the age of 14 are lured or forced into commercial sexual exploitation each year. While the vast majority of these are young women, young men are also exploited.<sup>15</sup>

Some of these youth, especially those who live on the street, use **alcohol and drugs** to diminish hunger, cold, and emotional pain; or to help them sleep or stay awake. Repeated use of these drugs can cause physical and psychological problems, including hallucinations, pulmonary edema, kidney failure, and brain damage.<sup>16</sup>

The alienation caused by widespread youth unemployment can also lead many marginalised youth to be drawn into **violent acts through criminal activities and social unrest**. The recent unrest in American cities can be partially explained by the problems of marginalised youth.

Similarly, the presence of these same conditions in poor communities can also lead to fertile recruitment grounds for **terrorist organisations**. A recent example is provided by Kenya where the local youth from poor communities are being recruited to join al-Shabab. A local youth leader is quoted as saying: *"These young people can easily be lured to these illegal groups, like al-Shabab because the system, itself, is not conducive for them. It's like they're condemned, it's like they are nothing in the society," he said. And "even if they have qualifications, many youth can't get jobs because the system in its current form is crippled with corruption."*<sup>17</sup>

As all these problems suggest, it can be argued that today's society no longer endows young men and women with the social, economic, cultural, and moral resources they need to follow robust pathways to adulthood. All these factors create serious constraints on youths' ability to attain adult independence. Adulthood eludes them as they are deprived of its main building blocks: skills, jobs, housing, and family formation. The difficulties they experience in one area spill over into other areas and have a debilitating effect on their entire lives.<sup>18</sup>

On the one hand, young people have reached a point in which they should be transitioning to a new stage of life, become adults with all the economic and social responsibilities inherent to such status; but they are still waiting for that to happen; while on the other hand, they are struggling to survive and make sense of their lives in an environment of economic hardship, massive unemployment, poverty HIV/AIDS and other social ills. This period of

<sup>14</sup> Ruiz, J. 1994. Street youth in Colombia: lifestyle, attitudes and knowledge. *AIDS Health Promotion Exchange*.

<sup>15</sup> UNICEF. 1998. *Children, Youth and AIDS*. <<http://www.unicef.org/cyaids>>.

<sup>16</sup> Copping, P. 1998. *Working with Street Youth Where they Are: The Experience of Street Kids International*. <<http://www.streetkids.org/youth.html>>.

<sup>17</sup> [www.aljazeera.com/indepth/feature/2014/07/struggle-kenya-marginalised-youth-2014-7306282654079-htm](http://www.aljazeera.com/indepth/feature/2014/07/struggle-kenya-marginalised-youth-2014-7306282654079-htm).

<sup>18</sup> Dhillion, Navtej, and T. Yousef, eds., 2009. *Generation in waiting: The unfulfilled promise of young people in the Middle East*. Washington DC: Brookings Institution Press.

transition in which young people wait to get a job appropriate for their educational level has been described in several studies as the state of “*waitthood*”.<sup>19</sup>

The **notion of waitthood** was first used by Navtej Dhillon and Tarik Yousef in their work on youth in the Middle East and North Africa in which they suggested that waitthood encompasses the multifaceted nature of youth transitions to adulthood, which goes beyond securing a job and extends to social life and civic participation. It represents a prolonged adolescence or an involuntary delay in reaching adulthood, in which young people are unable to attain the social markers of adulthood; getting a job, leaving home, building their own home; getting married; having children; and providing for their families.<sup>20</sup>

These findings were also confirmed in a study on youth employment in four countries in Africa (including Mozambique) in which the author claims that even though the original research that led to the notion of waitthood was based on the situation of youths in the Middle East, it is easily replicable to the situation of the majority of youths in Mozambique, as in the rest of Africa.<sup>21</sup>

## 2.2 The Profile of Marginalised Youth in Mozambique

Mozambique, like many other African societies, is struggling with economic transformation, strained educational systems, high unemployment rates and insecure livelihoods. These contribute to seriously weakening the social fabric. The situation is so extreme that there are serious possibilities for widespread social unrest which will undermine the important gains that have been made since the end of the civil war conflict in the early 1990s.

The majority of Mozambican youth today, like the youth in many parts of Africa, are unable to find employment due to a lack of skills and a good basic education. This failure to find work means they are unable to pursue an independent adult lifestyle. They are struggling to survive and make sense of their lives in an environment of economic hardship, massive unemployment, widespread poverty, crime, human trafficking, increasing levels of HIV AIDS and other social ills. The decline of opportunities in rural areas has led young men and women to migrate to the cities, where their chances of finding employment remain very slim. Increasingly, young people are forced to survive in an over-saturated informal economy or as informal labour in the formal sector.

One analyst who has done extensive work on the plight of the marginalised youth in Africa (including field work in Mozambique) considers that the extent of the problem and its severity effectively amounts to “*a breakdown in the social contract between the state and its citizens due to the failure of unsound (neo liberal) economic policies, corruption, bad governance and the absence of civil liberties*.”<sup>22</sup> However, despite the adoption of a wide and progressive policy framework, the Mozambique government has not been able to address the problems confronting the youth.

## 2.3 Demographic profile

According to projections made by the UN Population Council, Mozambique has a population of 26.47 million people (2014) of which 5.33 million (21%) are between the ages of 15-24

---

<sup>19</sup> Dhillon, Navtej, and T. Yousef, eds., 2009. *Generation in waiting: The unfulfilled promise of young people in the Middle East*. Washington DC: Brookings Institution Press.

<sup>20</sup> *ibid*

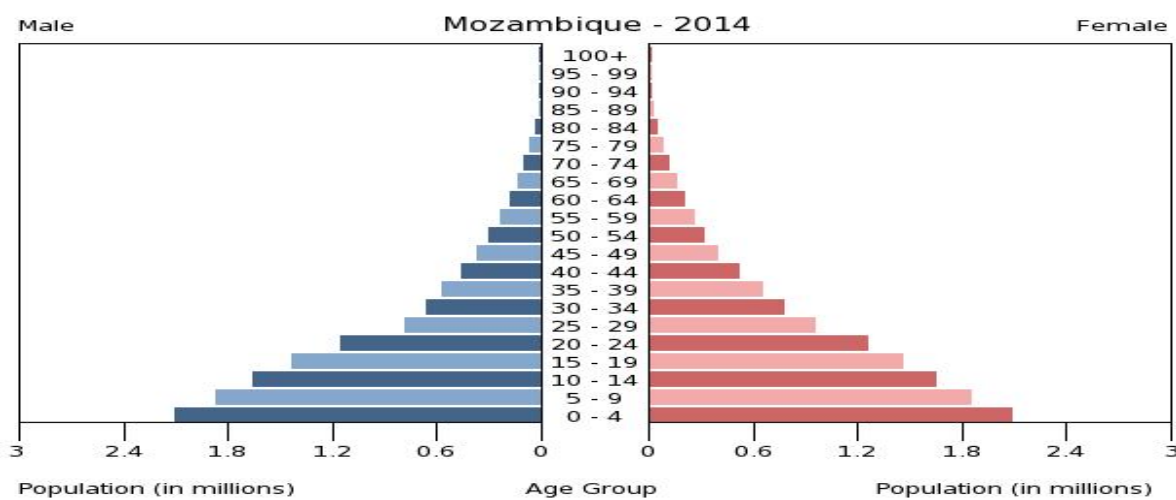
<sup>21</sup> A. Honwana (2012) Instituto de Estudos Sociais e Económicas (IESE): *Desenrascar a vida: youth employment and transitions to adulthood*. Conference Paper No 29 IESE

<sup>22</sup> *ibid*

and another 12 million (45%) are below the age of 15.<sup>23</sup> Figure 1 illustrates the “pyramid” effect for the population created by such a large number of young people.

About 68% of the population resides in the rural areas mainly working as subsistence farmers and where there are extremely limited work opportunities in the formal wage economy except as government workers (teachers, police district administrators).<sup>24</sup> Youth unemployment is double the national average and is especially high in urban areas (refer to section further below).

**Figure 1: Population Pyramid**



Source: CIA World Fact book: Mozambique

## 2.4 Education and literacy

In a factsheet published by UNIDO in 2014, in conjunction with the Mozambique Ministry of Youth, it was estimated that the average literacy rate among the youth (aged 15-35) was 76.7% (69.7% female compared to 83.7% for males).<sup>25</sup> This is significantly higher than the national literacy rate for all adults (aged 15+) of 54.8% (72.3% male and 32% female). In the rural areas, the literacy rates for 15-19 year olds is 72.1% (52% for females) and 49.3 % (39% females) for 20-29 year olds<sup>26</sup> although this rate may have fallen dramatically since these statistics were last reported (in 2008) due to the proportionally higher enrolment rate of females in adult education classes. Overall, women are less educated than men, with a high concentration of individuals with “no education” within the female labour force.

The agriculture sector presently absorbs the majority of the people with either “no education” or “only primary education” whereas industry and the services sectors absorb a large proportion of those with “only primary education” and nearly all those with “secondary and tertiary” qualifications.<sup>27</sup>

<sup>23</sup> United Nations: Dept of Economic and Social Affairs: World Population Prospects 2012

<sup>24</sup> African Economic Outlook 2012

<sup>25</sup> Youth policy Factsheet : <http://www.youthpolicy.org/factsheets/country/Mozambique>

<sup>26</sup> INE Household survey 2004

<sup>27</sup> IFTRAB (2004) and (2008)

Literacy is directly linked to basic school education. While there has been an impressive improvement in gross and net enrolment rates at the primary school level in the past 15 years, many children are still missing out on a basic education due the very high levels of drop-outs before the completion of primary school (grade 7). In 2010, the Ministry of Education and Culture estimated that out of a total of 2 million young people aged 15-19, 860,000 were in school and 1.14 million were out of school (460,000 males and 680,000 females).<sup>28</sup> This shows an alarming rate of drop-outs, especially for females.

**Table 1: Out-of-school population – 15-19 year olds**

	All	Male	Female
Population	2,000,000	960,000	1,040,000
At school	860,000	500,000	360,000
Out of school	1,114,000 (55.7%)	460,000 (47.9%)	680,000 (65.4%)

Source: Ministry of Education and Culture (2010)

Youth who have dropped out with only primary (and in some cases, some secondary) schooling effectively lack sufficient skills and opportunities to gain access to employment and/or further vocational and technical skills training. As Table 1 illustrate almost half of the male youth and almost two thirds of the female youth (15-19 year olds). Nonetheless, there has been a notable increase in the participation of females of children attending school, accounting for 47.5% of primary and general secondary students.

According to the Ministry of Education Annual School Survey (2013), only 31.5% of students of the same age cohort who start primary school progress to upper primary; only 16% progress to junior secondary education level (Grade 8-12); only 6.5% progress to upper secondary and less than 3 percent of an age group completes 12 years of general education.<sup>29</sup> Moreover, the situation for technical education is even worse. A mere 6.3 % of secondary level school students enter the technical school system of which only about one quarter will graduate at Grade 12 level.

This demonstrates only a small fraction of the youth (less than 0.5%) graduate from the public education schooling system with a technical qualification. As a result, the vast majority of the youth enter the labour market annually with a lack of basic education and skills to find employment. In general, access to upper primary, secondary education and technical education is very limited and completion rates remain very low. Unless these indicators improve significantly, Mozambique's development will continue to be severely constrained with the result that employers, especially in the growth sectors of the economy, will continue to rely on foreign labour for medium-high level skilled workers, at least for the short-medium term.

## 2.5 Youth unemployment and under-employment

Despite more than a decade of rapid economic growth, Mozambique still faces severe challenges with employment, especially for its youth. While unemployment in the country is generally high, it is at unacceptably high levels for the youth.

Table 2 illustrates youth unemployment rates are 36.8% for 15-19 year olds (the most vulnerable group) and 27.2% for those aged 20-25 years. Even more alarming is the *urban*

<sup>28</sup> Mozambique Ministry of Education and Culture (MEC) (2010) Survey.

<sup>29</sup> Calculated from student enrolment data in the Ministry of Education Annual School Results 2013

youth unemployment rate which is 57% for 15-19 year olds and 45.1% for 20-24 year olds. Overall, youth unemployment accounts for about 47% of total unemployment (2012).<sup>30</sup>

**Table 2: Youth Unemployment Rates (%)**

Age Category	Males and Females	Males	Females	Urban	Rural
15-19	36.8	36.9	36.7	56.8	26.4
20-24	27.2	22.8	30.2	45.1	16.6
25-29	19.6	12.6	24.8	30.9	14.0
30-34	15.1	8.0	20.6	22.3	11.9

These statistics clearly show that the youth are disproportionately affected by the burden of unemployment and almost half of them are not employed. Young females are as equally disadvantaged as their young male counterparts in the 15-19 year age category even though their position improves as they get older, although at a much slower rate of improvement than for males (see Table 2).

However, the extent of youth unemployment is not simply measured by unemployment statistics. The concept of “**under-employment**” defines a person as being “*employed*” in the official statistics but still having to face an absence of satisfactory working conditions such as working fewer hours than the person is able to or willing to; earning a lower income than a wage-based worker; and also, not having the security of receiving a regular weekly or monthly wage payment. In this way, the term “employment” can be used to describe a wide spectrum of working arrangements and conditions which can include “subsistence farmers” (people who grow food for their own consumption), street traders, domestic workers and a range of other “informal” employment activities, *provided that* there is some evidence that the person is deriving an income on a regular basis, however small.

Such a wide definition of “employment” enables the official unemployment statistics to be measured and reported at much lower levels than what might otherwise be expected. It can therefore easily misrepresent the extent of poverty created by the loss of income. In other words, the extent of income-related poverty measures among the youth (and the general population) is much greater than the official unemployment statistics indicate. To partially address these concerns, the ILO has introduced another way to measure employment data by dividing it into “non-vulnerable” and “vulnerable” employment.<sup>31</sup>

**Non vulnerable employment** is when a person receives a wage and social security, has regulated hours of work, takes paid holidays and is usually protected by labour laws against unfair dismissal and other matters. These people mostly work in the formal sector of the economy. In Mozambique, for example, it has been estimated that only a little more than 234,000 workers (2%) were registered in the social insurance coverage system out of an estimated 11.6 million of the economically active population. Merely 4% is covered by health social protection and only 3.8% contribute to a pension scheme.<sup>32</sup> **Vulnerable employment** is characterised by inadequate and irregular earnings, lack of social security, as well as difficult and unregulated conditions of work. These people mostly work in the informal sector

<sup>30</sup> Instituto Nacional de Estatística (INE): IFTRAB (2004-05):

<sup>31</sup> Sparreboom, T. (2011) “Vulnerable employment”, in Sparreboom, T.; Albee, A., *Towards decent work in Sub-Saharan Africa. Monitoring MDG employment indicators*, chapter 4, International Labour Office (Geneva).

<sup>32</sup> UNDP (2011): Successful Social Protection Floor Experiences: Setting up a successful social protection floor



of the economy although some informal employment can take place in formal sector activities.

According to the two most recent household surveys, the data indicate that vulnerable employment - calculated as the share of self-employed workers and unpaid family workers in total employment - is very high in Mozambique; it was recorded at 89.2% in 2004 rising to 90.7% in 2008 (see Table 2).<sup>33</sup> In other words, the people who are classified in jobs which are defined as “vulnerable” employment account for the vast majority of the “employed” category captured in the official statistics. Moreover, there is an increasing number of people working in vulnerable employment measured over the 4-year period. This means that the situation has actually got worse.

