

# Documentation and Assessment of Apprenticeship and Internship Programs in Malawi

2017



The Voice of Employers  
in Malawi



# Documentation and Assessment of Apprenticeship and Internship Programs in Malawi

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Survey conducted on behalf of EMPLOYERS' CONSULTATIVE ASSOCIATION OF MALAWI (ECAM)  
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With inputs by Mei Zegers



Left: A young girl from Malawi during English class (CC BY-SA 2.0 / flickr.com / Lars Plougmann) Right: Tailor in Lilongwe, Malawi. (cc flickr.com/ khym54)

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## Acronyms

CBET	Competence Based Education and Training
CITB	Construction Industry Training Board
DAPP	Development Aid from People to People
DTVT	Directorate of Technical and Vocational Training
ECAM	Employers Consultative Association of Employers
GAN	Global Apprenticeship Network (GAN)
IBE	International Bureau of Education
ILO	International Labor Organization
JCE	National Junior Certificate of Secondary Education
LIN	Luke International
MC	Master Craftsman
MLFS	Malawi Labor Force Survey
MOLYMD	Ministry of Labor, Youth and Manpower Development
MOEST	Ministry of Education, Science and Technology
MCCCI	Malawi Confederation of Chambers of Commerce and Industry
MCTU	Malawi Congress of Trade Unions
MSCE	Malawi School Certificate Examination
NYCOM	National Youth Council of Malawi
NESP	National Education Sector Plan
NTT	National Trade Test
TEVET	Technical, Entrepreneurial and Vocational Education and Training
TEVETA	Technical, Entrepreneurial and Vocational Education and Training Authority
TVEST	Technical Vocational Education and Skills Training
TQF	TEVET Qualifications Framework
SADC	Southern Africa Development Community
SME	Small and medium-sized enterprise

## Executive Summary

The following report has been drafted by BR & Associates on behalf of the Employers Consultative Association of Malawi (ECAM) and the Global Apprenticeship Network (GAN) and in partnership with the MasterCard Foundation. The report provides an analysis of the current apprenticeships system in Malawi. It highlights that while Malawi has a basic policy and regulatory framework for apprenticeships in place, the implementation could be improved, both in terms of quality and quantity of apprenticeships, and the alignment between the public sector and employers needs to be strengthened. It also notes that for other forms of work readiness programs, such as internships and traineeships, the basic policy and regulatory framework is largely missing. The report concludes with recommendations on how to strengthen apprenticeships and other forms of work readiness programs in Malawi, which includes setting up a GAN National Network. Being employer-driven, the GNN would bring together stakeholders, facilitate partnership, contribute to the strengthening of the regulatory and policy environment, and advocate for apprenticeships and other forms of work readiness programs.

### 1. Introduction

Over the last 5 decades, Malawi has experienced significant population growth, growing from a population of 4 million people in 1966 to about 18 million<sup>1</sup> people in 2016. At current pace, the country is adding 400,000<sup>2</sup> people every year to its already extremely young population, almost one half of the population (46%) is below the age of 15.<sup>3</sup> While a young population could be seen as a promise, it is evident that this situation is a burden to the country affected by high poverty rates of almost 70%<sup>4</sup> and natural disasters. Heavily dependent on agriculture, repeated periods of drought, including a current persistent drought, has led to a state of emergency in the country, which might have further effects on the country's already high numbers of youth unemployment, currently estimated to be 23% for youth between the ages of 15 and 34.<sup>5</sup> Female youth are hit particularly hard with unemployment rates of 28.3% as compared to young males who still have a high level of unemployment at 16.3%.<sup>6</sup> However, despite the high levels of unemployment, employers and government representatives commonly stress the lack of skilled young people to meet existing labor market needs.<sup>7</sup>

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<sup>1</sup> United Nations Department of Economic and Social Affairs: Population Division (2016). Country Meters: Malawi Population Clock. Available from <http://countrymeters.info/en/Malawi> Website accessed 15 September, 2016.

<sup>2</sup> National Statistics Office (NSO) (2010), Analytical Report: Volume 7 in Ministry of Economic Planning and Development, Why Population Matters to Malawi's Development: Managing Population Growth for Sustainable Development. Lilongwe: Government of Malawi.

<sup>3</sup> Ministry of Economic Planning and Development (2012) Why Population Matters to Malawi's Development: Managing Population Growth for Sustainable Development. Lilongwe: Government of Malawi.

<sup>4</sup> World Bank IBRD-IDA (2016), Malawi Economic Monitor: Absorbing shocks, building resilience. Lilongwe: World Bank Office Malawi.

<sup>5</sup> National Statistical Office (2013), Malawi Labour Force Survey 2013. Key Findings Report. Lilongwe: National Statistical Office 2013. P 11.

<sup>6</sup> Ibid

<sup>7</sup> Based on interviews and studies: (1) The Global Entrepreneurship and Development Institute (2016), Global Entrepreneurship INDEX 2016. Washington, DC: The Global Entrepreneurship and Development Institute. (2) Ulandssekretariatet LO/FTF Council, Danish Trade Union, Council for International Development Cooperation (2014), Malawi Labour Market Profile. Copenhagen: Ulandssekretariatet LO/FTF Council, Danish Trade Union, Council for International Development Cooperation; (3) Government of Malawi and ILO (2010), Employment

This notion is confirmed in various studies, including the *Malawi Enabling Environment for Sustainable Enterprises (ESEE) Assessment Report*, the *Ease of Doing Business Report* and the *Global Competitiveness Report*, published in 2013, which identify a shortage of skilled workers as one of the key constraints to both local and foreign investment. These reports state that Malawi lacks the middle level technical skills necessary for driving the industrialization and structural transformation of the country. Recognizing this significant challenge, the members of the Employers Consultative Association of Malawi (ECAM) have as of 2013 prioritized skills development as one of the five main focus areas for ECAM's advocacy efforts.

With the support of the Global Apprenticeship Network (GAN), ECAM developed the current report to identify key means to address the country's challenges regarding the shortage of skilled workers and youth unemployment. The aim of the report is to provide information on the status quo of apprenticeships, traineeships and internships, all effective tools in skilling workers and tackling unemployment, in Malawi, identify gaps and develop recommendations for the way forward, including potentially setting up a GAN National Network. The report includes references to systems in other SADC countries and, to a lesser extent, some European countries to inform about good practices and derive recommendations based on these learning from other countries.

The report builds on studies previously conducted on the country's labor market and education system, including the *Survey on Intake of Apprentices and Interns to Improve Employable Skills through Industrial Attachment (2015)* carried out by ECAM in 2015. The report includes the results of a survey, carried out in April 2016, which targeted formal and informal employers who participate in the provision of apprenticeship and internship schemes. Other stakeholders were also included such as key government representatives, development partners, other national experts as well as some apprenticed youth.

#### 1.1 About the Global Apprenticeship Network (GAN) and the Employers Consultative Association of Malawi (ECAM)

The Global Apprenticeship Network (GAN) is an employer-led coalition of committed companies, employers' federations, associations and international organizations dedicated to promoting quality apprenticeships with the ultimate goal of creating job opportunities for youth and ensuring skilled workers for business. The coalition was launched in late 2013 as an initiative coordinated by the International Organisation of Employers (IOE) and the Organisation for Economic Cooperation and Development (OECD)'s Business and Industry Advisory Committee (BIAC), with the support of the International Labour Organisation (ILO). The GAN Global Network is of a strategic nature. GAN's scope of work includes global coordination, fundraising, engaging leading companies and partners, and developing toolkits and reports. The GAN National Networks (GNNs) are the country platforms which allow GAN to achieve concrete results on a national level. According to GAN and key Malawi stakeholders, skills development is critical to improving productivity and competitiveness in the country.

Registered in 1963, the Employers Consultative Association of Malawi (ECAM) represents employers in Malawi. ECAM has 250 direct member organizations, which includes 6 associations, which represent over 277,000 members. The primary role of the Employers' Consultative Association of Malawi (ECAM) is the promotion, guidance and protection of employers' interests in labor, employment and socio-economic

issues. In Malawi, ECAM is the only institution recognized by the Labor Relations Act (LRA) of 1996 as a representative body of employers. ECAM thus forms part of the tripartite in the labor market in Malawi which is comprised of the Government as represented by the Ministry of Labor, and the Malawi Congress of Trade Unions (MCTU), representing unions.

The partnership between ECAM and GAN aims to address the gaps between available and needed skills in Malawi by promoting apprenticeships and other forms of work readiness programs. Achieving these objectives requires strengthening the relationship between the business community and training institutions for demand driven and practice-oriented training with the aim of ensuring students acquire employable skills that are responsive to industry needs and entrepreneurship.

## 1.2 Purpose and Agreed Scope of the Study

The current report builds on the lessons and experiences garnered from the previous ECAM sponsored study and intends to serve as a building block to set up a GAN National Network (GNN) in Malawi. The overall objective of the GNN Malawi would be to improve employability of graduates by ensuring that the national skills development agenda addresses employers' skill needs and by facilitating linkages between employers, training institutions and students.

Building on existing research and taking into account the social, political, economic framework of the country, it was agreed that BR & Associates should undertake a survey among members of ECAM, the Malawi Confederation of Chambers of Commerce and Industry (MCCCI), formal and informal business associations as well as youth advocacy groups<sup>8</sup>. The report's overall objective is to identify challenges and weaknesses in current system, generate employers' views and suggestions regarding the need and importance of a demand-led internship and apprenticeship programs for youth in the country, identify key partners and initiate dialogue with stakeholders.

More specifically, the report addresses the following issues:

- I. Building on the *Survey on Intake of Apprentices and Interns to Improve Employable Skills Through Industrial Attachment (2015)*, it looks at the current practice regarding the rate of demand-led apprenticeships/internship intakes by employers.
- II. A "deep dive" providing detailed information on current formal and informal apprenticeship and internship programs provided through e.g. entry requirements, training cost, duration of the internship/apprenticeships, industries involved etc.
- III. An analysis of current costs in Malawi (to both the employer and the government) pertaining to training programs.
- IV. A comparison of the tax levy used to pay for training costs in Malawi with other countries (i.e. Tanzania, South Africa).
- V. Identification of possible challenges from the perspective of employers, interns and apprentices as well as training institutions in implementing such programs.

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<sup>8</sup> It should be noted that, at the time of writing this report, ECAM was already implementing an ILO supported Work Integrated Learning initiative based on ILO's Project Skills for Trade and Economic Diversification (STED) tool, which partly informed the research for this report. The initiative has identified participating member companies, designed a 40 day curricula (in horticulture) and identified the students who would be attached to the companies and farms as a pilot project.

VI. Identification of key partners:

- 1) To participate in multi-stakeholder dialogue to address identified challenges and identify and implement potential solutions.
- 2) Identify key partners to bring on board to broaden donor finance possibilities.

As an outcome, the report outlines recommendations on how to strengthen the country's system and which role a GNN could play in this.

### 1.3 Methodology

The report uses a combination of primary and secondary data sources, including desk research, key informant interviews and an analysis of structured questionnaires administered to purposive sampled respondents.

