

educational qualification may be relevant, training innovation is related, to a large extent, to the skills, knowledge, exposure, and training capacity of the MCs. Assessing the educational level of MCs in several African countries, Hofmann *et al.* (2022) found that in general fewer than 20% of MCs have postsecondary qualifications. The majority of MCs possess only primary, junior secondary or some TVET education. This distribution of educational levels of MCs is confirmed in a study on the informal apprenticeship system in Ghana (Anokye *et al.*, 2014). In another study conducted by Adams *et al.* (2013) in 5 African countries, the authors also found that “the vast majority of workers in the informal economy have completed primary education but few have proceeded to secondary levels or higher”. Other factors accounting for the slow response of informal apprenticeship to new technologies and skills include lack of awareness, lack of trust in ICT tools, lack of technical expertise as well as inadequate capital (Mbuyisa and Leonard, 2017).

## RESEARCH

There is paucity of academic research on the contribution of informal apprenticeships to the development of the overall national workforce in many countries. Evidence-based research is required to better understand the internal dynamics and relationships involving SMEs development, introduction of new trades and occupational skills, digitalisation of the training curricula and methodologies and their effect on productivity of the informal economy and transitions to formality. It may also be worthwhile to assess the quality and capacity of MCs and skills transmission approaches on the responsiveness of the informal apprenticeship system to the learning of new trades.

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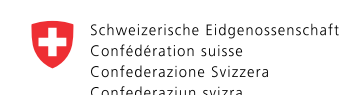
## THEMATIC BRIEF

# POTENTIAL APPRENTICESHIP SKILL NEEDS IN THE INFORMAL ECONOMY

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STRENGTHENING APPRENTICESHIP SYSTEMS  
IN THE INFORMAL ECONOMY IN AFRICA TO PROMOTE QUALITY,  
INNOVATION AND TRANSITIONS TO FORMALITY

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## INTRODUCTION

Informal apprenticeship systems are a critical component of the informal economy in many African countries. Apprenticeship in the informal economy is a learning pathway characterised by a dynamic entrepreneurial skills development and production system comprising mainly learners or apprentices, master craftspersons (MCs), and clients or service demanders. In fact, it is the default option for many young people who are unable to proceed to further education after completing or dropping out of basic education. New skills acquired by apprentices and workers in the informal economy contributes to the expansion and resilience of small and medium enterprises (SMEs). Upgraded informal apprenticeships positively impact the training system as a whole, with benefits for learners and master craftspersons, help address youth employment issues, and support enterprise development and expansion (ILO, 2012). It is important to note that upgrading informal apprenticeships should not close down existing pathways but help improve outcomes by providing additional inputs and support. The infusion of emerging skills and trades into upgraded informal occupational training can promote innovation, adoption of new technologies and tools, and help increase worker productivity. It is critical for governments to recognize that traditional and informal apprenticeships form the backbone of job-oriented skills development in most developing economies

**Figure 1: Conceptual Framework: Energizing the Informal Economy**

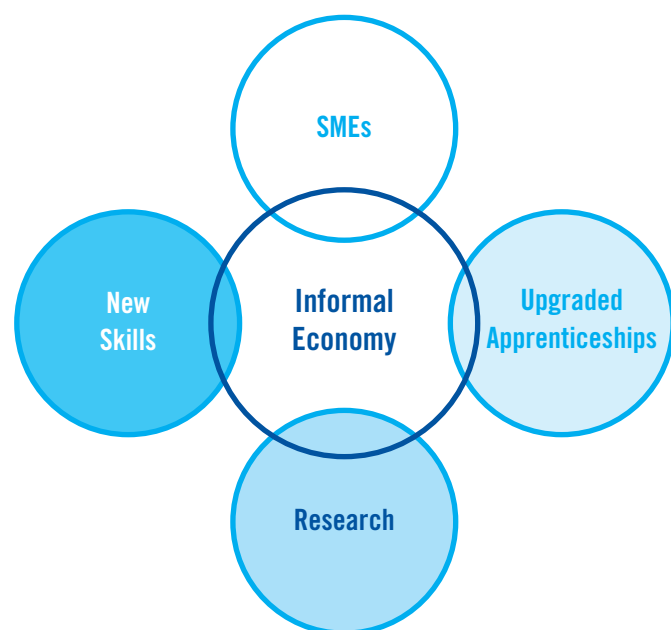


Figure 1 is a conceptual framework of the key elements that underpin the revitalisation of the informal economy. It is aligned with the ILO definition of informal economy as an all embracing terminology that captures the actors and activities, including skills development, in an informal setting (ILO, 2002).