For analytical purposes, vulnerable employment can be further sub divided into two categories: “self-employment” and “unpaid family work.” As Table 3 shows, there has been a slight shift from self-employment to unpaid family work providing further indication that people are getting poorer. Overall, almost half the “working” population – 46.8% - is doing unpaid family work

In **gender terms**, men and women experience somewhat distinct trends. For non-vulnerable workers, 16.1% of all employed males have non vulnerable (wage) jobs compared to only 3.3% of all female adult workers. For vulnerable workers, the increase in unpaid family work was more pronounced for women, while female self-employment decreased to a larger extent than for males.<sup>34</sup> In other words, almost 60% of all females in the economically active population (age 15-65) are involved in “unpaid family work” compared to about 33% of men. These are the poorest of the poor and the shift from self-employment to becoming an unpaid family worker is one indication that they are getting poorer.

**Table 3: Status in employment (%) 2004-2008**

<b>Non Vulnerable:</b> <b>Employees/employers</b>	<b>2004</b>	<b>2008</b>	<b>Change 2004-08 (%)</b>
Both sexes	10.7	9.2	-1.5
Males	18.4	16.1	-2.3
Females	4.6	3.3	-1.2
<b>Vulnerable;</b> <b>Self-employed workers</b>			
Both sexes	53.0	43.9	-9.1
Males	59.6	51.4	-8.1
Females	47.7	37.4	-10.3
<b>Vulnerable:</b> <b>Contributing family workers</b>			
Both sexes	36.2	46.8	10.6
Males	22.1	32.5	10.4
Females	47.7	59.3	11.5

Source: IFTRAB 2004-2008

On this assessment, it can be assumed that the vast majority of the youth are employed in vulnerable jobs, either as self-employed or unpaid family workers in the informal sector and/or they are unemployed. Moreover, the hard reality for many is that employment in the

<sup>33</sup> IFTRAB (2004 and 2008). Reported and analysed in T.Spareboom and A. Staneva (ILO: Employment and Labour Market Policies Branch): Structural change, employment and education in Mozambique; Working Paper No 174, 2015

<sup>34</sup> *ibid*

informal sector is not a temporary transitional stop-over before they get a proper job but more likely to be their final employment destination where extreme poverty is associated with and exacerbated by limited social protection coverage, widespread crime and the spread of HiV AIDs and other health problems, like malaria.

As bad as this seems overall, the **rural youth population** have even more limited opportunities in obtaining non-vulnerable employment than their urban counterparts. According to the household survey data, about 93% of the economically active rural population are engaged in the agriculture sector (mostly as subsistence farmers) compared to 47.7% from the urban areas (see Table 4).<sup>35</sup> A study conducted in 2007 found that rural youth in Mozambique are exposed to a mixture of social and environmental factors that put them at high risk of failing to benefit from the progress that has been made over the last decade.<sup>36</sup> In particular, a rural context signifies a decreased access to information, technology, knowledge and goods for young people. As can be expected, the decline of opportunities in rural areas has led young men and women to migrate to the cities, where their chances of finding employment remain very slim and inevitably they are forced to survive in an over-saturated informal economy or as informal labour in the formal sector.

In a study mentioned earlier, Honwana noted that young Mozambicans use the Portuguese term “*desenrascar a vida*” (eke out a living) to vividly describe the extemporaneous nature of their existence in the informal sector. Two interviews from this study with young Mozambican men graphically describe the economic life they follow, daily.<sup>37</sup>

#### **Interview 1: Jonasse**

Jonasse, who is 27-years old, picks over the garbage dump in Hulene for things to eat, use, or sell. He searches for things such as plastic, glass and metal to sell to recycling companies as well as car tyres, computer parts, appliances, and other electronics that may be repaired and sold in the nearby market of *Xiquelene*. Jonasse dropped out of primary school in grade six when his father died, and he, his mother, and his four siblings struggled to survive on their own. So he decided to leave home and fend for himself. Unable to find work, he ended up joining a friend who had been eking out a living on the dump. Jonasse has been living off the dump for about ten years. Every morning he gets up very early to wait for the garbage trucks to arrive. If he is late, he will miss the chance to make money from unloading the trucks and the opportunity to collect the best items. Jonasse admits that life on the garbage dump is extremely hard. There is a lot of competition and backstabbing among the scavengers; “*you have to rely on yourself and your close friends, and you have to watch out because this is like a jungle.*” His goal is to get a single meal every day. When I asked how he saw the future, Jonasse responded: “*The future? My life is about today and [to] make sure I don’t miss a good truck, one that might come with something to eat or something I may be able to sell in the market to be able to eat.*”

#### **Interview 2: Pedro**

Pedro, a twenty-five-year-old man from Matola in Mozambique dropped out of school after his father’s death. His elder brother, who had been a *chapa* driver for a couple of years, managed to get him a job as a fare collector in the *chapa* company. Pedro has been working with his brother for three years, but he is dissatisfied because of the long hours they have to put in for the little money they make. Jobs are insecure and depend entirely on the *chapa* owner. He explained: “*I am happy because I have something, but we spend the entire day in the chapa and in the end we don’t make much money. . . . Most of the money goes to the*

<sup>35</sup> IFTRAB (2002, 2004, 2008) : Instituto Nacional Estatística (INE)

<sup>36</sup> Holzhausen, B., 2007. *Youth culture in rural Mozambique: A study of the significance of culture for young people in rural areas based on fieldwork in the districts of Nangade (Cabo Delgado), Mossurize (Manica) and Chókwe (Gaza)*. Zurich:

<sup>37</sup> *ibid*

*boss who owns the taxi. We don't have contracts or fixed salaries. Some days are better than others depending on the number of passengers we get."*

## 2.6 Social and economic impact on marginalised youth in Mozambique

In Mozambique, the plight of marginalised youth closely resembles the general characterisation provided earlier in the assessment of marginalised youth in the developing world. A study by UNICEF in 2005 examined the economic and social life of youth in rural areas of Mozambique and concluded that absolute poverty was affecting most aspects of life for young people including health, educational possibilities, living conditions, recreation and future prospects in general.<sup>38</sup> It stated *"all participants in the "localidades" spoke of the effects of not having basic means - missed years of schooling, lack of adequate food, lack of access to healthcare, lack of possibility to leave the area and limitations in recreational activity (eg.no football)."*<sup>39</sup>

The report then goes on to document a catalogue of wider social problems for youth in these rural communities, directly related to this poverty, including early marriage (as young as 13), and early pregnancy; HIV infection; excessive drinking and drug smoking of 'older youth' associated with their destructive consequences of verbal abuse or violence: crime (usually small scale, but sometimes violent).

A more recent study conducted into the conditions of unemployed youth from rural communities in Nampula province concluded that there were "limited employment opportunities other than agriculture " (which many of the youth were not interested in) which had led to high levels of unemployment and associated social problems.<sup>40</sup> The report noted *"it seems as if the criminality in this group (rural youths) is mainly due to despair stemming from their inability to find a job even after obtaining an education. In some cases, this is stated to be linked to alcoholism, "marginalisation" and "wrong networks"*.

Also, Mozambique has not been insulated from the social unrest directly related to youth unemployment and marginalisation. In February 2008, demonstrators blocked roads in Maputo, in protest action against the rise in food and bus fares. Two died and 58 were injured. Two years later, there was another outbreak of social unrest in Maputo when roads were blocked with burning tyres, some shops were looted, and cars and buses attacked, leading to the death of 11 people and 288 injured. The protests were against the increase in prices of electricity and water.

This latest uprising prompted the editor of the paper to write:

*"(there is) enormous disenchantment with the widening gap between those who have and those who do not have...it is said that Mozambique is a world example of economic growth but this is not reflected in the quality of lives of most of its citizens. It is said that Mozambique has the most agricultural potential in the SADC but agriculture has been left to subsistence production and most of what we consume comes from South Africa. Instead of offering solutions for the citizens, we offer magician's tricks to distract the citizens".* The editorial then drew the following conclusion: *"there is a class that manifestly feels itself excluded from the distribution of income, that feels that the state has broken the social contract, that does not see that the state as a source of solutions but of problems – because it promotes accumulation by a few to the detriment of the majority."*<sup>41</sup>

<sup>38</sup> UNICEF /Ministry of Youth and Sports (2005): Situation Analysis of Youth and Adolescents in Mozambique: Focus on District and Rural Level

<sup>39</sup> ibid

<sup>40</sup> M. Elsner and L.Primadica (2014) "Youth employment and Income generation: A field study in Ribaué district, Nampula.

<sup>41</sup> ibid

At the moment IFTRAB reports that there are already 300,000 new entrants to the labour market every year.<sup>42</sup> However, the United Nations has estimated the figure to be much higher. Based on the country's current demographic profile, the UN estimates that there would be 533,000 new entrants to the labour market in 2014 increasing to 817,000 by 2030 with a cumulative total of **10.9 million new entrants** over a 15 year period from 2015-2030).<sup>43</sup> To this number, we must add another 4.8 million youths who represent the 90% of unemployed and under-employed people between 15–24 years old in the labour market today).<sup>44</sup> In effect, this translates into the need to generate 15.7 million new jobs over the next 15 years - approximately one million new jobs per year. Without improvements in both the quality of basic education and access to higher secondary and technical education, this means more than 14 million young people will lack the necessary skills to find work.

As bad as the situation seems now, it is most likely to get much worse, given the limited number of employment opportunities in the formal sector, the projected increase of new entrants into the labour market and the failure of the government's current economic policy response. This means more young people will be forced into marginal jobs in the informal economy with little prospect of decent employment and with an increased risk of social unrest.

### 3. Employment and Skills Training Opportunities

Education and skills are intrinsically linked to economic development processes. As economic sectors apply more complex production technologies and research and development activities, the demand for education and skills in the labour force increases. However, education and skills training by themselves do not create jobs. There are conditions where an increase in educational attainment can coexist with high levels of graduate unemployment or under-utilization of skills. What opportunities exist then for Mozambican youth to find employment and accessing skills training?

#### 3.1 Employment, economic growth and poverty

Employment creation is generally regarded as one of the most effective means to redistribute the benefits of growth and reduce poverty. Employment growth is usually associated with economic development particularly where there is an increase in labour productivity which corresponds with a shift from low productivity sectors to high productivity ones. Conventional wisdom in economic development theory explains that structural change in an economy towards higher value-added sectors and the upgrading of technologies in existing sectors will lead to more jobs, better conditions of work and higher wages. As investment increases in new projects and/or in new sectors, then the demand for labour increases. Accordingly, countries with high rates of growth and investment should, in theory, be employing more of its labour force.

Mozambique is one of the fastest growing economies in Africa, with an annual average GDP growth rate of 7.3 % over 2006-2014 compared to 4.8% for the rest of Africa. (Figure 2)<sup>45</sup>

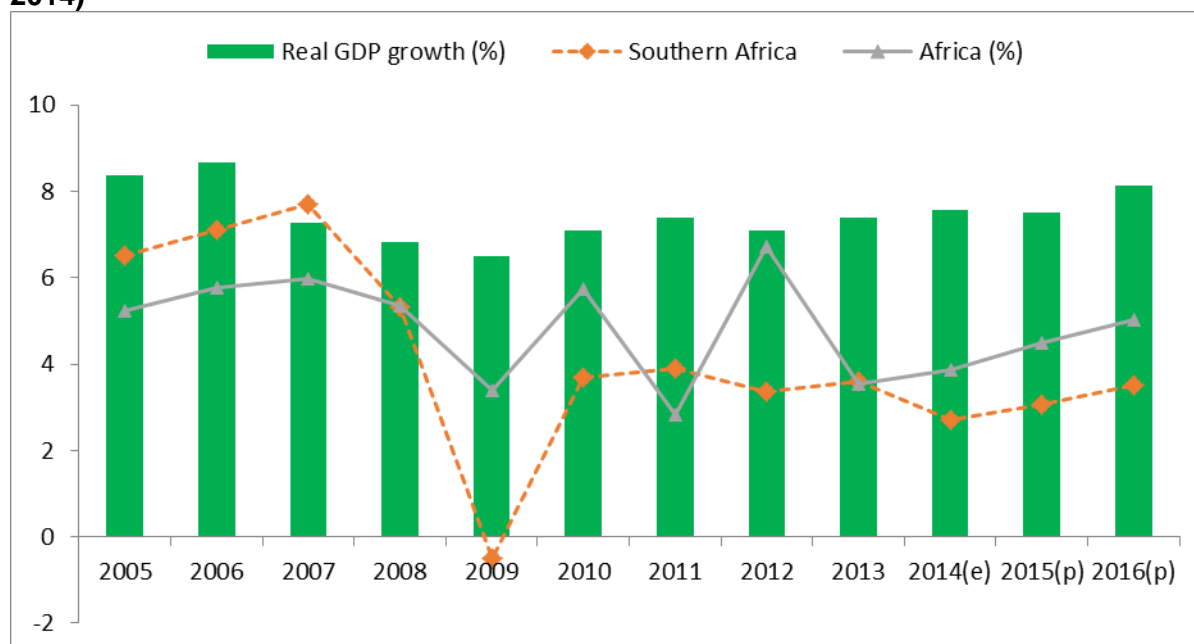
<sup>42</sup> AfDB: African Economic Outlook, Mozambique Country Note 2012. Also reported in Ulandssekretariatet Lo/FTF Council (Danish Trade Union Council for International Development Cooperation): Mozambique Labour Market Profile 2014:

<sup>43</sup> United Nations: Department of Economic and Social Affairs: World Population Prospects 2012

<sup>44</sup> Calculated by adding another 4.8 million youths currently in the labour market today based on UN Population Division data which estimate 20.5% of the total population are aged between 15-24 of which 90% are in vulnerable employment.

<sup>45</sup> African Economic Outlook 2014

**Figure 2: Real GDP growth (%) in Mozambique compared to SSA and Africa (2006-2014)**



Source: African Development Outlook 2014

However, despite such impressive economic growth, there has been little improvement in economic welfare for the vast majority of the country’s population of 26.4 million. Poverty is still widespread with 54.7% of the population still living below the poverty line and more than 82% living on less than 2 US dollars per day.<sup>46</sup> The Human Development Index in 2012 ranked Mozambique 185 out of 187 countries.<sup>47</sup> Recent studies show that the poverty rate in Mozambique has improved slightly, but that in some regions it has actually got worse.<sup>48</sup> Social tensions, referred to in the previous section, have confirmed that growth is only one aspect of economic development and that improvements in the economic welfare of the people depends much more on the nature and pattern of growth.

Agriculture still remains the dominant source of employment. The share of the workforce in this sector is persistently high (81% in 2008 which is an increase of about 2.4% since 2004) although this figure is largely accounted for by subsistence farmers.<sup>49</sup> (Commercial farming only accounts for about 4-5% of this total). As Table 4 shows, the share of agriculture in total employment has not changed significantly over the period 2002-08 despite rapid growth in the economy in general.

**Table 4: Employment in Mozambique by broad economic sector (%)**

	2002	2004	2008
Agriculture	80.5	78.7	81.1
Industry	4.4	5.0	4.5
Services	15.1	17.3	14.4
<b>Urban</b>			
Agriculture	47.7	41.7	46.7

<sup>46</sup> ibid

<sup>47</sup> UNDP (2013) Human Development report: The rise of the South: Human progress in a diverse world.

