AfghanistanHuman Resources Supply and Demand Report

Ministry of Labour, Social Affairs, Martyrs and Disabled (MoLSAMD), Islamic Republic of Afghanistan

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Preface

The development of effective labour market policies and strategies requires accurate labour market information. In the context of dynamic and complex labour market, the Ministry of Labour, Social Affairs, Martyrs and Disabled (MoLSAMD) of the Islamic Republic of Afghanistan has invested in a Directorate of Labour Market Study and endeavors to work more closely with counterparts at the Central Statistics Organization (CSO) and other Ministries to better understand the state of Afghanistan's labour market and unlock its tremendous potential. Gathering intelligence on current and future skill needs can also support better matching or training and jobs which is of paramount importance for Afghanistan.

Human resources development is one of the priority areas in this regard and in the light of its key role in addressing poverty and unemployment as well as boosting the opportunity in enabling environments to adapt market demand and to competition, allowing them to raise productivity and effective participation.

The findings of this study will build on existing information and enhance the awareness of policy makers and other stakeholders of the condition of the labour market of the Islamic Republic of Afghanistan, how technical and vocational training delivery can conform to the needs of the market and how labour market information can continue to inform different approaches to develop the human resources and human capital of Afghanistan. This will help in the adjustment of development projects and skill development programs. The study is a step in the right direction to build national level experience in conducting and analyzing labour market information in an actionable way. As stated in the National TVET Strategy, "the goal of the TVET system is to create a competent and adaptable workforce (both male and female) to support economic and social development in Afghanistan."

This publication would not come to fruition without the financial support of the World Bank and the Italian Agency for Development Cooperation (IADC), Italian government. The study is developed with technical support of Central Statistics Organization (CSO) and their provision of raw data and existing analysis from the 2013-14 Afghanistan Living Conditions Survey (ALCS), and hope to continue to align our efforts to collect data on human capital and skill acquisition in Afghanistan. Development of the report would not become possible without collaborative actions and support of Mercy Corp and its consultants for their partnership to produce this report and actionable recommendations in line with the National Technical and Vocational Education and Training Strategy 2013-2018 and other national policies.

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Acronyms

AISA	Afghanistan Investment Support Agency
ALCS	Afghanistan Living Conditions Survey
ANDS	Afghanistan National Development Strategy 1387-1391 (2008-2013)
ANQA	Afghanistan National Qualification Authority
ANQF	Afghanistan National Qualification Framework
ASDP	Afghanistan Skills Development Project
CESP	Committee on Education and Skills Policy
CSO	Central Statistics Organization, Afghanistan
DM-TVET	Deputy Ministry of Technical and Vocational Education and Training (Ministry of Education)
GDP	Gross Domestic Product
GiZ	Deutsche Gesellschaft fur Internationale Zusammenarbeit (German government international development agency)
ILO	International Labour Organization
ISCO	International Standard Classification of Occupations
ISIC	International Standard Industrial Classification of all Economic Activities
JICA	Japan International Cooperation Agency
KILM	Key Indicator of the Labour Market
LMDD	Labour Market Study Directorate, of the Ministry of Labour, Social Affairs, Martyrs and Disabled (MoLSAMD)
MDG	Millennium Development Goal
MoCI	Ministry of Commerce and Industries
MoE	Ministry of Education
MoHE	Ministry of Higher Education
MoLSAMD	Ministry of Labour, Social Affairs, Martyrs and Disabled
MoPH	Ministry of Public Health
MoU	Memorandum of Understanding
MoWA	Ministry of Women's Affairs
NGO	Non-Governmental Organization
NOSS	National Occupational Skills Standards
NTVETS	National Technical and Vocational Education and Training Strategy 2013-2018
NSDP	National Skills Development Program
NRVA	National Risk and Vulnerabilities Assessment
SME	Small and Medium Enterprise
TVET	Technical and Vocational Education and Training
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
VTC	Vocational Training Center
USAID	United States Agency for International Development

Key Terms

Business – formal	Used in this report to indicate a business registered with the Afghanistan investment Support Agency (AISA) or the Ministry of Commerce and Industries (MoCI)
Business – informal	Used in this report to refer to an unregistered or only locally registered business. The majority of micro, small and medium enterprises (MSMEs) in Afghanistan are not formally registered.
Decent work	Decent work sums up the aspirations of people in their working lives. It involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men.[1]
Employed	All persons aged 14 and over who, during the reference period of one week, were in paid employment or self-employment and who worked at least eight hours (Afghanistan national definition)[2]
Entrepreneur	A person who organizes and operates a business or businesses, taking on financial and other risks
Human capital	Often used interchangeably with human resources, or more specifically to refer to the skills and knowledge of a labour force or population. This term is connected to the notion that investments in education, skills and knowledge can increase individual ability, potential and productivity.
Human resources	The people who make up the workforce of a business, organization or economy, particularly as they are viewed as an asset
Inactive	This term is used to describe people who are of working age but are not part of the labour force (not employed, unemployed or seeking work). Similar terms used are persons outside the labour force or not in the labour force. Students, caregivers, those not actively seeking work or not available to work are included in this term.
Industrial	Used in this report to encompass larger sectors including production of machinery, heavy electrical equipment, and petroleum, liquid gas, and engine oil processing. This term is used mainly in relation to informal and formal businesses who used it when indicating their sector in a free-form survey answer.
Kuchi	Common term for nomadic populations in Afghanistan
Labour force	The sum of persons in employment plus persons in unemployment
Labour market	The supply of people in a particular area or country who are available and willing to work, in relation to the availability of employment and how jobseekers/employees and employers exchange information.

[1] http://www.ilo.org/global/topics/decent-work/lang--en/index.htm

[2] CSO (2014), Afghanistan Living Conditions Survey 2013-2014. Kabul, Central Statistics Organization, p. 46

Production	Used in this report to denote manufacturing from raw or other materials. This term is used mainly in relation to informal and formal businesses who used it when indicating their sector in a free-form survey answer.
Skill mismatch	An encompassing term referring to different types of skill gaps and imbalances such as over-education, under-education, over-qualification, under-qualification, over-skilling, skill shortages and surpluses, etc. Hence, skill mismatch refers to both situations where a person does not meet the job requirements and when there is a shortage or surplus of persons with a specific skill. Skill mismatch can be identified at various levels from the individual, the employer, or the sector.
TVET	Initial and continuing education and training provided by schools, training providers or enterprises that imparts the skills, knowledge and attitudes required for employment in a particular occupation, or group of related occupations. In Afghanistan, formal TVET is commonly used to refer to longer-term training (up to two to five years) provided by the Ministry of Education, while informal or short-term TVET describes shorter (a series of months) trainings provided by the government, NGOs and private institutions.
Soft skills	Used in this report to denote skills a workforce or jobseeker may hold in addition to technical or vocational skills, including communication skills, emotional intelligence, time management, critical thinking and other skills needed to perform well in employment.
Unemployed	All persons aged 14 and over who, during the reference period of one week, were a.) without any work or working less than eight hours and b.) seeking work (Afghanistan national definition)
Underemployed	All persons aged 14 and over who, during the reference period of one week, were a.) working less than 40 hours, b.) available to work additional hours; and c.) willing to work additional hours (Afghanistan national definition)

Tables and Figures

Executive Summary

The report is intended to inform stakeholders involved in the development of Afghanistan's human resources, particularly those within the informal technical and vocational education and training (TVET) system (short-term trainings provided by government, private institutions or non-governmental organizations), of relevant information related to labour supply and demand. It uses existing household data from the Afghanistan Living Conditions Survey (ALCS) 2013-2014 along with data collected by the Ministry of Labour, Social Affairs, Martyrs and Disabled (MoLSAMD) on informal businesses, formal businesses and government TVET institutions.

The Human Resources Supply and Demand Report 2017 aims to improve the understanding of human capital (skills, education, labour participation) of the labour supply of Afghanistan, its relationship to market demand, and how this relationship can inform national policies on short-term training

Main Findings[3]

- **A large portion of Afghanistan's working-age population is unemployed, underemployed or inactive in the labour market.** The employment to population ratio of 42.9 shows that under half of the working age population was employed, while of a labour force of 8.5 million (6.3 million men and 2.2 million women), 22.6% were unemployed and 16.4% underemployed. Of the employed, 35.7% were self-employed without employees and 13.8% were unpaid family workers, showing the prevalence of small-scale economic activity in potentially vulnerable working conditions. **90% of the employed and underemployed workforce is in low-skilled occupations of elementary, plant and machine assemblers and operators, craft and related trades, and agriculture, forestry and fisheries workers.[4]**
- Gains in education have the potential to translate into better employment and income outcomes. **Literacy in particular is significantly likely to lead to higher pay.** The data shows that increasing levels of education correspond to a more literate and skilled workforce for Afghanistan and higher levels of income.
- Women's economic participation is extremely low (less than 30% of women of working age), and women earn less across all age, education and geographic groups. **Few employers surveyed indicated they would be willing to hire female employees.**
- Informal businesses surveyed were mostly in the service (45%), retail (25%) and small scale manufacturing (20%) sectors, had an average of 6.4 employees (many likely to be family members or apprentices) and focused sales on their neighborhood or city. Only 17% of these businesses had job vacancies.

Snapshot

- 22.6% of Afghanistan's labour force is unemployed, and 16.4% underemployed

- Only 10% of employed women are in non-agricultural sectors

- Over 50% of the employed are self-employed, but few national policies support entrepreneurs

- TVET is largely focused on sewing, tailoring and other service and small-scale manufacturing skills

- Skill development can include a focus on literacy and business start-up and operations. Although further assessment is required on matching skills to market demand, employment is focused on elementary machine operations, trades and agriculture.

[3] Annex 1: Table of Key Findings additionally presents the main findings from analyzing household, business and TVET institution data in a summary table for quick reference.

[4] ALCS, p. 58

- Formal businesses surveyed were mostly in the manufacturing, construction and industrial sectors. They had an average of 7.1 employees (and additionally used temporary workers), and were more likely to export (11%) and have sales in other provinces (54.3%). Only 19% of these businesses had job vacancies.
- TVET institutions covered a large range of skill programs, although **36.8% of programs overall and 80% of programs for women were focused on sewing, weaving or textile work.** Programs on average were 8.5 months long, with an average of 3.5 months of theoretical training and 5 months of practical training. 55.2% of programs used curricula from the government. Current needs included equipment (59.5%), support in training teachers (53.3%), an increased budget (50.8%) and materials and textbooks (49.6%).
- TVET institutions indicated they linked with the private sector for employment opportunities for graduates (66.1%) and many indicated they conducted follow on studies to measure the achievements of their graduates (53.9%). **However, almost no businesses surveyed indicated sourcing employees from TVET programs.** Most businesses, particularly informal ones, noted they trained their own employees in needed skills.