It is important that any new skills introduced into modernised or upgraded apprenticeship systems are based on empirical research evidence, if the desired impact on SMEs development and the informal economy as a whole is to be achieved. Admittedly, current research evidence is quite thin but needs to be considered when designing new interventions. Ultimately, rigorous evidence and evaluations are critical to achieving the desired impact of any new interventions.

## TRADITIONAL OCCUPATIONAL AREAS IN THE INFORMAL ECONOMY

Recent research findings from Egypt, Ghana, Malawi, Sudan, Senegal, Tanzania, Tunisia, and Zimbabwe confirm that the dominant occupational areas in informal apprenticeship systems in Africa are in the fields of car mechanics and repair, welding and fabrication, carpentry and joinery, hairdressing, tailoring and dressmaking, plumbing, masonry, and agro-food processing (Hofmann *et al.*, 2022). Many studies have reported on the skills development needs and occupational prospects of the urban poor. There is very little information on the rural poor, which is an area that needs to be equally investigated.

However, it is noted that upgrading of informal apprenticeships is often about improving the quality of training of existing trades with limited introduction of new skills and new technologies.

## INTRODUCING NEW SKILLS CAN ENHANCE THE EMPLOYMENT PROSPECTS OF LEARNERS

The infusion of new skills and technologies into the training of apprentices and workers in the informal economy can enhance the employment prospects of learners, and may contribute to the diversification of the production and economic profile of SMEs. The introduction of new skills and application of relevant technologies would also promote the attractiveness of informal apprenticeships. Some examples of emerging occupational areas that may be leveraged to modernise and raise the attractiveness of informal apprenticeships as well as improve the performance of SMEs in the informal economy include:

### SOLAR PANEL INSTALLATION AND MAINTENANCE

- installation of PV solar panels on roofs of buildings or on the ground, including ancillary equipment such as batteries and inverters is a potential new skills development opportunity. Such trainings, including solar water heating systems, which contribute to a green economy, could be introduced into the informal apprenticeship system.

### WASTE MANAGEMENT, SANITATION AND CLEANING SERVICES

- management of e-waste has become a huge environmental issue in many African countries. In Ghana, for example, it is estimated that 171,000 tonnes of e-waste were generated in 2011 by scrap dealers and dismantlers of post-consumer electronics and electrical appliances in the informal economy. Such unregulated activities pose grave environmental, health and safety hazards.<sup>1</sup> Recycling of waste materials and management of e-waste could be a new skills training activity in the informal economy. Waste management skills are transferable to sanitation and cleaning operations and could lead to the building of a skilled workforce for small waste management enterprises in the informal economy.

### GREENHOUSE AGRICULTURE

- greenhouse vegetable/crop production and marketing. Training young people to acquire skills in greenhouse agriculture can increase the proportion of agriculture in informal employment while making agriculture more appealing as a profitable profession to the youth. Such trainings have the potential to increase opportunities for decent employment in the agricultural sector. The agricultural sector in Africa is dominated by smallholder farmers who can benefit from technology and new skills to modernise the sector, increase productivity, boost economic growth, and support transitions to formality. It is estimated that including agriculture, informal employment as proportion of total employment in Africa is 85.8% and 71.9% when agriculture is excluded (ILO, 2018).

### DIGITAL SKILLS AND ICT

- because the future of work is digital, it is important to integrate digital literacy into informal apprenticeship training in all trades. The use of ICT can promote the growth of informal businesses by enabling market integration and enhanced access to information and new technologies and tools (Frempong, 2007; Mbuyisa and Leonard, 2017). However, the use of ICT by small business owners is limited, not only by cost factors, but also by the entrepreneur's appreciation of the benefits to the business, which is partially related to the educational level of the entrepreneur or MC. Small business owners are often unsure of the benefits of introducing new technologies into their operations. Will the adoption of technology and digital skills training enhance their profits and incomes? It is possible, therefore, that risk-averse entrepreneurs and MCs may be reluctant to adopt ICTs or absorb the associated capital costs (Bhattacharya, 2019).

## LOW ACADEMIC QUALIFICATIONS OF MASTER CRAFTSPERSONS MAY HINDER INNOVATION

Informal apprenticeship systems are slow to incorporate new technologies and innovation (Teal, 2016). A major obstacle to the introduction of new occupational skills into informal apprenticeship is the low educational levels of MCs and their lack of qualifications and competencies in emerging occupational areas or potential new sectors. While other factors other than

<sup>1</sup> See [www.unep.org/switchafricagreen/projects/ghana/ongoing/e-waste management](http://www.unep.org/switchafricagreen/projects/ghana/ongoing/e-waste%20management)