



THE SIYB AFGHANISTAN COMPANY: THE CATALYST DRIVING SUSTAINABLE PRIVATE SECTOR DEVELOPMENT IN AFGHANISTAN

SIYB AFGHANISTAN COMPANY: A CATALYST FOR SYSTEMIC CHANGE



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SIYB Afghanistan Company: A catalyst for
systemic change

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SUMMARY OF PROJECT FOCUS

The Project '*Promoting rural youth employment in Afghanistan through Entrepreneurship education and Vocational training*' is a capacity development initiative facilitated by the ITCILO and financed by the Government of Norway under the Norway-ILO Programme Cooperation Agreement 2018-2019. Reflecting global practices in countries affected by fragility, the Project aimed to strengthen the institutional capacity of ILO constituents, social partners and other stakeholders in Afghanistan to tackle youth employment challenges through appropriate policies and programmes.

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ENTERPRISE DEVELOPMENT IN AFGHANISTAN

Afghanistan has been affected by political instability, violent conflict, and socio-economic crisis for decades, which has had a severe impact on the economy and the livelihoods of Afghan women and men. The conflict has resulted in poverty, unemployment and severe institutional capacity constraints in supporting socio-economic development.

Small and medium enterprises development (SME) in fragile contexts has the potential to stimulate local economic development and job creation opportunities. However, despite Afghan entrepreneurs and SMEs being the engines for much needed development, foreign assistance has been declining and the country is still struggling to attract private investment (OECD, 2019).

In addition, Afghanistan's Business Development Service (BDS) and Financial Services (FS) provision are underdeveloped and difficult for many small businesses to access. Lack of business support is hindering the development of Afghanistan's private sector and is reducing the incentives for young women and men to start or formalize a business (OECD, 2019). The Afghanistan Chamber of Commerce and Industries (ACCI) has also highlighted that the shortage of labour with managerial and entrepreneurial skills is a core obstacle to private sector and entrepreneurship development (ACCI, 2017).

The ILO's response to fragile economies in transition, is the promotion of decent work and income-generating activities. The ILO in Afghanistan has focused its activities around: 1) Strengthening skills development systems to deliver improved employability for women and men, 2) Promoting productive employment through labour market information and skills development, 3) Supporting a conducive environment for developing micro and small enterprises, and 4) Progressively eliminating all forms of child labour (ILO, 2016).

In supporting these development objectives, the ILO in partnership with the ITCILO, implemented a capacity building project to promote rural youth employment through entrepreneurship education and vocational training (ILO, 2016). The combination of capacity building elements, specifically developed by ITCILO to strengthen ILO constituents' capacity, took on a different emphasis for each institution involved in the

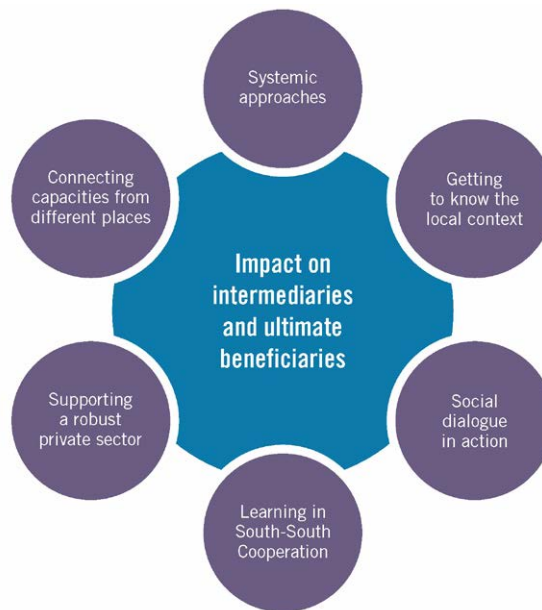
Key facts about Afghanistan

- More than 48 percent of the population is under the age of 15 years old (ILO, 2016).
- Over 42 percent of youth were not in education, employment, or training (NEET) (ILO, 2019).
- The informal economy is estimated to represent up to 80 percent of total economic activity (in all sectors and regions) (OECD, 2019).
- Agriculture constitutes more than 80 percent of Afghan GDP, ILO (2016).

project. This case study looks at the journey of the Start and Improve Your Business (SIYB) Afghanistan Company, which was promoted and created with support of the ITCILO capacity building project in close coordination with the Balkh Chamber of Commerce and Industry (BCCI).