**Primary data** was collected from direct interviews with relevant stakeholders such as the ECAM and MCCI members, Ministry of Labor, Youth and Manpower Development (MOLYMD), TEVETA and other youth employment advocacy organizations in Malawi (see full list in Annex 3). The sample was constituted using purposive sampling methods. Interviews with 16 HR managers and managing directors were conducted and visits were made to existing formal and informal economy enterprises, technical institutions and government agencies. 14 apprentices and trainees from private and government organizations and training institutions were interviewed as part of the study. In addition, unregulated or informal workplaces in the commercial and administrative capitals, Blantyre and Lilongwe, were included in the analysis. An international consultant conducted additional interviews during a mission in August 2016 with the support of ECAM, which confirmed the findings of the BR & Associates conclusions.

#### **Description of the sample: Interns and Apprentices**

In addition to interviews with the relevant authorities, employers and colleges, a purposive sample of 14 learners was taken across the industries in Blantyre to determine the characteristics of a typical intern, apprentice and trainee. The apprentices and trainees were selected by studying the sectoral representations in the ECAM register with each apprentice representing a sector and in some cases a subsector. The ages of the learners in the sample were between 22 and 27 with a sample mean of 24 years. This seems to agree with the general characteristic of an apprentice or trainee in the country. The obvious implication is that apprentices and interns in Malawi enter the workplace as trainees in their early to mid-twenties implying that they have either completed their degree or diploma programs (for trainees) or an MSCE (for apprentices).

The sample was composed of 8 males and 6 females which reflects secondary data that that most of apprentices and interns in Malawi are male.

Despite assertions from various secondary literature that most apprentices and interns in Malawi are found in the manufacturing sector, the majority in our sample were drawn from the service sector. In the service sector, interns/trainees are mostly female. In the manufacturing sector male technical apprentices predominate.

#### **Voices from the informal economy**

The current survey included a random selection of different types of small businesses to interview their owners and workers to hear their voices regarding trainees and apprentices. The majority of those interviewed seem to depict a similar pattern of traditional or informal apprenticeship across the selected trades.

**Secondary data** was reviewed from relevant organizations such as Southern Africa Development Community (SADC), ECAM, TEVETA, the Ministry of Labor, Youth and Manpower Development (MOLYMD), and others.

#### 1.4 Operational Definitions

The ILO has adopted a number of instruments that guide member states on apprentice and vocational training. The ILO definitions on apprenticeships have had various revisions throughout the years<sup>9</sup>.

Initially, in its Apprenticeship Recommendation (R60, 1939)<sup>10</sup> the ILO defined apprenticeship as: “Any system by which an employer undertakes by contract to employ a young person and to train him (or her) or have him (or her) trained systematically for a trade for a period the duration of which has been fixed in advance and in the course of which the apprentice is bound to work in the employer's service.” (Para.1) This definition incorporates some of the key features of apprenticeship: (1) based in the work place supervised by an employer; (2) intended for young people; (3) the fundamental aim is learning a trade/acquiring a skill; (4) training is ‘systematic’ i.e. follows a predefined plan; (5) governed by a contract between apprentice and employer.

In 1962, the ILO reformulated its definition in Vocational Training Recommendation (R117, 1962), where several new characteristics of apprenticeship were identified. The new definition was “Systematic long-term training for a recognized occupation taking place substantially within an undertaking or under an independent craftsman ..... governed by a written contract of apprenticeship and be subject to established standards.” (Para. X. 46)<sup>2</sup>

More recent guidance from a 2012 ILO publication defines an apprenticeship as: “Training programs that combine vocational education with work-based learning for an intermediate occupational skill (i.e., more than routinized job training), and that are subject to externally imposed training standards, particularly for their workplace component.”<sup>11</sup> Due to its richness, this is the definition, with its attendant variables that has been adopted in the current study.

Internship is job training for largely white collar and professional careers. Internships for professional careers are similar in some ways to apprenticeships or trade and vocational jobs, but the lack of standardization and oversight leaves the term open to broad interpretation. Interns and trainees may be

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<sup>9</sup> Gopaul, Shea, 2013, Feasibility Study for a Global Business Network on apprenticeship. Geneva: ILO

<sup>10</sup> ILO (2016) R060 - Apprenticeship Recommendation, 1939 (No. 60) Available from [http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ILO\\_CODE:R060](http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R060) Website accessed 5 November, 2016.

<sup>11</sup> ILO, 2012, Overview of apprenticeship systems and issues: ILO contribution to the G20 Task Force on Employment. Geneva: ILO

college or university students and graduates, high school students, or post-graduate adults. These positions may be paid or unpaid and are usually temporary.<sup>12</sup>

Despite the differences between the two systems (apprenticeship and internship), a number of common factors characterize both. Training is workplace based and mainly involves a contract that may be of a written or an oral nature drawn up between the apprentice/*intern* and the owner of the firm. The contract mainly sets out the rights and duties of both sides.

The major differences between the two are that, in most jurisdictions, apprenticeship is regulated while internship is not. Secondly, there is certification at the end of apprenticeship unlike in an internship. Thirdly, the apprentice is usually entitled to a low remuneration package from the owner of the enterprise, master craftsman, in-company trainers or trainers provided for this specific purpose. In addition to the training provided at the workplace, apprentices in the formal economy are, in most cases, legally obliged to attend part-time vocational institutions to receive training that complements the skills being learnt at the workplace. This means that companies are, in turn, legally obliged to release apprentices to attend these training institutions for a number of days during the week or for several weeks during the year, depending on the system adopted. This has led to a dual system where two learning sites exist in parallel with each other. The training in the work place and in a training institution.

Another term commonly used is “learnership”. A learnership<sup>13</sup> is usually shorter than an apprenticeship, always involves a completion of a qualification and is available in a wider range of occupations as compared to the typical blue-collar trades of apprenticeships. Learnership does not involve employment but always involves work placements.<sup>14</sup>

## 2. National Context

Malawi, like most other African countries, has an extremely young population. Consequently, the number of young people entering the labor market has been growing rapidly every year. The country’s economy has, however, not been growing sufficiently quickly to create employment opportunities to meet the demand for employment. In addition to facing inadequate employment opportunities, young people lack sufficient education and training, work experience, job search knowhow and access to the social networks that can provide relevant employment related information.

### 2.1 Malawi’s Economy

The economic situation in Malawi remains challenging due to uncertainties that are attributed to weather conditions, the on-going suspension of budget and high inflation.<sup>15</sup> Growth has stagnated and, according to figures from the World Bank, GDP growth has decreased from 5.2% in 2013 to 2.8% in 2015 trailing behind the regional average.<sup>16</sup> The per capita gross domestic product (GDP) of US\$ 314.5 in 2013 is down

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<sup>12</sup> [www.skills.sa.gov.au/](http://www.skills.sa.gov.au/)

<sup>13</sup> Gopaul, Shea, 2013, Feasibility Study for a Global Business Network on apprenticeship. Geneva: ILO

<sup>14</sup> Gopaul, Shea, 2013, Feasibility Study for a Global Business Network on apprenticeship. Geneva: ILO

<sup>15</sup> Reserve Bank of Malawi (2016) Monetary Policy Statement #4. Lilongwe: Reserve Bank of Malawi

<sup>16</sup> World Bank IBRD-IDA (2016), Malawi Economic Monitor: Absorbing shocks, building resilience. Lilongwe: World Bank Office Malawi.

from US\$ 463.1 in 2010.<sup>17</sup> There is a drought as a result of El Nino.<sup>18</sup> The impact of the drought has the potential to continue to push inflation higher as a result of increases in food prices. Authorities have further confirmed that 6.5 million people (39.0 percent of the total population) are food insecure this year (2016), compared to 2.1 million people in 2015.<sup>19</sup> The Government has fast tracked import and procurement of maize and food aid in order to help mitigate anticipation of food shortages.

On the global front Malawi is faced with potential additional problems. Tobacco is Malawi's prime foreign exchange earner, however, low prices characterized the most recent tobacco season and volume compared to the previous season. Cumulative tobacco prices as at 5th August 2016 averaged US\$1.57 per kilogram, 11.7 percent lower than the price registered in a similar period in 2015. Total realization from tobacco sales amounted to US\$185.8 million, lower than US\$271.1 million realized during a similar period in 2015. Furthermore, the country has experienced drops in another one of Malawi's major exports, cotton. Cotton exports dropped by about 33 percent to 15,000 metric tons relative to last year's production, largely due to the dry spell. Malawi is, therefore, scheduled to lose about US\$ 10 million as this output will only bring US\$2.3 million, from last year's US\$13 million. "Low export proceeds may lead to exchange rate instability and depreciation that might exert inflationary pressure especially on the non-food inflation".<sup>20</sup>

In addition, it is expected that the import of food supplies (at about 13 percent of GDP) due to the food insecurity situation will widen the current account deficit is expected to a great extent in 2016.<sup>21</sup> This is notwithstanding the weak export performance. The current account deficit is projected to remain in the range of 7 – 9 percent of GDP, reflecting the slow pace of export diversification, demand for imports associated with development projects and rapid population growth.<sup>22</sup>

During the 2015/2016 budget Government embarked on increased domestic borrowing which in turn led to excess liquidity which has put pressure on inflation. "As of April 2016, the annual growth of money supply was at 25.7 percent, of which net credit to Government was a major determinant, responsible for 17.9 percent of the growth in money supply".<sup>23</sup>

In the wake of these indicators and the current economic crisis, further agony has been inflicted on the Malawi economy due to insufficient power supply by the Electricity Supply Commission of Malawi (ESCOM).<sup>24</sup> This has serious implications for businesses because, instead of applying resources to key factors of productions such as labor, they are forced to import their own sources of energy. With regard to the impact of the situation on productivity, businesses have to pay idle employees resulting in increased workplace costs.<sup>25</sup> According to ESCOM, power shortages are the result of water levels that have dropped to their lowest levels in the history of the country.<sup>26</sup>

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<sup>17</sup> <http://data.un.org/CountryProfile.aspx?crName=malawi>

<sup>18</sup> Reserve Bank of Malawi (2016) Monetary Policy Statement #4. Lilongwe: Reserve Bank of Malawi

<sup>19</sup> *ibid*

<sup>20</sup> *ibid*

<sup>21</sup> *ibid*

<sup>22</sup> *ibid*

<sup>23</sup> *ibid*

<sup>24</sup> <http://www.times.mw/escom-capacity-reduced-by-50/> Date accessed 31st March 2016

<sup>25</sup> <http://mwnation.com/fury-desperation-over-electricity-loadshedding/> Date accessed 31st March 2016

<sup>26</sup> <http://www.times.mw/escom-capacity-reduced-by-50/> Date accessed 31st March 2016

## 2.2 Malawi's Labor Market

Malawi has high unemployment rates, which coupled with the substantial population growth, results in the urgent need to create a sufficient number of jobs.<sup>27</sup>

The Malawi ILO supported Labor Force Survey (MLFS) of 2013 that the National Statistics Office (NSO) conducted<sup>28</sup> data indicates that the labor force is composed of 7 million people in the age group of 15-64 years. Of this total, 3.3 million are males and 3.7 million are females. The labor force participation rates for both males and females was quite high. The rates ranged from 70 percent in the age group 15-19 years old to 97 percent in the age groups of those 30 - 34 and 40 - 44. A total of 5.5 million people were employed, representing an average employment rate of 80 percent. Only 4 percent of employed persons were in managerial, professional technician and associated professional occupations, however. A majority of employed persons were in agriculture, forestry and fishing (64 percent) and wholesale, retail and repair of motor vehicles work (16 percent).

