

Program Components

Path to Prosperity

(Skills for very poor and discriminated youth)

What is Path to Prosperity?

Youth in the age range of 18-40 years from the poorest and most vulnerable households in Nepal receive a technical and life skills training package which caters for their special needs and provides them with opportunities for gainful employment for better prospects in life.

Reaching out to youth with special needs

Path to Prosperity aims to provide access to economic opportunities for those individuals who often have the least opportunities in life due to their social and cultural background, their physical condition, social stigmata and/or poverty related disadvantages.

Literacy and numeracy training

Functional and needs-based literacy and numeracy skills are imparted to illiterates and out of school to help them take part in the technical skills training.

Need-based facility support

To make our trainings accessible to the most vulnerable groups of society, accommodation, food and transport cost compensation and on-site child care can be offered based on individual needs assessment. A starter kit of occupation-related tools is provided to all graduates after training completion.

Life skills training

Since many trainees have faced difficult situations in their lives, social, interpersonal, cognitive and emotional coping skills as well as an orientation on reproductive health and HIV/AIDS is provided to all participants of the Path to Prosperity component.

Multiple income generation

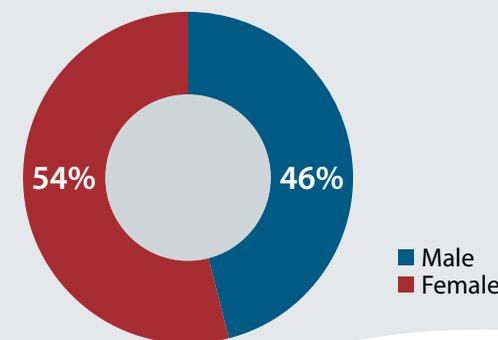
Optional multi-skilling (one additional technical skills training) is provided. This provides the trainee with better opportunities to enhance the income after graduation with diversified work options.

Post-training support

Practical on-the-job training, counseling on employment possibilities, optional business skills training and linkages to financial services for graduates interested in self-employment facilitate Employment Fund's graduates' entry into the labor market.



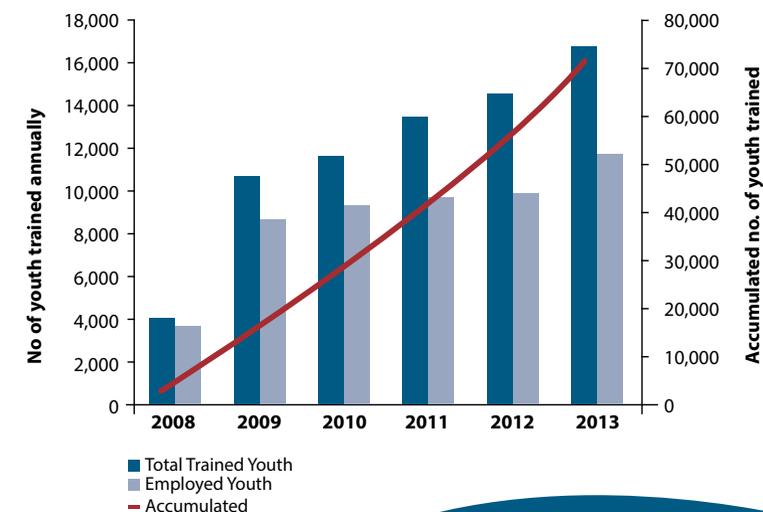
Overall Male and Female Composition (2008-2013)



Impact as per the Tracer Study 2013

- Three years after training among the graduates
- 72% are still in employment
- Average monthly income increased from NPR 2,000 to NPR 10,000
- 89% consider the acquired skills as important for their job
- 83% perceive their living conditions improved

Growing numbers of trained and employed youth



Micro- Enterprising for Job Creation

(Skills for business establishment and creation of jobs for others)

What is Micro-Enterprising for Job Creation?

