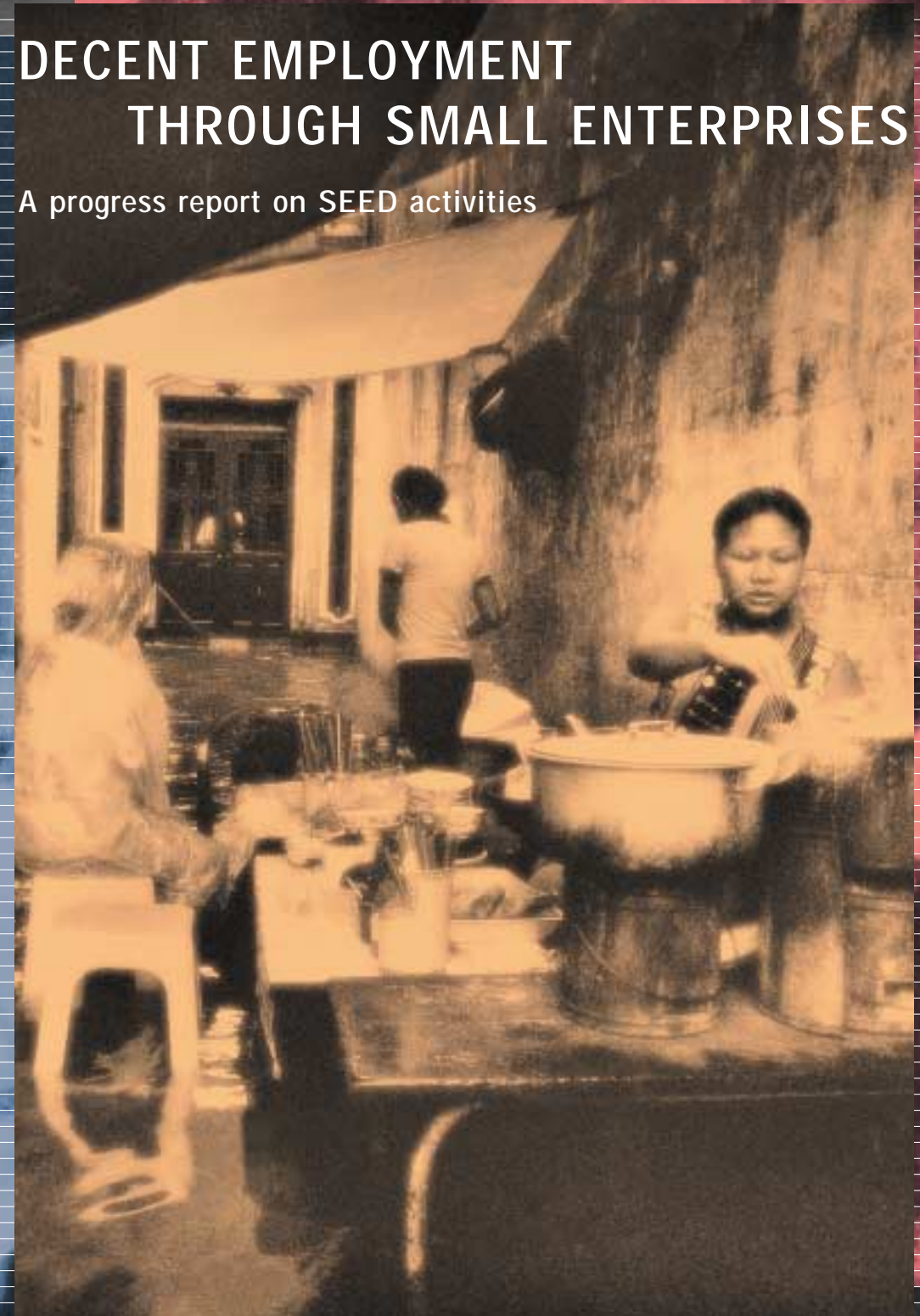




International
Labour Office

DECENT EMPLOYMENT THROUGH SMALL ENTERPRISES

A progress report on SEED activities



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InFocus Programme on Boosting
Employment through
Small Enterprise Development

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Small enterprises remain the main vehicle for job creation in most countries. For the working poor, it is often the only possibility to maintain a minimum standard of living for themselves and their families. This report documents much of what the ILO is doing in small enterprise promotion. Stories of how the ILO's SEED programme benefits working people today illustrate the concepts and tools that have been developed. They also introduce the partnerships and linkages with relevant organizations. The report adds up to a compelling story of how small enterprise development can help countries boost job creation, expand economic opportunities, upgrade livelihoods and improve working conditions for people living in poverty.

ISBN 92-2-113729-5

A PROGRESS REPORT ON SEED ACTIVITIES

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ILO

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A progress report on SEED activities



International
Labour
Organization

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First published 2003

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Decent employment through small enterprises: A progress report on SEED activities

Geneva, International Labour Office, 2003

ISBN 92-2-113729-5

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Printed in France

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DECENT EMPLOYMENT THROUGH SMALL ENTERPRISES

A progress report on SEED activities

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The ILO's work in small enterprise development has always been concerned with tapping the employment generation potential of this key sector, which in most countries accounts for the vast majority of firms and most new jobs. A major milestone in consolidating this work was the adoption in 1998 of Recommendation No.189 on Job Creation in Small and Medium-sized Enterprises. Tapping the job generation potential requires an enabling policy and regulatory environment which supports entrepreneurship, small enterprise establishment and growth, access to markets and effective, sustainable, business development services. This focus on productive and competitive small enterprises has been broadened in recent years. It now includes a strong emphasis on the Decent Work dividend, i.e. demonstrating and boosting the positive relationship between small enterprise competitiveness and such job quality dimensions as good labour management relations, good health and safety conditions, social protection and better employment security, and on ways to promote the observance of fundamental labour standards in small enterprises.

Since 1999, the ILO's expertise and support programme for small enterprises has been organized as the InFocus Programme on Boosting Employment through Small Enterprise Development or, more simply, SEED. This report documents much of what the ILO is doing now through its collaboration with employers' and workers' organizations and with governments. It highlights the practical ways in which these partnerships are being implemented in the field through technical cooperation and through regular budget work. Each chapter introduces an important aspect of SEED's programme with an illustration of how this work is taking shape in a particular country or locality. It does not seek to offer an exhaustive list of all the ILO's activities initiated and carried out in this field. The report adds up to a compelling story of how small enterprise development can help countries boost job creation, expand economic opportunities, upgrade livelihoods and improve working conditions for people living in poverty.

MICHAEL HENRIQUES
DIRECTOR
JOB CREATION AND ENTERPRISE DEVELOPMENT DEPARTMENT



FOREWORD

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SEED seeks to harness the ILO's diverse technical capabilities for large-scale creation of quality jobs in small enterprises. In keeping with Recommendation No. 189 on Job Creation in Small and Medium-sized Enterprises, adopted by the International Labour Conference in 1998, SEED's mission is to strengthen understanding of how development of the small enterprise sector can better service employment goals, and to put this knowledge to work through policy guidance, technical cooperation and international advocacy.

In doing so, SEED is committed to fostering and working with **member-based representative** associations of workers or small employers, and helping employers' organizations and trade unions extend their membership within the small enterprise sector. This is important to promote representation in affairs of policy-making and to breaking down barriers that individual firms or workers face in accessing resources and markets on fair terms. The ILO's goal to promote **equal opportunities for women and men** also shapes SEED's programme. Our advocacy and technical projects pay attention to gender issues, on the understanding that women and men may face different obstacles in starting or growing businesses.

What distinguishes the ILO's programmes on small enterprise development is our focus on generating better quality, as well as a greater quantity, of work. Business development services and public advertising campaigns are used to demonstrate that affordable investments to improve **job quality** – in working conditions, workflow organization, basic safety measures, better relationships on the shop floor – can produce tangible results in productivity and profits. SEED is adapting this approach to a number of circumstances, including among the small enterprises of the brassware sector in India, as illustrated in Chapter 1.

SEED also offers communities many ways to open new **market opportunities** for their smaller businesses. For example, training programmes for municipal government agencies help them learn to work with associations of smaller businesses that bid for public contracts (e.g. water delivery or solid waste collection services). These approaches supporting poverty reduction through the formalization of informal activities are discussed in Chapter 2 and highlighted with the example of the micro-privatization of municipal waste collection in Tanzania.

SEED's many **entrepreneurship training** programmes teach people how to translate what they can *do* into what they can *sell*. They show how to take a business idea and

estimate how many people would want to buy a product or service at a price that covers more than the costs involved. SEED also helps communities foster non-training **business development services** – start-up and operating finance, information on consumers and business markets, professional services in accounting or advertising. Both training and non-training BDS tools are highlighted in Chapter 3, with particular reference to the ILO's successful Start and Improve Your Business and related training programmes, and the use of private radio programmes to strengthen the small enterprise community.

In addition to supporting entrepreneurs, SEED has developed and employed awareness-building and training tools to help policy-makers understand how to lower the costs to establish and operate a business (easier registration procedures, reasonable and fair taxation) and increase the benefits of legal registration (access to commercial buyers, more favourable credit terms, legal protection, access to foreign exchange and markets). Such a **conducive policy environment** helps new businesses start and helps existing smaller businesses enter the formal economy. SEED's programme activities in Viet Nam lead off a broader presentation of policy and local-national linkages in Chapter 4.

One of the explicit expectations set down for an InFocus Programme is to be a centre of knowledge on best principles and best practices. Therefore, SEED has taken a **life-cycle approach** to planning activities, with each area of work progressing from KNOWLEDGE – fresh investigation; to SERVICE – putting that knowledge to work in training materials, policy guidance, stakeholder workshops and technical cooperation projects; to ADVOCACY – expanding the outreach of our work by sharing experience and demonstrating impact to constituents at the country and international levels. Newer work on global markets for local job growth is more concentrated on the research stage – in particular on how the ILO's focus on high-road approaches to competitiveness can be translated into policy and training for local businesses. SEED's work on the challenges faced by small enterprises in a globalized world is illustrated in Chapter 5, with our programme activities on the wood furniture value chain in Indonesia and eco-tourism in the Andean region of South America.

It is also understood that an international programme which seeks to produce more and better jobs through small enterprise development must work with other units and partners. It is only through **partnerships with field offices** – most especially with the senior enterprise development officers in the Multi-Disciplinary Teams – that the ILO has identified small enterprise development as an effective tool to meet

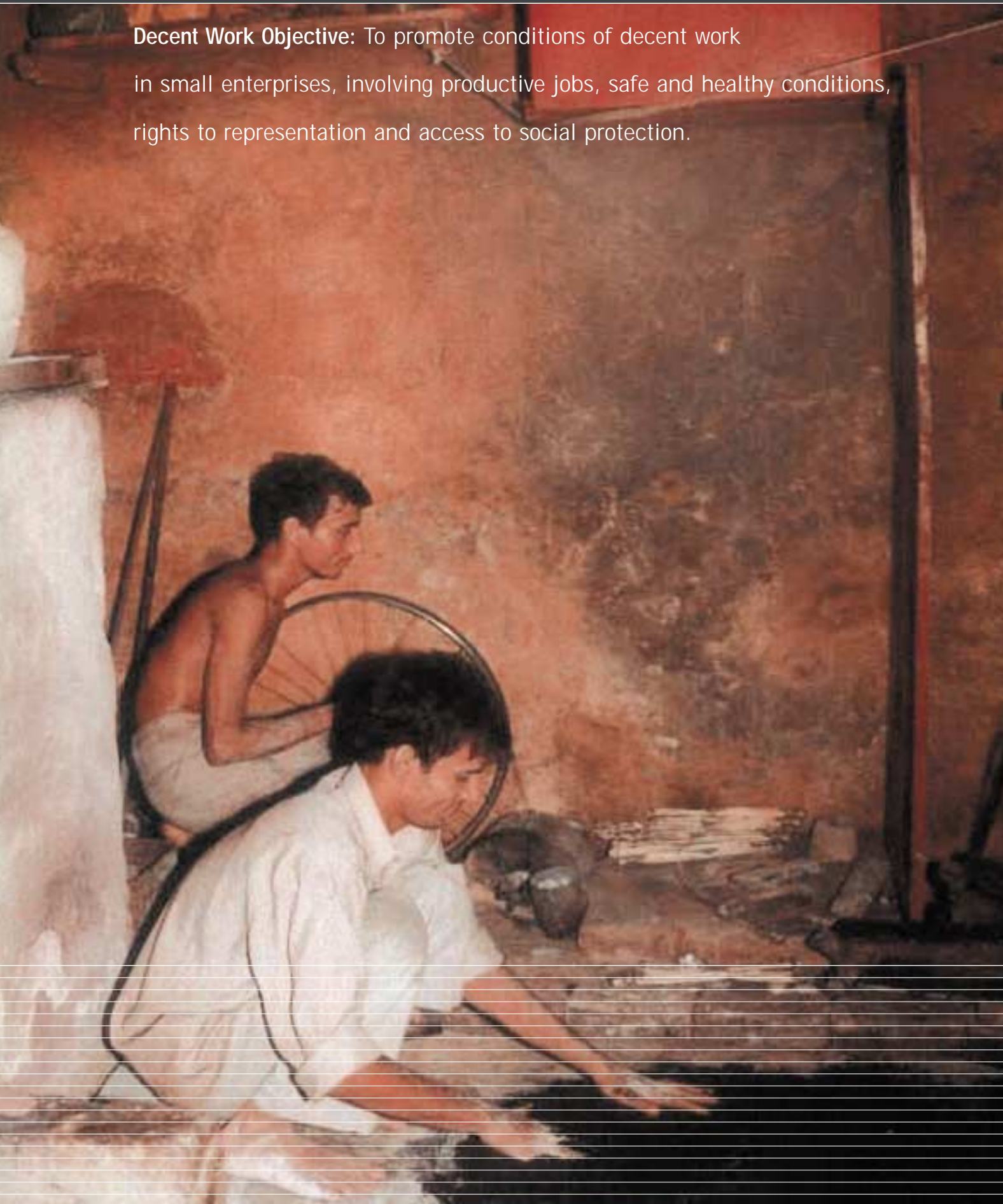
local needs to support decent work. Many core competencies in small enterprise development are grouped outside of the InFocus Programme, and many units that view workers and employers in the small enterprise sector as their target group also draw on SEED's expertise in carrying out their own part of the ILO's mission. **Partnership with other technical units** is thus a critical factor in expanding SEED's impact.

The extended outreach of technical cooperation programmes would not be possible without a **partnership with donors** who have invested in the ILO's work on small enterprise development. The partnership with the Government of The Netherlands has been instrumental in underwriting research and pilot activities taking place with many field offices simultaneously in the first biennium of the Programme. Substantial ongoing support has been received from the Swedish, Irish, British, Italian and Austrian governments, the UNDP and many other donors. The relationships with SEED's various partners – field offices, other ILO units and donors – are presented in Chapter 6.

CHRISTINE EVANS-KLOCK
DIRECTOR (IMMEDIATE PAST),
IFP/SEED

1. PROMOTING DECENT WORK IN SMALL ENTERPRISES

Decent Work Objective: To promote conditions of decent work in small enterprises, involving productive jobs, safe and healthy conditions, rights to representation and access to social protection.



IMPROVING JOB QUALITY IN INDIA'S BRASSWARE INDUSTRY...

13

The brassware sector in Moradabad includes 25,000 micro and small enterprises and produces 80% of India's output of brass products. It generates badly needed employment and income for about 200,000 people. Much of the work takes place in unhealthy conditions, however. Working in small, unventilated shops, the owners and their workers inhale a daily diet of smoke from smelting and casting processes. This results in short- and long-term health problems. It's work, but it's not decent work.

Poor health is not the only problem arising from smoky conditions. Because the work environment is unpleasant, it hampers the capacity of workers to complete their tasks. This reduces productivity, which adversely affects the profitability and indeed the viability of the enterprises. In this and similar cases, promoting decent work can improve the lives of workers at the same time as it increases the competitiveness of enterprises.

One of the solutions involves erecting locally designed chimneys on the workshops to channel the smoke away from workers. In some cases, this simple improvement can lead to productivity gains of up to 50%. It can also improve relations between workers and employers, as the latter are seen as being concerned with the welfare of their employees.