Malawi's unemployment rate is among the highest in the SDAC region. The Labor Force Survey of 2013 reported a strict unemployment rate of 6.6%.<sup>29</sup> There is a 23% unemployment rate of youth between the ages of 15 and 34.<sup>30</sup> This means that almost a quarter of young people who are available for work are not engaged to do so. However, only 10% of the total labor force is actually employed in the formal economy.

Due to the challenges in the formal economy, the informal economy is expanding at an alarming rate but remains largely unregulated. The 2013 Malawi Labor Survey indicated that 89% of working persons were in informal employment.<sup>31</sup> It includes many workers who do not have access to decent work conditions due to their informal work circumstances. Self-employment comprises own-account workers and employers. The prevalence rate of self-employment was higher among females than males, higher in rural areas than urban areas and higher among persons with less education than among persons with more education. Unemployed youth are joining this unregulated sector as the only alternative and available option for full time employment or to work as interns/apprentices. In fact, in 2013 the ILO reported that over 70 percent of young Malawians between the ages of 15 and 29 are employed in the informal economy.<sup>32</sup> The informal economy is thus "characterized by a large number of young people and women workers as well as a number of decent work deficits. Deficits include precarious incomes and the lack of application of fundamental principles and rights at work, lack of decent work opportunities and inadequate social protection, poor and even dangerous working conditions, and lack of voice and representation"<sup>33</sup>

The identified challenges explain the reason for the high emphasis of the National Employment and Labor Policy on decent productive employment with a specific focus on Youth Employment and enterprise

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<sup>27</sup> National Employment and Labor Policy 2014-2018

<sup>28</sup> National Statistical Office (2013), Malawi Labour Force Survey 2013. Key Findings Report. Lilongwe: National Statistical Office

<sup>29</sup> National Statistical Office (2013), Malawi Labour Force Survey 2013. Key Findings Report. Lilongwe: National Statistical Office

<sup>30</sup> Using the broad definition of the percentage of youth in age group 15 – 34 years who, during the reference period of one week were unemployed (without work and available to work) Labour Force Survey(Malawi), 2013. P

<sup>31</sup> Ibid

<sup>32</sup> ILO (2013), Global Employment Trends for Youth 2013. Geneva: ILO.

<sup>33</sup> Malawi Labor Force Survey 2013

development. It is necessary to ensure that fundamental principles that promote workplace rights as well as productivity and competitiveness guide employment creation.

Employment creation of all kinds is critical to Malawi's economic progress and the eradication of poverty. The Government of Malawi, in consultation with the social partners, formulated the National Employment and Labor Policy (NELP)<sup>34</sup> for this reason. The NELP is a five-year strategic document (2014-2019) that provides a guidance framework for the country's efforts to achieve productive and decent employment and enterprise development including employers', investors and workers' compliance with labor standards, social protection and social dialogue. The policy has identified the following priority areas:

- Economic Growth and Employment
- Labor Market Information
- Skills Development and Labor Productivity
- Private Sector Development and Job Creation
- Micro, Small and Medium Enterprise Development
- Labor Administration and Labor Standards
- Employment of Women and People with Disabilities
- *Youth Employment*
- Labor Emigration and Immigration
- Agricultural Sector and Employment

The policy was developed in the context of the Malawi Decent Work Country Programme 2011-2016, the Malawi Growth and Development Strategy (MGDS) II 2011-2016 and Vision 2020. More importantly and relevant to the current study, the NELP included a Youth Employment strategy that reads in part as follows: "The policy will ensure the creative energies of the young people are harnessed and utilized for productive and decent employment through entrepreneurship and enterprise development for national development."<sup>35</sup>

Malawi has attempted to promote entrepreneurship in general, including in the informal economy, but this has led to only a limited level of success. Through the Technical, Entrepreneurial and Vocational Education and Training Authority (TEVETA), the country has recently introduced programs to enhance entrepreneurship among youth. Despite these efforts, Malawi is still ranked 130 out of 132 on the Global Entrepreneurship Index 2016, which measures the health of the entrepreneurship ecosystems of countries.<sup>36</sup>

### 2.2.1 Apprenticeship and Internship Systems in Malawi

The Malawi Employment Act of 2000 (Labor Law)<sup>37</sup> does not have many references that can be interpreted as of direct relevance to situations of apprentices and interns/trainees. It does include important references to ensuring that young people between the ages of 14 and 18 should not work in

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<sup>34</sup> Government of Malawi (2014), National Employment and Labor Policy. Lilongwe: Ministry of Labor, Youth and Manpower Development

<sup>35</sup> Ibid

<sup>36</sup> The Global Entrepreneurship and Development Institute (2016), Global Entrepreneurship INDEX 2016. Washington, DC: The Global Entrepreneurship and Development Institute

<sup>37</sup> Government of Malawi (2000), Malawi Employment Act 2000. No. 6. Published 19<sup>th</sup> May, 2000. Article 22. Lilongwe: Government of Malawi

situations that are “(a) harmful to the health, safety, education, morals or development of such a person; or (b) prejudicial to his attendance at school or any other vocational or training program.” It may be assumed that this also includes apprenticeship situations. The Employment Act does make an exception with regard to the minimum age of 14 for work if it is in the context of a vocational technical school or other training institution.<sup>38</sup>

The regulatory environment on apprenticeships focuses mostly on structuring apprenticeships within the TEVEST situation and providing some very basic means of support. There is little detail in the regulation on the implementation of labor standards to ensure that decent work conditions for apprentices, particularly in the informal economy, are applied. The regulated environment describing the organization of apprenticeships in Malawi includes rules for how they should be implemented in conjunction with vocational and training institutions. The only reference of interest to the informal economy in the Employment Act (2000) states that a labor officer should “make all efforts to assist smaller and informal enterprises in understanding and complying with this Act and any other law relating to the employment of persons.”

There is no regulatory framework whatsoever for the other types of learner development programs such as traineeships and internships.

Technical Vocational Education Training in Malawi was guided and regulated mainly through the Education Act (1962) until the passage of the new Education bill in October 2013. The new bill introduced compulsory primary school education but specifics to support full implementation still need further attention. Passage of the bill was important as it stresses access for all children to basic education for the first time. This enables more children to have a better basis to benefit from eventual apprenticeship programming.

The National Education Sector Plan (NESP) 2008-2017<sup>39</sup> provides a vision of the whole education sector in the country as a “...catalyst for socio-economic development and industrial growth and as an instrument for empowering the poor, the weak and voiceless.” The NESP further pledges to expand access to TEVET and rehabilitate colleges.

According to UNESCO-International Bureau of Education (IBE)<sup>40</sup> the education system in Malawi is comprised of eight years of primary education, four years of secondary education and four years of tertiary education. Previously, after completing two years of secondary education, students would take the National Junior Certificate of Secondary Education (JCE), followed by the Malawi School Certificate Examination (MSCE). These two certificates used to give access to TEVET. However, in 2015, the Government abolished the JCE as a certification level and indicated that the JCE designation had more or less become useless. In that spirit, Government claimed it would save up to approximately 2 Billion Malawi Kwacha (roughly USD4 million per year) by abolishing the JCE.

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<sup>38</sup> Note that in such cases work must be approved and supervised by a public authority and be an integral part of the educational or vocational training programme. Government of Malawi (2000), Malawi Employment Act 2000. No. 6. Published 19<sup>th</sup> May, 2000. Article 21. Lilongwe: Government of Malawi.

<sup>39</sup> Government of Malawi (2008), National Education Sector Plan (NESP) 2008-2017. Lilongwe: Government of Malawi

<sup>40</sup> UNESCO-IBE (2010), World Data on Education VII ed. Malawi. Geneva: UNESCO-IBE

Of particular relevance to the implementation of apprenticeships is the TEVET Policy (1998) and the Technical Entrepreneurial and Vocational Education Training Act (1999).<sup>41</sup> The TEVET Act covers:

- The objectives of Technical Education and Training
- The establishment of Technical, Entrepreneurial and Vocational Education and Training Authority of Malawi.
- Establishment of Board of the Authority
- Technical, Entrepreneurial and Vocational Education and Training Payroll-Levy
- Establishment of Technical, Entrepreneurial and Vocational Education and Training Fund

The TEVET policy of 1998 has the following objectives: (1) to promote an integrated, demand driven, competency-based, modular technical, entrepreneurial and vocational and training system, (2) to monitor gaps between supply and demand for skills, (3) to support the adoption and application of appropriate technologies, (4) to promote managerial and business skills and a spirit of entrepreneurial culture with regard to wage and self-employment, (5) to facilitate sound and sustainable financing and funding mechanisms; and (6) to facilitate and bring together the expertise and moderate the different interests of the stakeholders.

The TEVETA Act (1999) reflects and further elaborates on the same principles and objectives as covered in the TEVET policy. The TEVETA Act covers the following:

- The objectives of Technical Education and Training
- The establishment of Technical, Entrepreneurial and Vocational Education and Training Authority of Malawi.
- Establishment of Board of the Authority
- Technical, Entrepreneurial and Vocational Education and Training Payroll-Levy
- Establishment of Technical, Entrepreneurial and Vocational Education and Training Fund

Principally, the TEVETA Act establishes the Technical, Entrepreneurial and Vocational Education and Training Authority (TEVETA) to “facilitate the provision of technical education and training opportunities and facilitate such training.” (Sec 4(a) )<sup>42</sup>

In particular, and of relevance to the current study, the other functions provided in the Act are, as per Sec 4(c): “to satisfy the demands of the labor market for employees with trade skills in order to improve production, and ensure maximum efficiency and relevance of technical education and training programs.” Also Sec 4(d): “to ensure that the system of technical education and training is based on demand and is cost effective.”

The act also established the training payroll levy in Sec 20(1) levied on employers to create a sustainable financial framework for TEVET in the medium term.<sup>43</sup> Section 15 is very important in this regard as it spells out the functionality of a specific body to ensure that the vocational training provided is industry based and demand driven (Sec 15(1)). The section states that, “It shall be the responsibility of a Trade Advisory

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<sup>41</sup> Government of Malawi (2000), Technical Entrepreneurial and Vocational Education Training Act 1999. Lilongwe: Government of Malawi

<sup>42</sup> Government of Malawi (2000), Technical Entrepreneurial and Vocational Education Training Act 1999. Lilongwe: Government of Malawi

<sup>43</sup> Ibid

Committee to ensure that technical education and training programs are in accordance with the needs for the labor market.”<sup>44</sup>

The history of the Apprenticeship Act of 1996 is that it was repealed after enactment of the TEVET Act in 1999, however under the latter, all subsidiary legislation unless in conflict with the TEVET Act remained in force.<sup>45</sup> These regulations provide a better scope of the definition of an apprentice in Malawi. To contribute to youth employment, the minimum age to enter into an apprenticeship is set at 15 years of age.

The Regulation provides for obligations of the employer are as follows<sup>46</sup>

- i. To accept the apprentice as his apprentice during the said term (subject to probationary period of 6 months on either side)
- ii. Pay the apprentice every calendar month during the said term, not less than such wages as may be specified in the Apprenticeship Order in relation to the trade of the apprentice
- iii. Provide the apprentice with sufficient good food and drink or lodging or the full value of all or any of these items as cash in lieu thereof
- iv. Provide medical attention
- v. Provide the apprentice with reasonable means to return to his home
- vi. Grant an apprentice leave on full pay

The Apprentice on the other hand is obliged to<sup>47</sup>

- i. Faithfully aid industrially serve the employer
- ii. Conform to the instructions of the employer and obey lawful orders of the servants of the employer
- iii. Reside in such quarters as the employer may from time to time appoint, if this is necessary
- iv. Attend courses of instruction the employer may direct
- v. Take reasonable good care of goods and property of the employer placed in his custody
- vi. Maintain and keep secrets of the employer
- vii. The employer has the liberty to deduct from the Apprentice’s remuneration for any loss occasioned by unauthorized absence or incapacity or misconduct or negligence of the apprentice.