Mature and business-minded youth aged 18-40 years receive a technical and business skills training package focusing on **enterprise start-up** and are expected to register a new business at the end of training. Additionally, they **create new jobs**, preferably for disadvantaged youth graduating from the Employment Fund's second training component **Path to Prosperity**.

Career counselling and financial literacy training

Participants are guided in their career choices and take informed decisions about the skill training, which in turn ensures that participants feel motivated for the training. A package of basic financial literacy is provided to all trainees teaching them about saving schemes, investment, basic bookkeeping and other skills related to the financial operation of small enterprises.

Business motivation and preparation of business plan

The applicants receive insight on skills needed to run a business and they are informed about the challenges that entrepreneurs can face during the establishment of enterprises. This provides them with a real image of what is required to be an entrepreneur. The trainees further receive support from experts to plan their businesses realistically.

Practical skills and exposure visits

Trainees receive basic technical skills training which is required to run their business. Trainees are familiarised with their future business environment by visiting businesses similar to their own future enterprise. By working on the job already during training, they gain practical skills and get to know the work from first-hand experience.

Post-training support

Once graduated, the entrepreneurs receive a starter kit of tools and support in the registration of their newly founded businesses, in establishing backward and forward linkages, and linkage to financial services and new technologies. They receive regular post-training support for six months.

EMPLOYMENT
FUND investing in nepal's future



Skills for a Better Life

CONTACT

Employment Fund Secretariat/
HELVETAS Swiss Intercooperation Nepal
Jawalakhel, Lalitpur, GPO BOX 688, Kathmandu, Nepal
Tel: +977 1 5000 209, 5000 226, 5526098 Fax: +977 1 5524 991
Toll-free number for feedback 1660-01-50505
Email: ef@helvetas.org.np
URL: www.employmentfund.org.np





Employment Fund

An estimated 450,000 young people enter the Nepalese labour market every year, out of which almost 90% are unskilled. Entering gainful employment remains a challenge for many Nepalese youth due to low basic educational levels and limited access to vocational training, which often does not respond to market needs. With the aim of addressing these needs, the Employment Fund was established in 2007 in a joint effort between the Government of Nepal, the Swiss Agency for Development and Cooperation (SDC) and HELVETAS Swiss Intercooperation and operated from 2008. Currently the Employment Fund is financed by SDC, UKAid (Department for International Development DFID) and the World Bank.

The Employment Fund has two major components: a) Path to Prosperity, b) Micro Enterprising for Job Creation. It offers training for economically very poor and socially discriminated youths to ensure their entry into the labour market immediately after short-term market oriented skills training in about 80 trades under Path to Prosperity component. Under Micro Enterprising for Job Creation component, it facilitates youths to establish enterprises of their own and create additional jobs.

The Employment Fund Secretariat, which is operated by HELVETAS Swiss Intercooperation, is managing the Employment Fund program. The Employment Fund is governed by a Steering Committee with representatives from the Government of Nepal and the donor agencies.

How does it work?

The Employment Fund finances to more than 30 private sector T&Es for technical skills training and employment placement services. It has mainly adopted outcome based financing approach to its partner organizations (T&Es) and pays based on the outcome. The outcome are: gainful employment if graduates are wage employed and new job creation if graduates have started

Service Procurement Process



their enterprises. These T&Es are annually selected through a competitive procurement process. It also ensures the labour market orientation for the program and assesses the previous track record of each T&Es with regards to training outcomes and their established business network while procuring the T&Es every year.