Policy Implications and Recommendations

Many of the findings of this report are relevant to the further implementation of the National TVET Strategy 2013-2018, as well as other policies that support the development of human resources in Afghanistan. Policy implications of the study include:

- A consistent supply of labour market information can help inform policymakers, employers, students and jobseekers about the current state of employment in Afghanistan, as well as needed skills and support. Deeper coordination in collecting information – including between government institutions such as MoLSAMD's Labour Market Study Directorate, the Central Statistics Organization and the Ministry of Education – can ensure relevant data supports decision making.
- Many TVET institutions indicate they conduct follow up with graduates, tracing their employment or providing support for entrepreneurs. However, it is not clear if broader lessons learned or data are being collected on this follow up. Overall, as the national TVET strategy moves the system to be outcome-based, more information will be needed on the results graduates achieve with their newly acquired skills and how they can be further supported in the labour market.
- Private sector companies consist of 92% micro and small enterprises. Businesses are still restrained by red tape, low policy predictability and corruption.[5] Incentives for them to engage with educational and training institutions are not always clear, especially if smaller informal companies generally source employees from family members or other connections. Although many training institutions noted they engage with employers, they may lack in-depth connections to the private sector.
- As the NTVETS notes, "private TVET is important to fully utilize the experiences and capacities of the private sector for improving the quality and relevance of TVET."[6] As this study did not cover private TVET providers, additional outreach to the private TVET sector can provide further clarity on their approaches, and how they can be incentivized to support the national strategy.
- "The agriculture sector, which employs almost 60 percent of the labour force and provides livelihoods to more than 40 percent of Afghan households, faces a gap in utilization of modern technologies (irrigation, production, post-harvesting) and limited availability of extension services, which limits the potential of agribusiness for job creation."[7] As many households rely on small-scale agricultural

[5] NTVETS

[6] National Technical and Vocational Education and Training (TVET) Strategy for Afghanistan, 2013-2018 (NTVETS). http://www.unesco.org/fileadmin/MULTIMEDIA/FIELD/Kabul/pdf/NationalTVetStrategyEnglish_01.pdf, p. 27

[7] NTVETS, p. 9

activities, it is important to better understand how labour market policies and skill development can support rural agricultural enterprises.

Based on the main findings of the report, MoLSAMD has identified several recommendations on ensuring the national TVET strategy is implementable and that the human resources of Afghanistan are built through labour market policies and skill acquisition programs. Recommendations include:

- Continuing to collect more specific and up-to-date labour market information relevant to the development of human resources in Afghanistan. This can include further outreach with businesses to understand what skills they require (both technical and soft skills), how government institutions coordinate with the private sector, and what support entrepreneurs and training graduates receive. Targeted and updated labour market assessments can ensure that the skills provided by educational and training institutions are relevant for the private sector.
- Empowering training institutions to better connect with the private sector in order to build employment outcomes for TVET graduates. Concrete actions can include the development of guidance notes in creating and maintaining private sector links, further outreach with employers to understand their skill needs and working conditions, and the promotion of skill development within closely monitored informal apprenticeships. If resources allow, the government or others can fund institutions or programs to conduct job outreach and career counseling for graduates, and institute a more rigorous system of monitoring employment outcomes.
- As access to the labour market is increasingly challenging and entrepreneurs face uncertain conditions, post-graduation employment support should be an integral part of employment and skill development programming. Assistance can include business start-up kits, support to rent space or establish market stalls, customized support to women such as establishing women's markets, and provision of solar to businesses that do not have access to the grid.
- MoLSAMD, working with other stakeholders, should articulate pathways and intended outcomes for TVET graduates, and provide guidance on options for support of trainees. In addition to technical or vocational skills, this can include support needed to develop business and soft skills for those likely to be self-employed, as well as financial and business start-up support. Pathways should include potential outcomes for women, from highly skilled graduates entering professional fields to vocational trainees who open a home-based business.
- Ensuring the development of quality standards for short-term TVET includes private sector and NGO training institutions and employers to help build a case for certification of all TVET providers.

Introduction

Context and Background

Conflict continues to affect lives and livelihoods throughout Afghanistan. The country ranks 169 out of 188 countries in UNDP's 2016 Human Development Index (HDI), an index to measure development results and inclusion.[8] About 77 percent of Afghans live in rural areas, many lacking basic infrastructure, while an estimated 21 percent live in extreme poverty.[9] Real gross domestic product (GDP) growth is projected to have only marginally increased from 0.8 percent in 2015 to 1.2 percent in 2016. With a population growth of nearly over 2 percent, such a level of economic growth implies a decline in per capita income. Despite significant progress in developing the electricity grid, Afghanistan retains one of the lowest rates of access to electricity in the world. Other infrastructure, security and bureaucratic barriers inhibit household livelihoods and business growth. However, economic growth is expected to increase to 2.4 percent in 2017 and to reach 3.1 percent by 2019, predicated on political and security stability.[10]

More than 30 years of war have devastated Afghanistan's education system, although recent years have seen significant gains in making education, including technical and vocational education and training, more accessible. Impediments to expanding access for women and girls remain, specifically the lack of physical infrastructure, safety concerns, a shortage of qualified female teachers and gender discrimination.[11] However, school enrollment has increased from 1 million in 2002 to around 8.7 million in 2016 (with 39 percent of those female students) and teacher numbers at more than 185,000.[12] Although large portions of labour market entrants possess minimal literacy and skills, new entrants will be increasingly more skilled and educated. The Central Statistics Organization (CSO) estimates that there will be 750,000 individuals aged 16-18 entering the labour market by 2019, with that number growing to 1.2 million individuals five years later.[13]

The Government of the Islamic Republic of Afghanistan has made significant progress in outlining a national approach to educating its population, building skills and meeting labour market demand, although additional work remains on implementing strategies and measuring results. The Ministry of Labour, Social Affairs, Martyrs and Disabled (MoLSAMD) and the Ministry of Education (MoE) produced the National Technical and Vocational Education and Training Strategy (NTVETS) for Afghanistan 2013-2018[14], which builds upon other government frameworks[15] such as the Afghanistan National Development Strategy (ANDS) to outline how technical and vocational education and training in Afghanistan can improve governance, access, quality and financing. Findings of previous studies of the TVET system, including a need to update curricula and competencies, address high pupil/teacher ratios and improve linkages between TVET and the job market,[16] are built into the NTVETS. Moving to an outcome-based system, establishing quality controls and efficiency

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[8] United Nations Development Programme (2016), Table 1: Human Development Index and Its Components, http://hdr.undp.org/en/composite/HDI

[9] ILO in Afghanistan (February 2016), http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_450648.pdf

[10] The World Bank in Afghanistan, Overview (2017) http://www.worldbank.org/en/country/afghanistan/overview

[11] Solotaroff, Jennifer; Hashimi, Nadia; Olesen, Asta. 2012. Toward greater gender equity in education: building human capital in Afghanistan. Afghanistan gender mainstreaming implementation note series ; no. 1. Washington, DC: World Bank. http://documents.worldbank.org/curated/en/549321468195833459/Toward-greater-gender-equity-in-education-building-human-capital-in-Afghanistan

[12] The World Bank in Afghanistan, Overview (2017)

[13] NTVETS, p. 8

[14] NTVETS

[15] NTVETS, pp. 2-3

[16] Committee on Education and Skills Policy, Afghanistan. Technical – Vocational Education and Training Afghanistan, an Overview. Retrieved October 4, 2017, http://www.cesp.gov.af/anqa/Documents/TVET_Overview.pdf

measures, and working closely with the private sector can help the TVET system more closely align with the immediate needs of the labour market.

Different studies have examined labour markets in Afghanistan and the existing skills and potential of its population. Many issues identified in the past remain, including high levels of unemployment and underemployment, a lack of decent work opportunities and viable livelihoods, and a lack of coordination in how the TVET system can help address these issues. Numerous donors support TVET and skill acquisition throughout Afghanistan, and these programs and lessons learned have fed into the current national TVET strategy and other approaches. Direct support from governments, the ILO, GiZ, JICA, the World Bank, USAID, Mercy Corps and others have supported vocational training, employment centers, job placements for vulnerable populations, and entrepreneurship. Publications in the last few years provide an overview of the TVET system and potential opportunities, most recently the ILO's International Training Center (2017) summary meant to examine the TVET system and possibilities for rural youth employment. The overview notes the split responsibility for TVET between the Ministry of Education (through the Deputy Minister for TVET, running vocational schools and higher level institutes providing longer-term training), MoLSAMD (overseeing short-term training and the national qualifications systems), and the Ministry of Higher Education (MoHE, public universities and teacher training), with numerous other ministries, NGOs and commercial training providers. Despite educational gains and the expansion of TVET, many facilities are still poor and lack basic equipment, there is no full system for registration or accreditation, and it is projected that only half of TVET graduates obtain gainful employment.[17] UNESCO's 2012 World TVET Database entry for Afghanistan provides a similar overview and challenges, as does USAID 2011 Afghanistan TVET Providers Inventory.[18] The national TVET strategy conceptually addresses many of these challenges.

Other studies of the labour market include Mercy Corps' 2011 study of Baghlan, Balkh, Kandahar and Kunduz.[19] Findings remain salient to examining today's labour market in Afghanistan, despite large changes in the last six years throughout the country:

- The agriculture and livestock sectors employed 60% of the national labour force, although provincial urban centers featured more trade and small-scale manufacturing by small businesses.
- Skill levels in manufacturing and trade businesses were low and there was a reliance on relatives for labour.
- There was a smaller pool of educated labour in main urban areas accessing limited jobs, while most other workers were illiterate or had low levels of education, with many reliant on day labourer roles or roles in family trades.

Annex 5 provides additional references for background on the labour market and the TVET system in Afghanistan.

Objectives

Through the Human Resources Supply and Demand Report 2017, the Ministry of Labour, Social Affairs, Martyrs and Disabled (MoLSAMD) aims ***to improve the understanding of the human capital (skills, education, labour participation) of the labour supply of Afghanistan, its relationship to market demand, and how this relationship can inform national policies on short-term training.*** In addition to this main goal, the report seeks to meet the following objectives:

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[17] International Training Centre of the International Labour Organization, 2017, Promoting Rural Youth Employment in Afghanistan through Entrepreneurship, Education and Vocational Training: Opportunities for ITC in TVET in Afghanistan. https://fragilestates.itcilo.org/wp-content/uploads/2017/05/Afghanistan-TVET-final.pdf, p.vii

[18] USAID, 2011, Afghanistan Technical and Vocational Education and Training (TVET) Providers Inventory, prepared by Development Alternatives, Inc (DAI), http://pdf.usaid.gov/pdf_docs/pnaea952.pdf

[19] Samuel Hall Research and Strategy, November 2011, Economic Assessment and Labour Market Survey of Mazar-i Sharif, Pul-i Khumri, Kandahar City and Kunduz City, report commissioned by Mercy Corps, http://samuelhall.org/economic-assessment-and-labour-market-survey/

- Contribute to an understanding of Afghanistan's labour market and outcomes for vulnerable[20] groups. In particular, build on the robust national level analysis of the Afghanistan Living Conditions Survey (ALCS) 2013-2014 by adding additional approaches and introducing business and training information.

- Examine the implications of labour market information for technical and vocational training (TVET) with the Afghanistan National TVET Strategy, and make recommendations relevant to short-term training provided by MoLSAMD and others including the private sector and non-governmental organizations (NGOs).

Study Methodology and Limitations

The Human Resources Supply and Demand Report 2017 uses existing data on the background, education and state of employment of both rural and urban populations of Afghanistan. This is combined with surveys of large and small businesses and TVET institutions conducted directly by MoLSAMD's Directorate of Labour Market Study, and analyzed within the framework of current TVET and other labour market support approaches and policies.

Labour market studies use different approaches and indicators to present a picture of the supply of and demand for human capital. The International Labour Organization (ILO) currently uses 17 Key Indicators of a Labour Market (KILMs) related to labour force participation, employment, unemployment, underemployment, educational attainment, wage and compensation costs, productivity and poverty.[21] The ALCS additionally uses Millennium Development Goals (MDGs) and indicators from the Afghanistan National Development Strategy (ANDS) to further highlight vulnerabilities in the labour market and the participation of vulnerable groups. MoLSAMD has designed this study to build upon the ILO KILMs, which help illustrate the current state of the labour market and its human resources, by presenting further demand side and training provider information and the relationship of this information to current policy.