It is worth mentioning that while some terminology is archaic and needs to be revisited, the spirit in which the Regulation deals with the employer apprentice relationship is not in conflict with the prevailing Employment Act.<sup>48</sup>

#### 2.2.1.1 Financing Apprenticeships and Vocational Training

In Malawi, technical and vocational training is financed through a variety of sources, public and private. Public Technical Colleges receive base funding from the national public budget and program funding from TEVETA approved budget. Public colleges also receive contributions from private households, mainly in

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<sup>44</sup> Ibid

<sup>45</sup> Government of Malawi (2000), Technical Entrepreneurial and Vocational Education Training Act 1999. Lilongwe: Government of Malawi S38 (3) (a)

<sup>46</sup> reg 6 Second Schedule TEVET ACT 1999

<sup>47</sup> reg 6 Second Schedule TEVET ACT 1999

<sup>48</sup> No 6 of 2000. Reference is made to employees and not servants.

the form of tuition fees. The TEVET Act of 1999 introduced the TEVET Levy that TEVETA manages. This is 2% of the gross emoluments of all employers paid to TEVETA and is used to reimburse the training expenses of companies.

It must be mentioned that, though the statute indicates that the levy is supposed to be 2%, in practice the levy is implemented at 1%. The latter is the result of a “gentleman’s” agreement of ECAM, representing all Employers in Malawi, with TEVETA. There is a need to formally amend the Act to reflect the correct and operating levy.

This generally means that vocational and technical training in Malawi is shared among the public and private sector as well as with households. The largest amount of funding, in nominal terms, comes from the private sector.

Qualitative interviews with government officials have shown that the enactment of the law is another concern as the Government has not met its statutory obligation to fund its share of the TEVETA fund. Government, like all employers, also must pay the levy over its payroll. At the time of the current study, Government still owed TEVETA its levy contributions from inception. This, according to ECAM, makes it look like TEVETA Fund is largely funded by employers and yet most of the training programs that TEVETA operates include social and informal economy business related activities such as basket weaving.

#### *Financing Apprenticeships – Examples from SADC and Eastern Africa*

Country comparisons that previous researchers within the SADC and East African region have undertaken confirm a similarity in terms of financing and cost sharing for technical and vocational training programs. Table 10 below summarizes this information as adapted from Akoojee, Gewer and McGrath (2015)<sup>49</sup>. Funding, too, is an area where there have been some reforms in some countries but little progress in others. According to the authors, what is striking from the national data is the huge range of public expenditure commitment to training.

As a percentage of educational budgets, training expenditure across the SADC region, from the said secondary data study findings, ranges from 0.6% to 13.6%. It is appropriate to argue that there is too little public expenditure on training in many countries, particularly where there has been little tradition of private sector contribution. In some SADC countries, levy-grant mechanisms have been introduced to raise financing for training from employers. These vary considerably in scope: from 0.5% to 5% of payroll, generating income ranging from less than USD 10 million to more than USD 1 billion per annum (ibid). There are concerns at both ends of this spectrum regarding how levies actually translate into training. In some cases, there are worries that too many employers treat levies as taxes and do not change their attitudes towards training. In some situations, levies are too small to support sustainable training agencies in poorer countries. Small, micro and informal enterprises are often outside the levy and training system altogether.

On a positive note, it seems likely that there is much more private, community and employer investment in training in the region than the data captured. As indicated in table 10 below, employers pay a 0.5% levy based on payroll in Mauritius, while the levy is officially set at 2% in Malawi (and implemented at 1%),

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<sup>49</sup> Akoojee, Salim; Gewer, Anthony & McGrath, Simon (2015) Vocational Education and Training in Southern Africa A Comparative Study, British Council

Namibia, South Africa and Zimbabwe; 5% in Tanzania; and Zanzibar. In Botswana the levy paid is set at 0.2 to 0.25% of company turnover. These levies provide a significant funding base for training. In Malawi, the levy accounts for 93% of total income for TEVETA (TEVETA, 2010). Skills levies are primarily targeted at private companies, although in the case of South Africa, the levy has been extended to state-owned enterprise employers, and in Zanzibar, government as an employer pays the skills levy. In Swaziland, however, industry has rejected the introduction of the training levy created in the Industrial and Vocational Training Act of 1982. This confirms that not all countries in SADC have adopted the levy with training system.

**Table 10: summary of country comparisons. TEVT Levies (SADC region)**

(Source: adapted from Salim , et al 2015)

Country	Levy
Botswana	0.2 to 0.25% of company turnover
Malawi	2% of payroll (1% in practice)
Mauritius	0.5% of payroll
Namibia	1% of payroll
South Africa	1% of payroll
Tanzania/Zanzibar	4.5% of payroll
Zimbabwe	1% of payroll

The latest audited accounts of TEVETA reveal that the Authority collected around MK3.8 billion (around USD5.5 million) from the Training Levy, up from MK 2.4 billion (around USD 2.3 million) from the previous year representing an increase of 58%.

During the same year the Authority registered a Surplus of over MK200 million (USD 285,000)

In addition, the funding woes that the Directorate of Vocational and Technical Training highlighted, include the under-utilization of the TEVETA Fund for Technical and Vocational training in the country.

#### 2.2.1.2 Number of Apprentices and Interns

A review of TEVETA documentation reveals that there is a formal process that takes employers' input into recommended focus areas for training and skills distribution assessments into account. This provides a basis for TEVETA to determine the number of admissions into each trade per year in the formal public technical colleges. There is, however, no evidence to confirm whether this process cascades down to private and faith-based mission sponsored technical colleges.

An assessment of the recent admissions at Lilongwe Technical College (2015 intake) reveals that, through the employer demand driven process, the intake of wood machinist trainees was increased from the usual 8 to 13. On the flip side, there had however been no intake at the college for General Fitter trainees over the last 2 years due to a lack of demand for this type of skilled workers from industry.

At the time of writing the current report, the demand for apprenticeship training continued to grow. Figures extracted from TEVETA and Ministry of Labor, Youth and Manpower Development (MOLYMD),

Vocational Training Directorate indicate that a total of 3,540 trainees were selected to attend the 16 TVET providers in the country in the 2014/2015 season as compared to 312 in 2005. This represents a substantial growth of 11 times the preceding situation. More importantly, there is a jump of 12 times the starting rate for female's enrolment.

### 2.2.1.3 Apprenticeships in SMEs and the Informal Sector

In Malawi, traditional apprenticeships are mostly in traditional and typically male-dominated trades, including tailoring, bicycle repair, boat building, construction, mechanics, welding, woodwork and shoe repair. The length of training varies depending on the trade, the aptitude of the trainee and the master craftsman providing the training, but trainees have the option of participating in Trade Test examinations at the end of their apprenticeship that the Ministry of Labor organizes.

According to findings of an ILO report<sup>50</sup>, there were 4.6 workers and 2.5 apprentices per small enterprise on average at the time the study was conducted. The reports further assert that there is a huge variation in the average number of workers and apprentices depending on the trade. For instance, the food processing sector (bakery) has the highest average number of workers (18) per enterprise whereas other trades have two to four workers on an average. Similarly, the food processing (bakery) sector has the highest average number of apprentices of (7) per enterprise whereas other trades have one to three apprentices on an average. Very few enterprises employ casual workers and family helpers meaning that apprentices are also largely employed to perform low skilled work or as helpers, especially in the initial phase of training.

Most youth acquire skills through informal apprenticeship since the formal training system has very limited capacity to develop and train them. Formal technical and vocational education and training (TVET) is not accessible to the majority of Malawian disadvantaged youth due to financial and non-financial barriers. Barriers may include unaffordable fees, illiteracy, physical disability, stereotyping, etc. As a result, a ILO report indicates an estimate of over 90% of those willing to undertake into vocational employment find themselves in informal apprenticeship sectors.<sup>51</sup> Most of these trainees are not paid, live and work in abhorrent conditions and are unregulated. This sector forms a substantial link to the formal economy employers through the supply chains.

The transition from the informal to the formal economy is an aspect to be considered in the planning process of support to the development of the GNN Malawi. The transition was discussed at the 103rd session of the International Labor Conference (ILC) in 2014 and was on the agenda of the 104th session in June 2015 in view of the adoption of recommendations.<sup>52</sup> Within the walls of the tripartite conference, a consensus was eventually reached towards the "transition" from the informal to the formal economy through a near unanimous adoption of ILO Recommendation 204. While there was much discussion of the extent to which formalizing the informal economy might be to the detriment of

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<sup>50</sup> Ashwani Aggarwal, Christine Hofmann, Alexander Phiri (2010). A study on informal apprenticeship in Malawi, Employment Sector. Employment Report No. 9. Geneva: ILO

<sup>51</sup> ILO (2010), Employment Report #9, Geneva: ILO

<sup>52</sup> ILO (2014), Transitioning from the informal to the formal economy – Report V. International Labour Office (ILO), Geneva: International Labour Conference, 103rd Session, 2014. ILO (2015) Recommendation 204 (2015) - Recommendation Concerning the Transition from the Informal to the Formal Economy, adopted by the Conference at its 104th Session, Geneva, 12 June 2015. Charmes, Jacques (2015) Thematic Brief: Formalising the Informal Economy? Rome: ARS Progetti, Research Network Support Facility; Brussels: European Commission.

those working at the margins of the economy, formalizing is necessary to ensure improved access to decent work conditions of all workers.

Formalizing entails organizing informal economy enterprises individually or in groups and providing them with official recognition. It also entails ensuring that informal workers are formalized through provision of labor contracts or other official recognition of their status in the enterprise. Malawi is also expected to work towards the formalizing process which has obvious implications for apprenticeships and internships.

It should be noted that the TEVET Authority does have an outreach program to the informal economy that includes the facilitation of informal apprenticeships and on-the-job training in a variety of settings.<sup>53</sup>

#### 2.2.1.4 Education and Training Providers in Malawi

While there is at least a legal and regulatory framework governing apprenticeships in Malawi, it is the implementation of apprenticeship programming that poses challenges.

In Malawi, Technical, Entrepreneur and Vocational Educational Training is provided in technical colleges, community-based training centers, private technical and through vocational training providers. The apprenticeship training system includes on-the-job practical training combined with theoretical courses in college (dual system).

Most of public formal training is delivered in seven Technical Colleges (TCs) that provide a total of four years of technical and vocational training courses. These can be divided into two types. The 'regular' programs that are TEVETA sponsored and regulated trainings and apprenticeships. The other type are the 'parallel' programs, run under the responsibility of the technical colleges themselves. These include apprenticeship and non-apprenticeship programs. Apprenticeship-based programs in Technical Colleges start with one year of initial training in the College, followed by three years that consist of one term in college and two on-the job sessions in the industry.<sup>54</sup>

The ECAM 2016 report further indicates that, there are other institutions that provide sector-specific training. These include the Malawi Institute of Hospitality, the Marine Training College and other specialized Training Schools that offer initial training in specific sectors, as well as shorter, in service courses.<sup>55</sup> There are also private providers of sector-specific training, such as the National Construction Industry Council and Bankers association of Malawi. Companies may also offer TEVETA regulated training to their employees, in these cases TEVETA provides a refund covering half of the training expenses.