<sup>48</sup> Pobreza e Bem-Estar em Mocambique:Terceira Avaliacao Nacional/Mozambique Poverty Survey 3rd Report (2010)

<sup>49</sup> IFTRAB (2002, 2004, 2008) : Instituto Nacional Estatistica (INE)

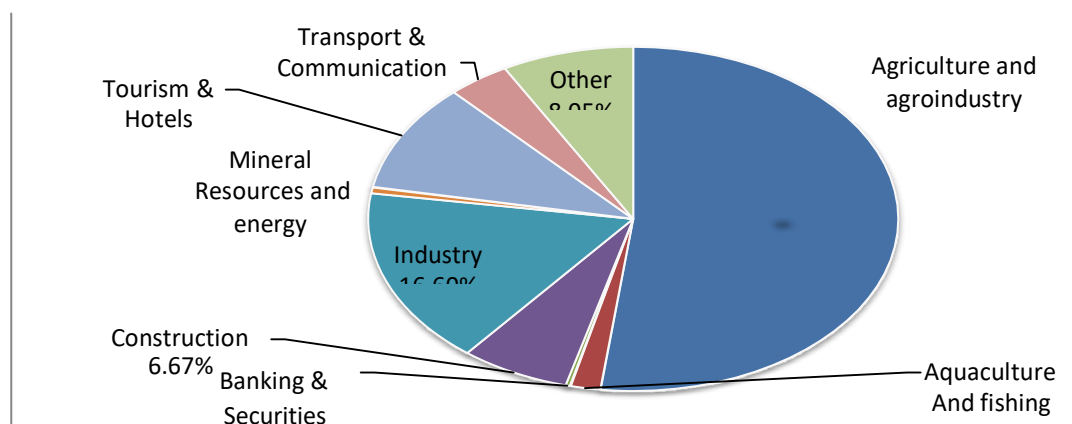
Industry	8.0	12.6	11.8
Services	44.3	45.6	41.4
<b>Rural</b>			
Agriculture	93.0	93.3	93.8
Industry	1.6	2.0	1.7
Services	5.4	4.8	4.4

Source: IFTRAB (2002-2008)

This situation occurs because Mozambique’s growth has been driven by foreign investment in large mineral resource projects – called “mega projects” - including aluminum, coal, oil and natural gas. However, the capital intensive nature of these projects does not lead to the creation of many jobs. For example, the first of these mega projects – the MOZAL aluminum plant in Maputo - which accounts for about 70% of manufacturing output and more than 50% of total exports created only about 1,100 direct jobs.<sup>50</sup> Overall, the minerals extractive sector accounts for 1.5% of GDP (and about 0.5 % of employment) compared to 31% for agriculture and 13.2% for manufacturing. Accordingly, the continued pursuit of an economic strategy which relies heavily on the mineral resource sector as the main stimulus for growth might not allow Mozambique to fully reach its development and poverty alleviation objectives.

Several economic sectors outside of mining, such as agriculture, tourism, construction and (particularly the food & beverages sub sector of the manufacturing sector which includes sugar production) and wholesale and retail businesses, might therefore provide higher payoffs in terms of employment and local linkages (Figure 3).<sup>51</sup> However, according to a local independent research foundation – the Institute for Economic and Social Research (IESE) - growth in some of these sectors, especially construction, transport logistics, hospitality and tourism (with the notable exception of Finance) are closely linked to the growth of the extractive industries. For now, however, in the short term, many of these extractive mineral projects are on hold as a result of the decline in the global commodity prices for coal and oil which has led to a corresponding drop in investment and employment opportunities in these linked sectors.<sup>52</sup>

**Figure 3: Employment by economic sector**



Source: OECD Investment Policy Review: Mozambique (2013)

<sup>50</sup> World Bank (2003): Mozambique Investment Climate Assessment report

<sup>51</sup> OECD (2013) Investment Policy Review: Mozambique

<sup>52</sup> Interview with IESE researcher

Formal sector employment accounts for only 9% of total employment meaning that the majority of the working population and also the youth are “employed” in the informal economy mainly in occupations like (subsistence) farming, street trading, domestic work, unpaid family work or informal (unregistered) business activities like taxi driving and car repair workshops.<sup>53</sup>

An earlier INE study shows the breakdown of employment by company size. The vast majority of firms (90%) are small and micro enterprises (with less than 10 employees) which employ only 20% of the workforce. Medium sized firms employ another 25% whereas only 396 large firms (1.4% of all firms) employ 57% of the workforce.<sup>54</sup> This is important to note because, in general, the small and medium sized firms do not invest in skills training. Private sector training is normally confined to the larger firms.

Another way to measure employment is by the level and distribution of skills in the workforce. A *Rapid Labour Market Study* in 2003<sup>55</sup> provides the most comprehensive overview of the current skills and qualification structure of the workforce in the formal sector. In the study sample, as much as 39% of the workforce are technicians, office employees and salespersons, or otherwise ‘skilled-qualified’ employees (see Table 5). If semi-qualified personnel is added, the percentage of staff with some kind of formal, non-formal or informally acquired skills rises to 68%.

What is interesting from this data is that almost one third of the formal sector workforce do not need any qualifications and almost another third need only semi-qualifications - equivalent to the short term non formal training offered by INEFP and many NGOs. Only 20% need a technical qualification or its equivalent. As can be seen, the percentage of qualified personnel is highest in the commerce sector, tourism, agriculture and fisheries. Construction, fisheries and the service sectors are predominantly employing semi-qualified workers, while agriculture, tourism and services are the sectors employing the largest share of unqualified workers. Gender disaggregated figures are not available from this study.

**Table 5: Qualifications of existing labour force by sector (in %)**

	Manager	Profes sional	Tech	Qualified	Office	Semi Qual	Not Qual	Total %
Agriculture	1	0	2	16	18	24	37	98
Industry	3	2	10	9	24	25	28	101
Commerce	7	2	22	26	9	13	22	101
Constructio	0	2	4	9	30	48	7	100
Tourism	3	1	4	20	17	19	35	99
Services	2	1	6	8	13	40	31	101
Fisheries	15	2	7	10	4	43	18	99
Other	7	1	31	5	7	17	32	100
Total	3	1	13	9	17	28	29	100

Source: Muhamad (2003), Rapid Labour Market Study.

Based on this assessment and the current policy framework, the opportunities for formal sector employment are mainly limited to a number of key growth sectors. Of these, the

<sup>53</sup> INE: IFTRAB survey 2008

<sup>54</sup> INE (2002): Resultados Finais do CEMPRE

<sup>55</sup> Muhamad (2003): Rapid Labour Market study

Agriculture sector potentially presents the best opportunity for employment growth due new (planned) projects in rice, maize and other crop production, combined with the implementation of proposed policy changes in the area of land reform.<sup>56</sup> This view was confirmed by a range of stakeholders.<sup>57</sup>

### 3.2 Education and skills opportunities for youth

There are essentially five pathways for young people to access technical and vocational education and training in Mozambique.

#### 3.2.1 Technical education (TE)

Technical education courses are presently offered in a network of 77 public and 23 private TE schools which accommodate about 40,000 students annually (2013) of which 38.1% are female.<sup>58</sup> (This compares to the general secondary education schools where females account for 47.5% of the total). Less than one third of this total - those who are older than 15 years - study at the higher *Medio* level of which less than 9,000 graduate annually, at Grade 12. As this suggests, less than 25% of all technical students who enrol at grade 8 complete their technical education while as many as 44% (18,000 annually) even fail to achieve a basic school certificate at grade 10.<sup>59</sup> Accordingly, the internal efficiency of these schools is far from good.

The courses are 2-3 years' full-time duration in the following subject areas: construction, engineering, agricultural and commercial studies (and more recently tourism and hospitality). The curricula combine technical and general education subjects where even the technical subjects are primarily theoretical. Successful completion of these courses results in a nationally recognised qualification, equivalent to a lower (and higher) school leaving certificate.

The external effectiveness of these schools, which is directly related to the quality of provision, is also in need of improvement. Sadly, the TE schools are characterised by very high failure rates (34% at Basic level and 26% at Medio level) combined with drop-outs rates of about 8%. A baseline survey of 2005 graduates, conducted for the PIREP project in its inception year, found that only 57% of the graduates were able to find work (of which only 26% found full time work) but only 22% found jobs directly related to their area of professional training.<sup>60</sup> More recently, a tracer study of graduates from 2009, 2010 and 2011 found that only 42% had found employment although 75% were in full-time work.<sup>61</sup> In other words, while the 2014 tracer study indicated that there was a lower rate of labour market absorption than the earlier baseline study, at least more of these graduates are finding full-time work. However, there is good reason to treat the results of the tracer study with some degree of caution.<sup>62</sup>

<sup>56</sup> Mozambique Newsletter 295: 27 July 2015 (Open University London)

<sup>57</sup> Interviews with representatives of ILO, CPI, CTA and SNV (an agricultural NGO) all concurred on this point.

<sup>58</sup> Ministry of Education: Annual School Results 2013.

<sup>59</sup> *ibid*

<sup>60</sup> Eurosis/PIREP(2007-08) Baseline survey of 2005 graduates from technical education schools.

<sup>61</sup> PIREP/COWI (2014): Graduates Tracer Study (of DINET Institute Medio schools).

<sup>62</sup> What is of some concern is that although more than 75% of the students in the survey came from the PIREP pilot schools, the CBT curricula was not fully introduced until the beginning of 2010 in some pilot schools and even as late as 2011 in some others; and therefore it would not have been possible for the majority of the students from the pilot schools to have completed a full CBT course programme by the time they graduated. The first group of students that would have benefitted from a full 2-year CBT programme would have only graduated in December 2011 – and they would account only for a small proportion of the pilot school sample in the survey.



Aside from their relatively low capacity to absorb many students and their associated quality problems, the technical schools are not a suitable vehicle for training the marginalised youth for four reasons:

- The entry requirements to the Basico level (grades 8-10) requires a primary school completion certificate which effectively excludes the large population of primary school students who fail to complete primary school at grade 7.
- It is designed to accommodate full-time students of school-going age and is not flexible enough to support programmes for out of school youth.
- The technical schools are mostly located in the urban areas and main rural towns which effectively makes them inaccessible to most of the rural youth.
- The curriculum is very theoretical and lacks practical skills training with the result that many employers find their graduates unsuitable for employment in skilled occupations.

On this assessment, ***the TE school system does not appear to be a viable mechanism for addressing the problems of marginalised youth and preparing them for the skilled/semi-skilled employment in the workforce (assuming that the jobs were available)***

The Ministry of Education has also introduced an **Entrepreneurship Curriculum Programme** into its secondary and technical schools in 2007. By the end of 2013, this programme had reached 350,000 students in 331 schools.<sup>63</sup>

### **3.2.2 Public Vocational Training**

#### *National Institute of Employment and Training (INEFP)*

Vocational training is provided by different government Ministries (Labour, Public Works, Transport, Tourism, Agriculture) of which the largest is the National Institute of Employment and Training (INEFP).

INEFP claims to offer more than 50 different practically-oriented vocational training courses to 15-16,000 unemployed or out-of-school youth annually, through a network of 16 Training Centres (CFPs). This equates to an average of 1,000 trainees per centre per year. However, this figure could involve a considerable amount of double-counting.<sup>64</sup> Although detailed statistical information was not made available for this study, its National Training Director claimed that about 55% of the trainees were in occupations in the services sector (secretarial and clerical, tourism-related), 30% for industry (construction and engineering related) and another 15% for self-employment.<sup>65</sup> No breakdown is available by course type, course duration, region, or gender.

According to its Training Director, females are said to account for 35% of the total number of trainees. The majority of women participate in courses such as secretarial, management, hospitality and tourism while men prefer courses in electricity, mechanics, construction, and engineering. Only a small percentage of females opt for the male-intensive courses.<sup>66</sup>

INEFP imposes different minimum education entry-level requirements subject to the training course that is selected but most courses require a minimum Grade 7 qualification - which

---

<sup>63</sup> UNIDO 2013: <http://www.unido.org/news/press/Mozambique-generations.html>

<sup>64</sup> Some NGOs outsource their training through the INEFP training centres and the numbers they report are also likely to be counted again by INEFP.

<sup>65</sup> Information obtained from an interview with the National Training Director who claimed that INEFP does not produce an annual statistical report.

<sup>66</sup> Information provided by INEFP

has the effect of excluding many young people who do not finish primary school level.<sup>67</sup> These courses vary in duration between one week and two years, and do not result in a nationally recognised qualification, although this does not necessarily mean that its graduates cannot find employment in a semi-skilled and/or skilled occupation. The Training Director claims – although without any statistical information to verify this – that a “very high” proportion of their graduates find work although this seems unlikely as they do not routinely do tracer studies.<sup>68</sup>

There is no accurate information available on the number or proportion of the INEFP trainees whose training is also combined with an internship in a private company but some NGOs and private training organisations who have knowledge of INEFP’s activities believed it to be only about 15% or less.

The National Training Director reported that, in the past few years, INEFP entered into 12 MoU agreements with private sector (mainly extractive mineral resources-based) companies in Tete, Nampula and Cabo Delgado provinces to provide skills training, tailored to the specific skills demand needs of these projects. No details of these MoU Agreements were provided to the research team but an ILO representative said they had not been developed under a common framework and varied considerably in content.<sup>69</sup>

The quality of the INEFP vocational training programmes is also of some concern. A number of organisations were critical of its training quality. Some examples included:

- A representative of CTA – the national body representing the country’s business associations – commented that INEFP’s technical training capacity was “*not up to speed*” and limited to “*making cooking stoves (widely used by people in rural communities) and unsuited for preparing young people with skills for the world of work*”.<sup>70</sup>
- An NGO that works closely with INEFP commented that its quality was “*variable*”, especially in respect of its industrial training courses.
- A private training company (who didn’t want to be identified) stated that it had to re-train INEFP graduates for its private sector industrial clients “*because the INEFP standard was well below what these export-oriented companies required*”.
- An employer representing the hotel and hospitality sector informed the study team that he was actively searching for a training provider / consultant to support skills development in the hotel sector because he was “*not satisfied with the quality of graduates emerging from the INEFP training centres*”.<sup>71</sup>

Perhaps the most dis-satisfied customer is the multinational mining and base metal producer BHP Billiton which operates a large aluminium smelter in Maputo (Mozal). For many years, it relied on INEFP to train its skilled maintenance workforce but cancelled that agreement three years ago and has subsequently outsourced its training requirements to a South African company.

Taken together, these comments indicate that although an estimated 15-20,000 people are benefitting from free training provided by INEFP each year, not many are acquiring the relevant skills needed for employment, especially at a medium – high skill level. While it is relatively easier for the marginalised youth to access these training courses, it is probably

---

<sup>67</sup> Ibid

<sup>68</sup> Ibid

<sup>69</sup> Information obtained from an interview with the ILO representative in Maputo

<sup>70</sup> Interview with CTA representative

<sup>71</sup> Comments provided in interviews with different organisations during the course of conducting this study.

having a limited impact on a young person's ability to find work. At a policy level, this suggests that access to skills training, by itself, is not a sufficient condition for employment and poverty alleviation unless it is also combined with measures to improve the quality and relevance of the training.