Quality assurance

All training courses financed through the Employment Fund are based on the National Curricula developed by Curriculum Division of Council for Technical Education and Vocational Training (CTEVT), an apex body of Technical Education and Vocational Training sector in Nepal. CTEVT developed curricula

are regularly updated based on Rapid Market Appraisal (RMA) and additional skills are also provided based on labor market demand identified during RMA apart from the skills mentioned in the curricula. The performance of the T&Es as well as the quality of training and employment services is regularly monitored in the field and documented in the online database. Furthermore, quality is assured through technically sound instructors having at least Level 2 as technical qualification in the respective trade and Training of Trainer (ToT) to ensure methodological competencies. The Employment Fund builds the capacity of the T&Es to ensure learner-centered training methodologies and education management. Last but not least, the quality of training is also measured with the provision of skills test against the occupational skills standards from National Skills Testing Board (NSTB).

The Result Orientation: Enterprising or Gainful Employment

The Employment Fund collaborates with the T&Es based on an outcome-based post-financing modality. Immediately after the skills training, the T&Es must ensure either wage or self-employment for a minimum of 6 months and earning above pre-defined minimum income level. Alternatively graduates have to establish their own enterprise and create job for others. T&Es are paid for their services after the delivery of services in relation to the number of graduates who are gainfully employed and number of graduates established their enterprises. This outcome-based payment system effectively assists EF in meeting its main objectives: gainful employment or job creation.

Soft Skills

Apart from technical skills training, all trainees receive an orientation on reproductive health, HIV/ AIDS and labour rights. The trainees have the opportunity to attend basic life skills training, which focuses on strengthening social and interpersonal as well as cognitive and emotional coping skills. Trainees preparing for employment overseas participate in a pre-departure orientation. Trainees opting for self-employment are offered a business skills training package and linkage to financial institutions. The trainees who go for the enterprising receive career counseling, business motivation, business planning, financial literacy and facility of business clinic.



Target groups

The target groups of the program are: unemployed youth aged between 18-40 years. The target groups are categorized in four categories as follows:

| Category | Path to Prosperity | Micro enterprising for job creation |
|----------|---|--|
| A | Economically poor women from discriminate groups (Dalit, Widow, Disabled, ex-combatants, internally displaced, HIV/AIDS infected etc.) | Women from discriminate groups (Dalit, Widow, Disabled, ex-combatants, internally displaced, HIV/AIDS infected etc.) |
| B | Economically poor women from all caste/ethnicities not referred to under category A | Women from all caste/ethnicities not referred to under category A |
| C | Economically poor men from discriminated groups (Dalit, Janajati, Madeshi, Disabled, ex-combatants, internally displaced, HIV/AIDS infected etc.) | Men from discriminated groups (Dalit, Janajati, Madeshi, Disabled, ex-combatants, internally displaced, HIV/AIDS infected etc.) |
| D | Economically poor men from all caste/ethnicities not referred to under category C | Men from all caste/ethnicities not referred to under category C |
| Remarks | Poor is defined as per the categories defined by Poverty Alleviation Fund (PAF) of Government of Nepal as category A to C. In exceptional cases with non-PAF communities, the same poverty definitions will be applied. | No economic poverty criterion is applied for this component. The applicants might be skilled or unskilled but not self-employed currently; normally who are ready to invest, who are willing to start their enterprises and can create job for others will be given the priority |

Outreach Mechanism

The Employment Fund collaborates with range of national and local outreach partners to expand its outreach to rural and remote areas. Some of these Organization are: Feminist Dalit Organisation (FEDO), Nepal Muslim Women Welfare Society (NMWWS), Association of Youth Organization Nepal (AYON), Nepal Indigenous Women Federation (NIWF), Pravashi Nepali Samanwoya Samiti (PNCC), National Federation of Development in Indigenous Nationalities (NFDIN) and Nari Sewa Kendra. Additionally, local radio and newspapers are widely used to expand outreach.

Other Key Stakeholders

- Labour market orientation through various private sector associations and Chambers of Commerce and Industry
- Linkage to financial services through NMB Bank, Jana Utthan Samudayik Bank, Alpine Development Bank and local cooperatives
- Project steering through the Ministry of Education, Ministry of Finance, National Planning Commission & Council for Technical Education & Vocational Training (CTEVT) and the donors.