KILMs and how they are addressed in this report are outlined below. The ILO's 2015 KILMs report[22] provides further definitions and typical calculations of each indicator

- KILM 1: Labour force participation rate, measuring the proportion of the working age population of a country that is engaged in the labour market.
- KILM 2: Employment-to-population ratio, the proportion of a country's working-age population that is employed, potentially providing more understanding by age and gender of who is employed.
- KILM 3: Status in employment, distinguishing between wage and salaried employees and the self-employed.
- KILM 4: Employment by sector
- KILM 5: Employment by occupation
- KILM 6: Part-time workers, using national definitions of full-time employment[23], is briefly covered in informal and formal business surveys as temporary employment

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[20] As articulated in the National TVET Strategy 2013-2018, which includes a main strategic objective of Access for all, and notes the importance of TVET to people with disadvantaged socio-economic backgrounds, special needs, the uneducated or illiterate, farmers, the employed, people from marginalized ethnic groups and girls and women.

[21] International Labour Organization (2015), Key Indicators of the Labour Market (KILMs), http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm

[22] Ibid

[23] The national definitions used by Afghanistan specify employment terms for all person aged 14 and above (international definitions typically use persons aged 15 and above) and specify employment as paid employment or self-employment as at least eight hours in a one-week period (international definitions are more open). Afghanistan seeks to capture more specific information on underemployment by further defining the parameters of this definition as working less than 40 hours a week, and available and willing to work additional hours.

- KILM 7: Hours of work, looking at hours worked per week as possible in the ALCS data
- KILM 8: Employment in the informal economy, is not explicitly covered, but surveys of informal businesses and who they employ provide some information
- KILM 9: Unemployment, measured with the national definition
- KILM 10: Youth unemployment, again using the national definition of unemployment
- KILM 11: Long-term unemployment, is not measured in this report
- KILM 12: Time-related underemployment, using the national definition of underemployment as someone working under 40 hours a week and willing and able to work additional hours.
- KILM 13: Persons outside the labour force, measured as the percentage of the population that is neither working nor looking for work.
- KILM 14: Educational attainment and illiteracy
- KILM 15: Wages and compensation costs, are addressed in this report but not fully measured due to large standard deviations in data
- KILM 16: Labour productivity, is not measured in this report
- KILM 17: Poverty, income distribution and the working poor, are not explicitly measured in this report but some related issues are analyzed.

This report balances these indicators to present a comprehensive supply and demand picture of the human resource potential of Afghanistan's labour force, in order to inform training and student support approaches of MoLSAMD and other national level actors. Rather than present a macroeconomic picture of the labour market, labour market information is used in relation to technical and vocational education and training (TVET) and other education, skill and knowledge development policies and approaches.

Use of the Afghanistan Living Conditions Survey (ALCS)

The ALCS survey, conducted by the Central Statistics Organization of Afghanistan (CSO), covers demographic and social data combined with a rotating variety of topics that provide a national and province level picture of conditions for households in Afghanistan, including urban, rural and Kuchi[24] populations. The survey replaces the previously conducted National Risk and Vulnerability Assessment (NRVA). The 2013-2014 ALCS included household labour market outcomes as a priority focus, with key variables on labour force participation, employment, income, gender and labour, labour migration and child labour. Although another ALCS study (2016-2017) is currently being conducted and analyzed, the raw data from this study was not available from the CSO at the time of this report.

The survey results covered 157,262 individuals in 20,786 interviewed households. A total of 126,028 individuals were in rural households (80.1%), 26,653 individuals in urban areas (17%), and 4,581 individuals were in Kuchi households (2.9%). Surveys were conducted between December 2013 and December 2014 on a deliberate seasonal rotation to capture variations in living conditions. Approximately 25.5% of the sample was surveyed from December 2013 to March 2014, 21.5% was surveyed between March and June of 2014, 23.1% was surveyed between June and September 2014, and 29.9% was surveyed between September and December 2014.

The sampling design of the ALCS 2013-14 produces results that are statistically reliable for indicators related to household demographic, shelter, labour, education and other indicators at national and provincial level. In addition, the aim of the sampling design was to have representative estimates by season according to the Shamsi calendar used in Afghanistan, in order to capture seasonal fluctuations in a number of key indicators. The design developed for the 2013-14 survey was a stratified, two-stage cluster approach. The sample

[24] 'Kuchi', an Afghan Persian word meaning 'those who go on migrations', is the common generic term for the nomads of Afghanistan.

distribution is sufficiently close to the national urban-rural distribution that disaggregated analysis for these populations is justified.[25]

Raw data was provided to the Ministry of Labour, Social Affairs, Martyrs and Disabled (MoLSAMD) for additional analysis and use in the Afghanistan Human Resources Supply and Demand Report for 2017, to supplement demand-side business surveys with labour supply side information and data.

Business and TVET Institution Surveys

Questionnaires for informal businesses, formally registered businesses, and TVET institutions are based upon previous 2007-2008 questionnaires used in MoLSAMD's previous human resources report. Questionnaires were updated and designed in English in several meetings of a technical working group, then translated into local languages and finalized. Data on formal and informal businesses and TVET institutions was collected from May-June 2016 in provincial capitals.

The design of the questionnaire seeks to gather basic data from different types of businesses across multiple sectors, as well as informal TVET providers. Informal business lists were compiled from municipalities and business associations. Although the businesses surveyed are not formally registered, they typically must obtain some permission to operate via the municipality or other local authority and therefore municipalities are able to supply potential sample lists that are mostly representative of businesses in their area. Out of sample lists of 1,958 informal businesses, MoLSAMD surveyed 1,863 for a high confidence rate. Formal business lists were compiled from the Afghanistan investment Support Agency (AISA) and the Ministry of Commerce and Industries and others. A total of 644 formal businesses were identified, and 446 were surveyed to gain a high confidence rate.

The study sampled Technical and Vocational Education and Training (TVET) centers from lists of institutions compiled by the MoLSAMD Directorate of Skills Development, National Skills Development Program (NSDP) and the Deputy Minister of TVET in the Ministry of Education (MoE). Out of the 183 institutions listed, 138 institutions were randomly surveyed. A total of 516 respondents from specific TVET programs within these institutions were surveyed.

Data Collection and Analysis

Data collection involved professional staff of the MoLSAMD Labour Market Study Directorate (LMSD) as regional supervisors whom then further trained provincial managers and data collection supervisors. The regional supervisors were responsible for regularly checking and controlling the data collection process (conducted by a small number of LMSD and contract employees), providing required materials and reporting activities from the field. Data collection was initially tested and approaches modified before rolling out to all 34 provinces. Questionnaires were recorded on paper and manually assessed by the LMSD team, with a sample checked and corrected through telephone follow up where possible. The data entry unit of the LMSD provided a specific training for both unit and contract employees before conducting data entry.

MoLSAMD entered into a Memorandum of Understanding (MoU) with Mercy Corps to further analyze the information and produce analysis. Mercy Corps consultants Jarrett Basedow and Miriam Counterman analyzed the data and produced this report.

Challenges and Limitations

Although the report endeavors to provide a picture of labour market information, there are some limitations to the use of the data collected. A large household survey such as the Afghanistan Living Conditions Survey (ALCS) faces restrictions based on the quality of data collected, whether sensitive household questions were answered accurately, and how security and changing conditions in Afghanistan impacted data collection. Data from this survey was collected in late 2013 through 2014, which makes it difficult to present against businesses and institutional data collected in 2016. The current update of the ALCS and ongoing data collection may

[25] ALCS, p. 231. An in-depth discussion of the ALCS methodology can be found in the main report and annexes of the 2013-2014 survey, available at http://cso.gov.af/en/page/1500/1494/nrav-report

present an opportunity to update supply side information and collect additional business data to present an updated look at the labour market. MoLSAMD's additional survey of businesses and TVET institutions has provided an opportunity for capacity building at the Ministry, but challenges were encountered in training qualified enumerators, verifying information and with data entry. There are some limitations based on the questionnaire design, as they ask only initial questions on training approaches and follow up and enterprise support, but do not provide in-depth information on skills that employers are seeking. This limits the analysis linking skills sought by employers to skills in the labour market. Additionally, only businesses and TVET institutions located in provincial capitals were interviewed, and so this part of the assessment has an urban focus.

There are additional limitations in the analysis and application to policy. The ALCS provides useful information on the supply side of the Afghanistan labour market, but is not an in-depth study on existing skill acquisition and current employment conditions in Afghanistan. Other information is necessary to understand the vulnerable work conditions many people in Afghanistan face and ways for policymakers to address these issues. Information collected from informal and formal businesses seeks to provide an employer perspective on growth, hiring and needed skills, but additional information on specific technical and soft skills, hiring methods and other topics is needed in order to more fully inform how training can help meet these requirements and needs. Additionally, although the national TVET strategy lays out many existing challenges and explores potential solutions, there are large gaps remaining in implementation and with involving key stakeholders such as private and NGO training institutions. These issues limit the ability of this study to fully illustrate any supply-demand skill mismatch and how technical and vocational education and training, as well as other labour market policies and programs, can help address gaps. However, it does provide a starting point for policy dialogue and additional analysis.

Main Findings

The report analyzes available data to assist policymakers and other stakeholders in understanding human capital in Afghanistan, primarily in relation to informal technical and vocational education and training (TVET) and labour market policies. It presents results clearly and largely free of technical jargon. More detailed technical notes and statistical information that goes beyond the descriptive information presented is restricted to the appendices and footnotes.

Supply Side Data – ALCS 2013-2014

This section draws on the analysis of the Afghanistan Living Conditions Survey (ALCS) 2013-2014 conducted by the Central Statistics Organization (CSO) of the Islamic Republic of Afghanistan. The ALCS collects nationally representative data to present a picture of household conditions throughout Afghanistan. The 2013-2014 report included additional labour market outcomes analysis and provided a more comprehensive picture of unemployment, underemployment, child labour and labour migration than previous surveys in Afghanistan. This report builds upon the ALCS analysis, adding additional pieces on province level data and relationships between educational and labour market outcomes, and in later sections looking at relationships between the supply and demand sides of the labour market as possible.

National Reach and Demographics

As described in the methodology section, over 20,000 respondents were sampled nationwide through a seasonal sampling meant to address variations in living conditions. Over 68% of those surveyed were under 24 years of age, which corresponds with Afghanistan's large youth bulge in its population age distribution. Although both men and women within the household were surveyed, of the total individual respondents, only 197 were female household heads (.13%). As slightly less than half of respondents were female (48.8%), the enumerators may not have reached female-headed households or the survey may not have properly captured when a woman was the head of household. Overall, reaching a mixed gender audience with a focus on youth provides a good starting point for labour market information intended to inform skill acquisition.

The survey additionally represented a range of respondents from throughout all of Afghanistan's 34 provinces, although security concerns affected data collection. The nomadic Kuchi population was also surveyed. A total of 126,028 individuals in rural households (80.1%), 26,653 individuals in urban areas (17%), and 4,581 individuals in Kuchi households (2.9%). Urban areas are primarily defined as the main city within a province.

Annex 2: Demographics illustrates the household surveys conducted by province, along with an urban, rural and Kuchi population breakdown by province. A total of 3,500 households were surveyed in urban areas (16.8%), 16,706 in rural areas (80.4%), and 580 in Kuchi households (2.8%). Only Kabul province is majority urban, all other provinces are majority rural. Other large cities are located in Herat, Kandahar, and Balkh provinces, where urban respondents were over 50% of the sample. The largest proportion of Kuchi migrants were surveyed in Nangarhar province, with other large groups in Herat and Kabul provinces.