In summary, INEFP has some observable weaknesses in serving the needs of the unemployed marginal youth. Firstly, like the technical education system, its requirement for a grade 7 certificate entry requirement for many of its courses effectively excludes many primary school drop-outs.

Secondly, problems with its quality has meant that the labour market absorption of its trainee graduates is probably much lower than it could otherwise be. However, there are signs that the situation in regard to quality could be changing. The ILO is now providing technical assistance to improve its curricula.<sup>72</sup> The recent partnership agreements that INEFP has signed with some private companies in the central and northern provinces should lead to improvement in its quality. Indeed, one observer noted that there had been "some improvements" at INEFP's training facility at Moatize in Tete province.

Accordingly, with this brief assessment, although INEFP potentially offers a more appropriate vehicle through which to plan and organise the skills training needs of marginalised youth than the TE system, any decision to support it would need to be made conditional on reforming its operational mandate and upgrading its capacity and quality. These include:

- A review of its minimum education entry requirements by enabling young people who do not complete primary school to gain access to some types of vocational training
- Increasing its budget to fund more training places. Ideally it needs to have the capacity to train 100,000 young people annually.
- Making a comprehensive review of its curricula aligned to industry /sector skills priorities and skills standards.
- Upgrading the skills of its trainers (and significantly increasing their number and salaries).
- Extending its capacity to form partnerships with industry, within an agreed framework, especially in terms of securing internship agreements with private firms.
- Restructuring its governance arrangements to make its Director and INEFP staff accountable to a board comprised of NGOs, youth and women's organisations and private sector stakeholders
- Making it mandatory that it maintains a proper information management system, keeps and publishes statistical data on an annual basis.

#### *Other Government Ministries*

Other Ministries also provide vocational training although there are no statistics available on how many trainees benefit each year or the effectiveness of such training. For example, the Ministry of Agriculture maintains a small network of training centres that nominally offer practical skills training courses in basic farming techniques. Also, the Ministry of Tourism used to run training courses for cooks and waiters at a small training school attached to the Hotel Andalusia in Maputo but this has since been closed due to lack of funds.

Similarly, the Ministries of State Administration, Transport, and Public Works each have their own training facilities that offer basic skills training in a limited number of course programs for a small number of learners. Most of this training is targeted at employees of their own Ministries but occasionally it is extended to selected job seekers in the broader labour

<sup>72</sup> Information obtained from ILO Maputo representative.

market. In the absence of any reliable statistical information, it is difficult to obtain an accurate picture of their capacity and effectiveness but most are believed to be under-funded and limited in their capacity.

Further investigation would be required on the appropriateness, usefulness and capacity of these “other Ministry” training centres as a means for supporting marginalised youth to get skills training. In particular, the Ministry of Agriculture training centres could potentially serve as possible centres for providing rural unemployed youth with acquiring skills for farming production, whereas the Ministry of Public Works may be able to offer basic skills training in road making which could help rural youth to find work on the maintenance of rural roads.

### 3.2.3 Private Sector Training

Private sector training falls under two categories of providers: (i) private training companies (PTPs) either directly to the fee-paying market or under contract to another larger firm; and the other (ii) employer-based training provided directly by the employer for their own employees, usually on-site.

#### (i) Private Training Providers (PTPs)

According to INEFP, there are 170 private training providers presently registered in Mozambique although it is not clear how many of these are active. Although INEFP is the designated national government agency responsible for registering private providers, it does not impose any requirement on them to submit annual statistical reports on their activities and therefore, it is not possible to accurately assess the size of the training market that these PTPs serve and whether or not they still function. As a result there are various estimates.

The INEFP Training Director (without access to statistical records) estimated the total number of vocational trainees to be about 100,000 annually (including the 15,000 trained directly by INEFP) although an estimate by the African Economic Outlook places this number at 156,000 students graduates in 2012.<sup>73</sup> Yet another estimate is provided by the Ministry of Women and Social Action, reporting that 71,146 people benefitted from vocational training in 2011 of which 24,705 were women (34.7%) while two years later, this number had increased to 113,328 people, of which 41,569 women (36.6%).<sup>74</sup>

While detailed information was not provided by INEFP, many PTPs are believed to be small, locally owned businesses offering computer and business skills training for a fee-paying market and therefore are not targeting the large pool of marginalised youth. As it can be seen, comprehensive information on this training sub-system is missing.

#### (ii) Employer-based training

An Investment Climate Assessment Report in 2003 found that overall, the private sector’s attitude in Mozambique towards investing in skills and training was “*rather ambivalent*”.<sup>75</sup> It found that most employers saw no need for further training of their workforce. This attitude is probably directly related to the structure of the enterprises, described earlier, in which 90% of all firms employ less than 10 people, and do not generally have the financial capacity to invest in new production equipment and train their employees. Nor do they think its important.

<sup>73</sup> African Economic Outlook; Country Notes, Mozambique, 2012

<sup>74</sup> Mozambique Ministry Of Women and Social Action (2014). Report on Beijing +20 about the Implementation of the Declaration and Platform of Action.

<sup>75</sup> World Bank: (2003) Mozambique Industrial Performance and Investment Climate

The same study found the picture is different with larger firms who indicated a preparedness to set aside the means for training their workforce.<sup>76</sup> Although there has not been any detailed mapping of company training, there is incremental evidence that many of the large employers, especially the mega-projects, run their own training centres providing non-formal training (induction and skills upgrading) and company specific training programs, some of which even lead to internationally recognised certificates. For example, one survey of firms in the minerals extractive sector found that just under 50% of the firms have a specific policy of mentoring/training in place and claims that a similar proportion stated that skills transfer happens on the job.<sup>77</sup> Some specific examples of company provided training are provided in **Annex 4**.

In summary, while these private sector initiatives by the larger firms are all commendable, they essentially represent the efforts of a small number of foreign-based firms which, when added together, account for only a small number of trainees annually; and moreover, the training that they offer does not respond to the skills needs of marginalised youth for two reasons:

Firstly, according to the International HRD Manager of Capital Outsourcing Group (which is contracted by Mozal and also has other industrial clients) these mega resource companies insist that the trainees must have a minimum Grade 12 school leaving certificate and a minimum level of maths competencies.<sup>78</sup> In effect, these trainees are mostly comprised of former Institute Medio technical school graduates who are effectively being “re-trained”. Secondly firm-based training is targeted at the company’s own employees i.e. people who already have jobs.

### **3.2.4 Non-Government Organisations (NGOs) vocational training**

A mapping study of non-formal training providers in the NGO sector which was commissioned by GIZ in 2011, estimated that there were 468 active NGOs providing training of which 57% were providing training programmes for disadvantaged adults, (even though many of these only provided training in life skills such as AIDs awareness and entrepreneurship training).<sup>79</sup>

The study estimated there had been more than 82,000 beneficiaries of this training (of which 58% were female) in courses lasting from 1-3 months. Outside of this study, there is no other known national register of NGO training activity and therefore it is not possible to measure whether training activity by NGOs is on an increasing or decreasing trend from year to year. Nor has it been possible to assess the effectiveness of this training, either in terms of the beneficiaries finding employment or improving their livelihoods in some way. A brief overview of the activities of some of the larger NGOs is provided in **Annex 5**.

However, despite the different approaches which have been adopted by these NGOs, there are three things which they appear to have in common:

- The training schemes seem to be relatively new in that they were commissioned within the last 3-4 years, and therefore the resulting impact on employment has not been tested as a durable sustainable model and nor has it been measured and captured in the official employment data. More research is required to verify these approaches are working.

---

<sup>76</sup> *ibid*

<sup>77</sup> USAID/SPEED Programme (2013). “Effects of the Employment of Foreigners on Job Opportunities for Mozambican Citizens

<sup>78</sup> Information provided by the International HRD Manager of Capital Outsource Group.

<sup>79</sup> P Beck/GIZ (2011): *Mapeamento nacional do subsector da Educacao Nao Formal/Alfabetizacao e Educacao de Adultos* (ENF/AEA) Maputo.

- Most of them claim they are directly engaged with the private sector through a system of internships or employment schemes which they argue enhances the prospects of the trainees in finding employment. Again, this needs to be further verified.
- They are all small scale. Although on paper the training outcomes appear to be reasonably effective - in that trainees are finding employment - their aggregated impact on the vast population of the marginalised youth can be measured in a few thousand beneficiaries annually. Subject to further verification, these schemes should be scaled-up.

### **3.2.5 Informal apprenticeship**

Skills transfer in the informal sector usually takes the form of traditional apprenticeship whereby a master craftsman passes on his knowledge and expertise to young people through an informal employment contract where the trainee acquires skills in return for free labour for a limited employment period which can last up to five years. While the traditional apprenticeship system provides a valuable opportunity for the trainee to acquire practical knowledge about the trade, the limitation of the system is its lack of technological innovation and product specialisation as demonstrated by the widespread product duplication which can be witnessed at any market place.

Although not much is known about the number or distribution of these informal master craftsmen in Mozambique, the system is self-financing and generally concentrated in traditional trades such as metalwork, woodwork, motor mechanics, tin-smithing, tailoring, bicycle repairing, etc. Moreover, it usually provides few chances for girls, as most of the trades with a strong traditional apprenticeship culture are typically male trades.

No estimates exist on the extent of the training taking place in this sub-system, but a study by the Bank in 2004 argued that “*it can safely be assumed that several thousand young people each year learn a trade this way*” although it’s not clear what evidence this comment was based on.<sup>80</sup> Despite evident problems with quality, its major advantage as a vehicle for training the marginalised youth is that it is close to the target market and affordable. Further research on this sub-system is also required.

## **4. Constraints in accessing employment and skills training**

The marginalised youth in Mozambique face a number of constraints and barriers in their transition to employment and obtaining access to skills training.

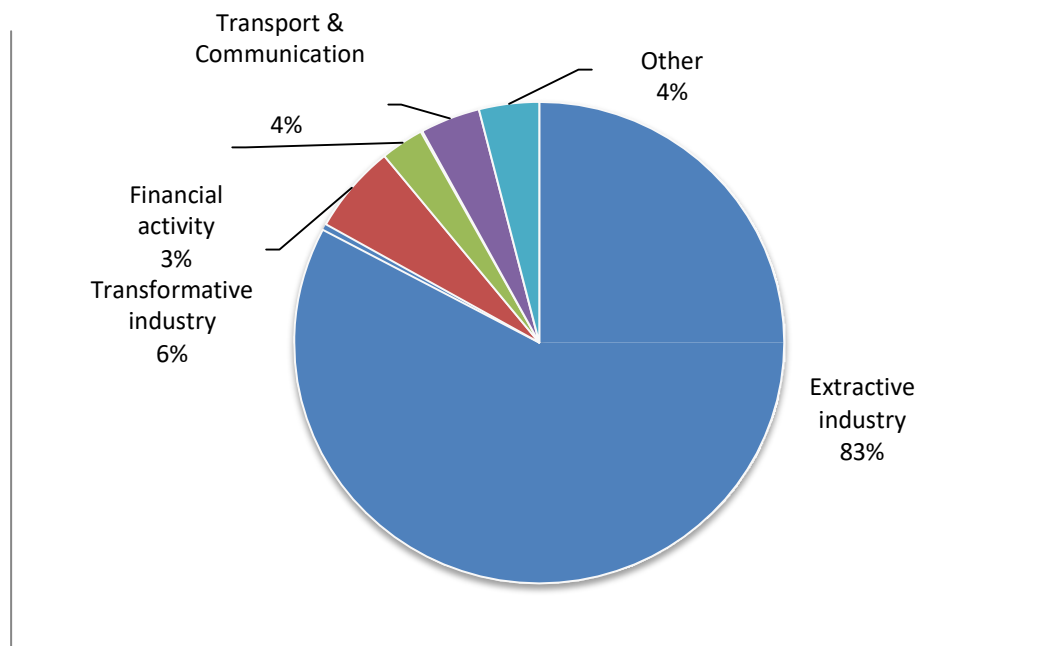
### **4.1 Transition to employment and constraints faced by young people**

Job creation is a function of investment, whether or not this is carried out by the private sector or the government (such as in infrastructure developments). As mentioned earlier, the high rate of growth in the Mozambican economy has been driven by high levels of (foreign) investment in the minerals extractive industries (mining, oil and gas) and base metal manufacturing (aluminium refining). According to some estimates, Mozambique is set to become one of the biggest coal and gas producers in the world which will continue to boost its economic performance into the foreseeable future.

Investment in the extractive industries increased from US\$184 million in 2005 to over 2.5 billion in 2012.<sup>81</sup> By comparison to other sectors, the extractive industries accounted for 83.3% of total FDI inflows in 2011 (Figure 4).

<sup>80</sup> World Bank (2004) *Skills Development in Mozambique: Issues and Options*

<sup>81</sup> Bank of Mozambique.(2012): “Boletim Anual de Pagamentos 26 June 2012. Available at: [http://www.bancomoc.mz/Files/DEE/Boletim%20%20Anual%20%20BOP\\_2011.pdf](http://www.bancomoc.mz/Files/DEE/Boletim%20%20Anual%20%20BOP_2011.pdf)

**Figure 4: Foreign Inward Investment in Mozambique**

Source: OECD (2013) Investment Policy Reviews: Mozambique

Although the construction and manufacturing sectors have also attracted a substantial share of FDI, they both remain heavily dependent on the extractive and base metal sectors.<sup>82</sup> For example, over 90% of activity in manufacturing (transformative industry) results from inflows linked to the MOZAL aluminium smelter which accounts for almost two thirds of manufacturing output and more than half of total exports. Most of this FDI originated from Brazil (43%), Mauritius (22%), South Africa (6%, including investments in agriculture and agro-industry), and the EU.<sup>83</sup>

### **Jobless growth**

Normally, a massive inflow of foreign investment into the country should be good news for employment. However, the mining sector is capital-intensive and will not generate many direct jobs. The CPI reports that while the mega-projects accounted for 72% of total capital investment over 1992-2010, they only generated 5% of total expected employment (see Figure 6). It also forecasts that the recently registered mega-projects will generate only 1.7 jobs per USD 1 million invested, compared to 77 jobs for other registered projects.<sup>84</sup> As the OECD notes “*although the mega projects have certainly triggered knock-on investments in terms of energy generation and transport, the **ultimate impact on employment and social development has been limited.***”<sup>85</sup> UNCTAD also noted in its investment review of the country that “it is the FDI **outside** of the mega-projects” that has so far provided the type of developmental impact that Mozambique needs the most.<sup>86</sup>

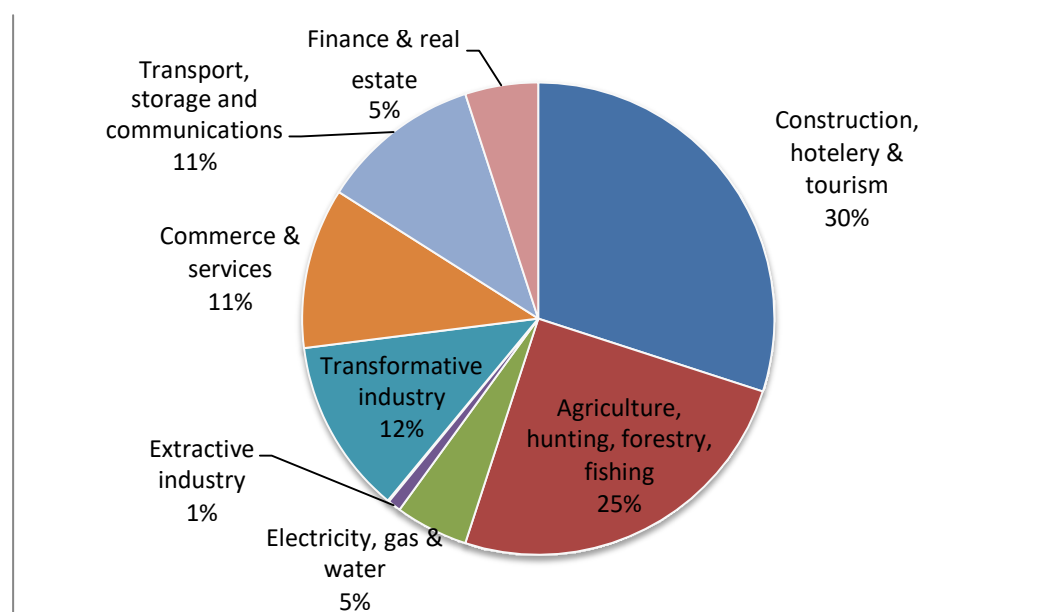
<sup>82</sup> OECD (2013): Investment Policy Reviews: Mozambique

<sup>83</sup> *ibid*

<sup>84</sup> Mozambique Investment Promotion Centre

<sup>85</sup> *ibid*

<sup>86</sup> UNCTAD (2012) Investment Policy Review of Mozambique.

