

INTERNATIONAL EXPERTS MEETING

TVET, DIGITALIZATION, WORK 4.0 –
CONSEQUENCES FOR LEARNING AND WORKING IN THE INFORMAL SECTOR

16 – 17 January 2019, Magdeburg, Germany

KEY MESSAGES AND RECOMMENDATIONS FOR DEVELOPMENT PARTNERS

Outline

- I. Informal economies and informal employment in developing countries
- II. Impact of digitalization on informal employment and TVET towards gainful (self-) employment
- III. Key recommendations for development partners

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Inspiring impulse contributions and lively multi-faceted discussions during the international expert meeting lead to a number of key messages and action-oriented recommendations for development partners.

Informal economies and informal employment in developing countries

- (1) In developing countries, informal economies and informal employment typically play a significant role.
- (2) Informal economies and informal employment are characterized by a high degree of diversity and heterogeneity.
- (3) In digitalization lies significant potential with regard to enhancement of informal economies and opportunities for gainful (self-) employment.
- (4) Informality and digitalization however also poses substantial challenges with view to the commitment "leave no one behind" of the Agenda 2030 for sustainable development, and there is the threat of rising inequality through digitalization and work 4.0.

Impact of digitalization on informal employment and TVET towards gainful (self-) employment

- (1) Digitalization can contribute to improving informal employment perspectives by being e.g. enabler for new income opportunities and for improving the job quality.
- (2) New or changing business models based on digital solutions as enabler, developing digital solutions as well as application of digital solutions in the informal economy lead to new qualitative job (or occupational) requirements – not at least in work 4.0 eco-systems. Digital literacy and specialized digital competence become e.g. increasingly essential.
- (3) TVET is relevant and important with regard to preparing and further strengthening job seekers and employees in the informal economy for such new opportunities and competence requirements.
- (4) Adequately responding to new competence requirements resulting from digitalization leads to additional requirements for TVET in informal contexts.
- (5) Digitalization is an enabler for new forms of teaching and learning in TVET, which can e.g. help to improve access to formal education for disadvantaged target groups.
- (6) Those employed in the informal economy may have already acquired valuable digital skills through informal types of learning. TVET can build on such skills based on mechanisms of (formal) recognition of prior competence.

Key recommendations for Development Partners

- (1) A systematic compilation and analysis of already existing good practice examples should be conducted as a basis for developing a more in-depth understanding and for designing sound intervention strategies.
- (2) It is recommendable to initially focus on more explorative and experimental approaches geared at gaining more experience in design and implementation of interventions having high impact and scaling-up potential. This implies that in initial stages impact of initiatives in terms of number of target groups getting decent (self-) employment will be most likely rather limited.
- (3) Development cooperation intervention strategies:
 - need to be context, target group and sector specific due to the enormous degree of heterogeneity,
 - should support the transition of informality towards modernization, systematization and formalization,
 - need to focus particularly on inclusiveness, taken into due consideration the threat of rising inequality through digitalization,

- should put emphasis on the quality of work and (self-) employment,
 - should build on existing good practice examples and draw on existing capacity and suitable partners (e.g. NGOs, trade associations of informal economies, trade unions, community based organizations).
- (4) TVET interventions should be embedded in comprehensive approaches towards enhancement of informal economies and related gainful (self-) employment ("TVET alone is not enough").
- (5) TVET should contribute to better perspectives of gainful (self-) employment by improving the employability of target groups - in accordance with specific requirements in the context of digitalization and the informal economy. Elements to be considered complementary to TVET in such a comprehensive approach comprise:
- (further) development of an enabling framework (e.g. e-Governance),
 - enhancements on the business sector and employment side (e.g. MSME development and entrepreneur / start-up support, establishing and strengthening linkages between informal and formal enterprises, improvement of job quality) and
 - improvements with regard to appropriate specific labor market information as well as career guidance and placement mechanisms and services.
- (6) TVET interventions being responsive to digitalization as well as implications for learning and working in and for the informal economy should take the following aspects into consideration:
- Core focus should be addressing segments of the informal economy as well as regions having high development and employment potential. Accessibility for target groups (including rural and remote areas) is also a core criterion.
 - Design of TVET interventions needs to adequately respond to (a) opportunities and challenges of digitalization and of learning and working with a focus on the informal economy as well as (b) specific context conditions, particularly with regard to reaching out to and successfully enabling broad access of disadvantaged target groups.
 - "Lifelong Learning" (LLL) and "Recognition of Prior Learning" (RPL) respectively recognition of previously acquired competence are essential and should be key elements of TVET approaches. A potentially conducive approach is establishing a credit based mechanism which foresees possibilities of accumulating credits and of obtaining recognized certificates as well as different types and levels of qualifications. Awarding of credits for acquired competences should be based on successfully having demonstrated these competences, regardless of how they were acquired, in a competence-based assessment.
 - The potential of digital teaching & learning solutions and tools should be utilized in TVET programs with the aim of facilitating access to TVET, "Life Long Learning", the development of (self-) employment oriented competence as well as of making TVET more interesting and attractive for the target groups.
 - Formal TVET should be opened to disadvantaged target groups and the informal economy. However, it needs to be analyzed to which extent well established approaches for formal learning, assessment and certification are suitable for the specific context of informal economies and disadvantaged target groups. Adaptations or even different approaches may be needed. Such approaches should then have defined linkages to formal TVET, including pathways towards formally recognized qualifications. One of multiple related benefits is e.g. facilitating access to formal employment opportunities.
 - In particular, TVET approaches and design of TVET courses and programs with the focus on disadvantaged target group and informal economy should e.g. consider aspects of modularization embedded in a systematic scheme of lifelong learning. Other relevant aspects are flexibilization of TVET delivery in accordance with core frame conditions of the target groups (e.g. by fostering self-driven and digital/blended-learning) as well as combined TVET and literacy and numeracy short-term programs which include training of basic digital skills.

- Development of entrepreneurial skills geared at supporting self-employment and start-ups should be integral part of TVET courses and programs.
- Active involvement of and close collaboration with the business sector should be a key guiding principle.
- Multi-stakeholder partnerships should be established. They should build as far as possible on existing institutions being suitable for addressing relevant dimensions of TVET, such as outreach to target groups as well as design and delivery of demand-oriented TVET programs in and for informal economies.
- Suitable existing institutions should be identified based on a comprehensive and systematic mapping. This includes a mapping of training providers which are addressing disadvantaged target groups and the informal economy (e.g. NGOs, community based organizations, associations etc.). In addition, identifying, analyzing and evaluating relevant good practice TVET models already existing in the specific context in which a TVET intervention takes place should be integral element of mapping.
- The mapping of existing institutions and good TVET practice models, in combination with a (rapid) capacity assessment, should be used as a basis for selecting the most suitable existing implementing partners, as well as for the design and implementation of appropriate capacity development measures.
- Comprehensive capacity development aiming at strengthening individual, organizational/institutional and networking capacity of key stakeholders is essential. Competence development of teachers and trainers (including digital skills) is e.g. highly important in this regard. Another important aspect is supporting enhancement and dissemination of identified good practice models.
- Feasible financing schemes need to be established.