Just over a third (34.5%) of respondents were married, with most (60.7%) never having been married. Despite the lower average age of marriage in Afghanistan, the younger age of most respondents may account for this. Utilizing data from an age group entering the workforce – or engaging in low-skill employment and potentially vulnerable work conditions – may be useful to inform policies to develop human capital in Afghanistan.

A plurality of households had no formal education (43.4%) – the relationship of this to employment outcomes is discussed in the Education section below.

Labour Force Participation Rate, Employment to Population Ratio

The labour force participation rate (KILM 1) provides a picture of the relative size of the supply of labour by measuring the working-age population that is actively engaged in work or looking for work. Of the 76,824 respondents between the age of 15 and 64, nearly half reported that they were either employed, underemployed, or currently trying to find work. Among those who were participating in the labour force, 81%

(n=31,347) were in rural areas, 15.4% (n=5,968) were in urban areas, and 3.6% (n=1,385) were Kuchi. The concentration of the labour force in rural areas (as a proportion of the total labour force) corresponds to the concentration of surveys conducted in rural areas and the population distribution within Afghanistan.

Figure 1 below from the ALCS 2013-2014 shows the national labour force participation rate by sex and age. Out of the 2014 population of over 28 million, with roughly 15 million over 14 and of working age in the CSO national definition, the ALCS projects a total labour force of over 8.5 million in Afghanistan (6.3 million men and 2.2 million women).[26] Although the full-time legal working age in Afghanistan is 18, children 15-17 are legally allowed to work less than 35 hours a week under certain conditions that prohibit heavy manual labour. More than two-thirds of the labour force of 8.5 million is less than 40 years of age.[27]

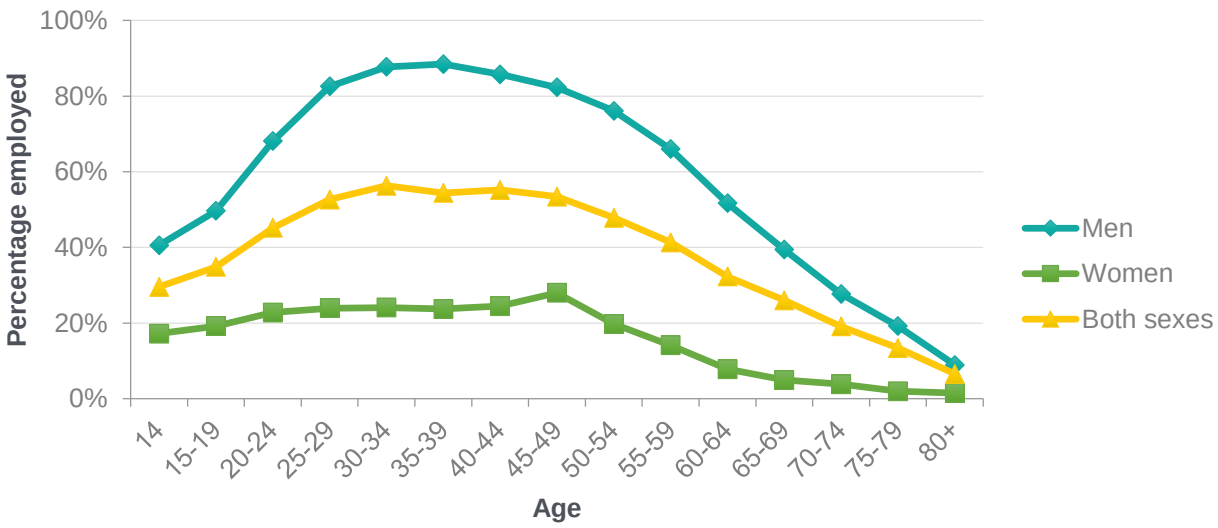
2014 Population: 28 million

Working-age Population: Over 15 million

Labour Force: 8.5 million (6.3 million men, 2.2 million women)

Labour Force Participation Rate (KILM 1): 55%

Figure 1 Labour Force Participation, by Age and Gender



The rates of labour force participation are very high for men, coming close to 100% for men age 30-49, and hovering around 30% for most working age women. The following section highlighting underemployment will provide context for the state of the Afghanistan labour market, as a large portion of the working age population is subject to underemployment or may be working in short-term low-income employment that does not provide decent work conditions. Women's participation rates can be viewed in relation to a variety of factors that limit women's economic engagement in Afghanistan, including expectations of home duties, cultural attitudes toward women working, security concerns and the willingness of employers to hire women.

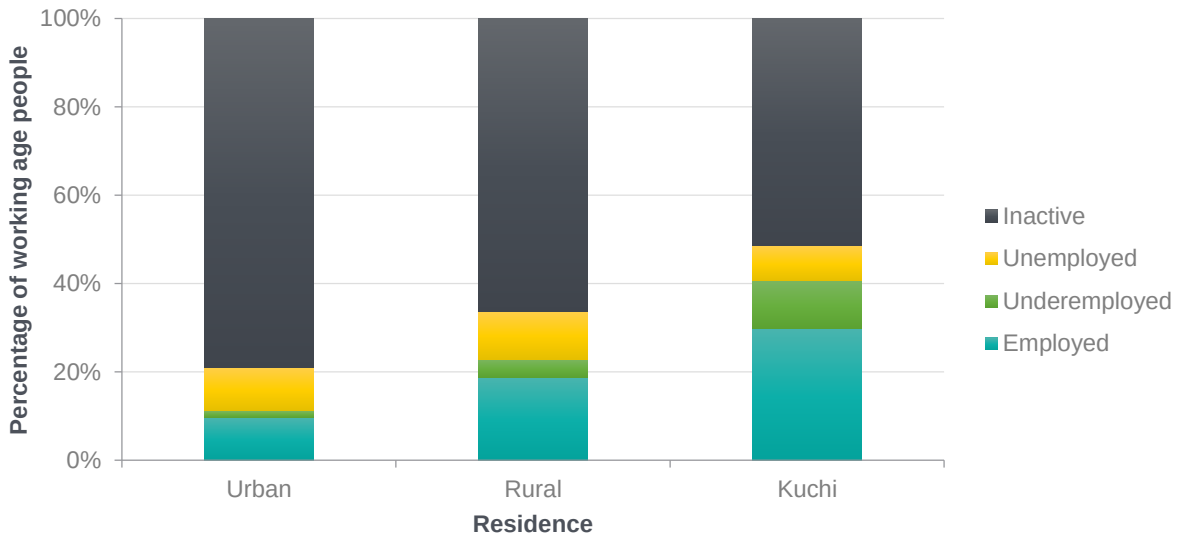
Women's labour force participation rates are higher for rural women and women from the Kuchi group than for urban women, indicating that rural and Kuchi women may work out of necessity. Figure 2 below shows the

[26] ALCS, pp. 48

[27] ALCS, pp. 45

large proportion of women in all areas report being inactive. However, reported employment is higher in rural and Kuchi households.

Figure 2 Labour Status for Women by Area of Residence



The picture presented by the labour force participation rate is mixed for women, as higher rates for more vulnerable groups may indicate taking low-paying and low-potential employment in order to meet household needs, while lower rates overall indicate limitations imposed on women's economic engagement.

Employment to Population Ratio (KILM 2): 42.9

Employment to Population Ratio for Women: 18.3

The employment to population ratio (KILM 2) measures the proportion of the working-age population that is employed, and when disaggregated into youth or by gender can provide an additional picture of working age groups that are not directly engaged in labour market activities. Afghanistan's national definition of employment is ***all persons aged 14 and over who, during the reference period of one week, were in paid employment or self-employment and work worked at least eight hours.*** Of 76,824 prime age survey participants, 37,786 report being employed (fully and underemployed). This is a ratio of .49. A total of 30,484 participants were between the ages of 15 and 24. Of those, 16,133 reported full or underemployment, a youth employment to population ratio of .53. **The ALCS weighting projects these responses to a national population to employment ratio of 42.9 (66.7 for men and 18.3 for women), which measures the proportion of a country's working-age population that is employed.**[28] This figure provides a deeper picture into the state of Afghanistan's labour market, as it illustrates a large portion of the population is not economically active and women are largely excluded from employment. However, youth are more likely to be employed. While the employment to population ratio provides additional context for how economically active a population is, further information is needed to understand the nuances of what types of work people are doing and why many are economically inactive.

Status in Employment, Underemployment and Unemployment

The next two sections will look at status in employment (KILM 3), unemployment (KILM 9), youth unemployment (KILM 10, also addressed in the Employment by Gender and Age section), time-related

[28] ALCS, p. 47

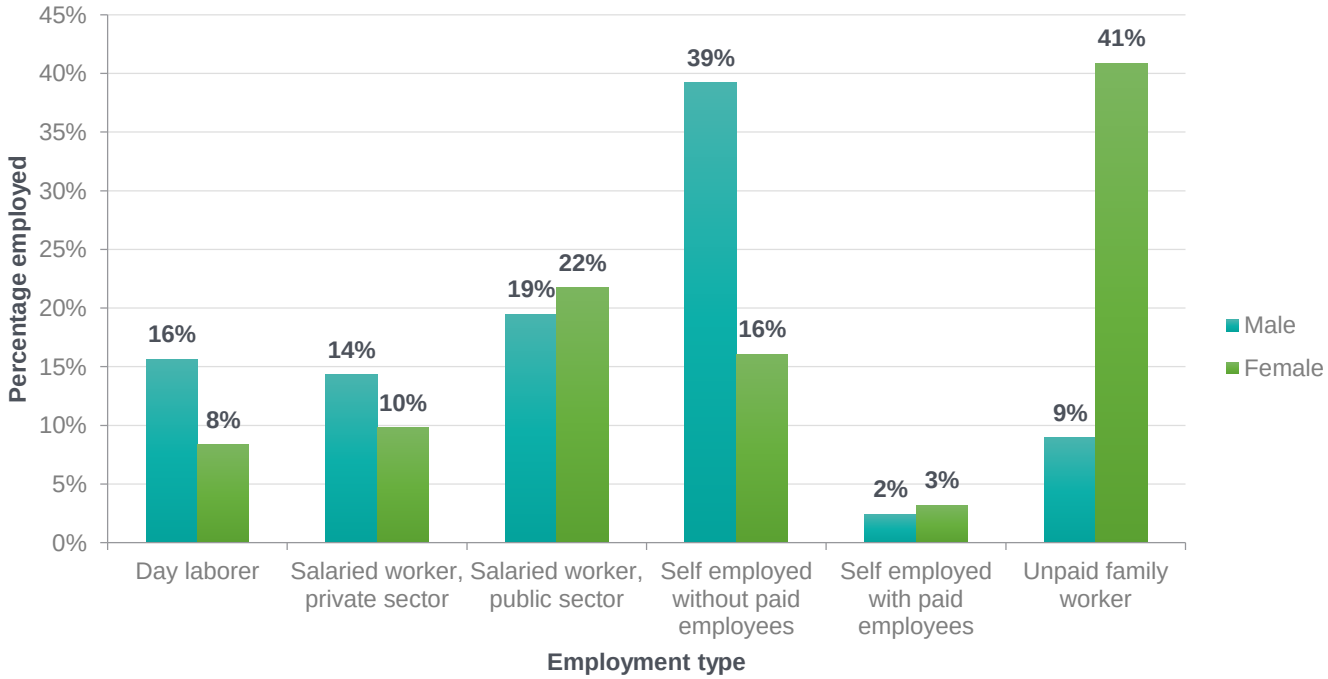
underemployment (KILM 12), and persons outside the labour force (KILM 13) to help look at some of the dynamics of the labour market in Afghanistan. The Central Statistics Organization and Government of Afghanistan use specific national definitions for employment to account for a nuanced picture of labour in Afghanistan, where a large proportion of the labour force may be technically employed but often are working in vulnerable conditions and with high levels of time-related underemployment. The national definitions used by Afghanistan specify employment terms for all person aged 14 and above (international definitions typically use persons aged 15 and above) and specify employment as paid employment or self-employment as at least eight hours in a one-week period (international definitions are more open). Afghanistan seeks to capture more specific information on underemployment by further defining the parameters of this definition as working less than 40 hours a week, and available and willing to work additional hours.[29]

Over half of employed people are self-employed (KILM 3)

Status in employment (KILM 3) looks at the proportion of the labour force that is either a wage or salaried worker, or self-employed. It additionally breaks down categories within the self-employed. Overall, nearly half of all employed respondents were self-employed, with the other half identified as wage or salaried workers. Within the full set of employed persons, 35.7% were self-employed without employees, 13.8% were unpaid family workers, and under 3% were self-employed with employees, demonstrating that a large portion of those employed are active in micro or small enterprises where income or remuneration for their labour may be small or nonexistent. The Self-Employment Strategies section of this report further examines potential factors related to self-employment and microenterprise in Afghanistan, and their relevance for technical and vocational education and training.