... AIDS THE WELFARE OF WORKERS WHILE IT IMPROVES
THE COMPETITIVENESS OF ENTERPRISES.

In September 2000, SEED began working with local organizations and people to improve job quality in the brassware sector. Sensitizing the artisans to the benefits of better ventilation was one aspect of a wider programme to improve the welfare of workers while making the sector more competitive. This involved collaboration with the Enterprise Development Institute of India to understand best practices at the better-managed, more efficient brassware firms. Those practices were incorporated into training and awareness seminars on job quality with the artisans at the Institute, as well as practical guidance in their workplaces. Instructions included better handling systems for hot castings, improved work layout to reduce physical strain and increased use of protective materials. Awareness-raising has included presentations on issues such as the need to eliminate child labour.

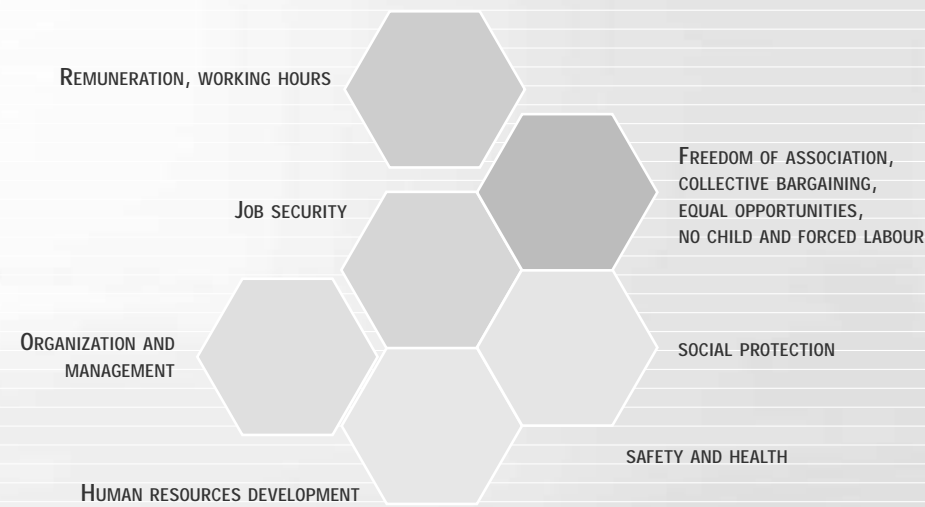
In addition to workplace concerns, efforts were made to increase cooperation and address larger issues facing the sector. For example, an association of artisans is being

developed to better represent their interests. As well, SEED is working to improve competitiveness. Brassware from Moradabad contributes about US\$500 million to the country's export earnings but the sector is facing increased competition from other developing countries. SEED is working with local training institutes and government departments to improve quality and consistency so that market share can be maintained. This integrated programme of decent work in Moradabad is based on a 'high road' strategy of improving quality and thus the value of products, rather than a 'low road' strategy based on low wages.

DECENT WORK IS THE ILO'S CORE MANDATE...

This is just one example of how SEED has integrated the ILO's mandate of promoting decent work into its programming activities. Those activities includes collaborative efforts with workers' and employers' organizations and with governments. While decent work has long been a concern of the ILO it was given new emphasis as the organization's primary goal in *Decent Work*, the Report of the Director-General to the International Labour Conference in 1999. The report highlighted the need not only to support employment levels (quantity factor) but also to improve job quality. It recognized that 'almost everyone works but not everyone is employed': the ILO needed to reach out to the self-employed workers in the informal economy and to home-workers.

THE JOB QUALITY DIMENSIONS



Decent work is a broad concept which includes i) upholding the fundamental rights of workers at work, including a safe work environment, ii) ensuring an adequate livelihood for workers, iii) allowing for social dialogue both at the enterprise level (such as collective bargaining) and between employers, workers and government at the national level, and iv) providing social protection, notably to support livelihoods as a result of illness, injury, economic downturn or other factors. It looks at the full range of factors which affect workers and seeks to improve their lives by improving the nature of their work experience.

Decent work provides the framework under which the ILO is continuing its long tradition of support to small enterprises. The specific nature of assistance is contained in Recommendation No. 189 on Job Creation in Small and Medium-sized Enterprises, which was passed unanimously by the ILC in 1998. Within the decent work mandate, the recommendation is being implemented by a relatively new programme unit called Boosting Employment through Small Enterprise Development (SEED), one of eight InFocus programmes which were formed as part of the ILO's reorganization in 2000.

... AND IT DISTINGUISHES SEED'S ACTIVITIES FROM OTHER PROGRAMMES PROMOTING SMALL ENTERPRISE.

The attention to decent work is what distinguishes SEED from other small enterprise support programmes which are funded and managed by NGOs, donors and governments. Like some of these other programmes, SEED works to raise employment, but employment generation is only part of its goal. The emphasis on job quality is designed to support productive and rewarding jobs and is based on the recognition that business efficiency and equity in society are key elements of a virtuous cycle.

INVESTMENT IN THE HUMAN RESOURCES OF AN ENTERPRISE...

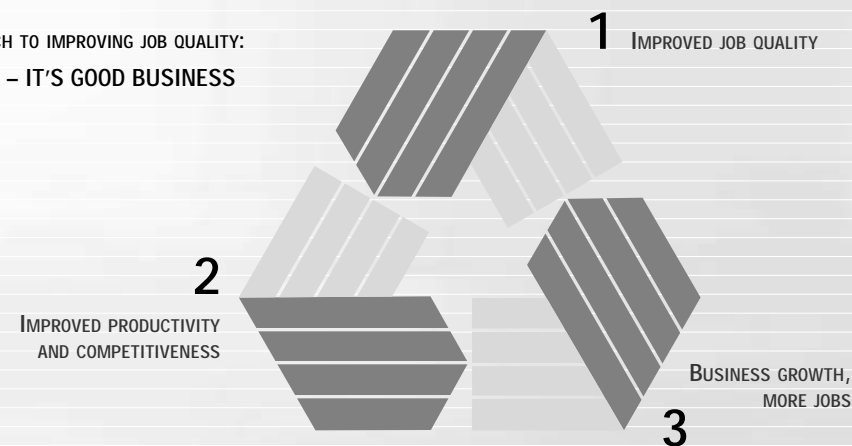
Enterprise owners often feel unable to improve job quality because they cannot afford the investment. SEED focuses on encouraging an awareness of important but low-cost changes which will improve productivity – and generate income to cover the costs of those changes. The notion that improved job quality increases productivity is inherent in SEED's key message that 'job quality is good business'. It is good for both employees and enterprise owners. A strong job-quality culture values the workers' participation

in developing low-cost improvements in production methods and the general work environment, which in turn can increase trust and cooperation in the workplace.

Simple health and safety procedures also can improve workers' attitudes and their performance. Enhancing their daily and long-term health reduces the time lost due to work-related injuries and diseases, for example, by providing and requiring the use of gloves, protective glasses and proper footwear. While the brassware example focuses on health problems related to smoke, other respiratory problems can be treated in other ways. In food-processing, which involves the mixing and packaging of ground cereals and other foodstuffs, a simple mouth-nose mask can reduce the inhalation of product dust. The cost of these masks is small relative to the improvements in health and productivity.

Other issues involve improving the organization of the workspace in ways which may or may not be related to health and safety. Job quality includes improving the organization of work activities which leads to employee satisfaction, increased work effort and ultimately greater productivity. In one Ghanaian enterprise, employees found that spare parts were scattered around the workshop, which not only wasted space, but wasted time when they needed to find the correct parts. As a result of SEED training, the owner built simple open storage shelves where the parts were sorted and stored. Suspending lights closer to the workspace is another example of a minimal one-off cost which makes the work space brighter and employees more productive. Flooring can also be upgraded to improve and simplify movement. Attention to smoke, lighting, flooring and workspace layout are the immediate examples of decent work but they are also part of a broader attitude about workers and their well-being which SEED emphasizes in its training programmes (Box 1.1).

SEED APPROACH TO IMPROVING JOB QUALITY:
JOB QUALITY – IT'S GOOD BUSINESS



WORKING CONDITIONS TO INCLUDE RIGHTS
AT WORK AND SOCIAL PROTECTION.

According to ILO estimates, micro and small enterprises account for over 90% of enterprises where conditions are very poor and workers are excluded from labour protection. On the one hand, difficulties related to the small scale of operations, resource limitation and enterprise volatility are commonly depicted as the main obstacles to securing conditions of employment in line with those of larger enterprises. In a context where 'any job is better than no job', it is thus the workers who often are asked to cope with the most severe constraints. Recent research initiated by SEED with a view to shedding light on working conditions and labour practices in small enterprises has identified significant gaps in job security, incomes, health and safety and social protection. These gaps are wider in enterprises operating in the informal economy, where workers are generally beyond the scope of labour legislation. Experience in countries like Kenya and South Africa suggests that trade unions and employers' organizations are playing an important role in establishing legal and institutional safeguards to enhance the work environment (Box 1.2).

In addition, as wages in micro and small enterprises are often low, workers find it difficult to save for periods of illness or injury. Their ability to benefit from national social insurance, such as health care and unemployment insurance, is dependent upon the firm being part of the formal economy and on the employer paying contributions into these schemes. SEED encourages micro-entrepreneurs to properly register their enterprises as part of the formal economy and to fulfil their responsibilities to social insurance schemes. Contributions increase workers' sense of security while also supporting goodwill between them and their employers.

SEED RESPONDS
TO NEEDS BY DEVELOPING KNOWLEDGE
ON JOB QUALITY...

Like the brassware sector in Moradabad, decent work issues are specific to national contexts and indeed individual sectors. SEED generates knowledge on job quality to properly assess the needs and respond to the demands from its constituents. On decent work, it organized a cross-regional research programme in 2000-01. Combining interviews, expert visits and focus group discussions, the studies involved a qualitative assessment of perceptions about job quality from owners/managers and employees.



Fifty enterprises engaged in manufacturing, processing and non-trade services were involved in each of 11 countries (El Salvador, Ghana, India, Jordan, Panama, Peru, Philippines, Trinidad, Uganda, Viet Nam and Zimbabwe). A key finding is that decent work matters to workers and employers. Workers appreciate that they have been able to secure jobs in the small enterprise sector but they are also concerned with remuneration, health and safety, job security, insurance and the quality of human resource management. Employers are concerned about the welfare of their employees both for its own sake and for the impact on the success of the business.

... AND MAINSTREAMING ITS IDEAS
THROUGH BUSINESS DEVELOPMENT SERVICES.

The results are being mainstreamed into the development of training programmes and policy advice. For example, SEED has developed a 'People and Productivity' module on human resources and job quality for its successful Start and Improve Your Business (SIYB) programme. In addition to promoting the benefits of improved working conditions and better management, it also promotes the ILO's core labour conventions. The programme is now used by business development services providers in five countries and is being expanded to all SIYB programmes. The range of providers using SIYB modules is vast, including vocational training institutes, employers' and workers' organizations, private trainers and consultants.

SEED has field-tested a simpler training programme for poor rural people operating micro-enterprises called Improve Your Work Environment and Business (I-WEB). A subsequent evaluation found that entrepreneurs had increased communication with employees, encouraged teamwork and improved the physical workplace. The programme is now being used in seven countries and is available for wider distribution. Job quality issues are also being addressed in SEED products that are still under development, such as a training package on HRD for fast growing businesses (Expand Your Business).

Because many entrepreneurs are unable to attend training seminars, SEED is developing new ways to disseminate key messages on how improvements in working conditions can increase productivity. A pilot project in Ghana is using television and radio spots in a social marketing strategy on job quality. A similar project is being developed to promote decent work in Moradabad's brassware sector.

Box 1.1:

A FREE LUNCH (AND A PLACE TO EAT IT)

Godwin Adorie knew that his food processing firm, Praise Ltd., was performing below potential but he wasn't sure why. He enrolled in a course for entrepreneurs 'Improving Productivity through Better Working Conditions'. The course is run by a business services provider in Accra, Ghana, with which SEED has worked closely in developing the decent work curriculum.

Following the course, Mr Adorie consulted with his workers and then took action. He provided protective clothing and equipment, he improved the workflow, he adjusted the lighting and he ensured, on a continuous basis, that the work environment was clean and organized. In addition, he established a separate space where workers could rest and eat their meals. He equipped it with reading material and games and he provided each of the workers with a free mid-day meal, every day. He also started paying his contribution to their social insurance.

He now holds regular meetings to discuss his workers' concerns as well as general issues facing the business. Follow-up discussions by SEED with his employees indicated that they are happier and feel more productive. They also appreciate the regular dialogue with their employer. Overall, firm productivity has increased, which Mr Adorie attributes directly to the changes made.

Box 1.2:

VOICE AND REPRESENTATION IN SOUTH AFRICA'S INFORMAL ECONOMY

"You have to be thinking of the owner, the passengers, and the traffic police all at the same time. ... You are trapped because if you don't take the vehicle for repairs you are vulnerable for fines or bribes. And if you do take the vehicle for repairs then it's off the road and you're not paid."

The situation described by Bonice – a former taxi driver who now organizes Johannesburg minibus (kombi) taxi workers for the South African Taxi Workers' Union (SATAWU) – is daily life for workers in the industry. Drivers work abnormally long hours, are often under stress, and work for low wages, with no sickness or social benefits. Employment relations tend to be precarious and, for most workers, no formal contract of employment exists. The need to strengthen representation in the industry is clear. Lack of voice at work is marginalizing taxi workers in the labour market and is threatening public security in society at large. Over the past years, SATAWU has been a major player in the national policy process to recapitalize the industry and concomitantly formalize employment.

The experience of SATAWU is not the exception in South Africa. Research initiated by SEED in 2001 shows that collective representation of street traders in the informal economy in Durban and Johannesburg has been instrumental in giving voice to an otherwise neglected segment of the workforce, which is now getting a fairer deal. Tangible results are: i) the protection of members against harassment or eviction from public space, ii) secured trading-site space and iii) a recognized legitimacy vis-à-vis local authorities. This has evolved into direct benefits for members by helping to create a more conducive environment for the smooth running of their economic activities.

In the clothing industry, the Southern African Clothing and Textile Workers' Union (SACTWU) has played a key role in high-level negotiations that recently culminated in the adoption of legal and institutional reforms which allow for organizing and bargaining around informal work. These reforms promise the union members a number of advantages and pave the way for bridging the formal-informal divide in terms of incomes and working conditions within the industry.

2. TACKLING THE TWIN CHALLENGES OF POVERTY AND INFORMALITY

Poverty and Informality Objective: To reduce poverty through the increased formalization of informal work activities and the expansion of markets for micro and small enterprises.



A UNIQUE PUBLIC-PRIVATE PARTNERSHIP INVOLVES FRANCHISING SOLID WASTE COLLECTION...

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On the outskirts of Dar es Salaam, in the unplanned settlement of Hanna Nassif, the municipal government doesn't collect the garbage. This is not unusual for a poor residential suburb in a developing country. A lack of funds and disregard for the lives of suburban residents often means that municipal services are poorly administered or non-existent. What is unusual about Hanna Nassif, however, is that the waste does get collected and that it is collected by community groups franchised by the municipal government. It's part of a unique ILO effort to generate decent work and improve public health through the micro-privatization of municipal services.

Hanna Nassif is an established community dating back to the 1950s which has developed a strong sense of community spirit. Several years ago, it made a request to the ILO for the construction of a stone-based water drainage system to channel rainwater and wastewater away from household dwellings. The problem with constructing such a system, however, was that there was too much solid waste being dumped on the edges of the community which would clog the drainage system and contaminate the water. Some method was needed to ensure that the solid waste was properly transported to city dump sites. The solid waste was not only being dumped by individual households but also by informal waste collectors who gathered waste from households for a small fee. Thus a system of private, informal waste collection had arisen but was not properly regulated to avoid public health problems. As well, the system provided an uneven and unprofessional service.

... THEREBY CREATING JOBS AND
IMPROVING PUBLIC HEALTH IN POOR SUBURBS.