In addition, the Government of Malawi has established Community Technical Colleges effective from 2015. These were established in recognition of the constraints of formal technical colleges to enroll students in TEVET and target youth in the informal and rural sector. The conceptualization of the project was carried out with the technical assistance of the ILO. The State President of Malawi launched the roll out of the Community Colleges on 22<sup>nd</sup> January, 2015 at Ngara Community College in Karonga. Eleven colleges were rolled out at the beginning of the launch.

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<sup>53</sup> Technical, Entrepreneurial and Vocational Education and Training (TEVET) Authority (2016), Annual Report for 2014-2015. Lilongwe: Technical, Entrepreneurial and Vocational Education and Training (TEVET) Authority

<sup>54</sup> UNESCO-IBE (2010), World Data on Education VII ed. Malawi. Geneva: UNESCO-IBE

<sup>55</sup> UNESCO-IBE 2010 ibid

According to Ministry of Labor reports, at the beginning of the roll out, the Ministry of Labor had identified 11 retired senior officers who worked in the TEVET sector as Heads of Department and Principals of public technical colleges and National Trade Testing Services for the purposes of filling the posts of Principals and instructors for community colleges to start operating.

The number of programs that had been rolled out as at January 2016 in 11 colleges were focused on mostly technical subjects in traditional and typically male-dominated trades: Bricklaying, Carpentry & Joinery, Motor Cycle Mechanics, Welding & Fabrication, and Textile & Design.

With regard to the expansion program, the Government of Malawi has confirmed establishment of 17 additional community colleges by the end of the 2015/16 financial year<sup>56</sup>.

Larger companies have their own training centers while others sponsor staff to attend external courses. A large part of workplace training is on-the-job training.

In Malawi, non-regulated training is offered through a variety of private training providers and Non-Governmental Organizations (NGOs). These training institutions can vary in terms of course duration as well as the subject areas covered.

Informal or traditional training is largely unregulated. As in Europe and elsewhere, unregulated training is also common in Malawi. Informal training is provided largely through traditional apprenticeships in the informal economy. In such cases, a trainee enters into an agreement with a master craftsperson. This type of technical training covers by far the largest number of students in Malawi.<sup>57</sup> The duration of such training varies depending on the trade, the aptitude of the trainee, and the master craftsperson. Trainees do have the option of participating in Trade Test examinations at the end of their apprenticeship that are organized by the Ministry of Labor.

According to the latest TEVETA Performance Report<sup>58</sup>, in addition to the skills development and vocational training in the formal economy, the institution ensures that even the marginalized have access to TEVET programs. TEVETA thus also implements programs in the informal economy consisting of promoting community participation in economic development initiatives. Under this programming, TEVETA implements skills development initiatives (SDI), on-the-job training programs (OJTP) and other programs run in coordination with partners with, for example, World Vision International (WVI).

A total number of 3,853 people have benefitted from various programs under the informal economy skills development programs since 2006. However, according to TEVETA, this is not yet a sufficient number given that there is overwhelming demand for such interventions from people in the informal economy.

In 2009 TEVETA, with support from the National Aids Commission, embarked on a technical and vocational skills training for orphans, vulnerable and affected youth (TVST-OVAY) in the informal and rural sectors.

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<sup>56</sup> Discussions with the Director of Vocational and Technical Education

<sup>57</sup> NESCO-IBE 2010 *ibid*

<sup>58</sup> Technical, Entrepreneurial and Vocational Education and Training (TEVET) Authority (2016), Annual Report for 2014-2015. Lilongwe: Technical, Entrepreneurial and Vocational Education and Training (TEVET) Authority

This is one of the efforts that TEVETA has put in place to broaden equitable access to quality TEVET programs. According to TEVETA's performance reports, the program a total of 1,897 youth had benefitted from informal and formal programs by 2011 out of a targeted 2,510.

#### 2.2.1.5 Qualification and Certification

Entry qualification for apprentices and interns/trainees in Malawi is still the Malawi School Certificate of Education (MSCE) an equivalent of O-Level or Junior Certificates depending on the type of training and/or apprenticeship scheme.

The minimum level of qualification to eventually obtain certification in the Malawi Craft, City & Guilds and Malawi Trade, is an MSCE. This is because the program combines a significant level of classroom academic teaching as well as practical vocational training. The Competency Based Educational Training (CBET) targets even those who are not in the formal technical educational sector, i.e. the unregulated education sector. The unregulated sector is sufficiently flexible to accommodate those with qualifications below MSCE.

The newly introduced community colleges have a dual approach to entry qualifications. The first type is comprised of formal classes, which target MSCE holders. In some cases, this also accommodates JCE holders. Students in this group learn the full curriculum on offer. Learning follows a competency based education and training approach with emphasis on a requirement that students display the required competencies after training.

The second type is comprised of informal classes which target JCE holders and below. The informal programs target vendors and school drop-outs who are not able to advance to further studies and have moved into self-employment.

There are three examination bodies in Malawi that provide certification of apprentices. These are:

- 1) The National Trade Test (NTT), administered by the Ministry of Labor;
- 2) The Malawi Crafts Certificate, administered by the Ministry of Education through MANEB; and
- 3) The Competence Based Education and Training (CBET), introduced and managed by TEVETA.

The National Trade Test (NTT) is a three-tier qualification system and is the oldest in Malawi. Assessment consists of a theoretical and practical module with emphasis on practical dexterity. There is an open admission to the test, i.e. candidates do not need to have attended a training program in order to sit for the test.<sup>59</sup> A combination of external candidates, who may have, for example, acquired their skills in the informal economy, and candidates following training courses in public or private TEVET institutions sit the test. The NTT has 28 prescribed trades.

The Malawi Crafts and Advanced Crafts Certificate is a two-tier qualification system introduced in the 1980s. In contrast to the NTT, it is program-based. Completion of two years of training in a Training College is required for the Crafts Certificate and four years for the Advanced Crafts Certificate.

The TEVET certificate of Competence Based Education and Training (CBET) system is a new 4-level credit point system that TEVETA introduced in 2005. It requires attendance in a specified training program and

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<sup>59</sup> UNESCO-IBE (2010), World Data on Education VII ed. Malawi. Geneva: UNESCO-IBE

is the target qualification for the formal TEVETA-sponsored apprentices and trainees. The TEVET Authority Annual Report for 2014-2015<sup>60</sup> indicated that the disbursement of certificates still poses a challenge due to lack of documentation and inadequate skills evaluation.

In addition, a variety of foreign qualification systems exist, such as the British City & Guilds and Pitman which were very popular before the other three certificates outlined above were introduced in Malawi.

Malawian employers have lobbied for the harmonization of the certification system for some time because they feel it is redundant and, in most cases, very confusing. As a result of these persistent calls, Government has embarked on the synchronization and merging process of the existing parallel certification systems. This project is still underway and is progressing very slowly.

#### 2.2.1.6 Certification in the Informal Economy

Of the three formal economy certification systems described previously, only the National Trade Test assesses and awards candidates from the informal economy with certificates. Its grading system has three levels. The Foundation Level is called a Grade 3 certificate. The Intermediate Level is called a Grade 2 certificate and the Advanced Level is called a Grade 1 certificate. After passing the Grade 3 level tests, a person is required to have one year of active practice before attempting to pass the next higher grade tests. There is no minimum education qualification requirement set for individuals who take trade tests. Candidates are tested for practical competencies and related theory. The apprentices from informal apprenticeships are eligible to apply for trade tests at level 3.

The current study found that very few apprentices, including especially in the Auto Mechanics sector, are keen to complete the certification levels to Grade 1. Most drop out at the Foundation Level and opt to open their own garages or 'workshops' as they are called in Malawi. In interviews with some of the drop outs from this sector, the majority indicated that they do not have the time to sit for any more exams since they were already making money and hence saw no motivation to continue. Others indicated that they did not think that they would pass Grade 2 and Grade 1 due to their low educational qualifications.

### 3. Survey Findings on Apprenticeships and Internships

Following the analysis of the secondary data, primary data was collected in the form of visits and interviews with employers, technical and vocational colleges as well as a group of apprentices. The following chapter provides a summary of the qualitative data collected through the visits and interviews, which provide a more holistic picture of the challenges Malawi's apprenticeship and training system faces.

#### 3.1 Voices from the Field

##### 3.1.1 Employers' Perspective

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<sup>60</sup> Technical, Entrepreneurial and Vocational Education and Training (TEVET) Authority (2016), Annual Report for 2014-2015. Lilongwe: Technical, Entrepreneurial and Vocational Education and Training (TEVET) Authority

Following a proposal to establish an apprenticeship and internship program to improve employable skills among secondary school, college and university students and graduates, ECAM, with the support of the International Labour Organisation (ILO), commissioned a survey entitled “*Intake of Apprentices and Interns to Improve Employable Skills through Industrial Attachment*” in 2015. The overall objective of the survey had two sub-components: The first was to determine the level of intake of graduates for apprenticeships and internships by industry, the second was to identify bottlenecks employers face with regard to the intake of apprentices and interns.

The study clearly concluded that employers in Malawi demonstrated high readiness to employ apprentices and interns. In fact, among ECAM members, internships were found to be rapidly gaining ground in the area of support to the development of youth for professional careers. However, the study did uncover a number of challenges that employers and trainees face. These included:

- A need to synchronize the certification process
- Lack of partnerships among employers on issues regarding apprenticeship and internship management at policy level
- Lack of appropriate monitoring of apprentices while in the workplace
- Poor work conditions of apprentices and trainees
- Lack of relevant social security benefits
- Lack of interactive cooperation between employers and training providers

These challenges indicate that Malawian youth can currently not benefit from apprenticeships and internships to the degree they should. For this study, interviews with Human Resource Managers and Production Managers of ECAM member companies were conducted to dig deeper into the challenges, allowing interviewees to evaluate the apprenticeship and internship programs in their workplaces.

15 of the 16 representatives of companies expressed at least some organizational readiness to continue taking apprentices, interns and trainees as long as there was space and capacity to do so. More than half of the persons interviewed confirmed that they were currently paying the prescribed statutory minimum for apprentices. However, they were ready to pay more than the prescribed minimum wage for apprentices. With regard to interns and trainees, the majority confirmed that they were already paying above the minimum wage in the country.

10 respondents indicated that the theoretical training that providers (technical schools) offered was sometimes a mismatch with their requirements. They specifically mentioned the following programs: refrigeration, wood machining, mechatronics, and instrumentation. One respondent from the transport sector (the railway sector to be specific) said that the key and core skill that they needed was not available in the training institutions in the country at all, which forces the company to send their staff to Mozambique for training.

The findings of a comprehensive study conducted by Chimpololo (2014) on behalf of the Ministry of Trade and Industry confirms this.<sup>61</sup> The study presents a consolidated picture of the talent gaps in Malawi as projected to 2017. As can be seen in table 7, adapted from the study<sup>62</sup>, gaps can be found in a large number of professions. Some specific gaps, such as railway technicians and engineer were omitted from

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<sup>61</sup> Chimpololo, A, 2014, *Skills scoping study for the manufacturing, oil seeds and sugar sectors*, Ministry of Trade & Industry, Malawi

<sup>62</sup>Chimpolo (2014), p.56

the study. The report does, however, present a clear picture of talent gaps in the sampled institutions and industries.