**Figure 6: Investment by sector excluding the mega projects**

Source: OECD (2013) Investment Policy Reviews: Mozambique

The accumulated evidence points to the fact that the country's current economic trajectory with its heavy reliance on the minerals extractive sector **will not produce a sufficient number of jobs to absorb a large pool of unemployed youth**. Even the indirect jobs which are generated through businesses which supply and service the mega projects - such as transport logistics, security, and housing accommodation - are limited.<sup>87</sup> A further problem is that the large multinational firms which are financing and developing these mega resource projects tend to rely on foreign labour for their managerial and higher skilled technical staff which has the effect of reducing any potential employment opportunities for local workers in a labour market characterised by low skills. Almost 12,000 foreign nationals applied for work registration in the first nine months of 2012 and 11,000 in 2011.<sup>88</sup>

Despite this less than optimistic assessment, there are two notable areas which have the potential to generate significant employment prospects for the youth: agriculture and small and medium-sized enterprises.

### **Agriculture sector**

It is widely believed that the most promising area for employment growth for youth is in agriculture.<sup>89</sup> From a logical point, some 70% of the population lives in the rural areas and depends on agriculture for its livelihood. The sector largely consists of subsistence farmers with 99.6% of all farms being classified as small. (There are 3.5 million small farmers each "owning" a machamba of about 2 hectares).<sup>90</sup>

Mozambique has 36 million hectares of arable land of which only 15% is cultivated but expansion and value-addition in small-scale agriculture remains hindered by inadequate infrastructure, commercial networks, financing and land reform policies.<sup>91</sup> The land is

<sup>87</sup> Eurosis /ILO (2014) *Research on Job Creation Potential along selected supply chains feeding into the exploration of coal and gas in Tete province and Cabo Delgado province*.

<sup>88</sup> Club of Mozambique: Number of Foreign Workers increases slightly 8 Nov 2012.

<sup>89</sup> Many respondents made this point in interviews with the author: CTA, ILO, CPI.

<sup>90</sup> Information leaflet published by SNV

<sup>91</sup> *ibid*



owned by the state but land use rights are given both to mega farms and to communities. However, the process of acquiring land is cumbersome and the leasing conditions do not provide easy collateral for gaining access to agriculture finance. Moreover, **very few value-adding small and medium enterprises in the value chain exist which limits the opportunity for employment creation in the sector.**<sup>92</sup>

Agriculture productivity has stagnated over the past ten years with only a minority of farms having access to services and markets. Until recently, investment growth in this sector has been limited. At the moment, the sector absorbs only 10% of private investment (of which 90% is geared to export-oriented crops, including tobacco, cotton, cashews, prawns, sugar, and timber).<sup>93</sup> Further investment and expansion of the sector depends critically on a change in government policies (especially on land ownership and protection of investments) to encourage an increased flow of investment into the sector. A central objective of the PARPA for 2011-2014 is to increase productivity in the agricultural sector, and the Government has developed an Agricultural Development Plan (PEDSA), which is rooted in the country's 2008-2012 Green Revolution Strategy).<sup>94</sup>

While it is hoped that the agriculture sector has potential for youth employment, a study in the Ribaué district of Nampula found that subsistence and/or commercial farming is not an attractive option for many of the unemployed rural youth, with many preferring instead to set up a "baraca" (a small trading kiosk-type shop that trades in daily-need products like soap, soft drinks, cigarettes and basic food items).<sup>95</sup> Although another study confirmed this same finding, it qualified it by saying that "*many youth said that if agriculture could be made into something that yielded an income (most are used to only subsistence involvement) then they would be interested*".<sup>96</sup>

### **Small and Medium Enterprises**

Claims are made that starting one's own business provides an accessible route to self-employment. Currently, SMEs have been growing at 7% a year although their growth is constrained by a lack of access to affordable capital, heavy red tape and a poor business climate.<sup>97</sup>

In 2007, the government introduced the Entrepreneurship Curriculum Programme (ECP) in collaboration with the United Nations Industrial Development Organisation (UNIDO) as one means to boost SME development and reduce youth unemployment. However, the training programme only targets children currently enrolled in secondary and technical schools. As no evaluation of this programme appears to have been done, it is not known how many of the graduates from these schools have actually started their own businesses. Nevertheless, despite the hype that is usually associated with entrepreneurship development as a means to resolving rural /youth unemployment, there are critics who claim **there is no proof that these strategies increase the prospects of income generation or employment amongst young people.**<sup>98</sup>

<sup>92</sup> *ibid*

<sup>93</sup> OECD (2013): Investment Policy Reviews: Mozambique

<sup>94</sup> Republic of Mozambique/ Ministry of Agriculture (2007): "Concept, Principles and Strategy of the Green Revolution in Mozambique".

<sup>95</sup> M. Elsner and L.Primadica "Youth employment and Income generation: A field study in Ribaué district, Nampula: 2014.

<sup>96</sup> UNICEF /Ministry of Youth and Sports (2005): Situation Analysis of Youth and Adolescents in Mozambique: Focus on District and Rural Level

<sup>97</sup> African Economic Outlook (2012)

<sup>98</sup> White, B. (2012) "Agriculture and the Generation Problem: Rural Youth, Employment and the Future of Farming." *IDS Bulletin*.

### **Gender discrimination in finding work**

As mentioned earlier, females generally have lower literacy levels, lower participation rates in the labour market and higher rates of unemployment. One contributing reason for this is that young females, especially in the rural areas, are discouraged from finding employment due to cultural pressures to get married at an early age.

For those young females who resist these cultural pressures and seek active employment, they can face additional constraints in finding work. Aside from lacking basic skills like their young male counterparts, young females face immediate discrimination by employers in their recruitment policies and practices, especially by small firms which dominate the profile of the enterprises. More than 90% of these businesses employ less than 10 people. This is due to concerns about the potential cost of paying for maternity leave which the employers contend is not affordable. The CTA, which represents these business owners, is motivating for the use of state social security funds to meet the maternity leave cost arguing that if the cost burden is removed from the individual employer, then the businesses would be more liable to recruit and engage female employees.<sup>99</sup>

In other instances of discrimination, females are not considered for certain types of jobs which are traditionally viewed as “men’s work” such as mechanics, plumbers, and electricians.

### **Skills Mismatch**

One of the countries most recognised economists has claimed that “a lack of skilled labour in Mozambique is one of the major constraints facing entrepreneurs and the private sector.”<sup>100</sup> Several studies commissioned over the past ten years have highlighted this problem. A World Bank report on investment in 2003 claimed that *skills are consistently ranked among the top five constraints in manufacturing, where 50% of firms believe a lack of skills poses a serious obstacle to operations and growth.*<sup>101</sup> Nearly ten years later, another study, commissioned by Nuffic (2011), examined the alignment between education on offer and the skills needs of the local labour market, by asking employers to comment on the skills and experience of their employees. The report noted: “*The employers’ view of the graduates from the technical and vocational schools is that the quality is low; most graduates have few practical skills and have to be re-trained.*”<sup>102</sup> Similar conclusions were also confirmed by Beck in a study of 38 metal industry firms in 2011 funded by GIZ<sup>103</sup>

The level of employer satisfaction does not seem to have improved much in the past four years. Representatives from CTA and AIMO, who were interviewed for this study, both confirmed that a common practise of employers is to hire graduates from technical schools and then re-train them in company and/or private training.<sup>104</sup>

Another study commissioned by USAID in 2013 which was investigating the impact of foreign labour on local job opportunities, surveyed a large number of foreign firms operating in the country and confirmed the same findings of a serious skills mismatch. It concluded: “*there is a clear supply-side problem with the labour market, with a severe lack of skills that is not limited to specific technical fields. Most firms expressed a clear desire to hire national*

<sup>99</sup> Information obtained from CTA representative

<sup>100</sup> Carvalho, P. (2012) *Mozambique – repositioning in the international arena*, Banco BPI (Maputo).

<sup>101</sup> World Bank. (2003) *Pilot investment climate assessment: Mozambique industrial performance and investment climate 2003* (Washington, D.C.).

<sup>102</sup> Gondwe, M. (2011) *Alignment of higher professional education with the needs of local labour market: The case of Mozambique*, Netherlands Organisation for International Cooperation in Higher Education (The Hague).

<sup>103</sup> P. Beck (2011): *Needs study and competency analysis for skilled workers in the metal-mechanical sector of Mozambican industries*: GIZ CEREP

<sup>104</sup> Interview with AIMO and CTA representatives.

staff and many had specific training/mentoring schemes in place. However, many stressed that they simply could not find enough Mozambicans with the required skills, especially outside of Maputo”.<sup>105</sup> The study found that “in general, foreigners hired through the quota system bring skills and experience that positively impacts on Mozambican workers, and that often the ability to bring in foreign expertise leads to firm expansion and therefore job creation for nationals.”<sup>106</sup>

A recent ILO paper (2015) attempted to quantify the degree of this skills mismatch by calculating the proportion of the total workforce that was under-qualified to perform the jobs they were doing by using three different methods.<sup>107</sup> Although the three methods showed significant variations – between a 60% to 92% mismatch - the overall trend was unmistakable. It found that the pattern of skills mismatch was higher among females but most interestingly, it revealed that among young workers (aged 15-20), there was a decreasing degree of mismatch between 2004 -2008.

Somewhat surprisingly, all these findings on employer dissatisfaction have been contradicted by two studies conducted by PIREP (the World Bank-financed project supporting reform of the technical education system). In the first “baseline” study conducted in 2007<sup>108</sup> which was carried out among a random sample of Mozambican employers across four economic sectors (Agriculture, Engineering, Tourism and Commerce), PIREP found that more than 90% of the respondents expressed a “medium- high” level of satisfaction with new employees who were graduates of the technical school system. However, only 50% believed their technical skills were not satisfactory (in the engineering sector this figure was much lower).<sup>109</sup>

A more recent tracer study of 602 technical school graduates (2009-2011) from 15 Institute Medio schools revealed that about half the surveyed employers expressed a “medium” level of satisfaction with the graduates and more than one third expressed a “high-very high” level of satisfaction..<sup>110</sup> However, even those employers who expressed a medium or low level of satisfaction still identified the lack of practical experience and inadequate knowledge of the trade as the biggest weaknesses.

The discussion on “skills mismatch” has to be understood in a wider context. UNESCO asserts that three categories of skills have to be fulfilled in order for a person to be able to develop for a decent job:

- (i) **Foundation skills** associated with literacy and numeracy which can be taught at primary school level or in post-school adult literacy classes;
- (ii) **Transferable skills**, including problem–solving and the ability to transform and adapt knowledge and skills in varying work contexts which ideally should be learnt at secondary and tertiary level; and

<sup>105</sup> USAID/SPEED Programme (2013). “Effects of the Employment of Foreigners on Job Opportunities for Mozambican Citizens

<sup>106</sup> USAID/SPEED Programme (2013). “Effects of the Employment of Foreigners on Job Opportunities for Mozambican Citizens

<sup>107</sup> T.Spareboom and A. Staneva (ILO: Employment and Labour Market Policies Branch): Structural change, employment and education in Mozambique; Working Paper No 174, 2015

<sup>108</sup> PIREP/Eurosis (2008): *A baseline study of graduates from DINET schools in 2005.*

<sup>109</sup> It is a strange paradox that while the PIREP baseline study in 2007-08 concluded that there was no perceived “skills mismatch” problem from Mozambican employers, on this evidence the government and the World Bank still proceeded to finance an expensive reform of the technical school system.

<sup>110</sup> PIREP/COWI (2014): Graduates Tracer Study (of DINET Institute Medio schools).

- (iii) **Technical and Vocational skills** associated with specific occupations which can be taught in technical schools and poly-technical colleges for children of school going age; and in vocational training centres for out of school youth.<sup>111</sup>

Taking into account all of the above, it can be safely assumed that, due to the high numbers of students not completing primary school, the corresponding low rates of enrolment and completion in secondary and technical schools, the reported responses from employers on the high degree of skills mismatch, the majority of the youth coming onto the labour market each year would be deficient in all of these skill areas.

#### 4.2 Access to Skills Training Constraints

Section 3 described five different pathways by which young people can gain access to technical education and vocational training. Here we look at the constraints and problems faced by the youth in accessing these training programmes.

##### Access

There are two important constraints that limit young people's access to the government technical education and vocational training system (DINET technical schools and INEFP vocational training centres).

##### (i) *Limited capacity.*

DINET has a total school population of 40,000 students spread across five grades with a maximum capacity to accommodate only 11-12,000 entry level students each year at grade 8 (junior technical high).<sup>112</sup> To this number can be added 15,000 trainees enrolled in short courses in the INEFP training centres and possibly another 10,000 trainees from NGO training centres. This amounts to 35,000 TVE students each year or slightly more than 10% of the estimated amount of new entrants to the labour market each year.<sup>113</sup>

Even access to the general secondary education is problematic. There are only 637 secondary schools compared to 16,078 primary schools with the result that many primary school graduates cannot find places at secondary level.<sup>114</sup>

##### (ii) *Restrictive entry requirements*

As mentioned earlier, many young people are excluded from further technical education and vocational training courses because they do not possess the minimum educational entry requirement. DINET requires a minimum grade 7 certificate for entry to its technical schools whereas INEFP applies the same restriction for most of its training courses. Entry to most employer "apprenticeship" training courses requires a minimum grade 12. While many NGOs accept trainees with less than grade 7, some of them apply a minimum grade 5 entry requirement.

Further, the regulatory requirements for internships during vocational training programmes issued by the Ministry of Labour re-inforce these restrictions by insisting that candidates for internships must have completed primary school or other elementary technical and vocational education institutions at basic, medium or higher education level provided they are legally established.<sup>115</sup>

---

<sup>111</sup> UNESCO, 2012. *Youth and Skills: Putting Education to Work*. Paris.