Women are also more likely to be unpaid family workers, although a portion were also salaried workers in the public sector. Men were most likely to be self-employed. Figure 3 below breaks down status in employment by gender.

Figure 3 Status in Employment by Gender



[29] ALCS, p. 46

The 2013-2014 ALCS gives the national unemployment rate (KILM 9) as 22.6%, with the youth unemployment rate (KILM 10, ages 15-24) as 27.4% and the youth unemployment as a percentage of total unemployment as 27.5%[30] Although generally high, it is important to look at the breakdown of these rates and also further examine underemployment and a more nuanced picture of working conditions in Afghanistan. The underemployment rate (KILM 12, time-related underemployment) in Afghanistan is 16.4% within the national definition of underemployment,[31] meaning that 16.4% of those employed are working less than 40 hours a week and are available and willing to work additional hours. Table 1 below from the ALCS[32] report provides additional nuance to the national level numbers by showcasing that higher numbers of the large rural male labour force are underemployed, unemployed, or not gainfully employed and looking for work, and that women's economic participation rates remain extremely low overall.

Table 1 Working-age Population, by Employment Status, and by Residence, Sex (in thousands)

Residence, Sex	Labour force	Employed	Under employed	Unemployed	Not gainfully employed	Inactive
National	8,515.5	5,198.4	1,394.7	1,922.4	3,317.1	6,859.5
- Male	6,322.6	4,107.9	1,098.8	1,115.9	2,214.7	1,479.9
- Female	2,192.9	1,090.5	296.0	806.4	1,102.4	5,379.6
Urban	1,962.7	1,318.4	156.6	487.8	644.4	2,098.3
- Male	1,534.8	1,142.4	123.0	269.3	392.3	504.3
- Female	428.0	176.0	33.5	218.5	252.0	1,594.0
Rural	6,058.0	3,539.8	1,144.0	1,374.2	2,518.2	4,550.4
- Male	4,452.5	2,727.1	914.5	810.8	1,725.3	934.5
- Female	1,605.5	812.7	229.5	563.4	792.9	3,615.8
Kuchi	494.8	340.2	94.2	60.4	154.6	210.8
- Male	335.4	238.3	61.2	35.8	97.0	41.1
- Female	159.4	101.9	32.9	24.6	57.5	169.8

Table 2 below presents the number of respondents who reported their employment status. A total of 74,336 individuals over the age of 15 gave their employment sector and status. A majority of employment is in agriculture. The rate of employment is highest among those in wholesale and retail trades, public administration and defense, and transportation and storage. Underemployment is more common in agriculture, forestry, and fishing and construction.

[30] ALCS, Key Indicators, available at http://cso.gov.af/en/page/1500/1494/nrav-report

[31] ILO: The international definition of "all persons in employment who wanted to work additional hours, whose working time all jobs was less than a specified hours threshold, and who were available to work additional hours given an opportunity for more work" was adopted in 1982 and amended in 1998 and 2013.

[32] ALCS, p.49

Table 2 Working-age Population, by Employment Status and Sector (by respondant)

Sector	Employed	Underemployed	Specialty, but Unemployed	Total
Agriculture, forestry, and fishing	5,931	2,782	707	9,420
Mining and quarrying	41	11	0	52
Manufacturing	1,784	557	231	2,572
Electricity, gas, steam, and air conditioning supply	9	1	0	10
Water supply; sewerage, waste management, and remediation	4	1	0	2
Construction	3,260	1,433	74	4,731
Wholesale and retail trade; repair of motor vehicles and motorcycles	3,333	272	39	3,644
Accommodation and food service activities	91	10	1	102
Transportation and storage	1,484	188	22	1,691
Information and communication	9	4	1	14
Financial and insurance activities	3	0	0	3
Real estate activities	400	16	11	427
Public administration and defence; compulsory social security	2,326	72	16	2,414
Professional scientific, and technical activities	942	357	46	1,345
Human health and social work activities	847	86	19	952
Arts, entertainment, and recreation	2	2	2	6
Activities of households as employers; undifferentiated goods and services	328	56	8	392
Activities of extraterritorial organizations and bodies	83	7	2	92
Total	27,152	7,635	2,372	37,159

Persons outside the labour force (KILM 13) provides the inactivity rate, or the population that is not working or seeking work. Almost half of Afghanistan's population is estimated to be inactive in the labour market. Over three-fourths of the economically inactive population is female. The most common reason for not being classified active in the labour market was being a housewife or working at home (50.3% of women who were inactive in the labour market), which may also indicate additional unpaid labour whose value is not being calculated. Students (22.9%) and retirees (5.8%) were also common. Illness and injury (2.8%) and a disability (0.7%) were less common reasons preventing people from finding or looking for work. A small number of respondents (3.9%) felt that no jobs were available and therefore did not look for work. Another small group (4.2%) were not allowed to look for work by their families.

When examined by province, employment is highest in Paktika province (81.5%) and lowest in Daykundi province (17.9%). Ghor province had the highest rate of unemployment (35.8%), with the lowest in Helmand province (3.4%). Table 3 below gives the regional breakdown (using UN regions for Afghanistan) for employment status. Employment was highest in the southeastern part of the country and lowest in the western part of the country. Underemployment and unemployment was highest in the west. The proportion of respondents by employment status and region of residence is also presented with gender disaggregation by province in Annex 3.

Table 3 Proportion of Respondents by Employment Status, Region of Residence

Region[33]	Employed	Underemployed	Unemployed	Inactive
South East	50.7%	5.0%	6.9%	37.4%
East	38.0%	13.7%	7.1%	41.2%
North West	35.8%	11.4%	14.4%	38.5%
South West	34.0%	4.3%	11.4%	50.4%
North East	32.3%	8.0%	12.2%	47.5%
Central	31.4%	11.5%	13.8%	43.3%
West	22.9%	17.8%	24.4%	34.9%

Overall, only 758 (3.7%) households overall reported that a member of the household had experienced loss of employment in the past year. Of those, only 9.4% (n=71) felt the household had fully recovered. Nationally, 673 (3.2%) households reported that a member experienced a reduced salary in the past year. Of those, 32 households (4.8%) felt they had recovered.

Self-Employment Strategies

The ALCS data provides some direct information on self-employment in Afghanistan, and additional pieces that may help policy makers understand household self-employment strategies and constraints. This section builds upon the discussion of status in employment (KILM 3) above to look at additional factors related to the growth of microenterprise and more viable self-employment within Afghanistan. A plurality of survey respondents who were employed were self-employed without employees (35.7%). Unpaid family workers were also well-represented (13.8%). Although salaried workers in the public sector (19.8%), day labourers (14.6%), and salaried workers in the private sector (13.6%) also made up a large part of the sample, it is clear that a large proportion of Afghanistan's employed labour force is self-employed or working with family members in micro to small enterprises. A majority of these were employed in agriculture, livestock, or other land-based livelihoods. A large proportion was employed in service and sales occupations, including shopkeepers or small-scale retail. Women were much more likely than men to be employed as unpaid family labour. 535 households reported that the family business had gone bankrupt (2.6%) in the past year. Of those, 73 (13.6%) felt they had recovered.

One area to examine further is the energy source for households. Table 4 below illustrates the proportion of energy sources by location classification. Although the household source of energy may be different from the energy source of a microenterprise run by a self-employed respondent, many businesses can be assumed to be household-based and using the same energy source for enterprise purposes. Although information is missing here on the quality and reliability of household energy sources, understanding emerging trends and the need for reliable sources for self-employment can be useful. The higher prevalence of solar energy in rural areas may point to a need for future technical skills related to installation, maintenance and repair. Solar, battery, and wind energy are more common among rural households and the Kuchi. Rural households, but not the Kuchi, are also more likely to have communal sources of energy as compared to urban households.

[33] As divided in UN regional subdivisions: North Eastern Afghanistan (Badakhshan, Baghlan, Kunduz, Takhar), North Western Afghanistan (Balkh, Faryab, Jowzjan, Samangan, Sar-e Pol), Eastern Afghanistan (Kunar, Laghman, Nangarhar, Nuristan), Central Afghanistan (Kabul, Kapisa, Logar, Panjshir, Parwan, Wardak), Western Afghanistan (Badghis, Bamyan, Farah, Ghor, Herat), South Eastern Afghanistan (Ghazni, Khost, Paktia, Paktika), South Western Afghanistan (Daykundi, Helmand, Kandahar, Nimruz, Urozgan, Zabul)

Table 4 Energy Source by Household

Energy Source	Urban	Rural	Kuchi
Grid	73%	9%	0%
Generator - government	3%	0%	0%
Generator - private	1%	1%	0%
Hydroelectric - private	0%	2%	0%
Generator - community	0%	0%	0%
Hydroelectric - community	0%	13%	0%
Solar	16%	60%	68%
Wind	0%	1%	1%
Battery	6%	14%	30%

Internet connectivity can also be useful to look at in relation to self-employment, although again, further information to understand which business types need connectively or other technology. Of 80,552 total men in the survey, 6,028 (0.1% of men) had access to the internet. Of 76,710 females in the survey, 1,413 (0.02% of women) had access to the internet, although these low numbers are in contrast to other sources which report Internet usage nationally at around 10 percent in 2016.[34] The difference between access to the internet among men and women, showing men are more likely to have internet access, is statistically significant.[35] Those in rural areas and Kuchi individuals were significantly less likely to have access to internet. Although those who were self-employed were less likely to have internet than those who were formally employed, they were more likely to have internet than day labourers or unpaid family workers. Many businesses at the micro and small enterprise level within Afghanistan may require less connectivity, but it can also be considered that growth for some types of businesses may be inhibited by a lack of connectivity to the internet or a lack of related technology.

As shown above, agriculture was an extremely important sector for the self-employed. Approximately half of respondents owned irrigated land (n=85,007, 54.1%). An additional 2,607 individuals lease land, 7,423 sharecrop, 377 had mortgaged land, and 738 lease out land. An additional 24,895 people own rain-fed land (15.8%), 537 lease rain-fed land, 2,460 sharecrop rain-fed land, and 37 mortgage rain-fed land. On average, among those who rent land, the average cost was 14,584.24 Afs.