SEED worked with the city council to find a way to provide an organized system of solid waste disposal which at the same time could generate employment and improve the existing informal system. The plan involved a public-private partnership to franchise out 70 different areas of the city to small private enterprises and not-for-profit community groups. The enterprises and registered groups would submit bids to be evaluated by committees of residents and government officials. The franchise is basically a permit to collect solid waste from households in a given area. The plan came at a crucial time in the policy-making process regarding municipal services. The city council was at the point of choosing between whether to provide a single franchise to a foreign waste

management company, using highly automated methods, or whether to franchise multiple smaller groups, using labour-intensive methods. It consciously opted for the latter. Households and businesses pay the collectors directly for the services provided so there are strong incentives for the small enterprises to be responsive and effective.

In addition to helping develop the system, SEED has provided other supports such as advising enterprise owners and groups on how to bid for franchises, providing training on a variety of matters including how to handle hazardous and non-hazardous waste and ensuring that the material collected is transported to proper waste sites. Recycling, safe and healthy working conditions and adherence to core labour standards are key concerns which must be addressed by the franchisees. Workers have been provided with hand-carts, tools and protective clothing, notably gloves, some of which were provided by WHO and UNDP. The underlying effort has been to formalize and improve the working conditions of an informal activity. The system is now the source of 1,500 jobs, mostly for women and youth.

IT HAS PROVIDED

A LIVING WAGE FOR COLLECTORS AND PROMOTED DECENT WORKING CONDITIONS.

Sensitization campaigns, neighbourhood meetings and support from the local, elected ward leaders were crucial in ensuring fee payment for the services by households and businesses. These fees provide a living wage for the waste collectors. Moreover, the official recognition and praise they are receiving have altered their self-esteem and their sense of social inclusion in the city's economic and political life. As part of SEED's association-building efforts, they have formed and registered the Dar es Salaam Waste Management Association. This has further raised their profile and given them a collective vehicle to support their dialogue with other stakeholders. The programme has been expanded to street sweeping, although given the nature of the activity, workers are paid directly by the municipality.

After an evaluation confirmed the effectiveness of the approach, the programme is being expanded to other municipalities in Tanzania. In addition, a programme is being developed in conjunction with the ILO's Employment Intensive Investment Programme and UN Habitat in Lusaka, Zambia involving both waste management and water provision. Other projects are planned for Uganda and Kenya. Public-private partnerships are also part of SEED's integrated small enterprise programme in Viet Nam and Cambodia.

SEED'S WORK IS PART OF AN ILO EFFORT TO FORMALIZE ASPECTS OF THE INFORMAL ECONOMY.

The Tanzanian programme is one example of SEED's efforts to tackle the challenges of poverty and informality by working with labour, businesses and governments (see also Box 2.1). They are twin challenges because many poor people are employed in the informal economy as low-wage workers or low-income micro-enterprise operators. The informal economy, therefore, provides work but there is no guarantee that it will help people to join the ranks of the non-poor. Instead, people may become part of the 'working poor' or remain poor as micro-enterprise operators. Reducing poverty, therefore, often means formalizing (and therefore improving) the working conditions and the situation of micro-enterprises in the informal sector. This is the main thrust of the waste collection initiative in Tanzania.

The challenge posed by the informal sector has long been an ILO concern. A report from the Director-General to the ILC in 1991 highlighted the 'dilemma' that although the informal economy provided a source of income for many poor people, the work was often in low-wage, low-standards activities. That concern was carried forward in a more recent report, 'Decent work and the informal economy', which was jointly authored by SEED, IFP/Skills and the Gender Promotion Programme and was a key background document for discussions at the ILC in 2002 (Box 2.2). The ILO's Global Employment Agenda has also tried to strike a balance between entrepreneurship and business growth, on the one hand, and improved compliance with labour standards, on the other. More recently, the Director-General has prepared a report on decent work and poverty for delivery at the ILC in 2003. SEED has contributed to the preparation of that report and has also initiated its own internal process to review and strengthen the links between small enterprise development and poverty reduction. These unit and Office-wide initiatives support a global effort, as enunciated through the Millennium Development Goals, to reduce by 50% the proportion of people living on one dollar a day by 2015.



FORMALIZATION CAN BENEFIT BOTH ENTERPRISES AND WORKERS.

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Through its training and awareness activities, SEED stresses that enterprises and workers can benefit from formalizing activities and adhering to the regulatory environment. Operating within the law enhances their membership in the wider business community. For example, registration of micro-enterprises with municipal governments will reduce harassment and demands for bribes from local officials. Formal status will also reduce the barriers to renting work or selling premises, using the legal system, accessing credit and gaining support from small enterprise development programmes. As exemplified in Tanzania, it also opens up access to bidding for government service and procurement contracts.

SEED is aware that micro-enterprises often opt to remain outside of the regulatory framework because they find the requirements too onerous and costly. Indeed, in many countries the framework is too bureaucratic. SEED's work on the policy environment, discussed in Chapter 4, involves mapping the environment for small enterprises and then creating a dialogue with government and other stakeholders to eliminate unnecessary requirements and simplify procedures. It is part of an effort to encourage more informal firms to adopt formal registration. At the same time, the ILO's work in the Philippines and elsewhere has increased the visibility of the informal economy so that the concerns of entrepreneurs and workers can be addressed by local and national governments (Box 2.3).

For workers, formalization means that enterprises are covered by national labour regulations, such as hours of work, the minimum wage, etc., and by those core ILO labour standards to which the country adheres, such as freedom of association, the right to collective bargaining, freedom from forced labour and from discrimination and the ban on child labour. In a pilot project to support core standards, SEED has worked jointly with the ILO's International Programme for the Elimination of Child Labour to support small enterprise development in Turkey amongst poor households. The objective is to raise household income and thereby reduce the tendency for parents to send their children out to work (Box 2.4).

POVERTY REDUCTION
ALSO INVOLVES IMPROVING SOCIAL PROTECTION
AGAINST INCOME INSECURITY.

An important dimension of poverty is insecurity, especially that which arises from injury, illness or old age when a worker is not able to work. While these problems are covered by social insurance systems in developed countries, such systems often provide inadequate support in poor countries. In Africa and South Asia, for example, where much of the world's poverty is concentrated, less than 10 per cent of the working-age population is covered by formal social security. SEED is addressing this problem by encouraging employers, through information and training programmes, to provide their required contributions. In addition, SEED has worked in partnership with the ILO's programme on Strategies and Tools against social Exclusion and Poverty (STEP) to develop a guide called 'Mutual Health Organisations and Micro-entrepreneur Associations'. STEP has used the guide to set up mutual insurance schemes in Bangladesh, Nepal and West Africa and is working jointly with SEED in Benin.

An escalating health problem – which has become a pandemic in many countries – is HIV/AIDS. SIYB training has been adapted to meet the concerns of People Living With HIV/AIDS by sensitizing employers to their special workplace needs and by supporting the development of small businesses owned directly by PLWHA. The income from profits or wages helps people to pay for living expenses and medicines (Box 2.5).

Box 2.1:

FORMALIZING THE ACTIVITIES OF WOMEN
FOOD PROCESSORS IN BENIN

Many of the poor women in Cotonou prepare food for their families and then bake extra bread, squeeze extra pineapples or dry additional mangos. From their homes they head out to local market areas or downtown to sell their produce to the midday lunch traffic. The small scale of their operations produces only limited additional income, however. Preparing food for others makes good use of household skills but feeding the family and managing an enterprise are different activities.

The ILO's small enterprise unit (and later SEED) developed a project to scale up the women's activities so that they might be run more like formal enterprises. For credit, many women were already involved in *tontines*, the informal savings and credit schemes common to West Africa. The project strengthened an existing informal scheme operated by a number of these entrepreneurial women. They were given advice and training on how membership, savings and loans might be increased. For larger investments, a revolving loan fund was made available to the women who were members of the mutual scheme. The women were also given training in management, in food preparation, including conservation and storage, and in new product ideas. They were made aware of the seminar lunch market in the government and business community and some micro-operators have begun supplying these venues.

DECENT WORK AND THE INFORMAL ECONOMY

During its first three years, SEED made a major contribution to the work leading up to a General Discussion in the 2002 International Labour Conference on Decent Work and the Informal Economy (www.ilo.org/infeco). SEED staff took part in the organization and leadership of an Informal Sector Task Force which cut across all programmes and sectors of the ILO, in organizing informal meetings of experts on specialized topics, in commissioning background papers and in drafting the background report for the Committee on the Informal Economy.

The background papers analysed the significant changes in global and national economies responsible for the rapid growth of the informal economy. The papers highlighted the growth of global value chains and production, the negative impact of financial restructuring on formal employment, changes in work organization leading to informalization of work that was previously formal, and the links between formal and informal economies. Working with ILO's Bureau of Statistics, considerable advances were made on the conceptual framework of the informal economy. These concepts will be discussed at the International Conference of Labour Statisticians to be held in Geneva at the ILO in December 2003.

SEED has recently provided advisory services on policies concerning the informal economy in numerous countries, including China, Ghana, Tanzania and Mongolia. In China, SEED has advised on the national implementation of an SIYB programme, on providing business development services for an emerging informal economy, and on the development of a policy on flexible employment. SEED's work has contributed to putting the informal economy on the global agenda and establishing ILO as a leading agency in this area.

HIGHER VISIBILITY FOR THE INFORMAL ECONOMY IN THE PHILIPPINES

In many developing countries, there is little support for entrepreneurs and workers in the informal economy simply because they are not recognized. The key focus of a recent ILO-UNDP project in the Philippines was to increase the visibility of the sector, notably among policy-makers. The advisory committee for the Promotion and Protection of the Informal Sector project included representatives from 13 government departments or sub-units, along with the Trade Union Congress and the Employers' Confederation of the Philippines.

The first step was to assist the National Statistical Coordinating Board in arriving at a definition of the informal economy. This has been used by the National Statistics Office and 17 local government units in Metro Manila to begin surveying activities in this area. It is also being used for planning and budgeting purposes in other government departments.

In addition, project staff worked with government departments to develop a Philippine Country Program on the Informal Sector. The programme was approved by the Cabinet-level Social Development Committee in early 2003. At about the same time, the Department of Labour and Employment officially took responsibility for the informal economy. As well, a comprehensive assessment of the legal environment facing informal entrepreneurs was completed by legal experts and proposals for legal reforms have been developed.

Because informal workers often lack social protection, project staff worked with government officials and both the Philippine Savings Bank and the Development Bank of the Philippines to open a Automatic Debit Account system so that these entrepreneurs could make their social security contributions. A number of other social protection, credit and administrative activities were implemented through the project.

ENTERPRISES AND CHILD LABOUR IN TURKEY

In very poor areas of Turkey, some parents send their children out to work. While this provides short-term relief in securing the family's necessities, it negatively affects the child's development and future income-earning capacity. Efforts to eliminate child labour in Turkey need to address the income needs of the family.

In response, SEED has implemented a two-year pilot project jointly with the ILO's International Programme for the Elimination of Child Labour (IPEC). It provided Start Your Business training to the parents of child workers. A total of 15 training courses, in the city of Mersin and in the rural areas of Sinop and Diyarbakir, were attended by 228 men and women. Rural participants also received loans and vocational training in animal husbandry, bee-keeping and greenhouse operations by the Development Foundation of Turkey.

The combined programme resulted in 95 businesses being developed, contributing to increases in family income. As a result of this and other efforts to reduce child labour, 285 children were wholly or partially withdrawn from work in the project areas and there has been a significant rise in school attendance. SEED is currently working on a guide on small enterprise development to be used in IPEC's programmes worldwide.

AN ENTREPRENEURIAL APPROACH TO HIV/AIDS IN ZAMBIA

Zambia is struggling to cope with a high incidence of people living with HIV/AIDS (PLWHA). Full care and support for these people, who represent 21% of the adult population, is just not possible in such a poor country. As a result, many must remain economically active to generate an income.

In 2000-1, SEED collaborated with the U.N. AIDS agency to provide Start and Improve Your Business (SIYB) training to PLWHA in Lusaka. Following the training, a number of individual and group-based businesses were created. These included an urban transport business which has generated a regular income for its owners. Revenues from such enterprises have allowed poor people to feed themselves and their families and to buy medicines and pay for health care.

The Zambian initiative is part of a larger effort to mainstream HIV/AIDS into SIYB programming in Africa and other regions. Much of the work has involved sensitizing employers to concerns of employees affected. Training was provided to master trainers from 14 poor countries in eastern and southern Africa (+ Mauritania) which provide the SIYB course. The prevalence of HIV/AIDS averages 25% in these countries. In mid-2002, a similar workshop on the Caribbean island of St. Lucia drew business trainers from five countries. UNAIDS, which funded those two efforts, supported a similar workshop in Surinam in late 2002.

3. SUPPORTING SUSTAINABLE BUSINESS DEVELOPMENT

BDS Objective: To support business development services which are sustainable and contribute to job creation, productivity and decent work.



ASSISTING ENTREPRENEURS TO UNDERSTAND THEIR ENTERPRISES AND THE MARKETS THEY WORK IN...

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Noëllie Zabsonre has worked hard to develop the weaving and dyeing skills needed to make the colourful wrap-around dresses (pagnes) common to West Africa. She followed a series of vocational training courses on weaving and has used her knowledge to improve the quality of output from her small workshop in Tenkodogo, Burkina Faso. Yet after seven years, she was disappointed that she could not sell more and expand her business. She noticed that similar products coming in from Guinea and displayed at trade fairs were much appreciated by some of her traditional clients and sold at much lower prices.

She decided that she needed to understand more about the world of business and enrolled in an Improve Your Business training course (IYB). Like the other participants who already owned businesses, Noëllie was asked to use the new business concepts to reflect on her own operation. In discussions with the trainer and other participants, it became clear that she needed to develop her client relationships and learn how to fully cost her products.

Following the course, she went around to her regular customers, mainly women who retail her pagnes in local markets, and solicited their views on shades of colour, texture, cloth thickness and competitive pricing. To develop stronger client relationships, she began sending one of her employees around to deliver orders and take new ones. She also started to properly cost her output, including a depreciation cost for her loom, and a shadow cost for the use of workshop space on a concession held by her husband. She is using these calculations to determine the feasibility of relocating closer to clients and to save for a new loom.

... IS PART OF SEED'S WORLDWIDE PROGRAMMES
IN STARTING AND IMPROVE YOUR BUSINESS TRAINING.

A major focus of SEED's work is the training of new or existing entrepreneurs in effective and practical techniques for managing enterprises and making the best use of markets (Box 3.1). The training programme is often referred to as Start and Improve Your Business (SIYB) and consists of IYB training, taken by Noëllie, and SYB (Start Your Business) for new entrepreneurs. Either of the training programmes has now

been delivered in over 83 countries and is being expanded to new areas, such as China and the conflict areas of the former Yugoslavia. The SIYB programme has become so well known that if one were to walk into an entrepreneurship training institute in any developing or transitional country, there is at least a 50% chance that the provider will be using SIYB.

Since the early 1990s, the ILO has trained 4,500 local trainers, working with 500 national organizations, many of them employers' associations. These local trainers, in turn, have trained 180,000 entrepreneurs and supported the creation of 200,000 jobs. Impact evaluations have shown that 54% of SYB participants establish their own enterprises within six months of concluding the training. Put another way, for every two people trained, one job is created. SEED is now working to systematically combine entrepreneurship training with access to micro-finance. This includes inviting micro-finance representatives to present their programmes to SYB participants and then having the representatives listen to and comment on the participants' business plans. In Uganda, when SYB was provided through an NGO that also handled micro-finance, the enterprise start-up rate was as high as 67%. For IYB, the emphasis is on job preservation as the training helps inefficient firms to survive and thrive through better management. In Peru, for example, the ILO is working with a private financial institution to effectively bundle finance and IYB and thereby increase enterprise viability (Box 3.2).

Recently SEED has been active in developing its entrepreneurship training tools to focus more attention on job quality issues, notably the work environment, employee relations and other human resource aspects. This has involved working with two successful programmes that have been developed by the ILO's field offices. Managing Your People is used in Viet Nam to increase labour productivity. An evaluation of participating firms showed increases in both productivity and profit after three months. Similar results were recorded in an evaluation of Improve Your Work Environment and Business (I-WEB), which was developed in the Philippines and is used in the Caribbean and other areas. As result of these innovations, a new module called People and Productivity is being developed for the IYB package and as a stand-alone unit.