<sup>112</sup> The grade 11 enrolments are either graduates from the lower technical level and/or from the lower junior high general education schools).

<sup>113</sup> DINET cannot be included in the calculation as technically they are full time students of school going age

<sup>114</sup> Ministry of Education: *Annual Survey of Schools* (2013).

<sup>115</sup> Mozambique. Council of Ministers(2006-2015) *Employment and Vocational Training Strategy of Mozambique*

Accordingly, in the absence of other remedial education or training programmes for primary school drop-outs, this group of young people are pretty much condemned to a working life in vulnerable employment activities from a very early age. **A first priority must be to achieve better primary school completion rates while another priority is to develop basic skills training programmes for young people who do not complete primary school.**

#### *Affordability*

Whereas primary education in Mozambique is free, enrolment in high school, including basico and medio level technical schools, requires the payment of fees which many of the youth cannot afford. The vocational courses offered by INEFP are free except for some of the longer courses which incur high material costs. NGOs also offer training for free although they are restricted in the number of trainees they can enrol due to budget constraints. Most of the NGO training activities are funded by donors to support and subsidise the material costs, administration and overhead costs and the salaries for trainers.

#### *Lack of Internships*

Every NGO training provider and INEFP interviewed for this study confirmed that an internship tied to a training programme greatly enhanced the chances of the trainee getting better skills and improved their ability to find employment at the end of the training course. Moreover, the longer the period of the internship, the greater was the improvement in skills and in finding work, even if the employment it is not with the company where the internship was served.

Unfortunately the number of trainees in the system who are engaged in an internship is low, probably no more than 20% according to the UPA, a small NGO which supports marginalised youth. It claims to have about 300 people engaged in apprenticeship in Maputo across a wide range of sectors and occupations although a large percentage are trainee mechanics, auto-electricians and body paint workers in the motor repair business. According to the UPA, many employers are hostile/resistant to offering internships and most only agree if they don't have to pay any wages.<sup>116</sup>

#### *Low Quality Training Programmes*

Earlier in the report, reference was made to the poor quality of the training courses offered by public providers (INEFP and DINET) which is also reflected in the widespread employer perception that many graduates from these courses lack the necessary skills for employment, especially at a medium skilled level (tradesperson). In particular, reference was made to the high level of failure and drop out-rates rates in the technical schools.

Quality provision is determined by a combination of input factors including updating the curricula to reflect modern technological needs, work practices and standards; having appropriately qualified trainers/instructors with a minimum amount of workplace experience in the trade they are teaching; modernizing facilities with new equipment, machinery and tools; adopting new management practices for supervising teachers, equipment and materials inventories; and student information systems.

A failure to implement these measures can result in a situation where young people can participate in training programmes which give them certificates or qualifications yet these are not recognised by employers and therefore fail to find them employment. This amounts to a wasted investment of time and money. Accordingly, improving their chances of finding employment depends critically on improving the quality of mainstream public and private training providers. To a limited extent, some of these quality problems in the technical

---

<sup>116</sup> Interview with a UPA representative

education system are being addressed by the (World Bank-financed) PIREP project<sup>117</sup> even though several commentators, including CTA, complained that PIREP had failed to deliver.

#### *Lack of job Placement services*

There is also a chronic lack of job placement services offered by the public training providers for its trainees: neither the technical schools nor INEFP employ dedicated personnel at school or training centre level to provide this support service. INEFP is linked to a network of government employment centres although it is not clear to what extent trainees from the INEFP training courses are supported by its activities and find work. Moreover, it is reported that many employers do not bother to register vacancies with the INEFP regional employment centres.

There are a number of private business agencies which offer job placement services but a quick scan of their website and newsletters indicate that the vast majority of the jobs advertised are targeted at tertiary educated graduates; and moreover, almost every advertisement specifies that the applicant must have a diploma and/or degree and a minimum of 3-5 years work experience. These agencies provide a valuable service for young people emerging from universities but have little value for the marginalised youth graduating from an NGO or INEFP training centre with a basic level vocational certificate.

#### *Lack of Career Guidance*

Another constraint is that the government general education and technical schools do not routinely provide career advice and guidance for young students. Normally, such services should be provided to students in junior high school so as to orientate them towards a particular course of study at the higher technical school or through a vocational training programme.

#### *Gender specific issues*

Females are further discouraged from participation in training because of a number of different economic and social pressures including early marriages, sexual harassment, sexual coercion by teachers and inadequate facilities for females. To paraphrase a Ministry report *premature marriages and domestic workload leading to drop-outs and poor school performance*.<sup>118</sup> The Ministry argued that “*the low participation of girls as students in TVET aggravates the situation of the vulnerability of women. The lack of vocational training ...which can enhance their employability leads to fewer economic opportunities and, therefore, greater vulnerability to poverty.*”

A national conference on young girls held in Maputo in late 2014 heard that close to 40% of female adolescents (15 to 19 years of age) are already married.<sup>119</sup> Other papers presented to the same conference listed other reasons for poor female participation in secondary education including low fluency in the Portuguese language, poverty, rape and sexual abuse, early marriages and early pregnancy, lack of conditions of school toilets,<sup>120</sup>

---

<sup>117</sup> Refer to PIREP website for a list of publication ([www.pirep.gov.mz](http://www.pirep.gov.mz)) See for example (i) *The Proposal for a Regulation for the Medium level Technical Education Institutes* 2013; (ii) *the Methodological Guidelines and Tools for the development of Qualifications* (2008); (iii) *the Report of the Design and Quality Assurance of the National Board of Professional Qualifications(QNQP)* (2011) (iv) *Cowi/PIREP: Graduates Tracer Study* (2014)

<sup>118</sup> Mozambique. Ministry of Women and Social Action. Report of Mozambique Beijing +20 about the implementation of the Declaration and Platform of Action, 2014.

<sup>119</sup> Conferência Nacional da Rapariga “Empoderando as Raparigas e Inspirando Mudanças para Eliminar o ciclo de Violência, Maputo, 2014.

<sup>120</sup> *ibid*

The PIREP project also carried out a study on gender issues in the technical school system where female representation is still well below 40%.<sup>121</sup> The study found a number of reasons explaining this disparity, namely:

- a lower percentage of girls who have the minimum educational level required for entry to the technical schools;
- a higher preference among girls for pursuing general education studies;
- the technical education curricula is biased in favour of traditional courses pursued by males which is not attractive to girls (because of gender stereotypes);
- the reproductive role socially assigned to women makes the pursuit of vocational education linked to employment of less interest to females than males;
- gender stereotypes which exist in the household of girls that present external barriers to their access to technical education;
- the marketing and promotion of technical education courses in communities and in lower level schools is inadequate. Technical education is not presented to girls as an interesting study option and/or career path;
- lack of residential accommodation for females especially in rural areas.

## 5. What is the Government doing to solve the problem

To a considerable extent, the government has responded with a number of policy measures aimed at redressing the problem of youth unemployment and for improving access to skills training. This section provides a quick summary.

### 5.1 Economic Development and Poverty Reduction

The employment challenges have been recognised by the government with the adoption of two important policy initiatives. The first of these is the country's third Poverty Reduction Strategy Paper (Republic of Mozambique, 2011)<sup>122</sup> which identifies *"inclusive" growth as a key national priority and recognises that efforts to promote human and social development need to be complemented by an economic strategy that (i) boosts productivity in labour-intensive sectors and stimulates the structural transformation of the economy while also (ii) expanding and improving the educational and training system.* The strategy states that economic growth will depend to a significant extent on the education and skills of the labour force which in turn is tied to universal access to basic education in the long term.

The 2011-2014 **Action Plan for the Reduction of Absolute Poverty (PARPA II)** evokes a growth model based on further developing the mineral extractive industries in the interest of creating more domestic employment opportunities. In terms of this rationale, investments in mining projects should lead to generating investment in the transport sector and in ICT, which continues to be the second- largest source of economic growth after agriculture. However, as it was mentioned in an earlier section *that although the heavy reliance on the mega projects has certainly triggered knock-on investments in terms of energy generation and transport, the ultimate impact on employment and social development has been limited."*

Secondly, the Government's Five-Year Plan (2015-2019)<sup>123</sup> has identified the following actions in terms of employment and training.

- To promote pre-professional internships as a mechanism to raise the level of employability and inculcate the culture of work among young people;

<sup>121</sup> E. Rodriguez, P. Zuccherin, S. Dauch/PIREP (2008): Diagnóstico de Género nas Instituições Piloto do PIREP.

<sup>122</sup> Republic of Mozambique, (2011) *Poverty Reduction Action Plan (PARPA) 2011-2014* (Maputo).

<sup>123</sup> Mozambique: 5-Year Economic Development Plan 2015- 2019 (PQG).

- To implement programs and vocational training measures aligned to the needs of the productive sector, stimulating massive participation of young people and encouraging professional diversification and improvement;
- To modernise and expand the employment centres and operationalise vocational information and guidance services;
- To acquire new mobile units to increase access to vocational training in rural areas and implement programs and actions of vocational training for young people.
- To ensure a quality and relevant Vocational Education (technical and vocational) based on standards of competence and which meet the needs and specifications of the labour market;
- To implement vocational training courses with an emphasis on civil construction (masons, painters, plumbers, electricians, carpenters, joiners and others) according to labour market needs, as one of the avenues to facilitating access to employment and home ownership for the general population, with a special focus on youth and women.

## 5.2 Youth Policies

As mentioned earlier, the GOM adopted an amended Youth Policy in 2013 which was the result of discussions between the Ministry of Youth and Sports, the *Conselho Nacional de Juventude* (CNJ) and meetings with young people throughout the country.<sup>124</sup> (Annex 1). The youth policy recognises the importance of young people acquiring education and skills as a means of finding employment and improving their livelihoods. Since its adoption, the Ministry has not developed a national strategy to implement the policy objectives (although the ILO claims that a strategy is now in its final stages of development).<sup>125</sup>

The Youth policy enjoys support from some international agencies. For example, the International Labour Organisation (ILO) has placed the issue of youth unemployment and under-employment on its agenda.<sup>126</sup> The ILO and World Bank policies and strategies argue that addressing the problem of unemployment and under-employment of young people can be found by an increasing shift towards entrepreneurship even though some analysts disagree, saying there is no evidence for reaching these conclusions.

As reported earlier, with support from UNIDO, the government introduced the Entrepreneurship Curriculum Programme (ECP) into the curricula of the secondary and technical schools in 2007. A pilot project was started in Cabo Delgado province with four schools but, since then, it has been extended to other provinces with the most recent data showing that, by October 2013, 331 schools nationwide implemented the programme with 350,000 students taking the course.<sup>127</sup>

Unfortunately, no information is available on the effectiveness of these training courses in motivating young people to start their own business nor is there a measure of how many of them have survived as young entrepreneurs. Moreover, as this programme targets children in high school, it effectively bypasses the vast majority of the marginalised youth who have left school with only a primary level certificate or less.

---

<sup>124</sup> Ministry of Youth and Sports Mozambique, 2012. *Politica Da Juventude (Revista) Versao1*. see also All Africa, 2013. *Mozambique: Assembly Approves Youth Policy*.

<sup>125</sup> Information provided by ILO representative in Maputo.

<sup>126</sup> ILO. (2013a) *Global employment trends for youth 2013. A generation at risk*, International Labour Office (Geneva).

<sup>127</sup> UNIDO, 2012. *Mozambique, Investing in A New Generation*; and also

UNIDO 2013: <http://www.unido.org/news/press/Mozambique-generations.html>



Finally, the Employment and Vocational Training Strategy in Mozambique 2006-2015 establishes regulatory requirements for internships, although with some restrictions that exclude marginalised youth.<sup>128</sup>

### 5.3 TVET Reform Policies

Over the past decade, the government of Mozambique also set about making changes to its technical and vocational training system to address some of the challenges which have been outlined in this report. These changes have been based on a new policy framework and a number of targeted interventions to improve the relevance and quality of the public TVET system with financial and technical support provided by various different donors.

An important requirement of the government policy framework was to enable a higher degree of coordination between different Ministries which managed different components of the TVET system (especially Education and Labour but also other Ministries). As a World Bank report had noted:

*“Many of the diagnosed current problems of the TVET system are as much rooted in structural deficiencies as in immediate resource constraints. This includes the system of planning and implementation of training that does not include representatives from the world of work; and sustainable mechanisms to monitor and align the training with changing labour market demand patterns. It also includes the absence of transparent quality assurance mechanisms, the fragmentation and lack of articulation of training offers, as well as structural resource constraints as a consequence of an undiversified funding system that is largely dependent on government allocations. The establishment of an appropriate regulatory and institutional framework therefore appears to be a pre-condition for the long term development and unfolding of a demand-oriented, efficient and relevant TVET system”*<sup>129</sup>

A second key feature of the policy framework was a (nominal) recognition by government that the private sector should be more closely engaged in the governance, planning and policy development of the TVET sector. Initially, this was achieved through the creation of a new tri-partite agency (COREP) in 2005 which was to function on a temporary basis until such time that a more permanent governance body (ANEP) would be established.<sup>130</sup>

The policy framework includes the following:

- the Ministry of Education’s (MEC) *Estratégia do Ensino Técnico Profissional em Moçambique (2002-2011)* approved by the Council of Ministers in December 2001.
- the Ministry of Labour’s (MINTRAB) *Employment and Vocational Training Strategy (2004-2010)*, approved in 2006 with ambitious targets to train 500,000 people over the next ten years.
- the *Proposta de Programa do Governo (2005-09)* (PPG) in which the Government confirmed its commitment to transform the TVET system and improve the quality and relevance of training in close cooperation with industry and social partners. The PPG also underlined the Government’s desire to expand the TVE sub-system as part of the overall effort to increase access to post-primary education and, most importantly, to respond effectively and efficiently to the needs of the labour market.
- a *Memorando de Entendimento* (2004) between the Ministers of Education, Labour and Higher Education and the peak employer association (CTA) which agreed to incorporate current and/or future interventions in the sector into an **integrated TVET reform** programme. This partnership laid the foundation for the establishment of an Inter-

<sup>128</sup> Mozambique. Council of Ministers(2006-2015) Employment and Vocational Training Strategy of Mozambique

<sup>129</sup> World Bank (2004): Skills Development in Mozambique: Issues and Options.

<sup>130</sup> COREP was established by a legal Decree in August 2005 and was originally seen to be an interim arrangement lasting only until the end of the 1<sup>st</sup> phase of PIREP in 2011. Until now, ANEP has not come into existence.

ministerial Commission for TVET Reform (CIREP) and a National Public-Private Commission for TVET Reform (COREP) which was created by a government decree, in August 2005.

The adoption of the policy framework and the creation of COREP triggered the approval for a World Bank loan which financed a TVET reform project (PIREP) that began in mid-2006. The project had ambitious aims to update and improve the curricula for + 20 occupations across four economic sectors (engineering, agriculture, tourism and commerce); rehabilitate and equip 11 technical schools and three training centres; and to develop proposals for a new tri-partite institutional governance framework. The project implementation has been slow and, in some areas, it has fallen short of its original objectives which has led to criticisms in some quarters, notably from the private sector.<sup>131</sup>

One disappointing area has been the slow development and approval of the new TVET sector legal framework. The proposals for policy and legislation on institutional governance and funding measures have taken four years to implement and are still not yet finalised.<sup>132</sup> The enabling legislation to establish a new TVET governing body has been passed but the five decrees (regulations) that will underpin its powers and functions are still in the pipeline.<sup>133</sup> Of note, the proposed governing body of ANEP will be constituted with 11 members of which two will be from the National Youth Council (one of whom will be female).<sup>134</sup>

However, aside from its delays, the objectives of PIREP (and other donor-funded TVET reform projects) have essentially been focussed on improving the technical education system which, as mentioned earlier, is inaccessible to the vast majority of the youth who fail to complete primary school. As such, none of these important reform measures funded by the large donor projects have been geared towards supporting the marginalised youth.

