

DC dVET and ILO Workshop

4th BarCamp Building Resilient Funding Models for Dual VET in Informal Economies towards quality and Transitions”

Online - Tuesday, 24th February 2026

Keynote address: A Think Piece on Apprenticeship Development – focus on FINANCING

*Salim Akoojee and **Patrick Werquin

*Freelance Researcher -TVET for Development – Executive SASASNET and adjunct Professor
*Professor at CNAM-INETOP (Higher Education and Research Institution), Paris; and
Independent International Consultant, Saint-Sulpice-sur-Lèze, France

(The opinions expressed in this PowerPoint presentation are those of the presenting author alone)

Background

- The “**Think Piece**” is designed to exemplify **mechanisms** that could be used to connect the **blocs building apprenticeship** for more effectiveness, and perhaps efficiency, **in skills development through apprenticeship**
- Collective effort: **Think Piece**, with Patrick Werquin, with friendly reviews from Christine Hofmann, Zarina Khan, Cheryl James and Alice Voza (ILO and GIZ).
- Premised on the assumption that Social Dialogue, Governance, Financing, and Linking are “building blocks” (of a quality apprenticeship system).
- The case study approach describes “mechanisms”: i.e., ways to strengthen the building blocks of the apprenticeship systems (e.g., RPL, duality, qualifications framework) – i.e. Nigeria, Kenya, Burkina Faso, Benin, Côte d’Ivoire, Ghana, Uganda and South Africa

Focus Financing

- In support of the objective of a sustainable, effective and efficient funding stream to support Apprenticeship Development Systems (formal or informal)
- Finance essential to the resilience and success of effective apprenticeship systems, although not a stand-alone feature as it impacts on, and is impacted by complementary elements i.e. social dialogue, governance, role clarification etc
- Often used as a first, and last, point of departure for effectiveness of any initiative
- Focus on Financing as a Building bloc for quality apprenticeship systems
- Health Warning: Not to be seen as separate from other elements that ensure effective, sustainable apprenticeship system

CASE STUDIES AS ILLUSTRATIVE

- *We used case studies as illustrative examples of what can succeed – in this session, we want to extract lessons from the cases, rather than lead a discussion that will lead to an assessment of the particular cases*
- *We do think that they do offer an interesting way to revitalise funding for apprenticeships that gives space for alternative funding, especially in the informal economy, in a novel and exciting manner. Probably different in the formal apprenticeship system, dominated by a supply-side funding bias.*

BUILDING BLOC 4: SHARED AND EQUITABLE FUNDING

- *Importance of “Equitable Funding Arrangements” - Building Block 4 of the ILO Quality Apprenticeship Toolkit (2017),*
- *The rationale for this shared cost structure is the understanding that quality apprenticeship generates benefits for the public authorities, employers and for apprentices themselves, and that therefore costs should be shared. While*
- *Sharing costs ensures that responsibility for success is shared and the involvement of all parties is secured*
- *Recommendation R208 stipulates that apprentices should be “remunerated or otherwise financially compensated”,*
- *...cost-sharing by apprentices means that they accept lower pay than if they were employed as workers (Quid pro quo) .implications for equity!!! And vulnerability*
- *Part of the funding challenge in the African context is the considerable dependence on donor-based initiatives, some of which are sometimes – if not often – simply not sustainable.*

Financing: 2 Case Studies

- Côte d'Ivoire:
 - Subsidised Dual Apprenticeship
 - Which raises the issue of cost/affordability

- Ghana:
 - TVET Voucher Project (GTVP)
 - Which rises the issue of provider capacity bottlenecks in some regions^o/trades

CASE STUDY: CÔTE D'IVOIRE

- *PEJEDEC (2011)*
- *designed to operate within the informal economic fabric*
- *Aim of professionalising traditional apprenticeship (NB without replacing or excluding it.)*
- *Integrates existing training practices and structures in the informal sector by*
 - *adding wage subsidies for young people, (46 EURO) – compensate loss of income*
 - *additional theoretical training,*
 - *formal contracts and*
 - *a certification system.*
- *Key features*
 - *Target low-skills 18-24yr olds*
 - *Combined WBL (informal) with Theory (accredited centre)*
 - *12-24 months apprenticeship*
 - *Apprentice provided Remuneration, social security and work tools*
 - *popular trades are those related to urban crafts: car mechanics, welding, masonry, boiler making*
- *National Agency for Vocational Training (Agence nationale de la formation professionnelle, AGEFOP), with constant follow up by apprenticeship counsellors*
- *Joint funding Government and World Bank*