A new component of the SIYB family, called Expand Your Business (EYB), focuses on small enterprises with high growth potential. It is being pilot-tested in Sri Lanka. The ILO is also expanding management training among less literate populations. In rural Nepal, visual instructional materials are used for training entrepreneurs. The Business Game is also used so that participants can experience decision-making in a practice situation. The range of entrepreneurship training programmes is provided in Box 3.3.

THE TRAINING IS DELIVERED THROUGH EXISTING BDS PROVIDERS TO ENCOURAGE SUSTAINABILITY.

But SEED's knowledge of enterprises and markets is not only an asset which is provided through training. SEED is internalizing that knowledge so that it shapes the way in which its programmes are delivered. The objective is to provide training through existing institutions and, where possible, on a commercial basis so that it does not supplant existing business service providers but instead supports and enhances them. Behind this effort lies the objective of sustainability, of delivering business development services (BDS) so that they will continue to be provided after SEED and donors have completed their support.

The SIYB programme is designed so that existing and aspiring entrepreneurs are never trained by SEED personnel. Instead, they are trained by people who work for business associations, sectoral groups, private training or consulting firms, parastatal institutions and NGOs. SEED carefully selects these partners on the basis of four criteria: that they have small enterprise development as part of their mission, that they have the capacity to deliver training (a budget and people or access to people), that they have geographic coverage (i.e. are not parochial) and, of course, that they are willing to work with the SIYB package. SEED arranges for 'master trainers' to train people in or associated with these organizations. These trainers then deliver the SIYB package to new and existing entrepreneurs.

The extent to which the training is provided on a commercial basis depends on circumstances. Normally, a portion of the costs is paid for by trainees (be they future trainers or entrepreneurs). This acts as an important screening device to ensure that only people who are serious about the training are involved. In some cases, existing or aspiring entrepreneurs pay the full cost of their training. In other cases, it is subsidized by donors or governments who are encouraging enterprise development among target groups. For example, donors have funded SIYB training for workers retrenched by the Mozambican railway and by the Sri Lankan ports authority. A new programme has begun for workers made redundant by the liberalization of state firms in China.

**IT IS PART OF A BROADER
PARADIGM SHIFT
IN THE PROVISION OF BDS.**

The importance of sustainability is a core element of the new paradigm in BDS, which began to emerge in the mid-1990s. This new approach suggests that these services are often best provided by other businesses. Indeed, recent research has shown that, in many countries, vibrant private-sector providers are already selling training and other services at very low cost to small businesses on a sustainable basis. Interesting low-risk models have also been documented, for example, traders in handicrafts and processed foods often provide training and raw materials at low cost, or even free of charge to small-scale producers. The role of international agencies, such as the ILO, is to understand the existing private supply of BDS and the needs of enterprises. They can then design facilitating interventions to entice the provision of weak or missing services by the private sector.

The new paradigm is best summarized in the 'Guiding Principles for Donor Intervention' (2001) put forward by the Committee of Donor Agencies for Small Enterprise Development. As its name suggests, the committee is comprised of practitioners in international and national donor agencies promoting small enterprise. SEED played a central role in developing the new paradigm and was one of several key parties, including the World Bank and the German agency, GTZ, involved in drafting the principles. This new paradigm implies that the first step for donors is to assess the existing market for BDS to determine which services are under-provided. SEED has conducted four country assessments and has summarized the results of those and nine others in SEED Working Paper No. 28 (see list of SEED Papers).

**THE USE OF PRIVATE MEDIA
TO INFORM AND DEVELOP SMALL ENTERPRISES...**

A good example of the new paradigm approach is SEED's work with private radio and television stations. Technical support has been provided to these stations to establish regular programmes, by their own journalists, on issues relevant to small enterprises. The radio programmes are not financed by SEED or donors, but by advertising revenues from other businesses and organizations for whom the small enterprise sector is an important market. In this way, not only does the programme disseminate new ideas on business management and development but it is also self-sustaining. The pilot radio programme in Uganda is listened to by 40% of the small enterprise sector. It provides

an important public service and includes, among its successes, a story which exposed bogus tax collectors and another which helped to diffuse a milk retailing monopoly (Box 3.5).

The programme has been replicated in Ghana, another country which has liberalized media ownership and therefore has a vibrant private media community. After success with a pilot station, five other stations participated in a week-long training workshop and two of them have since started their own programmes. At the pilot station, the journalist often interviews policy-makers and people from enterprise support organizations. Following the broadcast, the station has helped these people organize information workshops to provide more information to interested listeners.

**... IS SUSTAINED THROUGH
PRIVATE ADVERTISING REVENUES.**

A manual on establishing commercial, interactive, current affairs radio programmes for small enterprises has been produced and distributed to over 50 radio stations in Uganda, Ghana, Kenya and Tanzania. Requests for training and technical support have been received from 20 stations and SEED is in the process of responding.

The programmes work best on radio in these countries because of the high incidence of radio ownership. By contrast, in Cambodia, television set ownership is very high and SEED has been able to team up with a dynamic TV producer to develop a small enterprise programme. SEED has also supported the establishment and activities of business-to-business newspapers which serve as advertising and information vehicles for the small enterprise community. In Harare, Zimbabwe, the Business Connect newspaper was sustained by advertising revenues after its sixth issue and now distributes 10,000 copies, some of which reach other towns and, indeed, neighbouring countries. Market Focus, in eastern Uganda, is a similar venture which has recently expanded into the Kenyan market. Both papers include advertising and some news or information for small entrepreneurs. Technical support has been provided to similar ventures in Bangladesh, Cambodia, Côte d'Ivoire, Kenya and South Africa.



**IN SOUTH-EAST EUROPE, WHERE BDS PROVISION IS WEAK,
SEED SUPPORTS BUSINESS CENTRES...**

In some regions, BDS provision by private operators is weak or non-existent. This often occurs in countries that have emerged recently from intense civil strife or are engaged in a transition from central planning to freer markets. SEED's support to small enterprises in Bosnia-Herzegovina, Kosovo and Serbia has involved the establishment of enterprise development agencies (EDAs) to fill the BDS deficit. The approach, based on the idea of long-term sustainability, initiated the ILO's work in Bulgaria in the mid-1990s, when the country was emerging from years of central planning and economic crisis.

Each EDA is run by local staff while overall strategic management is designated to a board of directors composed of representatives from the business community (enterprises, banks, chamber of commerce) and local officials engaged in small enterprise development. The initial operation of the EDA is fully funded by bilateral donors or other international agencies for two years, during which time staff develop services that are offered on a fee-paying basis. This establishes the mechanism by which the agency can become financially sustainable. In the initial years, the agency pilots the provision of services to enterprises in an effort to gauge the response. Funding is reduced in a graduated fashion in the third year and by the beginning of the fourth year, the agency is to be financed solely from fee income.

...WHICH ARE MANAGING
THE DUAL OBJECTIVES OF SUSTAINABILITY
AND SMALL ENTERPRISE SUPPORT.

The EDAs face a strong challenge in meeting the dual objectives of being commercially viable and supporting small enterprises. In some cases, the more lucrative markets for BDS are not necessarily those catering to small enterprise, while other services (such as language or computer training) are being used both by businesses (who sponsor employees) and individuals. The agencies have also provided consultancies on how to bid for small, state-owned enterprises being privatized and on how to prepare documentation to access lines of credit offered by state financing agencies. These other activities allow the agency to cross-subsidize its support to small enterprise. The role of the management board is to ensure that with an expanding portfolio of activities, small enterprise support remains a key objective.

In Bosnia-Herzegovina, an evaluation of the EDAs in Banja Luka and Bihac showed that over three years 100 new businesses were established with the agencies' assistance and that these businesses created over 500 jobs. The EDA in Brcko assisted 200 enterprises to begin operations, with total job creation of 400. Other impacts include assistance in the creation of a small entrepreneurs' association in one area and an inter-ethnic women's association in another. The EDA in Kosovo has focused on SIYB training and demonstrated a strong positive impact on business start-ups and related employment.

THE DEVELOPMENT OF SELF-SUSTAINING BUSINESS ASSOCIATIONS...

Sustainability is also the guiding principle for SEED's work in building the capacity of business associations. Most countries have a large number of such associations and only in cases where businesses are un-represented (often the case with micro-enterprises) does SEED encourage the establishment of new associations. SEED begins by undertaking a survey of entrepreneurs to determine the associations they belong to, the services provided and other membership benefits. The information is used to determine the associations with which SEED might work. The normal criteria is that they be in operation for at least five years, operate a transparent system for electing officers and generate revenue from membership fees. SEED will provide technical support to strengthen the management of an association but will not provide funds to cover operating costs or staff salaries: the association must be self-sustaining.

... ALLOWS FOR THE DELIVERY OF ECONOMIC, POLITICAL AND SOCIAL BENEFITS TO MEMBERS.

To strengthen the capacity of associations to support their members, SEED works in three main areas: economic, political and social. Economic support involves the provision of services to members. This includes training and information seminars and workshops so that entrepreneurs can learn more about management techniques, how to access markets and how to deal with the regulatory environment. As noted, SIYB has been delivered through 500 associations.

At the 'political' level, SEED supports associations to engage in policy dialogue with governments and other stakeholders. It seeks to develop a voice for small enterprises so that the environment (taxation, registration, regulation, procurement) is supportive of small enterprise. Associations are often the vehicle through which ideas for policy reform take

place. SEED's work on the policy environment is discussed in detail in the following Chapter of this report. While SEED will help an association to establish priorities and initiate a process of dialogue, it is up to the association to carry on that dialogue. The social aspect involves the support for mutual health insurance schemes organized by business associations. These activities have been discussed in Chapter 2. Association-building efforts have been concentrated in Bolivia, El Salvador, Ghana, Honduras, Peru, Tanzania, Uganda, Vietnam and the francophone countries of West Africa. A list of SEED training tools for associations, policy-makers and donors is provided in Box 3.4.

The ILO's support for employers' associations also takes place through decentralized initiatives. For example, the ILO's office in Manila has worked closely at field level with the Employers' Confederation of the Philippines. ECOP and ILO have collaborated in the adaptation and delivery of IYB, productivity and other training for small enterprise owners. There has also been close cooperation on decent work, gender and youth initiatives. These various activities culminated in ECOP's decision to designate small enterprises as the main theme of its 2003 Annual Conference of Employers and Exhibition. This was done to ensure that such businesses are an integral part of the dialogue about the country's economic development. In preparation for the conference, the ILO assisted with a survey of 1,000 small enterprises to assess the problems these entrepreneurs face, the types of support they need and the services that ECOP (and others) could provide. The results were used as a basis for discussion at the conference.

In addition, SEED's gender specialists have been working to eliminate gender bias from employers' associations in three regions. In the Asia-Pacific region, SEED worked closely with the ILO's Gender Bureau and the Bureau for Employers' Activities (ACT/EMP), along with the field offices in Bangkok, Manila and New Delhi to train association officers to implement corrective measures. As a first step, an international expert examined associations from a gender perspective. The findings were used in a training session which gathered representatives from employers' associations in Bangladesh, Cambodia, China, Indonesia, India, Mongolia, Nepal, Pakistan, Sri Lanka, Philippines, Thailand, and Viet Nam. These representatives made presentations on their own associations and together discussed a general approach to promoting women's entrepreneurship and to combating gender bias in the world of business. Participants then developed action plans which they took with them for implementation. These included practical ways to enhance the participation of women entrepreneurs in their associations and to broaden access to BDS.

The experience was used for a similar training session on gender mainstreaming for employers' associations in Africa. Held in Morocco, it drew representatives from 10 countries. A similar session for the southern Caucasus will involve Armenia, Azerbaijan and Georgia.



Box 3.1:

HELPING WOMEN ACCESS NEW MARKETS IN ETHIOPIA

Working it between her thumb and index finger, Shimsiya Hiyar can distinguish between well-tanned leather and cheaper varieties. She knows what will cut well, what will hold the stitch and what will keep its lustre. This resident of Addis Ababa understands leather and how to fashion it into purses and bags. She is less sure of how to find an adequate supply of buyers and has only a limited experience in marketing. Even getting out to shops that might stock her goods is a problem because of her physical disability. The busy streets of the Ethiopian capital are not easy to navigate under the best conditions. With a crutch, they are even more difficult.

For these reasons, Shimsiya was eager to participate in a project organized jointly by SEED and the ILO's IFP/SKILLS, 'Promoting Women's Entrepreneurship and Access to Markets through Exhibitions and Fairs'. Training sessions included a workshop with advice on how to display goods, how to greet and manage customer contact, the importance of business cards and other issues. To put their new skills to immediate use, Shimsiya and 20 other women entrepreneurs were then given assistance to participate in the Addis Ababa Exhibition and Bazaar in late April and early May 2002.

While the Addis Ababa project was a good first initiative to address the problem, SEED was eager for a more lasting arrangement to improve market access. This developed in cooperation with the Micro Enterprise Development Forum, which has its operations housed in a small building. MEDF and some of the women who participated in the Addis Ababa fair have decided to use the courtyard for hosting their own fair, four times a year. By late 2002, some 60 women had had exposure to ILO-assisted exhibition opportunities and had broadened their customer base as a result of training and exhibiting at the new venue.

Box 3.2:

COMBINING FINANCE WITH MANAGEMENT TRAINING IN PERU

Peru's second largest financial institution, *Financiera Solución*, wanted to stabilize its client base, which includes many small enterprises, and improve the quality of its loan portfolio. One idea was to provide management training, free-of-charge, to its smaller clients. However, local efforts to bundle management training and finance had not shown strong results. This occurred in situations where management training was a prerequisite to obtaining a loan: new entrepreneurs often sat through the training only because they would gain access to the finance.

Financiera decided to reverse the order of the finance-training bundle. It decided to offer management training to existing clients as a reward for loyalty and as a way to strengthen enterprise management and thus loan repayment rates.

In seeking a suitable training package, *Financiera* learned that a localized, Spanish version of Improve Your Business was the most widely used and the most highly regarded. This is due to the efforts of the ILO's Lima office, which has supported the training of SIYB trainers since 1999 through COPEME (*Consortio de Organizaciones de Apoyo a la Pequeña y Micro Empresa*). The consortium groups 70 NGOs engaged in small enterprise promotion. Financiera paid for the printing of materials and, through the ILO and COPEME, arranged for the training of its own personnel as IYB trainers. Over three years, over 1,800 *Financiera* entrepreneur-clients now have been trained in IYB, thereby strengthening the viability and competitiveness of their enterprises.

Box 3.3:

SEED TRAINING TOOLS: ENTREPRENEURSHIP

GENERATE YOUR BUSINESS IDEA: This simple yet effective training tool encourages aspiring entrepreneurs to think more deeply about their business ideas, notably the feasibility of turning an idea into a profitable venture.

START YOUR BUSINESS (SYB): This course is designed for new entrepreneurs. It works through the basic elements of starting and managing a new business.

IMPROVE YOUR BUSINESS (IYB): This training is for existing entrepreneurs who are looking for new ways to improve the productivity and performance of their activities.

EXPAND YOUR BUSINESS (EYB): The training focuses on those enterprises with high growth potential. It explores new ways to expand production and market share.

IMPROVING BUSINESS PERFORMANCE THROUGH BETTER WORKING CONDITIONS (I-WEB): This training package focuses on the working conditions of employees and provides innovative suggestions on how owners can meet the objectives of decent work while improving profitability at the same time.

PEOPLE AND PRODUCTIVITY (P&P): The training focuses on improving productivity through better relations between workers and employer, better work attitudes and the development of teamwork.

KNOW ABOUT BUSINESS (KAB): The programme teaches youth in high and vocational schools about the world of business and the opportunities to create their own businesses in the future.

TURISMO SOSTENIBLE: GUÍA PARA NEGOCIOS TURÍSTICOS: The guide provides useful insights, drawn from experience in Latin America, on how to manage a community tourism enterprise, based on eco or cultural tourism.

PROFITABLE PROGRAMMES FOR SMALL BUSINESS: A MANUAL FOR RADIO COMPANIES: The manual is designed specifically for the owners and managers of radio companies who are interested in airing public affairs programmes on small enterprises. The approach is to make the programmes self-supporting through advertising revenue.