#### **5.4 Gender Equity, Access and Protection Policies**

The starting point for the Mozambican government policy framework for women began with the Beijing Platform for Action (BPA) of the 1995 World Conference on Women which established the principle of gender equality mainstreaming.<sup>135</sup> The Platform urged states to enact and strictly enforce laws to ensure that governments, civil society and the private sector adopt strategic measures in several critical areas of special concern, including the area of education and vocational training with regards to inequalities and inadequacies and unequal access. This subsequently led to the inclusion of a gender perspective in the legislation and public policies of many states including Mozambique.

Guided also by the UN Declaration of the Millennium Development Goals,<sup>136</sup> these principles of gender mainstreaming have been embedded in subsequent phases of the Education Sector Strategic Plans (PEE I 1999-2003), (PEE II - 2005/2009); (PEEC - 2006/2010-11) and (PEE- 2012-2016)<sup>137</sup> which have sought to eliminate gender inequality in primary and secondary education by 2005; to reduce the illiteracy rate by 2015; and to provide free access to full primary education for boys and girls.

<sup>131</sup> In one interview with CTA, the respondent described PIREP as a failure

<sup>132</sup> Law 23 2014 : 23 Sept 2014

<sup>133</sup> information provided by a PIREP manager

<sup>134</sup> Ibid

<sup>135</sup> United Nations (1995). Beijing Platform of Action. IV Global Conference on Women. Beijing;

<sup>136</sup> United Nations (2000). The Objectives of the Millenium Development Goals. see [http://www.unicef.pt/docs/os\\_objetivos\\_de\\_desenvolvimento\\_do\\_milenio.pdf](http://www.unicef.pt/docs/os_objetivos_de_desenvolvimento_do_milenio.pdf).

<sup>137</sup> Mozambique. Ministry of Education (1995). Strategic Plan for Education and Culture 1999-2003 (PEE I); Strategic Plan for Education and Culture 2005-2009 (PEE II); Strategic Plan for Education and Culture 2006-2010/11 (PEEC). Maputo

As a result of these policies and plans, there has been an increase in the number of children attending primary school and a large increase in the participation of female students at Lower Primary Education (EP1) and Upper Primary Education (EP2) which is likely to lead to higher levels of literacy for females than have been recorded previously.<sup>138</sup>

However, enrolments at high school level can still improve. As stated earlier, many young girls drop out of school due to the pressures of early marriage, sexual harassment and sexual coercion from teachers. To circumvent this situation, the Ministry of Education launched a campaign in 2013 on zero tolerance to sexual harassment and abuse of girls in schools which was part of a set of measures to promote access and improve the retention and progression of girls in education.<sup>139</sup> The Ministry of Gender, in coordination with other organizations of civil society, is designing a strategy against early marriages while the health sector has promoted some specific strategies such as building awareness of the matrons that guide the initiation rites. The programme is being promoted in the northern provinces.<sup>140</sup>

There are also measures to increase women's access to opportunities for vocational training and employment. According to information from the Ministry of Women, women's access to vocational training, as well as to science and technology and continuing education, has received extensive government attention through the combination of actions in the various strategies of different Ministries: i.e. Adult Education (Ministry of Education), Technical Education,<sup>141</sup> (Ministry of Science and Technology), Employment and Vocational Training (Ministry of Labour).<sup>142</sup> These strategies provide for incentives for increasing the enrolment of girls in the technical and vocational education through such measures as exempting girls from tuition fees, granting full scholarships, creating female role-model teachers, and supplying free personal hygiene products.

The government also provides support for women's training and employment in the activity plans and strategies developed by the Ministries of Agriculture, Public Works and Rural Development through the provision of technical and financial resources.<sup>143</sup> Among the main achievements has been the implementation of a quota of 25% of employment of women in public works contracts, particularly in rural areas. This initiative was designed to contribute to reducing occupational gender segregation in the labour market and the gradual elimination of prejudices about the role of women in family and society.

## Summary

Overall, the policy framework is comprehensive and progressive but as it can be seen, despite some evidence of progress, these policies and their linked project interventions have not always been successful while the pace of change has been slow and uncoordinated.

## 6. Policy-oriented recommendations

The information compiled in this study allows us to make some observations and conclusions on the conditions which constrain young people from finding full-time

<sup>138</sup> Mozambique. Ministry of Women and Social Action. Report of Mozambique Beijing +20 about the implementation of the Declaration and Platform of Action, 2014.

<sup>139</sup> Information obtained from an interview with Ministry of Gender representative

<sup>140</sup> *ibid*

<sup>141</sup> E. Rodriguez, P. Zuccherin, S. Dauch/PIREP(2008): Diagnóstico de Género nas Instituições Piloto do PIREP 2008

<sup>142</sup> Mozambique. Council of Ministers. Employment and Vocational Training Strategy in Mozambique 2006-2015

<sup>143</sup> Mozambique. Ministry of Women and Social Action. (2013) National Council for the Advancement of Women. Information about achievements in the area of Women and Gender.

employment and accessing skills training. The first part of the recommendations focus upon employment, followed by recommendations for skills development.

### 6.1 Tackling the employment problem.

The **single biggest constraint for the marginalised youth is that there are no jobs, at least not on a scale sufficient to absorb a large proportion of the current population of unemployed and under-employed youth**, as well as accommodating the 300,000 plus of young people coming into the labour market each year.

The largest contributing factor to this problem (of a lack of jobs) is the government's economic development strategy which is built around the development of the (capital intensive) extractive minerals sector. Of the limited number of direct jobs that will be created in this sector, many will be allocated to foreign skilled labour. Indeed, the government's strategy can be described as a "jobless growth" strategy.

This problem is also underscored by the fact that there has hardly been any structural change in the economy over the first decade of the new millennium with the result that a large majority of the adult working population are (still) employed in the agriculture sector as subsistence farmers where productivity and incomes are low. Poverty levels over this same time period have reduced only slightly and in some regions have actually increased.

Despite this assessment, employment growth can be expected in the **construction, transport and warehousing, tourism and hospitality, and retail sectors** although (with the exception of retail), the rate of growth in these sectors will largely be determined by the growth in the extractive sectors on which they depend for business. Even so, the jobs created in these sectors will be limited. Two other sectors offer (conditionally) better employment prospects. These are:

**The Agriculture sector** (which is labour intensive) presents the best opportunity for absorbing large numbers of unemployed youth but this will not happen until government announces significant changes to its land reform policies, adopts a land property title system, and makes changes to its financial policies to enable new farmers to get access to cheap sources of credit. These reforms will need to be implemented hand in hand with a massive training commitment for small scale farmers yet, despite a handful of NGOs, there is limited government capacity to provide agronomic skills training.

**Entrepreneurship training** which is designed to provide young people with the technical capacity and know how in starting their own businesses also holds some potential to employ large numbers of young people. However, the opportunities for creating sustainable (self) employment will not emerge unless the strategy offers an accessible and affordable micro-financing credit scheme combined with a widespread training and mentoring programme that can provide on-going back-up technical advisory support through a network of mobile extension officers.

### Recommendations (Employment creation)

1. The S4E project should target the strategic growth sectors (with the exception of the minerals extractive sector): agriculture, construction, transport and warehousing, tourism and hospitality, as these offer the best prospects for employment growth.
2. Decisions on which occupations to target (and which sectors) should not be made until detailed skills demand studies have been completed for each of these strategic growth sectors. The project should also draw upon the information obtained from the

- few skills demand studies that have already been carried out in the engineering sector (GIZ) and the forthcoming report by AIMO/CTO (referred to in this report).
3. A component of the project should lend its advocacy support to measures to promote changes in government policy which can lead to land reform and provide easier access to credit to enable small farming projects to get off the ground. A useful partner in this regard is the SNV project.
  4. Providing technical support for a programme of entrepreneurial skills training is important as a potential route to self-employment. However, before any plans are made in this regard, it will be important to evaluate the effectiveness of the Ministry of Education-UNIDO entrepreneurship training programme (see p52 of this study).
  5. The (S4E) project objectives and actions plans designed to promote employment creation should be guided by the (impending) Ministry of Youth (MJD) strategy. Where the government's Youth Strategy has not been completed by the time the project starts, consideration should be given to supporting the MJD to complete it.
  6. The project, through one of its components, should seek to support the INE in improving the data on the labour market, employment and skills that is being collected in the quarterly labour market bulletins and the next national household survey.

## 6.2 Tackling the skills problems and lack of work experience

Another serious constraint that young people encounter is their lack of basic education and skills. This includes both soft skills and technical skills. Most employers in the non-agricultural sectors generally prefer to employ people with a minimum junior high school certificate (grade 10) while for medium to high skilled jobs, a higher (general or technical) grade 12 certificate is necessary. This means that the out-of-school, unemployed youth can only reasonably expect to find work in the agriculture sector or in unskilled /low skilled jobs in other sectors (such as labouring, machine operator, cleaning, security, driver and domestic work). Accessing a training course will lift their skills profile.

Even if a young person has obtained some level of skills with a recognised national qualification, he/she can still encounter problems due to the fact that the recruitment policies and practises of many employers require that they have a minimum of 2-3 years of work experience. For a young person entering the labour market for the first time, it is not possible to claim they have any work experience other than a short internship period of a few months.

### Recommendations (tackling Skills Mismatch)

7. As a first step, the S4E project should carry out another Rapid Labour Market study, especially in the targeted growth sectors of the economy, to obtain an updated and more accurate occupational skills profile of each sector (see Table 5, p.26).
8. Emphasis needs to be given to improving the system of internships. The project should actively promote, through advocacy campaigns, the importance of internships for young people in gaining basic skills and work experience to overcome barriers to entry into employment. An effort should be directed towards how to incentivise small and medium employers to adopt an internship system within their business. A useful partner in this regard is the UPA.
9. The project must deploy funds and technical support for ensuring that all training programmes supported and sponsored by the project must involve internships for each learner of a minimum period of three months.

### **Recommendations (tackling discriminatory practises)**

10. The project should consider giving technical and advocacy support to measures that will overcome the resistance of employers in hiring young females, especially in regard to finding alternative means for paying for maternity leave. The CTA will be a useful partner in this regard.
11. An education campaign to promote women in different (non-traditional) job roles should be considered. For example, subject to the level of interest shown by young females in pursuing careers in traditional male occupations, the project can support the development of career guidance materials which show females working in these occupations.
12. The project should consider providing financial and technical support to CTA and ACIS to carry out “a skills and employment” survey of their membership to identify all potential obstacles and constraints in their recruitment policies and practises.

### **Recommendations (tackling access and improving capacity)**

13. The S4E project should be discouraged from allocating any technical support and resources to the public technical education school system (ie DINET), either in terms of curriculum changes, training of trainers or equipment for its schools as it is not suitable for training unemployed youth.
14. Similarly, the S4E project should avoid any direct support for INEFP vocational training courses unless it specifically targets that section of the unemployed youth without primary school completion certificates and is directly linked to an internship programme.
15. The project should also avoid direct payment for (or subsidization of) in-house training schemes managed by large private companies unless it is linked to an internship programme supported by the project. Even so, firms with more than 200 employees should not receive financial assistance from the project.
16. Technical advisory support and financial resources from the project should be targeted at NGOs provided they can demonstrate linkages to private sector firms who offer, among other things, a number of internships for trainee students for a minimum period of three months. Possible partners to test pilot projects in this exercise include ESSOR, ADPP, SNV, IYF and Plan International.
17. The project needs to identify measures that can be taken to incentivise employers to take on young trainees in internships and apprenticeships. The project could conduct a study into determining the extent to which internships are presently being offered, by which type of employers, their problems and constraints, and their effectiveness.
18. Where necessary, project funds should be deployed to developing a national curricula for vocational training in a limited number of skilled occupations, directly related to key occupations in the targeted economic growth sectors and contingent upon the results of the skills demand studies (Recommendation 2). The curricula can be applied by different NGOs and INEFP. To avoid potential disputes between providers over the ownership of the curricula, it should be registered with ANEP.
19. Priority should be given to developing a short course training programme for young people who have only had a primary school education. The course should offer technical training at a very basic level combined with “life” skills. A useful partner in the design of this programme will be the Capital Outsource Group while implementation can be sponsored through a number of NGOs like ADPP, ESSOR, IYF, SNV and Plan International.
20. The project should provide technical support to ANEP for the development of a number of qualifications at a pre-vocational qualification level for the proposed National Vocational Qualifications Framework which will enable young people with

- only a primary school certificate (or less) who participate in these basic skills training courses to acquire a nationally recognised qualification.
21. Further investigation is required into the extent, form, constraints and effectiveness of informal apprenticeships. A mapping study should be conducted at least in the main urban centres to determine whether this is a reliable and effective mechanism for training the youth and how it can be supported/incentivised financially.

### **Recommendations (tackling quality improvement)**

22. The project should undertake a quality audit of potential NGOs which it intends to support, in order to assess the curricula, trainer competence/experience and management capacity. Such an audit may need to be geared to measuring two levels of quality: one level for skilled employment in the large and medium size enterprises of formal sector who produce and supply to an export market; and another lower level for skilled employment in small and micro enterprises and self-employment which service the local market.
23. Funding and technical assistance should be provided to upgrading the skills and competency of vocational trainers in the NGO providers targeted by the project. Such training may involve both pedagogical and technical skills training. The technical skills training should only be aligned to the new outcomes-based curricula and therefore (by logic) must follow the development of this curricula. This training will need to be structured over the two distinct levels (mentioned in Rec 22).
24. The project should provide technical and financial assistance for the development of a new national skills assessment system under the management and control of the private sector. This will necessitate a close engagement with ANEP to support the establishment of a number of Industry Skills Councils through which skills assessments will be managed and coordinated. This support will also need to extend to (i) the development of assessment policies and procedures, (ii) the development of assessment tools and instruments and (iii) the training of workplace assessors and moderators.
25. The project should also provide technical support and funding for NGO training centre management training, particularly with regard to the proper maintenance and security of the tools, machinery and equipment used for practical skills training. Where the project may consider providing funding to NGOs for procuring training equipment, this should only be on the condition that the centres managers and trainers have undergone this management training and a functional inventory management system is in place.
26. It should be a mandatory provision that all NGO training centres that receive financial and technical assistance from the S4E project should be required to submit an annual statistical report of their training activities in a standardised reporting format, designed by the project. Such information must report on enrolments, drop-outs and pass rates as well as post-training employment rates. Information should be disaggregated by sector, course, region, and gender.
27. The project should also consider extending technical support to ANEP (at the appropriate time) to help develop and maintain a national database of non-state training providers that will capture training (and employment) statistics from all registered private training providers on an annual basis and will lead to the production of an annual statistical report (assuming that this function is transferred from INEFP to ANEP). Notably, this information needs to produce data on female participation in TVET in order to provide a better understanding of trends regarding training access and employment of females.