KEY ACHIEVEMENTS

- *Survey of 1842 beneficiaries – survey ‘barely seen in education and training policies in Africa*
- *massive increase in access to formal apprenticeship, with an increase of 71 percentage points compared to the control group.*
- *net effect of about 0.75 additional apprenticeship places created per subsidised apprentice, which reflects a dynamic of real job creation and not a simple displacement of apprentices from the traditional to the formal apprenticeship system.*
- *Effects on the medium-term income of the participants in the programme are remarkable: four years after the start of the programme,*
 - *the beneficiaries receive an average of 15% more income than the control group, and*
 - *occupy positions involving more complex tasks, often nonroutine, indicating a significant increase in skills and skills use*
- *Challenges:*
 - *Prohibitive Costs (1700 EUR pp - 24mths)*
 - *Increased absenteeism (Palmer, 2020)*

WHY WE THINK IT SUCCEEDS?

- *This programme is an innovative response to the limitations of the traditional apprenticeship system. It shows that a targeted policy, combining financial support, public-private partnership and structured support, can sustainably transform access to employment for young people, including in economic environments dominated by the informal economy.*
- *Removes both the financial obstacles weighing on young people and enterprises removes lack of incentive for companies to train in transferable skills (due to the fear of poaching) – more places can be created – firms can afford to provide general training-*
- *Productivity growth led to increased incomes*
 - *young people took on more complex tasks, including abstract, non-routine tasks, resulting in human capital and technical skills (Hirji, 2020).*
 - *A greater number of young people obtained a certificate, also indicating that some of the skills acquired were general and transferable.*
 - *structuring the pathways and introducing qualification at the end of the apprenticeship, the programme reinforces both the attractiveness and the quality of the apprenticeship. This*

CASE STUDY: GHANA VOUCHERS (GTVP)

- *Designed to meet the demand for upgrading the informal apprenticeship system*
- *Project Ongoing – GTVP allocated 7500 beneficiaries (2025)*
- *upgrade Master craftspersons and workers of SMEs and micro enterprises who gain their vocational skills through traditional apprenticeship.*
- *Modular Competence-based Training (CBT) approach using the existing traditional apprenticeship system –*
- *represents a significant response to the specific needs of the informal economy. CBT units which contain both workplace training and complementary skills through accredited providers – Linked to National TVET Qualifications Framework*
- *The vouchers cover CBT delivery costs by accredited Training Providers (internal training); assessment and certification by awarding bodies; as well as monitoring and coordination support (including services by Trade Associations). All financial transactions – from voucher issuance to provider payment – are administered through the VMS, a centralised, web-based Management Information System (MIS) used by the Council for Technical and Vocational Education and Training (COTVET).*

GTVP – KEY ACHIEVEMENTS

- *Close to 15,000 beneficiaries have been issued training vouchers during the current cycle, allowing them to participate in accredited*
- *CBT programmes delivered by registered providers designed to meet the specific demand of the informal sector for skills upgrading*
- *. upgrading role of the GTVP, whereby both apprentices and Master craftsmen are able to progress to proficiency levels I and II, through providing classroom-based modules and accepting learning outcomes from previous informal learning*
- *Project is facilitated by a web-based Voucher Management System (VMS) and includes the registration of training offers, application for vouchers through mobile devices, continuous monitoring of training attendance, generation of invoices, and disbursement control. The accessible technology used to administer the system makes it an ideal mechanism for replication.*
- *Daily updated reporting on project performance as well as various business intelligence features for C-TVET and KfW.*
- *GTVP programme is electronic. e-vouchers are issued to beneficiaries, typically delivered via mobile SMS codes (evouchers). Training Providers also reimbursed through the portal*

WHY WE THINK IT SUCCEEDS?