Table 7: Actual and Projected Talent Gaps in selected Industries in Malawi (Source: Chimpololo, 2014)  
Note: Figures are out of the sample taken Of 46 companies only

Type of position	2014	2015	2016	2017
<b>General fitters</b>	18	20	23	26
<b>Electricians</b>	6	7	8	9
<b>Turners</b>	18	20	23	26
<b>Fishing skippers</b>	6	7	8	9
<b>Boiler operators (pan, steam)</b>	84	95	117	132
<b>Computerized machine operators (pan, steam)</b>	102	115	130	147
<b>Welders and fabricators</b>	22	25	28	32
<b>Motor vehicle mechanics</b>	6	7	8	9
<b>Farm scouters</b>	40	45	51	58
<b>Instrument technicians</b>	18	20	23	26
<b>Mechatronics technicians</b>	16	18	20	23
<b>Master brewers</b>	3	3	3	3
<b>Instrumentation engineers</b>	6	7	8	9
<b>Plastic products designers</b>	6	7	8	9

The TEVET Authority also conducted a study among employers in 2016.<sup>63</sup> The study found that three quarters of the 204 employers included in the study felt that the TEVET system was addressing the needed skills gap in their industry. This means that, though there was some satisfaction, there is still room for improvement.

The majority of employers cited the economic challenges (described in the Context Section) that their organizations face to explain the low intake in 2016. Others indicated that they had received a low response from divisional heads regarding the need for specific interns in the financial year unlike the previous years. They confirmed that they were effectively operating within capacity and had no need for additional hands. These findings confirm the findings from the literature that, in most cases, employers merely take in interns as an opportunity to have workers whom they do not have to pay labor market rates.

One of the survey organizations (Org 003 in Table 9) indicated that they had instructed each division to budget for one intern/trainee in the 2015/2016 financial year. This explains the total of 7 interns with each division taking one intern.

As indicated in Table 9, workplaces offer very few places for graduate and non-graduate interns. Only an average of 4 interns were identified in the organizations included in the current study, a figure that is the same as in ECAM's 2015 study.

<sup>63</sup> TEVET Authority Planning and Research Division (2016), TEVET Graduates Employer Satisfaction Survey. Lilongwe: TEVET Authority.

Table 9 Intake of interns by sex (2016) in sampled organizations (where organizational size ranges from micro to large organization)

Org ID*	No of Interns/Trainees		Total
	Male	Females	
001	2	1	3
002	2	0	2
003	3	4	7
004	1	1	2
005	4	4	8
006	1	2	3
007	1	0	1
008	1	1	2
009	3	1	4
010	1	3	4
		<b>Average/org</b>	<b>3.6</b>

\*To ensure confidentiality, companies were assigned org IDs

### Case Study / Example

*The owner of a furniture and upholstery workshop was trained in the Republic of South Africa and started off as an apprentice himself. He has opened his workshop in Blantyre, where he employs a total of 5 employees, three of whom are trainees. Workers are paid 40% after sale of the finished product. Trainees start getting paid after three months at an allowance of K10,000.00 per month each. The reason is, after three months they have developed some skills to do the job.*

*The owner speak about challenges with trainees.*

*“They misuse the materials since they are learning. They work on’ trial and error’ basis so materials get damaged in the process. They get frustrated after some time since they start demanding more money, forgetting the initial agreement...”*

### 3.1.2 Candidates’ Perspective

Focus group discussions with sampled apprentices, interns and trainers, indicated that it was clear that they feel lucky to be among the few who were accepted into colleges and work places. In line with findings from the literature, from around 200 applications for an MVM course at Don Bosco Technical College<sup>64</sup>, only 83 were successful representing around 41 % of those that applied. The trend is the same at Lilongwe Technical College, a public institution where the intake percentage was almost the same.

#### 3.1.2.1 Contractual Issues

##### Formalized Contracts

<sup>64</sup>A mission-owned technical school by the Catholics

Formalizing contracts is important as it helps ensure implementation of fundamental principles of the rights at work. The majority of interns and apprentices surveyed had formal contracts with their employers, which is a positive sign. However, due to the small sample size, it is difficult to extrapolate to the general population. Further review does indicate that those *without formal contracts* were in apprenticeship. This agrees with the literature that indicates that most apprentices are found in informal workplaces which tend not to pay attention to formalities.

#### Mode and Amount of Payment

The majority (12 out of 14) of the respondents in the current study indicated that they were on a training allowance and did not receive a salary.

Of the 10 students/apprentices sampled at the Lilongwe Technical College, only 3 indicated that their employers were paying above the statutory minimum range of MK18,000 (USD 25.7) to MK20,000 (USD 28.57) per month. The three received allowances ranging from MK30,000 (USD 42.86) to MK70,000 (USD 100) per month. The students lamented the very low allowances. They gave an account of how they struggle when they are sent to districts away from their homes. The allowance they receive is barely enough to pay for a single one room with no electricity in most cases. They can hardly pay for transport, let alone feed themselves. Female respondents stated that in some cases they are tempted to find boyfriends against their will as a coping mechanism. These “boyfriends” take care of their daily upkeep. Given the associated emotional and physical risks linked to such a situation, this issue needs to be promptly addressed. Linking with the National AIDS Commission and UNAIDS to discuss potential solutions to this issue could be a first step in this regard.

Payment level analysis supports the findings from most of the literature, including current reports from TEVETA and MOLYMD. Most apprentices and interns in Malawi receive a salary and/or allowances in the ranges of MK20,000 (USD28.5) to MK 75,000 (USD 107.1) per month. The apprentices are, however, at the low end of this scale and paid only at around MK18, 000- MK 20,000 per month. The TEVET Planning and Research Division study likewise found that allowances provided to students during their placements were insufficient.<sup>65</sup>

Apprentices are usually paid from the statutory provisions that the Government prescribes in accordance with subsidiary legislation. That is, allowances are paid to apprentices using a schedule that the MOLYMD gazetted. Very few organizations take an effort to pay their *apprentices* more than the prescribed minimum. As indicated in Chart 16, the majority of the apprentices, interns and trainees included in the sample do not obtain any additional benefits.

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<sup>65</sup> Nankhuni, Felix; Ndolo, Patrick; Ligowe, Naomi (Undated). Technical College Perception Survey: Industry’s Apprentice Perception. Lilongwe: Technical, Entrepreneurial and Vocational Education and Training (TEVET) Authority, Planning and Research Division.

## Case Study / Example

*The owner of the Blantyre-based workshop, focusing on welding and fabrication, has hired a total of 5 workers, 2 of whom are trainees.*

*“Allowances are very minimal, K1,000.00 per week. The amount is inadequate even to cover transport costs. We don’t voice out our concerns as we are regarded as being offered training for free. As trainees we are not involved in decision making at any point...” A trainee.*

### 3.1.2.2 Social Security

They are not included in social protection programming including direct noncash benefits such as medical, pension and insurance coverage. The Government of Malawi Employment (Amendment) Act No 27 of 2010<sup>66</sup> indicates that employers are exempt from complying with the pension act in the case of workers whose monthly salary is below 10,000 Kwacha monthly (about US \$14). This would normally mean that most apprentices should have a right to pension coverage so that they can start building up their pensions but in practice this does not seem to occur. In all probability this may be due to the fact that they can technically be said not to be employees since they are on a training allowance and not on a “salary”. However, most of the respondents indicated receiving meals from the canteens (where there was one) and that they do receive out of work station allowances when applicable.

Only a few apprentices/trainees indicated that they were allowed to visit the company clinics for free. The remainder were requested to go to Government hospitals and health centers. However, all FGD members confirmed that they were told they were legally covered under the worker’s compensation Act for “.... *all injuries arising out of and in the course of work*”.

### 3.1.2.3 Career Guidance and On-the-job-training

During focus group discussions with students and apprentices, it became clear that most apprentices report for training at their respective colleges without having full information about the career that they have chosen. Most indicated that there were no formal career talks at the secondary schools they came from. Others, who confirmed that such talks were held at their school, lamented that the focus of career talks was on white collar careers such as banking, finance economics, etc., which is a challenge that needs to be addressed.

#### Quality of on the job training

Similarly to employers and other stakeholders, students confirmed that they meet skills challenges once they graduate from college and are in vocational type employment. In addition to having been trained on obsolete equipment, they are faced with modern technical nomenclature that they hardly understand.

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<sup>66</sup>Government of Malawi (2010), Employment (Amendment) Act No 27 of 2010. Published 30 July, 2010. Lilongwe: Government of Malawi

However, some students indicated that from their experience that these hurdles are minimized if a good mentor is assigned to them after entering employment.

Students who had attended CBET were, according to the focus groups discussions, most affected. In most cases, their log book outline modules and skills differ from what they face on the ground. In order for an apprentice to complete their apprenticeship program an employer is required to complete their logbooks which demonstrate that the person has complied with the requirements of the program. The students indicate that their employers never fully complete their logbooks. As such, these students never graduate since TEVETA does not recognize them as having fully completed the program, which is supposed to be competency based. Most abandon their CEET programs on their own volition and then sit for the exams from such as the Trade Test and are certified.

The studies that the TEVET Authority, Planning and Research Division carried out had similar findings. In the study among industries, three quarters of the public technical colleges were found to have insufficient and low quality equipment and there were challenges with obtaining log books.<sup>67</sup> The recent study among employers in general noted similarly that there is a need to provide updated equipment and improve the skills of instructors in technical colleges.<sup>68</sup>

#### Lack of effective supervision from TEVETA

Over 76% of the apprentices interviewed in the current study confirmed that they had no workplace visits from TEVETA officials or their counterparts at MOLYMD. The Vocational Training Directorate at the Ministry of Labor corroborated this information indicating that the main reason was inadequate funding for field visits.

#### Ineffective in-company mentoring process

When asked whether they had a formal mentor at their workplace, almost all apprentices sampled reported in the affirmative. However, 8 out of 10 apprentices confessed that they did not find their mentor effective. They cited the following reasons:

- lack of interest of their allocated mentors
- busy schedules prevented the mentor and apprentice from fully engaging with each other
- some mentors saw the apprentices as threats and never fully engaged them

Two apprentices said that they were never assigned a mentor in their workplace. The usual way of doing business on arrival in a company was to conduct a quick induction with their mentor on the first day. Hence they just aligned themselves with someone in their workplace whom they thought was more friendly and flexible for the entire duration of their vocational employment.

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<sup>67</sup> Nankhuni, Felix; Ndolo, Patrick; Ligowe, Naomi (Undated). Technical College Perception Survey: Industry's Apprentice Perception. Lilongwe: Technical, Entrepreneurial and Vocational Education and Training (TEVET) Authority, Planning and Research Division.

<sup>68</sup> Technical, Entrepreneurial and Vocational Education and Training (TEVET) Authority (2016), Annual Report for 2014-2015. Lilongwe: Technical, Entrepreneurial and Vocational Education and Training (TEVET) Authority.