### **Recommendations (tackling gender equity and protection)**

28. The government, through the Ministry of Education, must be encouraged to implement measures which will increase the retention rate of female students at primary and secondary education level thus enabling more females to gain the necessary minimum education qualification for participating in TE courses.
29. Further measures need to be taken by the Ministry of Education in the government technical schools and training centres to encourage the participation of more girls in technical and vocational courses such as through (i) recruiting more female teachers and trainers (ii) providing separate toilets and bathrooms for females (iii) making available female hygiene products for free (iv) providing separate hostel accommodation for female boarders. NGO providers can also be encouraged to adopt a similar policy and practises and (v) exempting girls and young females from paying tuition fees in public technical and vocational skills training courses.
30. The Ministries of Education and Labour should appoint student counsellors in each government technical school and training centre respectively, who can provide counselling support and career guidance advice to students and trainees. These counsellors would be mandated to take action on behalf of females who are being harassed, coerced or discriminated against in the training institution. The S4E project should consider providing technical support to develop guidelines and procedures for how to deal with complaints submitted by female students relating to harassment, sexual coercion and discrimination.
31. Support measures are needed to strengthen women capacities to take up training in non-traditional areas such as welding, carpentry, mechanics, plumbing. This can be achieved by both developing career guidance materials that encourage females to pursue these occupations and a communication campaign which reports on good practices of similar work and training experiences in other countries.

### **Recommendations (Career Guidance Information and Advice)**

32. The project should support the development of a package of career guidance information for a limited number of different vocational professions directly related to the occupations for which training will be provided by the NGOs (see Recommendation 18). Dissemination of the career guidance materials needs to be carefully planned and coordinated with the NGO training providers. A potential partner in this exercise would be UPA.
33. Promote females in job roles normally regarded as traditional male jobs.
34. NGO training providers supported by the S4E project should be encouraged to hire a person at each training centre who is directly responsible for providing support to trainees in terms of career guidance, student counselling and job placement. The project should provide technical support to train these career guidance officers in their job role.



## Annex 1: Models of training deployed by Private Sector Firms. Providers

The larger companies appear to use three types of approaches for meeting their skills training needs:

- (i) building and maintaining their own training centres,
- (ii) running training programs in coordination with other (public or private) training institutions; or
- (iii) using the training programs offered by private training companies for their own employee staff training needs (outsourcing).

### (i) Self-managed training

A good example is provided by the sugar industry where two companies (Maragra Sugar in Sofala and Xinavane in Gaza provinces) have each been operating their own training centres since 2007, providing electrical and mechanical skills training for the maintenance of the industrial machinery in the large sugar mills. No statistical data is available but the number of trainees every year is believed to be relatively small – about 30 -45 each. Vale is also reported to have sent 250 welders to Brazil for training.<sup>144</sup>

### (ii) Partnership with a public or private training provider

some examples exist of the large mineral extractive companies (Vale, Rio Tinto, Andarko) which have entered into formal agreements with INEFP to use the INEFP training facilities (in Tete, Nampula and Cabo Delgado) for training their employees<sup>145</sup>

### (iii) Outsourcing to a private provider –

A good example is MOZAL – owned and operated by BHP Billiton. It claims to have trained 5,700 people since the first construction phase started in 1999 (of which 93% passed and 72% were employed)<sup>146</sup>. An earlier training provider for MOZAL was Africa Training Technologies (ATT) which trained about 450 apprentice maintenance technicians over a 5-year period (2003-08) using/leasing one of the INEFP Maputo training centres (which was also equipped by MOZAL).<sup>147</sup> According to its training manager, ATT also trained apprentices for Coca Cola, British American Tobacco, Xinavane Sugar and the Maputo International Port Services MIPS). Two years ago, MOZAL contracted another training company from South Africa – Capital Outsourcing Group (COG) - for implementing its trainee apprenticeship training programme.

Examples of some of the larger private training companies in Mozambique:

### ***The Metallo-Mecanica Training Centre***

The Centro de Formacao Profissional Metallo-Mecanica training centre in Maputo, near to the airport, has been operating for more than 15 years with support from a number of private firms and Portuguese Aid. As its name suggests, it provides skills training in mechanical trades such as fitters, mechanics and welders. No statistical information on its activities is

<sup>144</sup> Information provided by CTA representative

<sup>145</sup> Information provided by the INEFP National Training Director.

<sup>146</sup> USAID/SPEED Programme (2013). "Effects of the Employment of Foreigners on Job Opportunities for Mozambican Citizens

<sup>147</sup> Information provided by the former ATT training manager

available but it is believed that it has critical funding shortages which limit its ability to train large numbers of people.

### **Capital Outsourcing Group COG**

Capital Outsourcing Group (COG) is a large South African-based human resource development company which offers high-skilled technical training for industrial clients. Currently, it has a contract with MOZAL to train 45 apprentice trainees (of which only one is female) who are enrolled in a 30-month training programmes across three trades in a new MOZAL training centre. The entry level is grade 12 with a minimum competency in maths. It has also carried out 30 successful RPL assessments.<sup>148</sup> COG is also building three more private training centres in the country which will have capacity to train an additional 285 trainees annually in four industrial trades (pipe fitting, welding, rigging, and electrical) for a multiple number of (international) industrial clients.<sup>149</sup>

COG has also developed and tested another training initiative called **Live Well Work Well** which is a new pre vocational entry-level training course for young people in rural areas who have little or no education in order to provide them with skills for employment.<sup>150</sup> The training is designed to make them “work ready” in basic skills occupations such as labouring. The course is provided over 24-days and offers life and work skills covering subject areas such as health and safety, hygiene, time keeping and using power tools,. Over the past 18 months, it has trained 1,500 people, of which about 70% were subsequently employed.<sup>151</sup> According to COG, the scheme is designed as the first employment platform on a semi-formal career pathway leading from labouring to machine operator, tradesmen assistant to tradesman.

---

<sup>148</sup> RPL is Recognition of Prior Learning where a candidate can be assessed for their skills gained through their work experience without going through a training course.

<sup>149</sup> Information provided by the International HRD Manager of Capital Outsource Group.

<sup>150</sup> Ibid.: There is also a video and presentation package that describes the project.

<sup>151</sup> calculated before the recent downturn in the oil and gas/mining sector

## Annex 2:

The following provides a short summary of the activities of some of the larger and more established NGOs providing vocational training for the youth.

### **ADPP**

ADPP is one of the largest NGOs in the country which currently is implementing over 60 projects covering all the provinces and employing about 3,000 staff. The main areas of activity are Health, Education, Agriculture and Renewable Energies. A special focus is given to the most vulnerable sections of the society: women and children, orphans and the rural poor. In the education sector it is well known as teacher training provider.

It operates four vocational schools in the country at which it offers two types of TVET programmes. The first is a 2-year technical education course programme (which includes both practical and theoretical learning) which enables the students to qualify with a nationally recognised education certificate at either grade 10 and 12 level, depending on the school.

In addition, it also offers a 3-month vocational training course programme for out of school unemployed youth in a range of occupations: civil construction (brick-laying, electrical, plumbing, painting), agriculture and livestock management, business administration, hospitality and tourism and community instructor training. The 3-month course duration allows ADPP to have four intakes of trainees per year which gives it an annual training capacity of more than 1,000 young people annually.

The courses are combined with a 1-month internship at a local company. The minimum entry requirement for the 3-month course is Grade 5 (plus a successful interview which is aimed to ensure the trainee is sufficiently well motivated). It claims that its 3-month training programme is very successful in that most of the trainees are able to find employment on completion of the course. It attributes this success to the internship programme which is a mandatory part of the training course although it would prefer that the internship period can be extended to 3 months (i.e. 3+3 months) as this would allow the skills they have acquired to be properly embedded. A shortage of funds limits the time being extended. Although the Maputo school facilities are in need of an upgrade and re-equipment, the teachers are highly motivated and the schools appear to be well managed and well maintained.

### **International Solidarity Association (ESSOR),**

ESSOR has been operating in Mozambique since 1997, by offering vocational training and job placement support services for “vulnerable young people”, aged between 15 to 18 years in Maputo and Sofala provinces. All the trainees have low levels of basic education (lower than grade 10).

It offers 6-months vocational training courses tailored to the local labour market which is organised through a network of training/employment workshops deployed in disadvantaged neighbourhoods). Internships last a period of three months although it is not clear how many of the total number of trainees per year benefit from an internship. Additional support is also provided to help trainees find employment and/or to create their own micro-enterprises.

In 2014, in Sofala province, the project trained 1,348 young people (73% male and only 27% female) of which 1072 (79%) were placed in jobs. In Maputo, more than 70% of the trainees were female. One important reason explaining the difference in female participation was

due to the fact Maputo offers a wider range of courses attractive to females such as hairdressing, culinary, hospitality, receptionist, secretarial, pastry cooking, restaurant (waiter and bar). Drop-outs account for 5% -10% but mostly the reasons are due to finding jobs before the end of the course, transport problems and home care responsibilities (major cause for female drop-outs).

Essor keeps a database of all students and has established contacts with several companies in the private sector for supporting job placements. Many companies also approach it looking for workers.

#### *International Youth Foundation*

The IYF is an American organization with over 20 years of experience and which has worked in several African countries. In Mozambique, it operates several projects in provinces in the south of the country. It provides both skills training and life skills training for young people aged between 15 and 24 through a course lasting between 6 to 9 weeks. The objective of the training is *“to provide young people with the skills and conditions to become employed and use their potential to gain access to the labour market”*.

Over the past two years IYF have trained 1,600 young people across about ten project sites of which 50% have been female. The NGO has a policy to achieve a gender balance and says it always makes an effort to make it happen. Most of the beneficiaries were trained in Hospitality and Tourism (kitchen, table and bar, bar men) but more recently they have branched out to offer courses such as electricity, metalwork, sewing, etc. The trainees are also supported by career guidance while IYF also offers a job referral service for its trainees. For example, trained people are referred to internships through community-based organizations, such as UPA.

The life skills component covers such aspects such as how to write a CV, how to have a healthy life, to know how and where to look for a job. The training is based on experience, knowledge, and is highly interactive, in which the essential purpose is not to gain theoretical tools but life skills. Students are tested on daily basis, when they are in the various social spaces.

A survey/assessment on the effectiveness of this training has recently been conducted at the beginning and end of the course but the results of their analysis will not be available until late August. One useful observation is that the rural youth students find it difficult to concentrate for longer than one hour in a classroom and have higher rates of drop-outs than for urban based youth.

The selection of course and trainees depends very much on funding they get from various institutions, such as PEPFAR and USAID although it also sources funds from the social corporate responsibility funds of large companies such as MOZAL. Its work is usually done in partnership with community-based organizations where IYF prepares the organizations, trains trainers and prepares them to have an interaction service with the labour market. Examples of those organizations are UPA, COOD, ARISO, IFEMME, and ESSOR.

#### *Plan International*

Plan International Mozambique is a local organisation of a larger international NGO whose work is mainly focussed on primary education, health and social and economic development.

Under its Social and Economic programme, it has been organising 6-month vocational training programmes for the past three years in two regions of the country (Nampula and Inhambane) to about 700 trainees per year. It does not provide the training directly but outsources it to other training providers including INEFP (which develops the curricula). The courses are in the hotel trades, (mainly in Inhambane), sewing, and welding. According to its Director, only about 20% of the trainees (mainly in the tourism sector) can find internships due to the difficulty of finding enough employers willing to take them on. He also confirms that those trainees that do an internship are more likely to get employed. No statistics were provided.

### SCIP

SCIP is an organisation supporting communities with education, agricultural training or by creating facilities such as water sources.<sup>152</sup> It was started in 2008 as a project funded by the United States Agency for International Development (USAID) to increase the performance of rural households and therefore to improve the living quality (Pathfinder,2014). Common tasks within SCIP are to offer direct technical support such as in building water sources and to provide information about hygiene, nutrition or citizen rights. SCIP consists of several subgroups in different locations.

Some of the organisation's projects train the whole community while others such as the one in Mecausse focus on young people. This group formed in August 2010 and has 30 members, all of them in the age span of 12–24. Besides offering educational topics they also built a youth farming club that is selling agricultural products in Nampula using improved methods of farming. The SCIP approach is to combine the basic farm training with education which is supposed to empower the young members and to provide them with additional income and better employment opportunities due to an increased knowledge.

### SNV

SNV is a large NGO, funded by the Netherlands which has a focus on the agriculture sector in two provinces: Tete and Nampula. It manages a programme called Opportunities for Youth Employment (OYE) which provides training, support for employment and self-employment opportunities. It seeks to link agri-businesses, including producers, buyers, and processors to rural youths who have the ambition to start their own businesses and helps them to develop a business model.<sup>153</sup> It also supports small farmers to transform from food crop to cash crop production by improving agronomic practises to raise productivity, using better post-harvest storage technologies to improve product quality and increasing their knowledge and awareness of market opportunities. It achieves this through the training of agricultural extension officers who are subsequently deployed to the field to help the small farmers. So far, it has trained 67 extension officers in 4 districts in Tete province. Small farmers are also invited to visit SNV-managed demonstration sites where they can see first-hand how different farming practises result in different productivity outcomes.<sup>154</sup>

In addition, it also offers basic skills training courses for youth over a 3 month duration. So far it has trained 1,700 trainees of which 10% are given an internship with a medium-large commercial farm. SNV reports that 37 youth from their training courses in Tete have started

<sup>152</sup> See M. Elsner and L.Primadica (2014) "Youth employment and Income generation: A field study in Ribaue district, Nampula for more details of this project.

<sup>153</sup> SNV 2015: <http://www.snvworld.org/en/sectors/agriculture/news/youthwill-creating-opportunities-for-youth-in-agriculture>

<sup>154</sup> Interview with SNV representative

their own small businesses while others go on to get jobs in the markets in weighing and grading.<sup>155</sup> Although the programme has only been running a few years, the early signs indicate that the approach they are using will serve as an effective model for improving the productivity (and incomes) of small farmers and – with the associated reforms to the agricultural sector - better employment opportunities for youth.

### *UPA*

UPA is a small NGO based in Maputo which supports unemployed youth (15-24 years old) to find employment and get access to skills training. It is not a training provider itself but acts more like a “brokering” agency by identifying, selecting and placing young people in training programmes and organising the internships. INEFP is one of the training providers it uses. In many ways, its mode of operandi is very similar to the Group Training model in Australia where an independent agency adopts and represents young people in their transition from school to work by finding them apprenticeship contracts and organising their access to and enrolment in the training colleges.

Over a 2-year period with funding from the USA and France, UPA claims to have helped more than 1,000 young people. The courses are usually 6 months with a 3-month internship included although UPA freely admits that due to the difficulty of finding sympathetic employers, not all trainees benefit from an internship (between 50-100 over 2 years). Many companies that offer the internship do not necessarily guarantee employment for the trainee at the end of the training: only about 20% are kept on.

UPA, like many of the training providers, reinforced the point that employment opportunities for unemployed young people were greatly enhanced if the skills training programme is also combined with a period of internship with a private company. It also made the point that poor young trainees were less likely to drop out of training courses if they were provided with a basic daily subsidy that allowed them to pay for their transport and a meal.

---

<sup>155</sup> *ibid*

### Annex 3 : Map of Mozambique