The figure below illustrates the elements of the ITCILO institutional capacity development strategy used to stimulate a local response to entrepreneurship education, skills development and business development support.

Capacity building elements with the most impact for SIYB Afghanistan



ABOUT SIYB AFGHANISTAN COMPANY

SIYB Afghanistan Company is a business development services (BDS) provider that aims to create employment for women and men and, in turn, contribute to economic and social development in Afghanistan. It was established in 2017 by a network of SIYB certified trainers to act as an institutional hub for business development knowledge and to serve as a quality assurance platform for the delivery of SIYB courses in Afghanistan. Although the ILO SIYB package is the central training mechanism used by the company, it is supported by a variety of complementary enterprise development tools. SIYB Afghanistan is an independent company but is based in, and supported by, the BCCI. The SIYB Afghanistan Company offers BDS across Afghanistan and benefited from the following activities supported by the ITCILO:

1. A business coaching training programme for young women and men. 3 accredited SIYB Afghanistan company members attended.
2. Training of Trainers (ToT) for SIYB and subsequent roll out to entrepreneurs. There are 29 SIYB certified trainers, 12 out of which are women.

3. Training of Trainers (ToT) for GET Ahead and subsequent roll out to entrepreneurs. There are 20 certified GET Ahead trainers certified, of which 17 are women.
4. Participants in global and regional knowledge sharing events including South-South cooperation where 1 SIYB Afghanistan company member attended.

AN INTRODUCTION TO SIYB IN AFGHANISTAN

The successful growth of the SIYB Afghanistan Company has its roots in the story of SIYB and BDS champion: Masoud Saqib. In 2015, Masoud was working on a Regional Agricultural Development Programme (RADP), responsible for organizational capacity development for farming cooperatives and associations in the North of Afghanistan. Building this capacity amongst the farmers was challenging, as most of them worked in the informal economy, were illiterate, possessed limited business knowledge and were unable to plan effectively. While seeking for support, Masoud investigated different enterprise development tools to support the RADP and was informed about the ILO's work (including the SIYB package).

The ILO enterprise development tools were particularly appealing to him as they were applicable to both Afghanistan's local context and entrepreneurs' challenges. The underlying training methodology and the support from the ILO, would provide a global good practice for him to work with. Masoud, the ILO and ITCILO established a framework to collaborate on enterprise training for the RADP. ILO's Generate Your Business Idea (GYB) and Start Your Business (SYB) training were rolled out directly to the farming cooperatives in his RADP. The training was successful, and the farming cooperatives were established and started to operate. However, the farmers still struggled with day to day enterprise problems such as pricing, cash flow and market access. The growing need for ongoing business support became apparent to Masoud. With the ITCILO's support, Masoud attended a business coaching programme in India. The programme also included partnership development and capacity building with the BCCI to ensure the smooth launch of business coaching in the region and encourage sustainability (ITCILO, 2018). Masoud together with 3 BCCI participants brought the first coaching programme to Afghanistan.



SIYB Training of Trainers

THE ITCILO PROJECT: A CATALYST FOR THE SIYB AFGHANISTAN COMPANY

The coaching programme in India widened Masoud's experience and he started to develop an idea around more formalised business development service provision in Afghanistan. He also increasingly saw the need to have an intensified focus on women's entrepreneurship development, and tools that could provide women with more skills, confidence and voice. It wasn't until the RADP and the ITCILO supported him to attend a local economic development (LED) Conference in Cape Verde, that the idea of an SIYB Afghanistan Company started to grow. One of the main drivers for Masoud establishing SIYB Afghanistan was that: "when RADP closed then all the experience and knowledge gained would be lost". The SIYB methodology was partially responsible for the success of the RADP project. Masoud's objective became to establish a formal platform to support SME development using SIYB as an anchor.