The TEVET Planning and Research Division study also noted that one third of the apprentices who noted that their placements were “irrelevant” because there was insufficient support from supervisors.<sup>69</sup>

#### Case Study / Example

*An orphan from Malawi’s countryside, left his home village for Blantyre after he had failed to complete his Junior Certificate class due to lack of funds. Once in Blantyre, he joined a garage as an apprentice.*

*There were no formalities. He had no contract nor was he on the payroll. No specific time period agreed. The arrangement with the garage owner was simply that he would provide him with meals and accommodation in return for on-the job training in motor vehicle mechanics and general fitting. After 2 years he became one of the best ‘employees’ among the 9 staff members. He eventually left for his home village and is now a proud owner of his own garage, where he employs over 13 mechanics.*

### 3.1.3 Colleges’ Perspective

The major challenges of Technical Colleges are inadequate funding and delays in funding disbursement. This message was clear from all visits to the colleges that the study undertook. They observed that in most cases the disbursement of the little funding that is provided is delayed to the extent that it is only available to prepare for students’ examinations at the very end of the term. Meanwhile, they rely on the fees from students in “parallel” programs that the colleges implement with funding from students who are requested to pay the market tuition fee of around MK140, 000 (USD 200) per term. In addition, the institutions run a number of fundraising activities such as for in-house commercial services for motor vehicle workshop/garages, etc. Another major challenge is the lack of modern equipment in almost all of the colleges sampled. One college actually confessed that the equipment they use dates back to the late 1960’s. College representatives said that it was no wonder that students have problems adjusting once they get to their new workplace and encounter modern equipment.

#### Case Study / Example

*The shoemaker commonly called the Rastaman, employs no permanent employees but utilizes the services of 2 trainees. The trainees happen to be his nephews as well. He does not necessarily pay them any allowance but has volunteered to train them for free.*

*“..We can’t afford to pay for courses at Mikolongwe Vocational school, so my fellow trainee and I, approached this man for help. We are more concerned in getting requisite knowledge than getting allowances. It’s normal to expect money from the business after work but we understand how the firm/business is struggling...” A trainee.*

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<sup>69</sup> Nankhuni, Felix; Ndolo, Patrick; Ligowe, Naomi (Undated). Technical College Perception Survey: Industry’s Apprentice Perception. Lilongwe: Technical, Entrepreneurial and Vocational Education and Training (TEVET) Authority, Planning and Research Division.

## 3.2 Gender Issues

The literature, including an FAO study<sup>70</sup>, indicates gender challenges.<sup>71</sup> These include the fact that female workers encounter more difficulties in undertaking productive work or even to combine part-time work with training. A review of an apprenticeship program indicated, for example, that the participation of females is more constrained by family obligations and their expenses of participation are greater resulting in reductions in their savings.<sup>72</sup> As indicated earlier in this report, some female respondents of the survey felt that they had to find a boyfriend who could cover their costs of living as the allowance did not cover all their expenses.

Some apprentices included in a study that the Technical, Entrepreneurial and Vocational Education and Training (TEVET) Authority, Planning and Research Division carried cited gender issues.<sup>73</sup> They stated that gender is a factor “that caused preference where males were being favored or allocated some tasks simply because the supervisors deemed the tasks more male suited and females incapable of doing them.” A World Bank sponsored study of an apprenticeship program among vulnerable youth found that the effect of the training on well-being took place only among male apprentices and not among females.<sup>74</sup> The training experience itself was also found to be better for men than women.

## 3.3 Current Interventions of Social Partners

### 3.3.1 Employers Organizations

Employers in Malawi are mobilized under the Employers Consultative Association of Malawi (ECAM) to address labor and social economic matters. ECAM has, so far, contributed towards the enhancement of youth employment through learnership, traineeship and apprenticeship programs. There is room to substantially increase the extent of ECAM’s efforts.

In 2013, ECAM’s members prioritized “skills development” as one of the 5 areas that the association’s advocacy efforts must be focused on. Consequently, in 2015, ECAM undertook a baseline survey on the intake of apprentices and interns that was used to inform and strengthen efforts to increase the employable skills of youth through industrial attachment. The report highlighted several challenges with regard to the delivery of the apprenticeship and internship programs at enterprise level. The report recommended possible areas of cooperation between ECAM and other stakeholders, including the GAN.

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<sup>70</sup> Gender, Equity and Rural Employment Division of FAO (2011), Gender Inequalities in Rural Employment in Malawi An Overview. Malawi Country Profile. Rome: FAO

<sup>71</sup> Also see Mangoche, Agness T. (2014), Impact of Technical and Vocational Education and Training (TVET) on Youth vulnerability in Malawi. Reading: University of Reading.

<sup>72</sup> The reasons for the higher expenses are not detailed in the report. Cho, Yoonyoung; Kalomba, Davie; Mobarak, Ahmed Mushfiq; Orozco, Victor; Wolfson, Derek (2016). Gender Differences in the Effects of Vocational Training: Constraints on Women and Dropout Behavior. Lilongwe: Malawi National AIDS Commission. Washington, DC: World Bank. Berkeley: Yale University, UC Berkeley

<sup>73</sup> Nankhuni, Felix; Ndolo, Patrick; Ligowe, Naomi (Undated). Technical College Perception Survey: Industry’s Apprentice Perception. Lilongwe: Technical, Entrepreneurial and Vocational Education and Training (TEVET) Authority, Planning and Research Division.

<sup>74</sup> Orozco, Victor (2013), The Effects of Apprenticeship Training for Vulnerable Youth in Malawi. Washington, DC: World Bank Development Impact Evaluation Initiative

ECAM also confirms that it intends to advance a number of youth oriented interventions in its work plan of 2016-2017.

ECAM, together with its social partner, the Malawi Congress of Trade Unions (MCTU), is on the board of TEVETA where it advances the interest of employers with regard to technical, vocational and skills training in the country.

Some of the challenges that ECAM members face<sup>75</sup> include cash flow problems that sometimes make it difficult to pay their TEVETA Training Levy and pay-as-you-earn tax (PAYE). The PAY is a withholding tax on income payments to employees.

There is a lack of supervision and monitoring from TEVET and the Ministry of Labor. The apprentices are left to fend for themselves or fully rely on the employer during the period of attachment for subsistence allowance and progress tracking among other challenges. With respect to the cash flow problems, TEVETA mentioned<sup>76</sup> that a 'gentleman's agreement' is provided to entities that are struggling with cash flow by providing means to allow flexible payment though TEVETA fears this could be open to abuse.

### 3.3.2 Youth Organizations

Youth organizations in Malawi are mobilized and regulated under the National Youth Council of Malawi (NYCOM). They currently coordinate a youth placement, mentoring and internship program with employers under their *Youth Participation and Economic Empowerment Project*.

The council links school and college graduates with potential employers. Once employers identify and accept them, they are mentored under a training contract for a period of at least one year *at no cost to the employer*. Over a period of 4 years, approximately 500 youth have gone through this program and 98% of these have been fully absorbed into their organizations with full time employment. Unfortunately, due to the increasing number of graduates every year, the program has been overloaded with applications. It is failing to keep up with demand due to the slow uptake of employers over recent years as a result of the economic recession.

The council was part of the team that organized the National Youth Conference in January 2016 where the sitting Head of State was invited as Guest of Honor. One of the key resolutions of the conference was to enhance internship programs in the country. To that effect, a high level committee chaired by the Principal Secretary of Youth was convened to advance this agenda and the NYCOM was appointed to be a member in this committee.

NYCOM is planning to embark on another important project in the area of youth entrepreneurship. The council has submitted a concept to potential donors for areas of technical and financial support to implement their activities. The council plans to lobby Government to encourage experienced but energetic civil servants to accept early retirement through an attractive retirement package that should include a flexible loan, an entrepreneurship training and mentorship. Such civil servants will then be encouraged and supported to open business ventures be stimulated to largely employ new graduates and other school leavers. These new employees will in turn be largely mentored to open up own businesses

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<sup>75</sup> Discussions with the Executive Director of ECAM, Mr Beyani Munthali

<sup>76</sup> A statement from TEVETA at the validation workshop, Sunbird Mount Soche

after their own mentorship programs. This concept, though sounding interesting and very innovative, has not yet been successfully marketed and consequently, no donor/partner, has come forth as of the writing the current report.

### 3.3.3 Other Organizations

In addition to government programs there are many national private institutions that implement TEVEST programming. In addition, numerous development partners support the development of TEVEST programming. Major agencies include the ILO, World Bank, UNESCO, UN Women, European Commission, British Council, Swiss Agency for Development and Cooperation (SDC, International Youth Foundation (IYF), Plan International, and Luke International (LIN) Malawi with its global internship project. Others include, for example, innovative programs such as the Access to Teaching Scholarship collaborative program of the UK Open University's Teacher Education in Sub Saharan Africa (TESSA), the Forum of African Women Educationalists in Malawi (FAWEMA) and the Scottish Government.<sup>77</sup>

The Civil Society Education Coalition (CSEC) is a coalition of 81 diverse independent and voluntary, that work together on issues surrounding the right to quality education in Malawi. The coalition includes 27 District Education Networks.

An initiative worth noting is the Talent Guardians, which provides opportunities for young people to gain meaningful work experience in order to assist their access to the labor market or other positive destinations including entrepreneurship. Correspondingly, Talent Guardians helps organizations meet their business goals by harnessing the talent, creativity and skills of young people. The approach of TG is threefold and involves the following:

- i. Train and Coach the Mentors- utilizing young people's skills in the workplace.
- ii. Career fairs and job matching- incorporating young people into the labor market.
- iii. Career Advice and Counselling; Talent Clubs; Work Experience Matching- Enhancing employability of young people.

#### Case Study / Example

*Luke International (LIN) works to restore human's health and dignity through building bridges between local and international development partners, creating interfaces between health and technology, advocating and serving where the greatest needs are. LIN Malawi is coordinating a Global Interns program where international interns from abroad are brought into Malawi.*

*The program has been running for 6 years now. At the time of the report, a team had just arrived from the Imperial College of London and together with four medical school interns from Taiwan, they were going to be attached to hospitals and Mzuzu University in Malawi for three months. These interns were to be exposed to field experience on global health works, eHealth course development with Mzuzu University and engage with the MTIMA project to setup database for diabetes clinic in Mzuzu Central Hospital among other projects.*

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<sup>77</sup> Safford, Kimberly; Cooper, Deborah; Wolfenden, Freda and Chitsulo, Joyce (2013). 'Give Courage to the Ladies': Expansive Apprenticeship for Women in Rural Malawi. *Journal of Vocational Education & Training*, 65(2)

## 4. Conclusions and Recommendations

### 4.1 Conclusions

#### **On the policy level**

The current policy and regulatory environment includes an institutional support framework to ensure an effective delivery of Technical Vocational Education and Skills Training (TVEST). There is still room for the strengthening of the content of the policy and regulatory framework to ensure the access of interns and apprentices to decent work conditions. The enforcement of regulations also needs attention, e.g. when it comes to the lack of social protection for apprentices and interns.

There is a lack of partnerships among employers on issues regarding apprenticeship and internship management at policy level. Although some partnerships between development actors<sup>78</sup> exist to strengthen the quality and quantity of opportunities in the area of apprenticeships and internships, these are not adequately linked and coordinated.

#### **On the implementation**

Demand for quality TVEST in the formal and informal economy is far from being fully realized in Malawi. The delivery of high quality and quantity of TVEST thus needs strengthening. Improvements are necessary to address the insufficient number of training structures, the quality of teaching equipment and the lack of updated teaching methods and content.

Relevant institutions need further capacity strengthening to improve the supervision, implementation and evaluation of TVEST in decent work conditions. The study identified a lack of effective supervision from TEVETA and ineffective in-company mentoring processes which need to be addressed.