On average, among households who had access to irrigated land, parcels were 4.6 jeribs per household. Given the high preponderance of those employed in the agricultural sector, land ownership, inputs and technical knowledge may be important factors to consider in developing opportunities in small-scale agricultural production and employment.

[34] World Bank Indicators database, Afghanistan

[35] ($p<.001$)

Employment by Gender and Age

This section looks more closely at labour activity status by gender and age, to provide a more nuanced picture of employment, unemployment and underemployment. Sex is significantly associated with employment in Afghanistan.[36] Figure 4 below shows employment status by gender. A much larger proportion of women than men are economically inactive, and the majority of those employed are men. Women are significantly less likely to be employed in rural and urban areas and among the Kuchi than men are.

Being female decreases the likelihood of employment by 147%, even when excluding those inactive in the labour market.

Figure 4 Employment Status by Gender

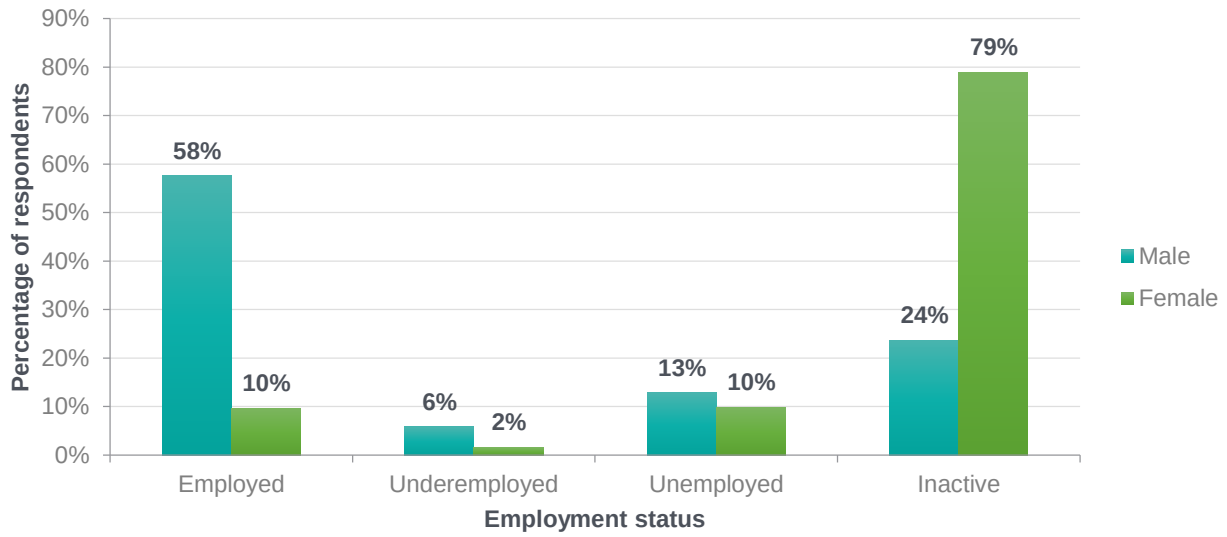
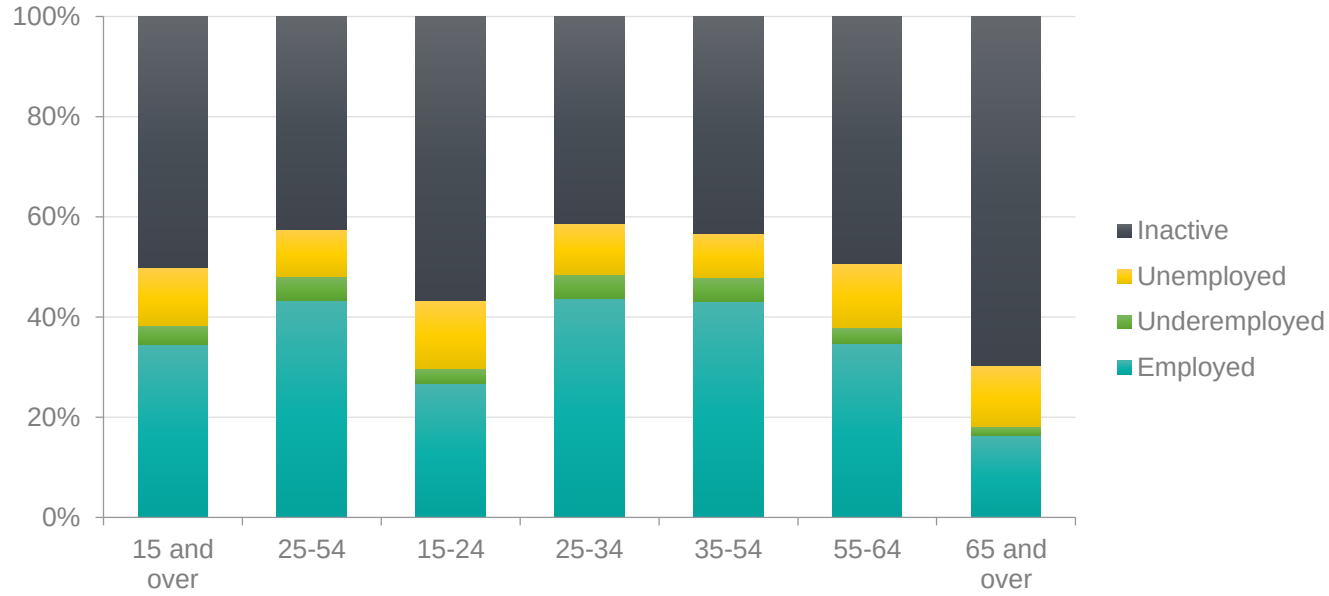


Figure 5 below summarizes levels of employment, underemployment and unemployment for survey respondents by age group.

[36] Being female decreases the likelihood of employment by 147%, even when excluding those inactive in the labour market. After controlling for age, province, and residence, sex has a very significant association with employment. For full regression results see Annex 4.

Figure 5 Employment Status by Age Group



Age is positively related to employment for those over 15 years of age.[37] The effect of age on employment – that older people are more likely to be employed – is plausible in the context of Afghanistan where youth may struggle to find initial jobs, are engaged in an informal apprenticeship, or are underemployed and working in vulnerable conditions. **Each year of age is associated with a 13% likelihood of some employment, although the positive effects of age on employment diminish over time.**

While this report does not fully examine the prevalence or implications of child labour, the ALCS 2013-2014 notes that "slightly more than a quarter of all children between the ages of 5 and 17, that is 2.7 million children or 27 percent, are engaged in child labour according to ILO's definitions. This is one of the highest rates of child labour in the world."[38] The high rate of child labour has implications for the future of human resource development in Afghanistan, as the years of schooling lost can correlate with lower prospects for decent work in addition to potential health and mental health risks.

Employment by Sector and Occupation, Income Earning Activities

Employment by sector (KILM 4) typically examines employment in the agriculture, industry/production and services sector as a percentage of total employment. The ALCS survey classifies sectors of economic activity by the International Standard Industrial Classification of All Economic Activities (ISIC) codes. Nationwide in Afghanistan, agriculture accounts for two-fifths of all employment, manufacturing for less than a tenth, while the recently more dynamic trade, transport, finance, real estate and insurance sectors account for a little less than a fifth.[39] **The share of women in wage employment in the non-agricultural sector is only 10.3%,[40] indicating that women are largely confined to low-level agricultural jobs or in unpaid or unrecognized work.**

[37] A simple regression for the effect of age on employment status in rural areas (using a dichotomous variable for employed/underemployed vs unemployed/inactive), controlling for gender, and using a fixed effect for province shows a positive association between age and employment for those over 15 years old. For more details on the regression analysis, see Annex 4

[38] ALCS, pp. 45

[39] ALCS, pp. 45

[40] ALCS, pp. 55

Employment by occupation (KILM 5) presents results according to the International Standard Classification of Occupation (ISIC). Given the primary sectors of the Afghan economy, despite some recent expansion in service sectors, around **90% of the employed and underemployed workforce is in low-skilled occupations of elementary, plant and machine assemblers and operators, craft and related trades, and agriculture, forestry and fisheries workers.**[41] Men dominate more skilled professions; in higher skilled occupations outside the professional category they take up 88% of all jobs. Of employed women, 40% are farmers and animal keepers who sell part of their produce, while 23% are engaged as sales workers or street sales workers and 25% are in craft and related trades.[42] Out of all survey respondents, Table 5 below presents the prevalence of occupation by gender, demonstrating how agriculture and livestock trades dominate the Afghanistan labour market. Women almost exclusively are working in the agriculture, livestock and manufacturing occupations.

Table 5 Occupation by Gender

Occupation	Male	Female	Total
Managers	1%	0%	1%
Professionals	4%	3%	4%
Technicians and associate professionals	1%	0%	1%
Clerical support workers	2%	1%	2%
Service and sales workers	19%	1%	14%
Skilled agricultural, forestry, and fishery workers	40%	74%	49%
Craft and related trades workers	6%	19%	9%
Plant and machine operators and assemblers	7%	0%	5%
Elementary occupations	18%	2%	14%
Armed forces occupations	1%	0%	1%

The ALCS also provides information on broader household income earning activities, which may provide additional illustration on the labour market but also on household income. Table 6 below provides detail on income earning activities, potentially within or outside of main employment, although the types of work conducted are varied. The variety of activities may indicate that households rely on multiple income earning strategies where they balance a variety of employment and other income earning activities. The prevalence of production and sale of field crops, combined with production and sale of livestock, indicates a greater level of self-employment in agriculture.

[41] ALCS, pp. 58

[42] ALCS, pp. 58

Table 6 Main Type of Household Income Earning Activity

Activity for which most income was earned	Percent of people reporting income-generating activities
Production and sale of field crops	18%
Other work, wage labour	11%
Shop keeping/small business	10%
Other work, day labour	8%
Production and sale of livestock	6%
Taxi/transport	6%
Police	4%
Borrowing	4%
Teacher	3%
Remittances from migrants	3%
Office work, government	3%
Production and sale of orchard products	3%
Military service	3%
Other service work	2%
Office work, non-government	2%
Agricultural wage labour (non opium)	2%
Other trade	2%
Mechanic	1%
Production and sale of opium	1%
Street/market sales	1%
Food production and processing	1%
Doctor/nurse/medical worker	1%
Sewing, embroidery, etc	1%
Shepherding wage labour	1%
Zakat	1%
Other handicraft work	1%
Other production work	1%
Rental income	<1%
Other government/NGO/UN	<1%
Security	<1%
Road/building construction	<1%
Carpet weaving	<1%
Retirement/pension	<1%
Opium wage labour	<1%
Total	100

Education and Literacy

Educational attainment and illiteracy (KILM 14) help measure labour force skill levels and national competitiveness. Literacy is significantly associated with employment in Afghanistan.[43] However, the highest level of education is not significantly associated with a greater likelihood of employment. Figures 6 and 7 below illustrate this lack of association between level of education and employment.