GET AHEAD TRAINING FOR WOMEN ENTREPRENEURS: The training programme combines entrepreneurship with a gender perspective. Its target audience is poor women intending to start in business.

Box 3.4:

SEED TRAINING TOOLS: POLICY-MAKERS, ASSOCIATIONS AND DONORS

LOCAL EMPLOYMENT IN THE INFORMAL ECONOMY: The manual is used for training government officials on the informal economy, including public-private partnerships and the micro-privatization of municipal services (available also in Spanish). It is based on SEED's considerable experience in this area.

MUTUAL HEALTH ORGANIZATIONS AND MICRO-ENTERPRISES' ASSOCIATIONS: GUIDE: This practical guide is for business associations (representing micro-entrepreneurs) that wish to develop simple, cost-effective mutual health insurance schemes for their members. Micro-enterprises are often excluded from national health insurance schemes.

ENABLING ENVIRONMENTS FOR SMALL ENTERPRISE EMPLOYMENT: This guide sensitizes policy-makers to the variety of laws, policies and regulations which can adversely affect the operations of small business. It provides a guide to a comprehensive examination of policies.

TURISMO SOSTENIBLE: GUÍA PARA PLANIFICACIÓN Y GESTIÓN MUNICIPAL DEL TURISMO: Communities engaged in eco-, cultural and other forms of sustainable tourism will benefit from this guide to planning and management, which draws on the experience of communities in the Andean region of Latin America.

MORE AND BETTER ACCESS TO BDS BY WOMEN ENTREPRENEURS: This guide provides employers' associations, bilateral and multinational agencies and other BDS providers with instructions on how to ensure that the design and provision of BDS supports women's entrepreneurship.

BACKGROUND READER, BDS SEMINAR, TURIN: The reader provides an up-to-date overview of BDS activities by different agencies. Along with its use at the annual Turin BDS Seminar, run at the ILO's Turin Centre, it is also used by various other agencies in their own training events. It is available in four languages.

GUIDE TO MARKET ASSESSMENT FOR BDS PROGRAMME DESIGN: The guide provides a methodology for assessing the market for BDS. It helps to ensure that missing markets are identified and supported while existing private services are not duplicated by donors. The guide has been used by a variety of agencies to conduct around 70 market assessments.

MANAGING BUSINESS ASSOCIATIONS: The guide provides advice for business association managers including issues of organization management, service delivery, cost recovery and constituent representation.

ASSESSMENT TOOL KIT: The kit helps researchers, donors and policy-makers assess the policy and legal framework for small enterprise development to determine what obstacles may exist. It is based on the experience which SEED gained from a seven-country assessment in 2000-01.

Box 3.5:

EXPOSING BOGUS TAX COLLECTORS IN UGANDA

Poor micro-entrepreneurs in East Africa are often preyed upon by people posing as tax collectors and demanding payments. In Uganda, the government was largely unaware of the practice and, while experienced owners might refuse the impostors, newer entrepreneurs were more vulnerable.

SEED's support for a unique small enterprise project has had a hand in curbing the practice. Since media liberalization in 1995, radio has become both a primary source of information in the country and a platform for discussion and debate. Working with commercial radio stations, SEED has supported a regular current affairs segment targeting the needs and activities of micro and small businesses. The station investigates and presents issues of concern by visiting businesses and speaking with workers and entrepreneurs. Along with business advice and information, the programme provides advocacy for a poor and marginalized section of the business community. Phone-ins allow for immediate reaction from enterprise owners.

A programme segment on the bogus tax collectors alerted (real) government officials and micro-enterprises, and led to a reduction in the practice. The radio programme was also instrumental in averting a monopoly in milk retailing that would have harmed thousands of enterprises, as well as low-income consumers.

4. CREATING A CONDUCTIVE POLICY ENVIRONMENT

Policy Objective: To create a policy and regulatory environment, at the local and national levels, which is simple, fair, and supports decent work in small enterprises



SUPPORTING THE NEW ENVIRONMENT FOR ENTERPRISE IN VIET NAM ...

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Since 1986, Viet Nam has undertaken a programme of economic reform, known as doi moi (renovation). It involves restructuring the economy through the privatization of state-owned enterprises and the granting of greater freedom for the development of private business. A key piece of legislation supporting the process is the Enterprise Law, enacted in 2000. The law provides a level playing field for many forms of enterprise and reduces the compliance and transaction costs of conducting business.

While the law has strengthened the policy environment, it exhibits an important deficiency: it makes no reference to household-owned enterprises. While individually small in size, these firms number as many as 1.8 million and contribute some 25% of GDP. Their size often makes it more difficult for them, relative to large firms, to meet the costs of licences, permits and inspections or to gain access to support programmes. As a result, the lack of a conducive policy environment can limit their ability to generate new jobs and support decent work. The weakness of the Enterprise Law was noted by the Viet Nam Chamber of Commerce and Industry (VCCI), the sole national organization representing the budding business sector. The Chamber felt that it needed to better understand the impact of policy on micro- and small enterprises so that it could dialogue effectively with the government.

The VCCI turned to SEED for help. Part of SEED's mandate, derived from ILO Recommendation No. 189, is to work with stakeholders to ensure that policies and regulations support job creation and decent work in small enterprises. In addition, SEED has been working with the Chamber for a number of years in providing Start and Improve Your Business training. The courses have been taken by over 10,000 entrepreneurs through 60 small enterprise organizations, which are supported by VCCI. The experience not only fostered a relationship of trust between VCCI and SEED but it also allowed the latter to develop key insights into the policy environment from its interactions with small business owners.

... HAS INVOLVED MAPPING EXISTING POLICES
AND CREATING A DIALOGUE WITH GOVERNMENT.

VCCI's request for assistance came at a time when SEED was initiating a multi-country research programme on the MSE policy environment. This allowed SEED to use its new tools and techniques to analyse the Vietnamese situation. Working closely with

the VCCI's Small and Medium Enterprise Promotion Centre, two approaches were adopted. The first was a mapping exercise to review the country's policies and determine how they were supporting (or hampering) decent work in small enterprises. The second was to survey the attitudes of small business owners toward the environment. The results of the research have been used by VCCI to develop policy recommendations for its dialogue with the government.

SEED and VCCI also agreed to support a proactive dialogue on policy with various constituents. In particular, it was felt that that dialogue needed to take place at the local level where policies had a direct impact on business. As a result, MSE Policy Days were organized and held in two project areas, Thanh Hoa and Lao Cai. The government officials presented new initiatives while entrepreneurs and representatives of employers' organizations were able to relay ongoing concerns. In Lao Cai, the day was attended by 400 people. Discussions included exemptions on land tax, technology import duties and business income tax and how to improve access to finance. SEED is developing a five-part follow-up project which will survey the business climate, create a dialogue based on the survey, train government officials to undertake policy reforms and then assess the impact of those reforms on enterprises. SEED is also developing public-private partnerships (PPP) for the delivery of municipal services, based on the approach discussed at the beginning of Chapter 2.

IN NORTH AFRICA, LOCAL ACTORS HAVE BEEN ENGAGED IN A DIALOGUE ON EMPLOYMENT CREATION.

Linking local and national policy-makers with the private sector is also a key aspect of a six-year pilot project in Morocco and Tunisia. SEED has brought together a range of public and private actors to develop strategies to reduce the high incidence of youth unemployment and the consequent problem of migration. A Pilot Committee has been established in each project area comprised of representatives from national ministries (labour, industry, micro-enterprise, agriculture), from the provincial governing structure and from schools and universities. Representation varies based on national and local administrative structures. For example, in Morocco, the Office de la Formation Professionnelle and de la Promotion de l'Emploi is involved, while in Tunisia the central bank's regional representative is on the committee. They are joined by private sector representatives from local banks and business associations (chambre) representing agriculture, micro-enterprise and commerce and industry.

It is the first time that such a diverse array of representatives have assembled and it has been particularly empowering for the association representing micro-enterprises (chambre de l'artisanat). Each committee meets monthly to discuss problems and constraints faced by the enterprises in an effort to see how banks and policy-makers might respond. For example, through dialogue the banks and ministries were made aware that micro-credit schemes provide loans which are too small for most entrepreneurs, while the threshold for bank loans is too high.

The committee is part of a vision which sees employment creation as the nexus between the policy sphere, the economic sphere (private sector) and the social sphere. As a pilot project, the effort is to develop local consensus, allow that to feed up to national policies and to systematically document experiences in the project sites for replication elsewhere. The project also provides BDS, notably in helping business to become legally established and in supporting entrepreneurship training (through an adaptation of the SIYB programme). The experience with BDS is also being documented to develop better services in other areas.

SEED'S SEVEN-COUNTRY STUDY OF THE POLICY ENVIRONMENT ...

The approach taken in Viet Nam is based on the strategies (and training materials) first developed by SEED's 'Policy and Voice' project in West Africa. Both activities are part of a broader programme to understand and improve the policy environment for small enterprises. The programme includes a seven-country study undertaken by SEED in 2000-01, which involved mapping the environment and surveying enterprises in Chile, Guinea, Pakistan, Peru, South Africa, Tanzania and Viet Nam. As part of the process, national researchers met in Geneva twice for 'peer review' sessions. They were also briefed by ILO staff on gender, decent work, finance and other issues. This was followed in May 2001 with a workshop in Bangkok to train government, employer and worker representatives from seven countries in the Asia-Pacific region on policy issues for small enterprises.

The 'Policy and Voice' project, an important component of the ILO's Jobs for Africa initiative, concentrates on improving the 'policy' environment for micro- and small enterprises and on strengthening the 'voice' of representative MSE organizations. The countries involved are Benin, Burkina Faso, Gambia, Mali, Mauritania, Niger, Senegal and Guinea. 'Policy and Voice' is an innovative combination of two separate programmes: PACTE, which focused on association-building and bringing together a range of private

and public stakeholders, and AEMPE, which was working to strengthen the policy environment. Combining approaches is often a useful way of generating real impact, as the example in Box 4.1 illustrates. The overall programme is providing technical assistance to reform laws and policies to promote micro- and small enterprises and to strengthen the capacity of local, national and sub-regional institutions.

... HIGHLIGHTED THE GROWTH AND DECENT WORK TRAP
CREATED BY A COMPLIANCE THRESHOLD.

In Pakistan, two national policy workshops are being planned with the active support of the ILO's field offices in South Asia. The research findings and recommendations have fed into the country's poverty reduction strategy process, which gives SMEs a central position. One of the interesting findings from the Pakistan research is that attempts to decrease the regulatory burden for micro-enterprises may create a growth trap and not support decent work. This happens when governments set a size threshold for adherence to labour laws and safety regulations. Micro-enterprises may remain small to avoid the requirements, thus stifling employment generation and improvements in working conditions. The Pakistan research and workshop also had important spin-off effects: components were reformulated by ILO field staff and used in other countries (Box 4.2).

In Peru, the policy study is part of a larger ILO commitment to supporting the small enterprise sector. A National SME Policy Round Table, comprised of representatives from public institutions, private associations and the donor community has been engaged in dialogue and joint programming activities for six years. Among a variety of activities, the Round Table was involved in the formulation of the policy framework for the General Law on Formalization and Development of SMEs. The ILO's senior enterprise specialist in Lima is an active member of the Round Table and three of its committees.



MACRO-LEVEL DECREES NEED TO BE TRANSLATED INTO MICRO- AND MESO-LEVEL REFORMS ...

The multi-country study provided the basis for comparative analysis and a chance to highlight best and worst practices. The results were organized around six issues which governments need to address if they hope to create a vibrant small-enterprise economy. First, governments need to design an overall small-enterprise promotion policy which sets out in law its commitment to supporting the sector. Second, governments should simplify business regulations, notably in the area of registration (Box 4.3). Often these laws are confusing and overlapping, and they are costly in terms of fees and time spent in complying. In some cases, a flat fee is charged for registration, which is proportionately more difficult for small enterprises to bear. Third, labour laws need to be reviewed to ensure that they are not burdensome and yet support the principle of decent work. Four, taxation must be well administered and simple. In all countries except South Africa, more than 80% of small urban enterprises surveyed were registered for business income tax purposes. Fifth, trade policies should not discriminate against small enterprise. Finally, finance policies are critical to ensuring that small firms have access to adequate, low-cost working and investment capital. Many micro-finance programmes have sprung up but they tend to reach only a small proportion of the population.

... AND THE PROCESS OF REFORM CAN ALSO AFFECT THE NATURE OF CHANGE.

The research, coupled with country experiences, also generated several guiding principles for the process of reviewing the policy implementing reforms. Policies should be designed for specific contexts. No standard formulas can apply to all situations. They should create a level playing field between small and larger firms. In addition, policy changes should not be dictated by government but should be designed and legitimized through dialogue with stakeholders. There also needs to be an appreciation of existing gender inequalities. Furthermore, any changes should be effectively communicated to enterprises and involve transparent processes. Finally, new policies must be supported by a strategy of implementation and their impact should be monitored.

SEED's knowledge and experience have been translated into policy assessment and planning tools which are available to governments and other partners (see Box 3.4 in Section 3). These tools have been designed to help policy-makers identify the ways that current policies, laws and regulations promote or erode the capacity of small enterprises to create jobs and provide decent work.

Box 4.1: SUB-CONTRACTING SCHOOL DESKS IN MALI: A COMBINED APPROACH

In Mali, the Ministry of Education has a regular need to outfit and replace the desks and tables used in its schools. While the government maintains a policy of supporting the small enterprise sector, it finds it difficult to organize the contracting process. Sub-contracting to many small producers generates high transaction costs and the difficulty of ensuring standardized styles and quality.

A solution to the problem was developed by the National Federation of Handicrafts and Artisans, whose members include metal- and wood-based enterprises employing over 2,000 people. Officials from the federation had been trained by SEED to focus on responding to the needs of members. The federation decided to contract with the government to provide the school furniture. It then sub-contracted the work to its members and took on the role of ensuring quality control and standardization.

Many governments have policy statements indicating the need to support the small enterprise sector. However, those statements only have real impact when they are combined with innovative mechanisms such as, in this case, a public-private partnership mediated through a business association.

SPILLOVERS FROM POLICY WORK IN PAKISTAN

Civil servants in Nepal's Ministry of Industry, Commerce and Supplies and Trade approached UNDP for help in analysing the country's small enterprise policies. The ILO's field office in South Asia learned of the Nepal situation and decided to submit a project proposal which repackaged the methodologies used by SEED to assess the policy environment in Pakistan. The proposal was accepted by the ministry and UNDP agreed to provide funding.

The policy work did not end there, however. In India, the ILO office learned that the state government of Uttar Pradesh had approached the Norwegian aid agency about a similar study on the State's policies. Again, an ILO proposal, based on SEED's work, was put forward and was accepted by the government. A bilateral donor agreed to provide funds. A somewhat similar situation has now occurred in Iran, with initial funding from UNDP and possible follow-up support from headquarters in Geneva.

While each country's policy environment is different, a well-designed methodology can help to pinpoint problems in different national contexts.

REDUCING REGISTRATION TIME IN LIMA, PERU

Every year a country-wide contest is run among municipalities in Peru for best practices regarding small enterprise development. Surco municipality, in Lima, won the contest for reducing the processing time and transaction costs in the issuing of municipal licences for enterprises. While simplifying registration has been a common theme since Hernando de Soto's ground-breaking study, *The Other Path*, the time reduction by Surco is rather extraordinary. It was able to reduce the issuing time from 95 days to 4 hours.

The contest is run by PROMDE (Municipal Promotion of Enterprise Development), a programme operated by the Peruvian Ministry of Labour, the ILO, a Swiss consultancy agency and INICAM, an NGO focused on municipal issues. The programme also supports the replication of winning ideas. Thus many of the 65 municipalities in PROMDE's network are now being assisted to reduce registration time. This includes an analysis of document processing routines, consolidation of redundant steps and elimination of unnecessary ones, and replacement of manual with computerized procedures.

PROMDE is also using SEED's *Local Employment in the Informal Economy* manual to train municipal officers in micro-privatization and decent work in areas such as municipal waste collection and water supply. A programme similar to PROMDE is operating in Bolivia (PRES) with ILO support.