- *Digital Platform an alternative approach to remotely manage training - Using accessible technology (i.e., cell phones using SMS for learning purposes), means that it has some promise in developing contexts – MODERNISING APPRENTICESHIP*
- *no financial contribution required from Apprentices or Master craftspersons.*
- *The vouchers cover CBT delivery costs by accredited Training Providers (internal training); assessment and certification by awarding bodies; as well as monitoring and coordination support (including services by Trade Associations).*
- *All financial transactions – from voucher issuance to provider payment – are administered through the VMS, a centralised, web-based Management Information System (MIS) used by the Council for Technical and Vocational Education and Training (COTVET).*
- *Managed Recognition: GTVP is valuing informal apprenticeship learning and it is moving toward recognising it formally, but in a structured, assessed, and selective way, rather than automatically granting full credit.*

KEY CHALLENGES AND RESPONSES

Challenge

- *initial cost and set-up of the intervention*
- *Dogged challenges of financial malfeasance will*
- *Ownership*

Response

- *once the initial cost has been absorbed the ongoing benefits will have been recouped.*
- *will be considerably reduced with a built-in monitoring and evaluation mechanism*
- *The design of the system – with adequate governance structures in place to ensure that regular and effective feedback is provided to the employer and employee representatives – will enhance effectiveness and ensure steady and continuous finance flow.*
- *CTVET*

ESSENTIAL DIMENSIONS OF FUNDING I

Funding represents a key feature of the establishment and development and sustaining an effective apprenticeship system.

The main issues related to finance include:

- *- What funding is required for an apprenticeship?*
- *- How to secure funding for apprenticeships?*
- *- What proportion of funding for what purpose?*
- *- Theory/Instruction: Venue/site.*
- *- Students/apprentice.*
- *- Teaching Staff: Master craftsperson, Vocational Teacher.*
- *- Equipment.*
- *- Assessment and certification of learning outcomes (for awarding of qualifications).*

ESSENTIAL DIMENSIONS OF FUNDING II

No.	Key Questions	What dimension is covered and its importance
1:	<i>What, precisely, do we fund to improve apprenticeships, and why?</i>	<i>about funding objectives and eligible uses. This matters because it provides clarity on eligible uses and ties money to outcomes (e.g., quality, inclusion, employment)</i>
2	<i>What funding sources will be used – existing and perhaps prospective – and what 3 to 5-year envelope do they generate against national apprenticeship goals?</i>	<i>about resource mobilisation and envelopes. This matters because establishing a strategy requires predictable volume, not ad hoc flows</i>
3	<i>Through which instruments do funds reach learners, employers, and providers, and on what rules?</i>	<i>about allocation architecture and instruments. This matters because instruments determine access – especially for SMEs – and quality.</i>
4	<i>Who leads and decides; how do funds move; what governance and safeguards apply (protective rules and mechanisms that ensure a funding system is in particular, fair, transparent, and accountable)?</i>	<i>is about institutional arrangements and fund flows. This matters because clear mandates and codified fund-flow procedures reduce fiduciary risk and shortened payment cycles.</i>
5	<i>What financial monitoring and evaluation exist – or will be established – to track efficiency and outcomes and feed budget decisions?</i>	<i>is about financial monitoring, evaluation and transparency. This matters because spending without feedback drifts from purpose.</i>

Financing: Some Success Factors

- Costs are clearly **known**^o
- Costs of non-sponsored apprenticeship are clearly known too (**cost of inaction**^o)
- Financing of apprenticeship is **shared**^o
- Financing of **non-pedagogical costs**; or linking these financial or non-financial mechanisms to **social protection** programmes
- Consider modern mechanisms to financing apprenticeship in larger enterprises (e.g., **levy, individual learning account ILA**^o)
- Management of the funds targeted specifically for apprenticeships are **transparent** and in **partnership**
- Financing is used to promote industries with **high employment potential**

CONCLUSION: POLICY POINTERS

- Essence = How do we contribute to a stronger, more inclusive, more coherent skills ecosystem linking informal apprenticeship and formal systems grounded in African realities
- Main conclusion: Formalising the dominant form of skills creation (informal apprenticeship) may **not** be a good idea in the short term
 - It is a reasonable general aim in Africa, but it **cannot be rushed** given the value of informal apprenticeship, which is the historical approach to creating skills
 - Most mechanisms are **state-anchored**, co-financed or supported by **international partners**
- Effective mechanisms **combine** several building blocks (among social dialogue, governance, financing, linking)

M e r c i