Being literate is associated with a 26% greater likelihood of employment

Figure 6 Employment by Educational Attainment - Men

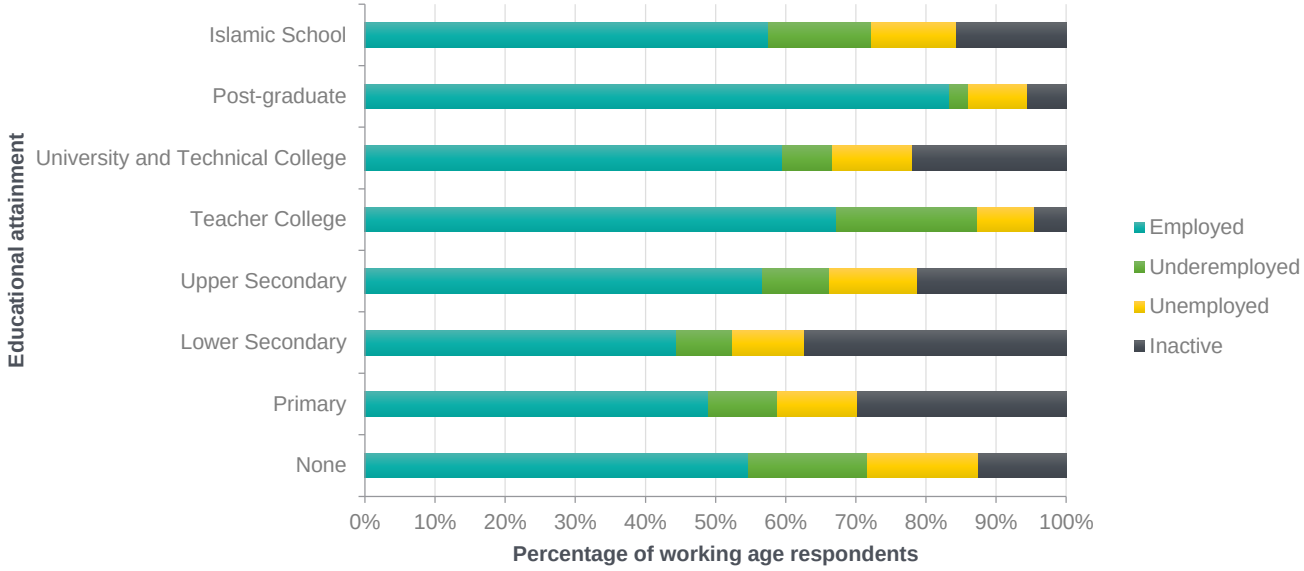
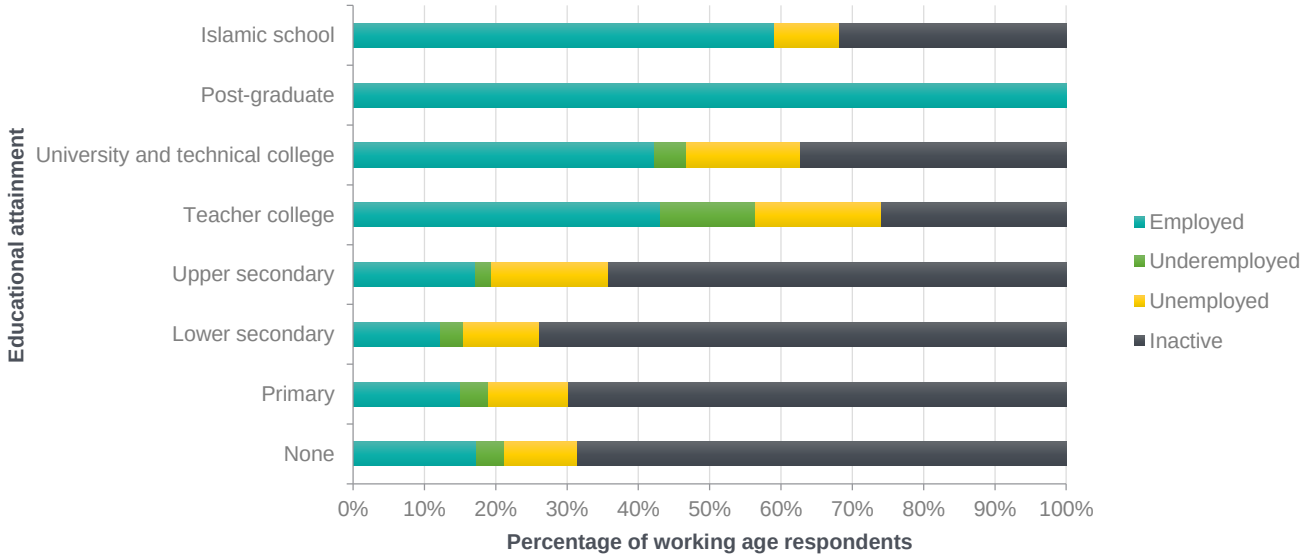


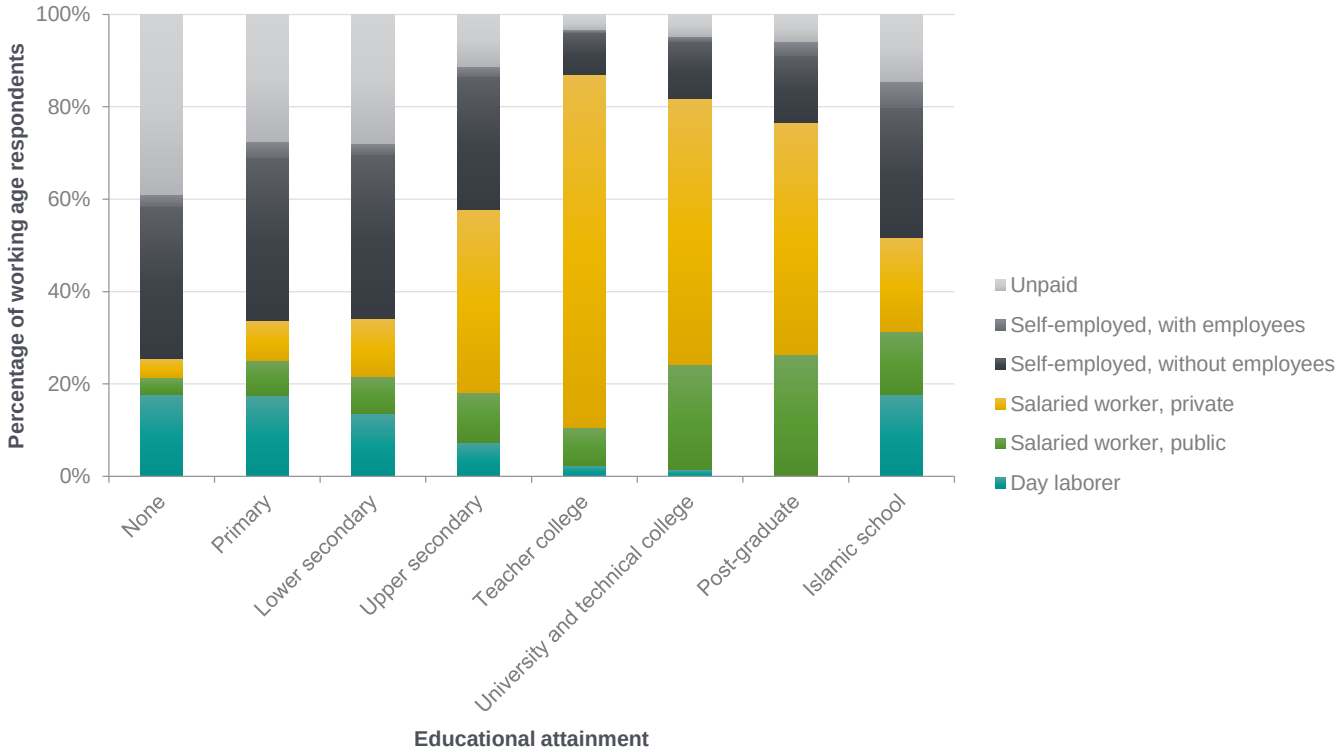
Figure 7 Employment by Educational Attainment - Women



[43] Being literate is associated with a 26% greater likelihood of employment, after controlling for gender, age, and province. Full details of the regression can be found in Annex 4.

The ALCS survey finds that "the highest proportion of men who were not gainfully employed is among those with no schooling (34 percent), but even among those who have undergone teacher training[44], a fourth was not gainfully employed, with 18 percent of them actually being underemployed."[45] While 61 percent of the entire employed workforce has not been to school, this proportion varies widely by gender and economic sector. Urban men and women have higher levels of education than their rural counterparts, although across sectors women are far less educated than men.[46] Figure 8 below additionally shows employment status by educational attainment, with those graduating upper secondary, teacher college or university and post-graduate studies more likely to be salaried workers.

Figure 8 Employment Status by Educational Attainment



Increasing school enrollment rates in Afghanistan demonstrate the potential large gains in human capital that can be made, as well as the need to promote multiple educational tracks that spur entrepreneurship and economic gains in country. "According to the Ministry of Education (MoE), only one million children (almost all boys) were enrolled in schools in 2001, but over 8.6 million were in enrolled in 2013 of whom 39 percent were girls)."[47] Reasons for not being able to attend school differed by gender, however. "While 40 percent of boys who did not attend school cited the need to work as the main reason, 37 percent of girls who did not attend school did not do so because they were not allowed to."[48]

Literacy indicators have shown steady but modest increases in Afghanistan. Although the current adult literacy rate is measured at 34% in the 2013-2014 ALCS, this is up from 26% in the National Risk and Vulnerabilities Assessment 2007-2008. Additionally, youth literacy of the population age 15-24 is now at 52%, compared to

[44] Specific institutes to train teachers run by the Ministry of Education (MoE)

[45] ALCS, pp. 51

[46] ALCS, pp. 54

[47] ALCS, p. 112

[48] ALCS, p. 111

31% in 2005.[49] Like educational attainment, literacy rates for women are lower (only 19% at a national level, but 39% for urban women), particularly in the southern parts of Afghanistan.

Income and Time Reporting

Wages and compensation costs (KILM 15) can help measure purchasing power and inform approximations of standards of living, while hours of work (KILM 7) can inform analysis of productivity and labour costs. Employer compensation costs, or the wages that employers pay out, are also analyzed. Although surveys of informal and formal businesses conducted as part of this study asked businesses about employee compensation costs, the data has large standard deviations and it is hard to draw conclusions. The low response rate on income questions also makes analysis of the ALCS data difficult. On average, respondents across all employment types reported earning 329.67 Afs per day in the past week. The average daily income in the past week among male respondents was 348.35, while among women it was 132.24. On average, respondents reported earning 14,037.89 Afs per month. The range was 0-400,000. The average daily income in the past month among male respondents was 14,952.13, while among female respondents it was 8,509.56. Respondents from Kabul province report the highest average daily income. Those in Balkh report the lowest average daily income. Annex 2 provides full details of average daily income by province.

On average, people across all types of employment reported that they worked 5.59 days in the past week. A total of 37.65% of respondents worked 7 days in the past week. On average, people reported that they worked 6.30 hours per day in the past week.

Workers earn more as they grow older and ostensibly gain experience**.** An additional year of age is associated with 14.49 additional Afs per day. [50] This benefit decreases as age increases (older people see a smaller age bump). After controlling for age, province, and literacy, women on average earn 186.67 Afs fewer per day.[51] After controlling for age, sex, and province, literacy was significantly associated with higher pay. Being literate, on average, increased daily pay by 63.14 Afs. Those who were literate earned 3,527.48 more a year, on average.[52]

Wages and Compensation Costs (KILM 15)

- Workers earn more for each additional year of age, although benefits grow corresponding smaller

- Women on average earn 187 Afs fewer per day

- Literacy is associated with higher pay

Salaried workers in private and public sectors enjoy the highest monthly earning, but women earn less across all job status categories. Men on average earn 30 percent more across all occupations.[53] Table 7 below from the ALCS[54] indicates the average and median earnings of men compared to women across occupational groups, further showing the discrepancy in monthly earnings. However, the gap is lower (or even for the median earnings) for professionals and technicians, indicating that these groups of women earn as much as men in their occupational group.