5. POSITIONING SMALL ENTERPRISES IN A GLOBALIZED WORLD

Globalization Objective: To support small enterprises – working alone, in clusters, in value chains – as they face the challenges of an increasingly globalized world.



UNDERSTANDING THE IMPACT OF GLOBALIZATION ON JAVA'S WOOD FURNITURE CLUSTERS ...

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Globalization has altered the wood furniture sector in Central Java, Indonesia. International buyers have now set up offices in Java to purchase from local producers and to place orders with the larger firms. The large firms, in turn, are subcontracting components to smaller firms, and focusing themselves on final assembly. These small enterprises are part of a global, buyer-driven value chain which connects the forests of Indonesia with the showrooms and living rooms of California, Holland and Japan. SEED is working with furniture clusters in Central Java to understand and respond to the changes in the global wood furniture market.

The Javanese clusters are centred around the town of Jepara and include over 2,000 small enterprises and 100 larger ones. Together they employ as many as 40,000 workers on a regular basis and an equal number of skilled craftspeople and casual workers who are part of a floating workforce. Exports have risen, particularly during the 1990s, and increased foreign orientation has required these clusters to be sensitive to the needs of international buyers. For example, there has been an increased demand for Western designs, including self-assembly formats. Foreign buyers are also more exacting in their demands for standardized quality and meeting strict delivery schedules. For example, the pre-treatment of wood, such as kiln drying, is required to prevent warping in climates which are less humid than that of Indonesia.

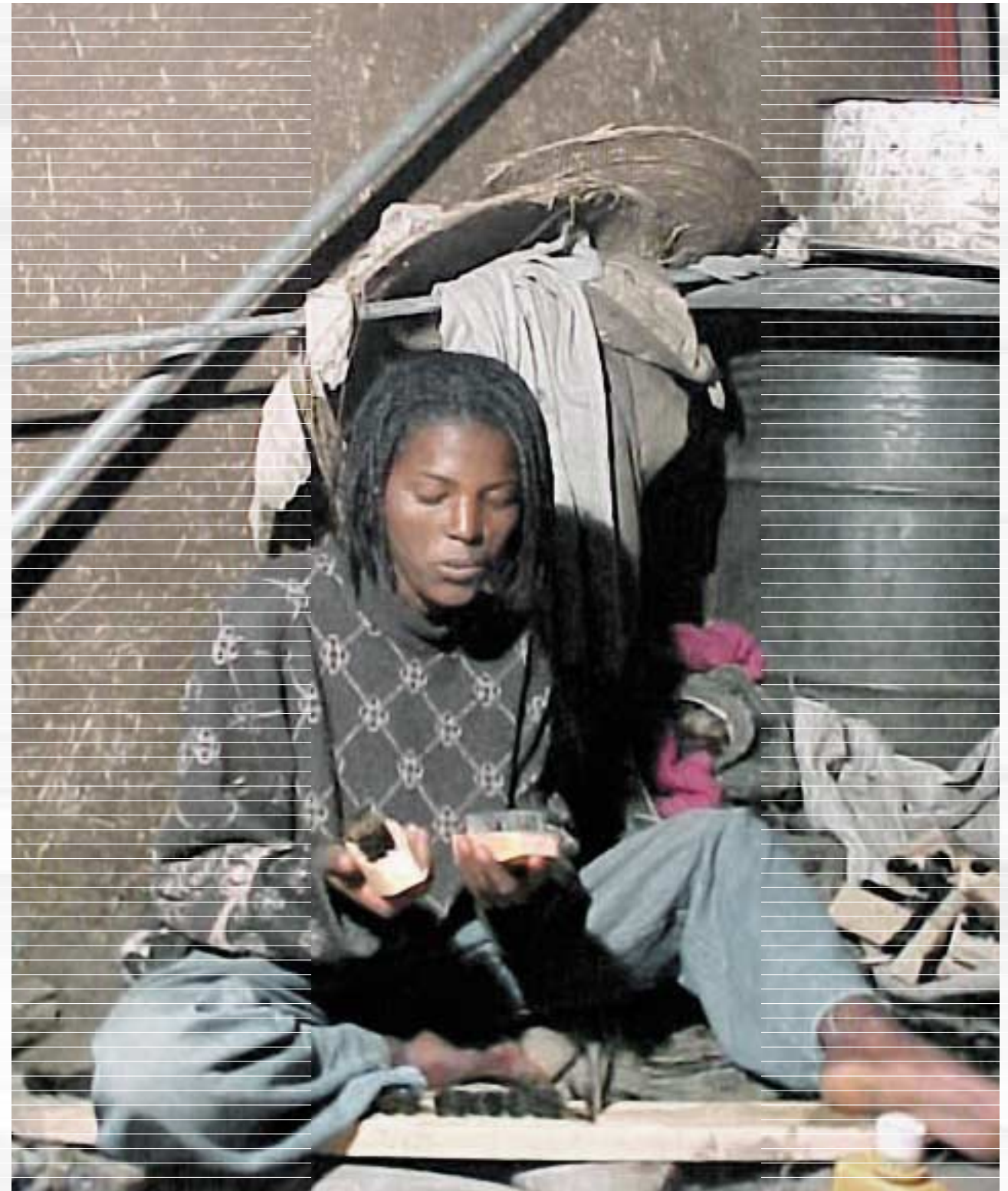
... ENABLES SEED TO SUPPORT
A HIGH-ROAD COMPETITIVE STRATEGY.

Global markets can be fickle, however. Demands change rapidly, while the rise of new production sites can undercut established clusters. Despite its long traditions, Central Java focuses on the low-cost segments of the market and is facing intense competition from producers in Viet Nam, Cambodia and China. Responding to shifting demand and supply in the global market is now a key concern for Javanese producers, as it is for other export-oriented clusters in the developing world. Globalization provides the opportunity to access large markets but it also presents the danger of being bypassed for other locations. A key question for Java is whether the producers should attempt to make a strong shift into higher quality markets so as to avoid direct competition from low-cost producers. To provide good advice on these issues, SEED is using cluster and value-chain analysis to build knowledge of the sector and its future prospects.

This has involved building knowledge at a number of levels. It was important for SEED, as a group, and the Forestry and Wood Industry specialists from the ILO's SECTOR Department, to begin by internalizing a relatively new area of analysis based on enterprise clusters and product value-chains. While these have become timely analytical frameworks for research, SEED has sought to develop them into practical tools to guide more accurate interventions for small enterprise support. International experts delivered three different workshops on clustering and value chains for SEED staff in Geneva during 2002. A second step required knowledge-building on the local, regional and global wood furniture market to understand the major sources of supply and demand. This step also involved understanding the 'upstream' stages of the value chain: the supply of raw timber which is declining due to over-logging of Indonesia's forests and illegal exports. Following the Johannesburg Summit, the ILO is concerned to propose environmentally sustainable employment strategies that decouple pro-poor economic growth from environmental degradation. In order to understand 'downstream' market demand, SEED commissioned a study of global trade flows in the furniture market to determine new sources of competition and market trends. This trade analysis was supplemented by a cluster survey profiling the Central Java producers. Finally, a key source of knowledge about market trends is the buyers themselves and efforts are being made to survey global buyers' perceptions of Indonesian furniture.

... CAN SUPPORT IMPROVEMENTS
IN PRODUCTIVITY AND JOB QUALITY.

Without such knowledge, it is difficult for clusters to respond to changing markets. The firms in a cluster become trapped in a supply-push approach, believing that producing more at lower cost is sufficient for maintaining or increasing market share. This strategy has important defects, however. First, while firms should seek to reduce costs through higher productivity, they may tend to reduce or limit increases in wages or rely on more informal employment relations, with negative affects on the livelihoods of workers. In this vicious cycle, they work harder to compensate for lower profits. Meanwhile, scarce timber is more expensive. It may generate demands for the government to reduce the costs of doing business, which may mean a reduction in labour regulation and less revenues for infrastructure and other projects to support the business environment. It is the low-road strategy to increased competition.



SEED is building knowledge on the Central Java wood furniture clusters and their markets in an effort to engage all stakeholders (firms, workers, governments, associations) in discussion of a forward-looking strategy. The goal is to upgrade production to meet new competition and serve new markets, while providing decent work for the employees. Several seminars on the results of the cluster survey, as well as value-chain analysis of markets are being planned with key stakeholders throughout 2003. These are expected to support the development of a coherent strategy and, if need be, an industry restructuring plan.

This work on the wood furniture market is part of SEED's effort to understand and assist small enterprises in responding to global markets. As noted, the brassware enterprises in Moradabad are also facing challenges from other low-cost areas of export. In addition to product markets, service markets are increasingly taking on a global dimension. This is particularly true for activities related to the global tourism market. As the following examples illustrate, SEED is working with communities and enterprises in South America and southern Africa to respond to the potential provided by eco- and cultural tourism.

**IN LATIN AMERICA,
SEED IS ASSISTING SMALL ENTERPRISES TO TAP
THE GLOBAL TOURISM MARKET ...**

In the Andean region of Latin America, SEED is helping poor indigenous communities respond to the growing demand by eco- and cultural tourists to experience the natural environment and the indigenous way of life. Instead of having outside tour operators invade their communities, communities are being assisted in being more proactive and setting up their own activities, entertainments or lodging to gain employment and income from the tourist trade. The work involves a collaboration between the ILO, local communities, faculties of tourism at local universities and national tourism associations.

The project has developed a methodology for mapping the cultural and environmental assets of a community so that a strategy for attracting eco- and cultural tourists can be developed. The idea is to ensure that activities are a fair representation of, and integrated into, the life of the community. The project also helps communities to think pragmatically about the organization of tourism activities. One of the strategies is to ensure that there is an integrated complement of services and activities so that tourists wishing to explore the rainforest also have a place to eat and sleep, can enjoy music

and dance and have the means to travel to other towns. Neighbouring communities are encouraged to plan together so that a tourist might experience a series of different activities while travelling through a region.

The mapping methodology was used to conduct 19 case studies of community tourism activities in Bolivia, Ecuador and Peru. The studies highlighted how community enterprises in the sector created temporary and permanent jobs for local residents. They also illustrated how revenues supported community investments in health services and schools and a credit fund to support family enterprises or meet necessary social expenditures. The studies were discussed at four workshops with representatives of indigenous organizations, rural municipalities, private tour operators, public and academic institutions and NGOs. SEED has developed two sustainable tourism manuals, *A Guide for the Planning and Management of Municipal Tourism* and *A Guide for Community Tourism Operators*. They will be used in a programme SEED is developing to train policy-makers and community entrepreneurs in the region. In addition, SEED is now developing a south-south exchange which will bring community tourism representatives from Guatemala to Ecuador to learn from the latter's experiences.

SEED through its REDTURS Programme has helped to establish a website (www.redturs.org) to market these communities to tourists around the world (Box 5.1). The website also provides advice and information on how to organize businesses, comply with the legal and regulatory framework, access government support programmes and respond to changes in policies at the local and national levels.

... WHICH IS ALSO THE OBJECTIVE
OF ITS WORK ON CULTURAL ENTERPRISES
IN SOUTHERN AFRICA.

SEED is also assisting the development of cultural enterprises related to the tourism industry in the five countries of the Southern African Development Community. Studies of enterprises and markets in five cultural sub-sectors (music, visual arts and crafts, television and film, ethno-tourism and the performing arts) were completed. The findings were presented and discussed at a regional stakeholders' workshop in Cape Town and at a national workshop in Zambia. The next stage involves developing entrepreneurship training materials for artists and organizers to better understand the business side of their activities. The training materials will incorporate lessons learned from the REDTURS activities and, after pilot activities in the Southern African

Development Community (SADC), may involve replication in West Africa. Project partners have included UNESCO, the ILO's Turin Training Centre, the World Intellectual Property Organization, and the SADC Cultural Observatory.

GLOBALIZED PRODUCTION REQUIRES NEW APPROACHES TO ORGANIZING HOMEWORKERS.

SEED's research and advocacy work also involves highlighting important changes in the nature of work and the structure of production caused by globalization. These changes create new challenges for organizing and supporting workers and ensuring conditions of decent work. In Latin America, SEED is working with the ILO's Bureau of Workers' Activities and the Regional Office to study and support action on the increasing incidence of home-based work. Homeworkers present a very different policy challenge. They are often not considered employees in the traditional sense because they do not work in a workplace provided by their 'employer'. However, most of them are also not self-employed because they work within a dependent relationship vis-à-vis their 'employer' (or provider of work) on whom they often depend for equipment, materials and other inputs. As such, they are more easily exposed to exploitation. In recognition of the increased production achieved by homeworkers, SEED has been supporting an action-oriented research programme on the phenomenon in Latin America. It is designed to advance an understanding of new patterns and trends and to assist policy-makers and stakeholders in devising appropriate employment policies and protective measures. This effort has included studies on informal television components production in Mexico and textiles in Brazil, which have been used to help unionists strategize on how to organize and support these workers (Box 5.2).



MARKETING ECUADOR'S CULTURAL TOURISM

It is only partly correct to describe the villagers of Upper Napo as poor. While they have been poor in monetary terms, their culture, community spirit and Amazonian environment are rich communal assets. Since the early 1990s, they have begun to realize the value of these assets to outsiders, notably the eco- and cultural tourists attracted to Ecuador. In the past, tour operators have brought in tourists, but the villagers gained little (financially or otherwise) from the experience. To counter the process of being 'subjected' to tourism from outside, ten communities (with 2,700 inhabitants) have organized themselves into an eco-tourism network called RICANCIE. They jointly plan activities to provide the tourists with a varied and meaningful experience of the indigenous way of life in the region.

What the communities cannot do by themselves is market their region to a potential clientele that lives far away in Europe and North America. To address this problem, RICANCIE has joined the national tourism association, *Federación Plurinacional de Turismo Comunitario del Ecuador* (FEPTCE). The federation, in turn, is connected to a unique SEED-supported project which markets cultural tourism via the Internet. The REDTURS website not only offers foreigners information on eco-tourism destinations (such as Upper Napo), but it also provides information and advice to other local communities on how they too can organize. SEED is working with tourism associations in Ecuador, Bolivia and Peru and with universities to spread best practices on eco-tourism for poor, indigenous communities. The programme is being expanded to include the Central American region and Brazil.