Improvements are noted in employer involvement in apprenticeship schemes program and private sector training in general. However, apprentices in Malawi receive low allowances, which often do not even cover lodging and other costs. The cost of training an apprentice and/or intern is quite significant and there is inadequate funding from Government to cover costs.

In comparison with apprenticeship systems, Malawi has no policy or regulation for other types of learner development programs, such as internships and traineeships. These are left to contractual agreements between the employer and the learner.

No formal training needs analysis for interns and trainees programs in the industry exists. Interns and trainees are recruited on ad hoc basis. The once vibrant industry placement program of institutions such as Chancellor College (under the University of Malawi) for undergraduates has over the years been abandoned.

The following needs were identified as an outcome of this study:

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<sup>78</sup> Including Government, development partners, Malawi civil society

- Budgetary support to meet the high demand for quality TVEST
- Effective and efficient disbursement of support to employers in response to their payment of the Technical, Entrepreneurial and Vocational Education and Training (TEVET) levy
- Involvement of employers in the in the *development and review of the National Human Resources Development Plan* particularly in the key growth sectors of the economy.
- Advocacy and awareness raising with stakeholders, especially employers on the benefits of apprenticeships for their companies and to contribute to reduction of youth unemployment
- Sharing of lessons learned and good practices on apprenticeship programming
- Attention to gender issues in apprenticeship programming

## 4.2 Recommendations

1. Set-up a GNN as a body that convenes stakeholders to collaboratively work on improving the quantity and quality of apprenticeships in Malawi

Actions should include:

- 1.1. Driving the formation of a task force to improve the quality and quantity of apprenticeships.
- 1.2. Engaging companies who are willing to act as champions.

Under the framework of the GNN, the following actions are recommended.

2. Leverage the GNN to increase and strengthen partnerships with the aim to develop the quality and quantity of apprenticeships

Actions should include:

- 2.1. Facilitating partnerships among multi-stakeholder actors, including government, employers, development partners and civil society.

The following organizations should be considered:

- a) Private companies
- b) National Youth Council and its Youth Participation and Economic Empowerment Project
- c) ILO and their Work Integrated Learning program and child labor actions
- d) World Bank reviews and of existing systems and actions on skills development
- e) UNESCO's new project on skills development
- f) UN Women and their economic empowerment actions
- g) British Council
- h) European Commission
- i) Swiss Agency for Development and Cooperation (SDC)
- j) International Youth Foundation (IYF)
- k) Plan International
- l) Luke International (LIN) Malawi with its global internship project
- m) Access to Teaching Scholarship collaborative program of the UK Open University's Teacher Education in Sub Saharan Africa (TESSA), the Forum of African Women Educationalists in Malawi (FAWEMA) and the Scottish Government
- n) Talent Guardians- providers of support to employers on the implementation of apprenticeships/internships

- o) Civil Society Education Coalition
- p) National AIDS Commission programming and ensure that apprentices have the same rights as other workers regarding HIV issues.
- q) Other relevant development partners, international NGOs, and Malawi Civil Society organizations

2.1.1. *Determining possibilities of linking up with MasterCard Foundation's initiatives on skills development such as the:*

- a) Youth Think Tank initiative that was launched in 2012 to meaningfully engage with young people and to encourage them to advise the Foundation on its strategic approach to programming for young people's employment and skills building.
- b) Youth Livelihoods Program that seeks to improve the ability of young men and women to transition to jobs or create businesses through a holistic approach of technical and life skills development, access to financial services, mentorship, apprenticeships or internships and job search support.

3. Contribute to strengthening the regulatory and policy environment for apprenticeships and other types of work-readiness programs by participating in planning and decision making

Actions should include:

- 3.1. Supporting development and implementation of relevant legal and regulatory frameworks, including contributions to the creation of a National Human Resources Development Plan.
- 3.2. Strengthening institutional capacities of stakeholders working on readiness programs. This includes strengthening coordination, creation of synergies that go beyond information sharing, implementation of activities of institutions.

4. Implementing advocacy and awareness raising campaigns on apprenticeships

Actions should include:

- 4.1. Advocating for increased budgetary support from the Government for TEVET.
- 4.2. Advocating for the skills and apprenticeship training component of the TEVETA Fund to be co-managed with the social partners.
- 4.3. Advocate for the regular undertaking of a national skills survey to inform policy decisions.
- 4.4. Advocating for full allocation of the TEVETA Fund, which was in surplus at the end of the 2015 financial year. Funding should be allocated to support those with inadequate finances as well as the replacement of obsolete training equipment. The TEVETA Fund can also be utilized to significantly increase apprentices' allowances.
- 4.5. Development of a joint awareness program with TEVETA on TEVET levy compliance to increase awareness of skills development and having skilled workers.

- 4.6. Advocating for more private sector involvement, through ECAM and MCCCCI, in the development and review of the National Human Resources Development Plan particularly in the key growth sectors of the economy.
  - 4.7. Advocating for tax rebates for companies that demonstrate the provision of quality apprenticeships and graduate internship programs.
  - 4.8. Advocating with employers for more sector skills development centers and build on successful initiatives.
  - 4.9. ECAM and MCCCCI providing guidance to their members through newsletters, facilitation of dialogue or alternative means of communication to encourage members to increase control over their supply chain members (including in the informal economy) to ensure that they comply with fair labor practices with all their workers, including apprentices.
  - 4.10. Sharing good practices, lessons learned on apprenticeships through workshops, field visits, GNN Malawi website and documentary exchange.
5. Contribute to designing quality apprenticeship programming including attention to decent work conditions

Actions should include:

- 5.1. Development of relevant interventions on the implementation of decent work conditions for work readiness programs.
  - 5.2. Undertaking of efforts to address issues of apprentices/trainees in the informal economy including related to their working conditions and incomes.
  - 5.3. Development of a 'GNN Code of Conduct' to guide member organizations on fair and well-functioning implementation of apprenticeship and internships. The GNN Code of Conduct would provide a business case for apprenticeship and provide a detailed business led guide for employers in Malawi on recruitment, management and regularization of interns or trainees in their permanent workforce.
6. Include attention to addressing gender issues as a cross cutting element in all of GNN Malawi's activities
7. Develop and implement monitoring and evaluation of GNN Activities

## Annex 1 – References

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TEVETA website *visited on 3<sup>rd</sup> May 2016*

## Annex 2- Road Map Workshop Results

Participants' priority areas of focus for the GNN Inception Period

<b>Area</b>
1) Development of a GNN as a body to work on improving the quantity and quality of apprenticeships in Malawi
2) Stakeholder Engagement strengthening the quality and quantity apprenticeships
3) Enabling environment for work readiness programs while implementing advocacy and awareness raising campaigns on apprenticeships
4) Contributing to designing quality apprenticeship programming including attention to decent work conditions
5) a) Provision of technical support for the implementation of apprenticeship programming. 5) b) Developing toolkits for companies to design apprenticeships programs.
6) Cross cutting areas that need attention during the implementation of all of the other main subjects. a) Monitoring and Evaluation (M&E) of GNN Activities (design and implementation of M&E) b) Gender issues

### Annex 3- List of Key Informants

<b>NAME</b>	<b>Contacts</b>	<b>Nature</b>
Barloworld	Arthur Lipanda, HR Manager	Respondent company
MTL	Ms C Matululu, HR Manager	Respondent company
CEAR	Mr Titus Mtonyo, HR Director	Respondent company
Afrox	Ms Treazer Mtimaukanena , HR Manager	Respondent company
Automotive Products Ltd	J M Kayira, HR Manager	Respondent company
Leopard Match	Mr J Mathandalizwe, HR Manager	Respondent company
Teleservice Traders Limited	G Laisani, Owner/Managing Director	Respondent company
Total Malawi	Mr Msimuko, Company Secretary	Respondent company
G & J Construction Ltd	Gresham G Ligomba, Managing Director	Respondent company
Sunbird Tourism	Edward Chunga, Group HR Manager	Respondent company
Combine Cargo	Mrs Anna Kaluwa, HR Manager	Respondent company
Stansfield Motors	M Kaipa, HR Manager	Respondent company
Sean Longwe	Chilon, Managing Director	Respondent company
SOBO/Carlesberg	Naomi Chirwa, HR Director	Respondent company
Illovo Sugar	Emmanuel Banda, Group HR Manager	Respondent company
Nampak	Hilda Katanga, HR Manager	Respondent company
Kherith Furniture and Upholstery	Mr Sakaika, Lunzu	Respondent SME/Informal economy
Bongonkosi Welding Centre	Raphael Bonkinkosi Ligopolo, Machinjiri	Respondent SME/Informal economy
Branco Construction	Mr Kazemb, Onwer	Respondent SME/Informal economy
Ancient Shoe Maker	Mr Rueben, Owner	Respondent SME/Informal economy
Yohane Bicycle Repairer	Mr Yohane, Machinjiri, Owner	Respondent SME/Informal economy
Lobrian Mechanics Garage	Limbe, Onwer	Respondent SME/Informal economy
Gerald Chaponda	Heavenly Demand Construction	Respondent SME/Informal economy
Dhuya Mtawali, Training, Malawi	Chief Statistician, Directorate of Vocational and Technical Training, Malawi	Key Informant
Pontius Kalichero,	Secretary General, Malawi Congress of Trade Unions ( MCTU)	Key Informant
Nickolas Kapolo,	Nickolas Kapolo, Senior Lecturer, Lilongwe Technical College	Key Informant

Dr Godfery Kafere,	Director, Vocational and Technical Training, Malawi	Key Informant
Aubrey Chibwana	Executive Director, National Youth Council of Malawi	Key Informant
Mr M K Chirwa	Acting Head of Construction department	Key Informant
Mr S Mkonya	Head of Electrical Installation section	Key Informant
Mr A Z Kamende	Head of Section –General Fitting	Key Informant
Mr M K Chirwa	Acting Head of Construction department	Key Informant
Aubrey Chibwana	Executive Director, National Youth Council	Key Informant
Mr G Gondwe, Mzuzu	LIN Malawi, Finance Manager	Key Informant
DAPP	Mr Kayange, HRM	Key Informant
C Ndazamo, Kasungu	MLF, Kasungu	Key Informant
Sella Chuthi	Press Trust, Lilongwe	Key Informant
C Nyirongo	Water Aid, Lilongwe	Key Informant
Ms Linda Mtegha	MOL	Key Informant
Mbumba Kapinda	Trainee/Intern, CEAR	Apprentice/Trainee/Intern
Ellen Ziwoya	Trainee /Intern, ECAM	Apprentice/Trainee/Intern
Olive Jamali	Apprentice, ESCOM-Generation	Apprentice/Trainee/Intern
Moses Wallace Mchingamba	Apprentice with Automobile Mechanics	Apprentice/Trainee/Intern
Nelson Chisuse	Apprentice CEAR	Apprentice/Trainee/Intern
Henry Somba	Apprentice	Apprentice/Trainee/Intern
Angella Mkumbira	Trainee /Intern	Apprentice/Trainee/Intern

(2) List of external key informants

- 1) John Mufukare, Executive Director, Employers Confederation of Zimbabwe (EMCOZ)
- 2) Tim Parkhouse, Secretary General, Namibian Employers Federation (NEF)
- 3) Patience Jongerius, Organizational Development Manager, Federation of Swaziland Employers and Chamber of Commerce

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