SIYB training in action, Afghanistan

In November 2017, Masoud joined forces with 10 additional SIYB trainers (3 women and 7 men) to establish the SIYB Afghanistan Company. This was achieved by adapting other countries' experiences and structures (such as SIYB East Africa) in establishing SIYB training companies, with some SIYB trainers becoming shareholders (who invested) and others as members (for a yearly fee).

THE DEVELOPMENT OF SIYB AFGHANISTAN COMPANY



Masoud with the Minister of Labour, Social Affairs, and Martyrs and Disabled

Through developing local relationships, and combining other stakeholders core training competencies, they secured licenses for several additional SME development tools. This includes Gender and Entrepreneurship Together (GETAhead, ILO), Certificate in Financial Education (GiZ), Business Coaching (ITCILO), Sell More for More (ACDI/VOCA).

Through an approach of getting to know the local needs for BDS and tapping into BCCI dialogue mechanisms, the SIYB Afghanistan Company has established strong relationships with ILO constituents, the donor community, and has created a stronger BDS provision component within the BCCI. The BCCI recognises the synergies with SIYB Afghanistan Company and indicates that “SIYB has had a big impact on the BCCI” (CEO of BCCI), as they are now able to offer more business development services to members. This dialogue and private sector development approach has led to the implementation of SME training throughout Afghanistan, for example, providing SIYB training for the Ministry of Labour, Social Affairs, Martyrs and Disabled. The SIYB Afghanistan Company has also developed the ability to lobby national government for support and make successful project proposals to donors (for example, USAID and GIZ). In this regard, Masoud Saqib has stated that “Donors only want to fund SIYB, certification is key and a big selling point. Donors are pursuing that”.

“The only business training package which covers all training needs of the organization’s members is SIYB training packages”.

Mr Qasimi, BCCI, 2019

THE SUCCESSES OF SIYB AFGHANISTAN

The SIYB Afghanistan Company has taken advantage of all the capacity building elements of the ITCILO project; while also acting as a catalyst for enterprise development by connecting organizational capacities, stimulating social dialogue and generating local knowledge. By so doing, the SIYB Afghanistan Company is ultimately contributing to a more robust SME sector.

Recent monitoring reports on the SIYB and GETAhead programmes showed that 53 percent of the trainees generated new business ideas after the training, and 94 percent of those trained had completed a business plan by the end of the SIYB training (Tanin Consulting Service Company, 2018). Between 2017-2019 SIYB Afghanistan has trained over 3,900 entrepreneurs (of which 50 percent are women) in SIYB (over 3,000) and GETAhead (900). With all the SIYB trainers being part of SIYB Afghanistan, they can negotiate higher trainer rates and scale the impacts and reach of the programme, whilst ensuring quality control and that SIYB methodologies are used systematically.

The SIYB Afghanistan Company has leveraged the benefits of working with the ILO constituents to add credibility, sustainability and access to technical support. Masood has renewed hope for the future stating that: “the SIYB programme and the establishment of SIYB Afghanistan has been a huge success [...] I can invest for my people, and the community, in Afghanistan”.

WHERE TO FROM HERE...

SIYB Afghanistan has witnessed remarkable growth over the last 18 months (Nov 2017-May 2019). Although the ITCILO programmes have been the catalyst to the development of the SIYB Afghanistan Company, the ILO and ITCILO now play a minor role in its sustainability. However, the need for replication of the Company's successes in Northern Afghanistan across the country will require ongoing support from donors, constituents and the private sector.

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List of interviewees:

- Masoud SAQIB: SIYB Afghanistan Company
- Mr Qasimi, BCCI

FIND OUT MORE...

The ITCILO provides training and related services that develop human resources and institutional capabilities contributing to achieving the ILO's goal of decent work for women and men.

Visit our website if you want to find out more on how the ITCILO works to contribute to peace building, national reconciliation and social cohesion through employment generation and decent work opportunities for women and men in conflict-affected and disaster prone countries.

INFO

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