INCREASING THE VISIBILITY OF HOME WORK IN LATIN AMERICA

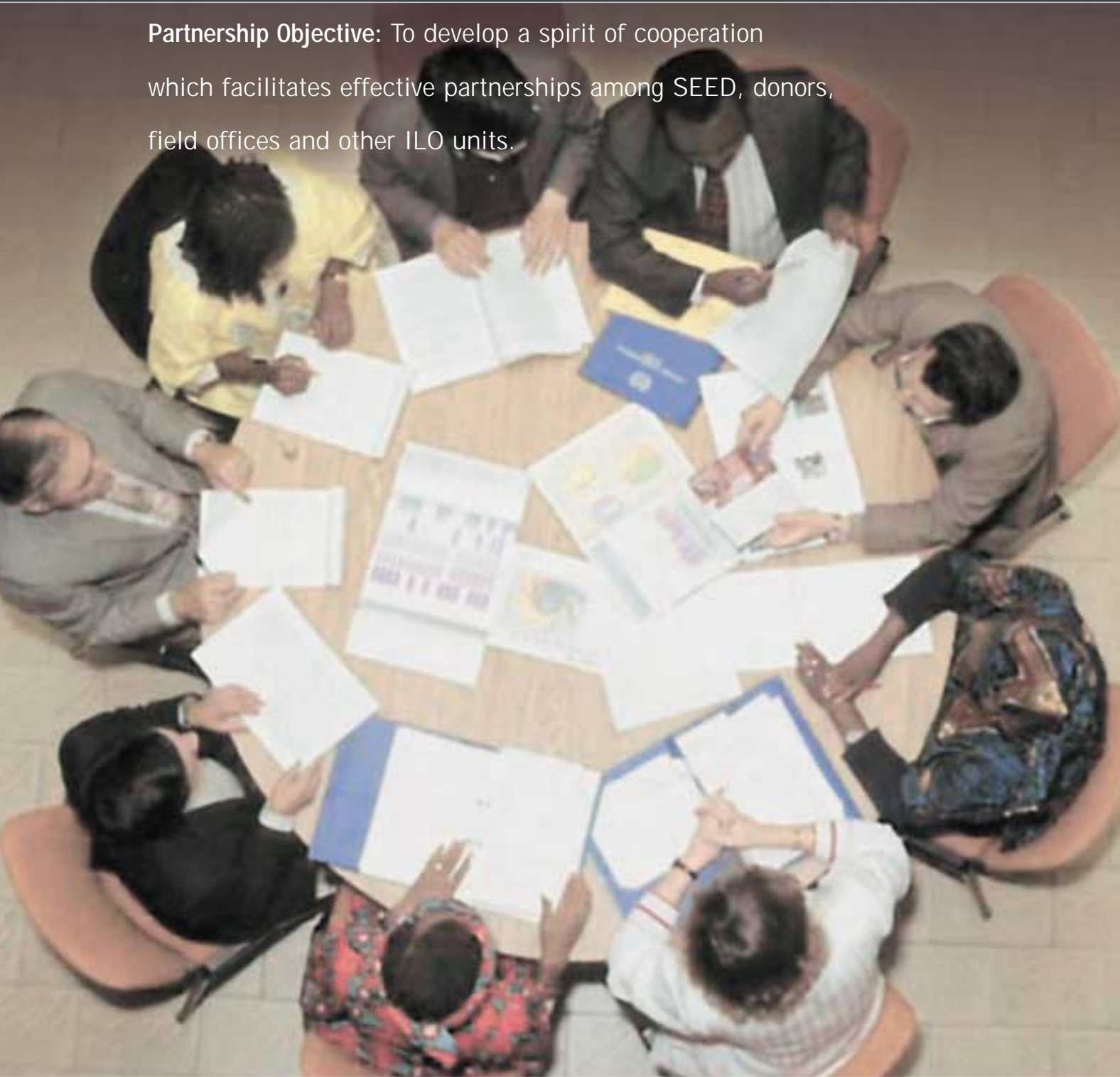
Paula works but she doesn't go to work. From her home, she sews cosmetics bags. She doesn't know how many other women in her district, on the outskirts of Sao Paulo, are sewing the same bags, nor does she know what they are paid. Once a week a man comes to her with cloth and thread and instructions on what to make. He pays her for her previous week's production – but the pay is low. Paula is one of an estimated 2.7 million homeworkers in Brazil who are connected to value chains with national producers and often with international buyers and foreign retailers. She is at the bottom end of the chain and has no rights and no social protection.

Over the past five years, SEED, in collaboration with the ILO's regional office in Lima, have worked to build up the knowledge base on the contours of the phenomenon. The Homeworkers in the Global Economy project included a tripartite policy workshop in 1999 which called for better documentation and data. A subsequent workshop in Santiago in early 2001 brought together statisticians from eight countries in the region to design a framework to include data on homeworkers in national accounts. Country studies on homework and outsourcing in Mexico and Brazil were then commissioned.

Those studies were used as background documents to a regional meeting of trade unionists in Sao Paulo in October 2001. Representatives from nine Latin American countries came together to develop innovative strategies to organize workers along the value chain, particularly homeworkers. They acknowledged that unions have to change their strategies to effectively represent and defend such workers. They discussed approaches for expanding the scope of union action beyond the industry and enterprise levels, to build alliances with new actors, and to adapt their methods to collective bargaining at the international level. Such changes in trade union strategies should lead to greater representation and improvements in the decency of homework.

6. SUPPORTING SUSTAINABLE BUSINESS DEVELOPMENT

Partnership Objective: To develop a spirit of cooperation which facilitates effective partnerships among SEED, donors, field offices and other ILO units.



FUNDING AGENCIES SHARE A VISION OF DECENT WORK THROUGH SMALL ENTERPRISE SUPPORT ...

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SEED's work would not be possible without the funding support of a range of bilateral and multilateral agencies. Their willingness to support a tripartite strategy for decent work in small enterprises is a recognition of the importance that they attach to improving the working lives of people in poor countries. These agencies are not just a source of funding, however. They contribute ideas, offer suggestions and raise concerns about projects developed by SEED. Their experienced development specialists work with SEED's 20 small enterprise professionals at ILO headquarters in Geneva to meet the objectives set by the ILO's constituent members (labour, employers and governments). At the same time, SEED relies on the expertise and dedication of ILO field staff and project advisors and coordinators for the actual delivery of technical cooperation.

The ILO's relations with bilateral and multilateral donors have undergone an important evolution over the past decade. In the early 1990s, the ILO's work on small enterprise was supported primarily by the UNDP, which provided up to 85% of the budget for technical cooperation. In the mid-1990s, however, the UNDP underwent a major reorientation and experienced a sharp decline in funding support from bilateral donors. As a result, it reduced substantially the funds which it provided to the ILO for small enterprise activities. The ILO responded by working more directly with bilateral agencies. Today, SEED's total annual allocation for technical cooperation is over US\$11 million, which is about equal to the level of funding received by the ILO for small enterprises in the early 1990s. The UNDP's share is now about 20%.

... AND, TOGETHER WITH SEED, REVIEW OBJECTIVES
AND IMPACT ON AN ONGOING BASIS.

SEED has developed strong relationships with a number of key donors and has received funding from 24 different sources in the three years between 2000 and 2002 (Table 6.1). The Netherlands Partnership Programme is the largest single donor with just over 32% of total budget. To gauge the results of its support, NPP conducted a strategic review of its partnership in 2002, which included discussions with staff in Geneva and visits to projects in Ghana, India, Senegal and Viet Nam. The review highlighted the strengths of SEED activities but also pointed to areas of concern. The findings were useful for both the donor and SEED and have been fed back into programming activities. This process is characteristic of relations with other donors as well, who review project activities on an ongoing basis.

While some donors, like the Dutch government, support a range of activities, others have concentrated their funding on specific themes or regions. For example, the Swedish government has focused on SIYB programmes, while the Irish government channels its support to women's entrepreneurship. The Italian government is supporting an integrated programme in Morocco and Tunisia which tackles youth unemployment. Working with a range of funding agencies allows SEED to deliver projects on a variety of themes in all developing and transitional regions of the world. Africa (38%) and Asia (17%) receive the majority of region-specific funding, although a large portion of the budget is Inter-Regional (28%). A geographic breakdown by region is provided in Figure 6.1.

ILO FIELD AND PROJECT STAFF WORK IN CONJUNCTION WITH SEED'S HEADQUARTERS' STAFF ...

In the delivery of technical cooperation, SEED is reliant on specialists working in many of the ILO's 35 area offices located around the world. Fifteen of these offices include a Multi-Disciplinary Advisory Team (MDT), which is comprised of a number of senior technical specialists, usually including a senior enterprise and management specialist. The specialist participates in the development of projects funded through SEED in Geneva and plays a key backstopping or advisory role in project delivery. These specialists have played pivotal roles in setting programme directions for SEED and in designing and implementing many of the projects highlighted in this report. The specialists initiate and implement many projects as part of the activities of an ILO area office and respond to needs from constituents in sharing information, mobilizing resources, forging partnerships with other international agencies, and building up the capacities of governments and social partners to work effectively in promoting job growth.

Project managers and staff are likewise influential actors in carrying out SEED's programme. Where SEED has concentrated project activities, it engages a chief technical advisor (CTA) or a project coordinator who is stationed in-country. The CTA or coordinator is not part of the MDT and is responsible to donors, to SEED and directly to the head of the ILO's area office. SEED's head office staff are in constant contact with ILO field staff, CTAs and project coordinators through communication links from Geneva and through regular visits.

The relationships, communication, and joint planning exercises between specialists located in Geneva and in the field offices and projects make it possible to continually try to match ILO approaches and tools to the priority needs identified by constituents.

... AND DEVELOP PROJECTS JOINTLY WITH OTHER UNITS AT THE ILO IN GENEVA.

SEED also works with other ILO units and programmes when issues and concerns are best tackled by combining expertise. It has worked closely with ACTRAV on the rights of homeworkers and the informal economy; with ACT/EMP on organization strengthening; with IPEC on child labour; with ILO/AIDS on training; with STEP on mutual health insurance; with EMP/INVEST on public-private partnerships; with GENPROM and the Gender Bureau on women's issues; with SECTOR on forestry and wood furniture issues; with the Social Finance Programme on credit; and with SKILLS on market access. New areas of cooperation are explored on an ongoing basis with these and other units at headquarters and in the field.

MULTILATERAL COOPERATION INCLUDES PARTICIPATION IN THE YOUTH EMPLOYMENT NETWORK.

SEED is also engaged in multilateral collaborations. Chapter 3 noted its active role in the Committee of Donor Agencies for Small Enterprise Development. Informal links with enterprise specialists in bilateral and multilateral agencies take place regularly. A number of these specialists participate in the annual seminar on BDS at the ILO's Turin Centre, for example.

SEED is also actively involved in the Youth Employment Network (YEN). The problem of unemployment among 16 to 24-year-olds was included in the Millennium Development Goals. UN Secretary-General Kofi Annan worked with the ILO and the World Bank in the formation of a High-Level Panel to advise him on the issue. YEN was created to facilitate cooperation among multilateral and bilateral agencies and to support the tripartite partners, along with youth and other civil society organizations in promoting decent work for young men and women (see Box 6.1). The ILO hosts the YEN secretariat and SEED has been playing a role in coordinating ILO youth employment activities with other units such as the Social Finance Programme (SFP). Mandated to assist with the development of ideas and programmes in the area of youth entrepreneurship, SEED has compiled a database of 120 youth employment programmes from around the world and is undertaking a more in-depth review of 14 such programmes to identify and develop best practice and ideas for replication. SEED is also working with an entrepreneurship awareness package, Know About Business, developed by the ILO in conjunction with the Turin Centre. Designed for teaching in high and vocational schools, it is being introduced by SEED and IFP/Skills in Kyrgyzstan and Tajikistan.



Box 6.1:

MENTORING UNEMPLOYED YOUTH IN THE PHILIPPINES

For many young people in the Philippines, trying to enter the world of work is a discouraging experience. The unemployment rate among those 16 to 24 years of age is 21%, much higher than the national average. Not only are important national (human) assets underutilized, but young people are being denied the income, training, experience and sense of worth that come from engaging in productive activity.

To help tackle the problem, a number of local and international bodies have joined together to set up and support the Philippine Youth Business Foundation (PYBF). Along with the ILO's Manila Office, the partners include the International Organisation of Employers, the Employers' Federation of the Philippines, Philippine Business for Social Progress, the Rotary Club of Manila and Rotary International.

The programme is based on the Youth Business International model developed through the Prince of Wales International Business Leaders Forum, which is also a partner. That model involves mentoring by experienced businessmen and women to young people who establish their own small enterprises. By early 2003, a number of aspiring entrepreneurs had joined the programme with ideas to start a range of businesses from variety and food stores to computer shops. The Philippine programme also assists these young people to gain access to credit.

Table 6.1
SEED TECHNICAL COOPERATION, BY DONOR

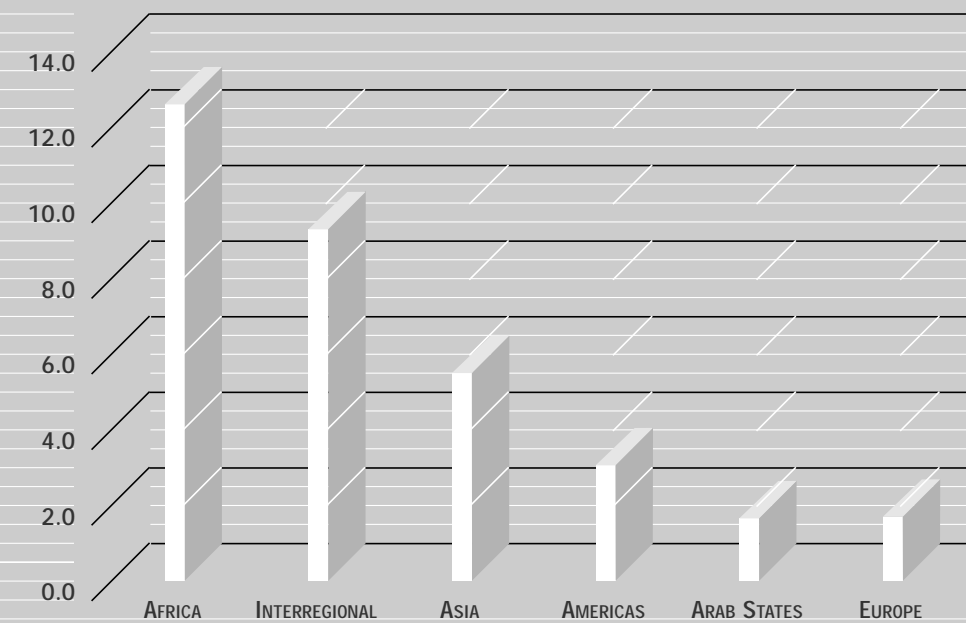
(US\$ millions)

Donor	Allocations	% of total 2000-02 (3 years)
Netherlands	11'184'598	0.324
Sweden	7'991'971	0.231
UNDP	7'202'651	0.209
Italy	2'812'131	0.081
Ireland	1'009'796	0.029
United Kingdom	747'190	0.022
Belgium	653'907	0.019
European Union	505'292	0.015
Austria	344'430	0.010
Ford Foundation	332'719	0.010
Denmark	319'907	0.009
Japan	226'076	0.007
Germany	205'069	0.006
Trust Funds	195'347	0.006
Kuwait	150'847	0.004
AfDB	134'400	0.004
Luxembourg	129'433	0.004
Switzerland	125'654	0.004
France	124'554	0.004
Other Multilateral	123'583	0.004
Fiji	16'980	0.000
Total	34'536'535	1.000

Source: ILO-CODEV

Figure 6.1
SEED ALLOCATIONS BY REGION 2000-2002 (3YEARS)

(US\$ millions)



7. THE WAY FORWARD



THE ENTREPRENEURIAL VITALITY OF THE POOR IS A MEANS OF ESCAPING POVERTY ...

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A walk in the streets of the poor areas of any city in the developing world affirms two salient points. One is poverty – the evidence of low income, in dress, in housing, in transport, in what is sold, in what is not sold. The other is vitality – the hum of activity and movement – of people, of hands and feet, carts and cars, hammers and cutters, scissors and sewing machines. Where you find poverty, you often find vitality – the will of the poor to survive, to generate a livelihood for themselves and their families. They look for paid employment and they often create work by creating micro-enterprises, often in the informal economy. It is that entrepreneurial energy that SEED supports and it is their poverty, their lack of decent work, that SEED is hoping, in partnership, to overcome. The challenge is enormous but so is the vitality and the motivation.

... AND PROMOTING DECENT WORK IN SMALL ENTERPRISES.

SEED's work is not limited to the one-person enterprise but to the range of small enterprises which provide the place of work for the majority of the working population. It is here too that the poor and the non-poor engage in productive activity and fulfil their need to live gainful lives. SEED is interested not just in securing work, because work itself often does not alleviate poverty and lead to a productive life. In a world in which low-cost labour is often the basis for competitiveness, the challenge is to secure decent work that is remunerative, with rights at work, the opportunity for social dialogue and the provision of social protection. Instead, SEED will continue to forge ahead with a 'high road' strategy in which productivity increase and accumulation in small enterprises are generated by simple, low-cost but effective improvements in work organization, in management and in a focused attention to the critical resource of every small enterprise – its people.

MINDFUL OF THE SOCIAL DIMENSION OF GLOBALIZATION...

This challenge of promoting decent work through small enterprises is unlikely to abate in the near future. The competitive forces unleashed by deregulation and open borders will put pressure on employers to reduce costs and to reduce the decency of work. These social aspects are currently being explored through the World Commission on the Social Dimension of Globalization, based at the ILO. The social dimension refers to how processes of globalized trade, finance, investment and labour mobility affect the lives and work of people, their families and their societies. Innovative, expedient strategies must be devised to address the negative impact of globalization.

... SEED WORKS WITH THE TRIPARTITE PARTNERS IN DEVELOPING MORE INTEGRATED SOLUTIONS...

SEED's work will continue to be structured on the basis of tripartitism, an approach unique to the community of international organizations. Through the active dialogue and consensus-building among workers' and employers' organizations and governments, SEED receives its mandate through the ILO's Governing Body. It develops programmes on the basis of that mandate and works with the same partners at the country and regional levels. Decent work is a shared responsibility and requires a shared response.

In activating that response, SEED faces the ongoing challenge of how best to implement effective programmes. Much of SEED's new work is focused on generating synergies by combining (or 'bundling') together different approaches which have been developed separately. For example, new work in SEED is emerging on how to combine its business association building with BDS activities such as management training; on how to support workers and business groups to dialogue more effectively with government on the policy environment; and on how to use value-chain analysis to pinpoint where critical interventions can be made to help small enterprise clusters thrive in a competitive world.

SEED is now focusing less on how its interventions alone can promote decent work and more on how they can be combined with the range of other new or tested ideas within the ILO which are supporting the achievement of the same objectives. To that end, SEED is now working with other ILO units on microfinance, child labour, skills development, workers' rights, dialogue and social protection and needs to expand its inter-unit work.

SEED must also work with other UN agencies, with bilateral agencies and locally based agencies to heighten its activities and impact by combining ideas, tools, experience and expertise – internal and external. This course of action is being given increasing importance at the ILO through the framework of Local Economic (and Social) Development, in which a complement of measures can be jointly planned, coordinated and delivered.

... AND FULFILLING THE GLOBAL EMPLOYMENT AGENDA.

These activities are part of the ILO's new Global Employment Agenda, a progressive, comprehensive approach to addressing the challenges faced by workers the world over. The activities of SEED support several of the Agenda's ten core elements, with particular focus on Element 5, 'Promoting decent employment through entrepreneurship'. That element recognizes that small enterprises will continue to be an important source of employment creation. If your organization is working to engage the same agenda, then the basis is there for a potentially fruitful collaboration. Use the web and email addresses at the back of this brochure to contact us in Geneva or ILO specialists in the field offices.

SEED WORKING PAPERS, JOINT PAPERS AND OTHER PUBLICATIONS

SEED WORKING PAPERS (AVAILABLE AT www.ilo.org/seed)

1. 'Home Work in Selected Latin American Countries: A Comparative Overview' (Series on Homeworkers in the Global Economy), Manuela Tomei, 2000
2. 'Homeworkers in Paraguay' (Series on Homeworkers in the Global Economy), María Victoria Heikel, 2000
3. 'Homeworkers in Peru' (Series on Homeworkers in the Global Economy), Francisco Verdera, 2000
4. 'Job Quality and Small Enterprise Development' (Series on Job Quality in Micro and Small Enterprise Development), 1999
5. 'The Hidden MSE Service Sector: Research into Commercial BDS Provision to Micro and Small Enterprises in Viet Nam and Thailand', Gavin Anderson, 2000
6. 'Home Work in Argentina' (Series on Homeworkers in the Global Economy), Elizabeth Jelin, Matilde Mercado, Gabriela Wyczykier, 2000
7. 'Home Work in Brazil: New Contractual Arrangements' (Series on Homeworkers in the Global Economy), Lena Lavinas, Bila Sorj, Leila Linhares, Angela Jorge, 2000
8. 'Home Work in Chile: Past and Present Results of a National Survey' (Series on Homeworkers in the Global Economy), Helia Henríquez, Verónica Riquelme, Thelma Gálvez, Teresita Selamé, 2000
9. 'Promoting Women's Entrepreneurship Development based on Good Practice Programmes: Some Experiences from the North to the South' (Series on Women's Entrepreneurship Development and Gender in Enterprises – WEDGE), Paula Kantor, 2000
10. 'Case Study of Area Responses to Globalization: Foreign Direct Investment, Local Suppliers and Employment in Győr, Hungary' (Series on Globalization, Area-based Enterprise Development and Employment), Maarten Keune, András Toth, 2001

11. 'Local Adjustment to Globalization: A Comparative Study of Foreign Investment in Two Regions of Brazil, Greater ABC and Greater Porto Alegre' (Series on Globalization, Area-based Enterprise Development and Employment), Glauco Arbix, Mauro Zilbovicius, 2001
12. 'Local Response to Globalization: MESTA Region, Bulgaria' (Series on Globalization, Area-based Enterprise Development and Employment), Hanna Rusczyk, Ingrid Schubert, Antonina Stoyanovska, 2001
13. 'Ethnic Minorities – Emerging Entrepreneurs in Rural Viet Nam: A Study on the Impact of Business Training on Ethnic Minorities', Jens Dyring Christensen, David Lamotte, 2001
14. 'Jobs, Gender and Small Enterprises in Bangladesh: Factors Affecting Women Entrepreneurs in Small and Cottage Industries in Bangladesh' (Series on Women's Entrepreneurship Development and Gender in Enterprises — WEDGE), Nilufer Ahmed Karim, 2001
15. 'Jobs, Gender and Small Enterprises: Getting the Policy Environment Right' (Series on Women's Entrepreneurship Development and Gender in Enterprises — WEDGE), Linda Mayoux, 2001
16. 'Regions, Regional Institutions and Regional Development' (Series on Globalization, Area-based Enterprise Development and Employment), Maarten Keune, 2001
17. 'ICTs and Enterprises in Developing Countries: Potential and Challenges', Jim Tanburn, Alwyn Didar Singh, 2001
18. 'Jobs, Gender and Small Enterprises in Africa and Asia — Lessons drawn from Bangladesh, the Philippines, Tunisia and Zimbabwe' (Series on Women's Entrepreneurship Development and Gender in Enterprises — WEDGE), Pamela Nichols Marcucci with the assistance of Debora Hoehne, 2001
19. 'Jobs, Gender and Small Enterprises in the Caribbean — lessons from Barbados, Suriname and Trinidad and Tobago' (Series on Women's Entrepreneurship Development and Gender in Enterprises — WEDGE), Carol Ferdinand (ed.), 2001
20. 'Jobs, Gender and Small Enterprises in Bulgaria' (Series on Women's Entrepreneurship Development and Gender in Enterprises — WEDGE), Antonina Stoyanovska, 2001

21. 'Women entrepreneurs in Albania' (Series on Women's Entrepreneurship Development and Gender in Enterprises — WEDGE), Mimoza Bezhani, 2001
22. 'Ajuste Local à Globalização: um estudo comparativo do investimento estrangeiro directo em duas regiões do Brasoé. Grande ABC e Grande Porto Alegre' (Série sobre Globalização, Desenvolvimento de Empresas ao Nível Local e Emprego), Glauco Arbix, Mauro Zilbovicius, 2002
23. 'Small Enterprises, Big Challenges. A Literature Review on the Impact of the Policy Environment on the Creation and Improvement of Jobs within Small Enterprises', (Series on Conducive Policy Environment for Small Enterprise Development), Gerhard Reinecke, 2001
24. 'Méthodes et instruments d'appui au secteur informel en Afrique francophone', Carlos Maldonado, Cheikh Badiane, Miélot Anne-Lise, 2003 (forthcoming)
25. 'Artisanat et Emploi dans les Provinces de Settat et El Jadida', Gérard Barthélemy, 2002
26. 'Employment creation and employment quality in African manufacturing firms', Micheline Goedhuys, 2002
27. 'An Information Revolution for Small Enterprise in Africa: Experience in Inter-active Radio Formats in Africa' (Series on Innovation and Sustainability in Business Support Services (FIT)), Mary McVay, 2002
- 27F. 'Une révolution de l'information pour les petites entreprises en Afrique : L'expérience en matière de formats radio interactifs en Afrique', Mary McVay
28. 'Assessing Markets for Business Development Services: What have we learned so far?' (Series on Innovation and Sustainability in Business Support Services (FIT)), Alexandra Overy Miehlsbradt, 2002
29. 'Creating a Conducive Policy Environment for Micro, Small and Medium-Sized Enterprises in Pakistan', (Series on Conducive Policy Environment for Small Enterprise Development), SMEDA, 2002
30. 'Creating Market Opportunities for Small Enterprises: Experiences of the Fair Trade Movement', Andy Redfern and Paul Snedker, 2002

31. 'Creating a Conducive Policy Environment for Employment Creation in Small Enterprises in Viet Nam', (Series on Conducive Policy Environment for Small Enterprise Development), Pham Thi Thu Hang, 2002
32. 'Business Training Markets for Small Enterprises in Developing Countries: What do we know so far about the potential?' (Series on Innovation and Sustainability in Business Support Services (FIT)), Akiko Suzuki, 2002
33. 'Organizing Workers in Small Enterprises: The Experience of the South African Clothing and Textile Workers' Union' (Series on Representation and Organization Building), Mark Bennett, 2002
34. 'Protecting Workers in Micro and Small Enterprises: Can Trade Unions make a Difference? A Case Study of the Bakery and Confectionery Sub-sector in Kenya' (Series on Representation and Organization Building) Gregg J. Bekko and George M. Muchai, 2002
35. 'Creating a Conducive Policy Environment for Employment Creation in Small, Medium and Micro Enterprises in South Africa' (Series on Conducive Policy Environment for Small Enterprise Development) by Jennifer Mollentz, 2002
36. 'Organizing in the Informal Economy: A Case Study of Street Trading in South Africa' (Series on Representation and Organization Building) Shirin Motala, 2002
37. 'Organizing in the Informal Economy: A Case Study of the Clothing Industry in South Africa' (Series on Representation and Organization Building), Mark Bennett, 2003
38. 'Organizing in the Informal Economy: A Case Study of the Building Industry in South Africa' (Series on Representation and Organization Building), Tanya Goldman, 2003
39. 'Organizing in the Informal Economy: A Case Study of the Minibus Taxi Industry in South Africa' (Series on Representation and Organization Building), Jane Barrett, 2003
40. 'Rags or Riches? Phasing-Out the Multi-Fibre Arrangement', Auret van Heerden, Maria Prieto Berhouet, Cathrine Caspari, 2003

FORTHCOMING SEED WORKING PAPERS

- * 'Industrial renewal and inter-firm relations in the supply chain of the Brazilian automotive industry', Anne Caroline Posthuma, 2001
- * 'What works and how in youth entrepreneurship and livelihood programmes?', Jamie Schnurr, Craig Young and Takafumi Ueda
- * 'Organisations in South Africa's Informal Economy: An Overview of Sectoral Case Studies', (Series on Representation and Organisation Building), T. Goldman, 2002
- * 'Trade Unions — Freedom of Association in the Informal Economy in Latin America', C. Maldonado, 2001
- * 'Policy Research, Country Paper Peru', (Series on Conducive Policy Environment for Small Enterprise Development), Juan Chacaltana (English version)
- * 'Policy Research, Country Paper Tanzania', (Series on Conducive Policy Environment for Small Enterprise Development), Paula Tibandebage, 2001
- * 'Policy Research, Country Paper Chile', (Series on Conducive Policy Environment for Small Enterprise Development), Carolina Flores, 2001
- * 'Etude du Cadre Institutionnel et Juridique des Micro et Petites Entreprises en Guinée', (Series on Conducive Policy Environment for Small Enterprise Development), Moussa Kourouma, 2002
- * 'Impact of National Policy and Legal Environments on Employment Growth and Investment in Micro and Small Enterprises', (Paper on Policy MSE Surveys), Jens Christensen and Micheline Goedhuys, 2002
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- * 'Small Enterprise Development and Job Creation in the Culture Sector in the SADC Region: The Film and TV Industry', Avril Joffe and Natalie Jacklin
- * 'Member-based business associations promoting health insurance in the informal economy' (Series on Representation and Organization Building), Gerda Heyde
- * 'Road map for the Informal Sector in Tanzania' (Series on Conducive Policy Environment for Small Enterprise Development), ILO/UNDP/UNIDO, Dar es Salaam
- * 'Reducing poverty through better business environments – releasing the potential for small enterprises to reduce poverty and contribute to national economic development', (Series on Conducive Policy Environment for Small Enterprise Development), Simon White, 2003
- * 'The Role of the Informal Sector in Coping with Economic Crisis in Thailand and Zambia, G. Finnegan and A. Singh, 2003

JOINT WORKING PAPERS ON THE INFORMAL ECONOMY

(These are joint papers in the ILO's Employment Sector, Geneva, 2002, available at www.ilo.org/infeco)

'Decent Work and the Informal Economy: Abstracts of working papers'

1. 'Globalization and the Informal Economy: How global trade and investment impact on the working poor', Marilyn Carr and Martha Alter Chen (also in French)
2. 'Supporting Workers in the Informal Economy: A policy framework', Martha Alter Chen, Frances Lund and Renana Jhabvala

3. 'International Labour Standards and the Informal Sector: Developments and dilemmas', Charlotta Schlyter
4. 'The informal sector in Asia from the Decent Work Perspective', Nural Amin
5. 'Towards Decent Work in the Informal Sector: The Case of Egypt', Alia El Mahdi (no hard copy available)
6. 'Good practice study in Shanghai on employment services for the informal economy', Jude Howell
7. 'Decent Work in the Informal Sector: CEE/CIS Region', Bettina Musiolek (no hard copy available)
8. 'Federation of Trade Unions of Macedonia CCM', Liljana Jankulovska (no hard copy available)
9. 'A profile of informal employment: The case of Georgia', Sabine Bernabe
10. 'The Informal Sector in Sub-Saharan Africa', Jantjie Xaba, Pat Horn and Shirin Motala
11. 'Federation of Kenya Employers: Case Study', Charles O. Nyangute (no hard copy available)
12. 'Decent work in the informal sector: Latin America', Jim Thomas
13. 'Initiatives permettant de promouvoir des emplois de qualité et d'améliorer la productivité dans le secteur informel : Une étude de cas au Sénégal', Youssoufa Wade (no hard copy available)
14. 'Informal Finance in the Informal Economy: Promoting Decent Work among the Working Poor', Michael Aliber

OTHER JOINT PAPERS

'Microinsurance in Burkina Faso', Michael Aliber and Alitou Ido, Employment Sector: Social Finance Programme and SEED, Working Paper 29

'Cities at Work — Promoting good municipal governance to reduce urban poverty', SEED and Employment Intensive Investment Programme (forthcoming)

REPORTS ON WORKERS' ENTREPRENEURSHIP AND GENDER EQUALITY

Supporting Women in Enterprise in Viet Nam: Impact of ILO's Start and Improve your Business Programme on Women Entrepreneurs in Viet Nam, S.D. Barwa (ILO, IFP/SEED — WEDGE, 2003)

Women Entrepreneurs in Pakistan, How to Improve their Bargaining Power, N.A. Goheer (ILO, IFP/SEED — WEDGE, SAAT, ILO Islamabad, 2003)

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Promoting Women's Entrepreneurship and Access to Markets Through Exhibitions and Trade Fairs, M. J. Barney-Gonzales and T. Gebreselassie (ILO, IFP/SEED — WEDGE, 2002)

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Jobs, Gender and Small Enterprises in Africa: A synthesis report based on studies in Ethiopia, Tanzania and Zambia, R. Howarth and P. Richardson (ILO, IFP/SEED, 2003)

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Ethiopian Women Entrepreneurs: Going for Growth (ILO, IFP/SEED, 2003)

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REPORTS ON INDIA'S INFORMAL ECONOMY

Report on Scrap Collectors, Scrap Traders and Recycling Enterprises in Pune, P. Chikarnane, M. Deshpande, L. Narayan (UNDP-ILO India, 2001)

Nature of the Informal Economy and Three Sectoral Studies, H.S. Anand (UNDP-ILO India, 2001)

Informal Economy and the Way Forward, H.S. Anand (UNDP-ILO India, 2001)

Promoting Female Entrepreneurship in Mauritius: Strategies in Training and Development, V. Essad (IFP/SEED, 2003)

Report on Construction Sector Workers, Street Corners Markets, Micro Enterprises and Demonstration Initiatives in Delhi, H.S. Anand (UNDP-ILO India, 2001)

Report on Appliqué, Coir and Patta Painting in the Golden Triangle Region of Orissa, N. Rath (UNDP-ILO India, 2001)

Report on Stone Carving, Wood Carving and Silver Filigree Work in the Golden Triangle Region of Orissa, R. Meher (UNDP-ILO India, 2001)

Report in Brick-Kiln Workers, Petty Contractors and Women Construction Labourers in NCR of Delhi, J. Gupta (UNDP-ILO India, 2001)

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