[49] ALCS, p. 111

[50] p<.001, Controlling for province, sex, and literacy, age was highly significant in predicting daily income. Full details of the regression are available in Annex 4.

[51] p<.001

[52] p<.001

[53] ALCS, p. 60

[54] ALCS, p. 61. Gender ratios are calculated as the ratio of men to women

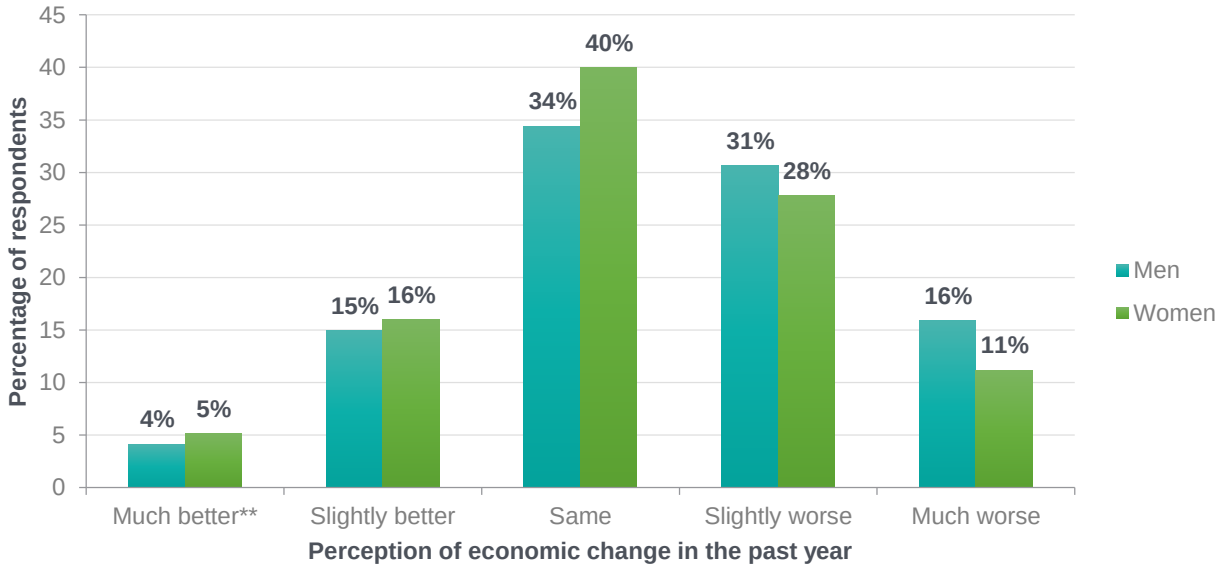
Table 7 Gender Ratios of Mean and Median Monthly Earnings, by Occupational Group

Occupational group	Ratio of mean earnings	Ratio of median earnings
Managers	2.24	1.71
Professionals	1.31	0.90
Technicians and associated professionals	1.20	1.00
Clerical support workers	3.48	3.33
Service and sales workers	2.89	3.37
Skilled agriculture, forestry and fisheries workers	3.44	3.63
Craft and related trades workers	1.68	1.00
Plant and machine operators, assemblers	2.89	2.62
Elementary occupations	1.45	1.33

Economic Outlook

Respondents were also asked about their outlook on their household economic situation as compared to a year ago. The majority of men and women said their situation was the same or slightly worse. Women were slightly more likely to say their household situation was the same, while men more evenly noted their situation was the same or slightly worse. Women were significantly more likely to say that the situation was much better than a year ago, as compared to men. Given developments in Afghanistan, these results may not be surprising. It is possible they point to a slow worsening of attitudes of potential economic attainment, which could inhibit people from starting businesses or taking economic risks such as investing in education and training, if they do not expect to see positive results.

Figure 9 Perception of Economic Change in Past Year, by Gender



Informal Business Surveys

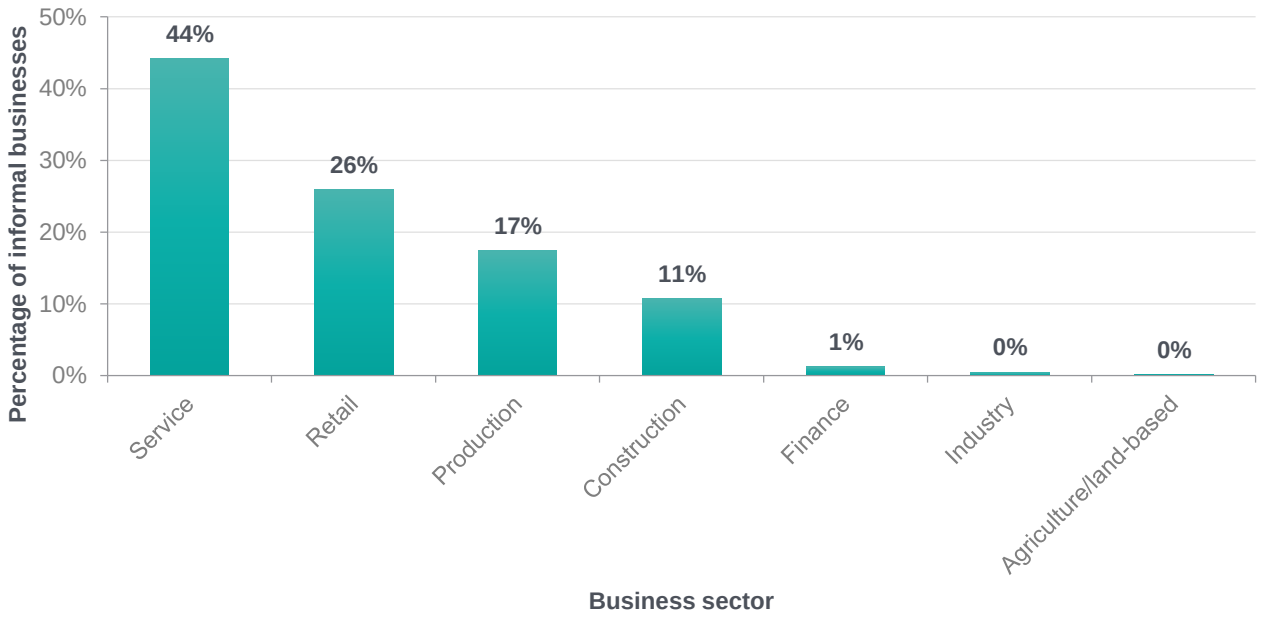
Following the discussion of the supply side of the labour market utilizing existing data and analysis, the following findings discuss the demand side of the equation (both from informal and formal business) and current training provision from TVET institutions. It is important to note that data collection from businesses and TVET institutions focused on provincial capitals throughout Afghanistan and therefore has an urban focus.

Nearly all of the 1,863 informal businesses surveyed were privately owned. As described in the methodology section, business lists were compiled from municipalities and business associations. Although the businesses surveyed are not formally registered, they typically must obtain some permission to operate via the municipality or other local authority and therefore municipalities are able to supply potential sample lists that are mostly representative of businesses in their area. However, many microenterprises, home-based businesses or agricultural enterprises may not have been captured, and these represent a large amount of the self-employment seen throughout Afghanistan. Out of sample lists of 1,958 informal businesses, MoLSAMD surveyed 1,863. However, it is also clear that many more businesses in Afghanistan exist, particularly the type of micro and small enterprises that some TVET graduates may seek to open. Information in this section can serve to inform policy makers about the needs and characteristics of informal businesses, but additional assessments should be conducted to understand what types of skills businesses need, and what types of employment and conditions they offer.

Activities, Industry and Income

Most firms surveyed were in the service and retail industries, which is typical of many informal small and medium enterprises (SMEs) in the country. For informal and formal businesses surveyed, businesses provided their sector in a free answer format. Where “production” or “industry” was used in the response, those businesses were categorized as such. Businesses stating that they manufactured goods, such as clothing and shoes, metalworking, printing, and undifferentiated workshops were classified as “production.” Those dealing in petroleum processing, liquid gas, and engine oil were defined as “industrial.”

Figure 10 Informal Businesses by Sector

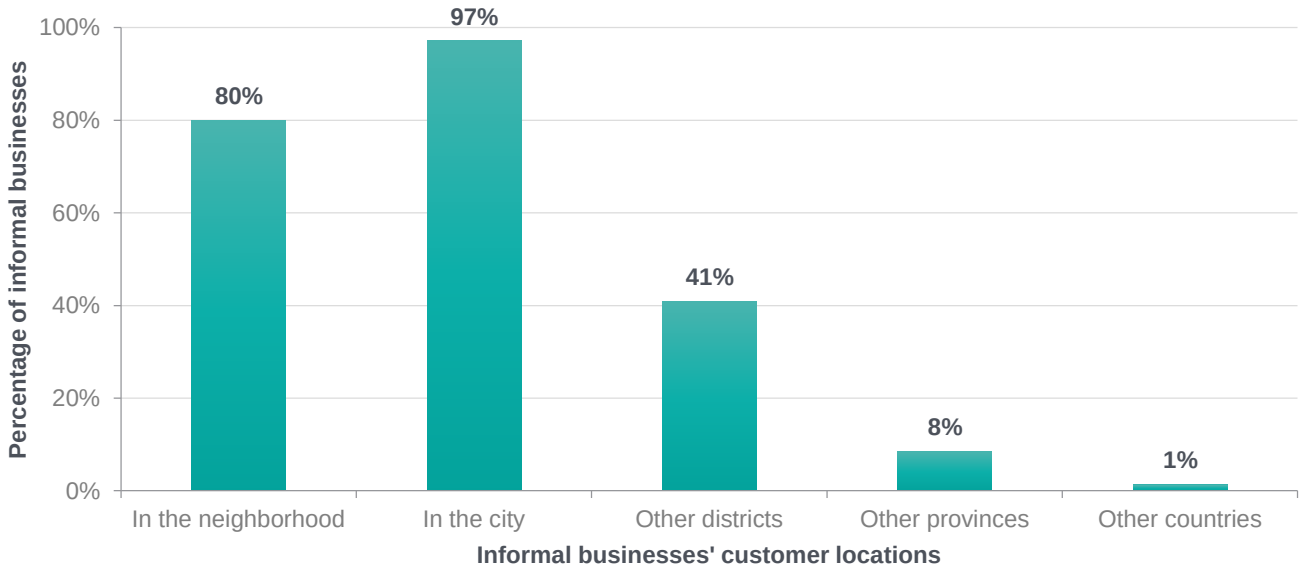


Informal business owners reported an average monthly income (or profit) of 1,597,604 Afs (range of 0 to 2,150,000,000). Business income and employee wages are difficult to analyze due to the large deviations in answers provided, and potentially due to how questions were asked or understood (income versus revenue, or what costs and factors the respondent considered in answering the broad question about their net income).

Furthermore, answers may not be reliable, as businesses may alter their answers based on perceptions of how the information is used and with whom it is shared (tax authorities, etc.).

Most firms sold goods and services to those in their neighborhood (79.8%) or city (97.1%). It was less common to have customers in other districts (40.8%), other provinces (8.4%), or other countries (1.3%). Only 97 firms reported exporting products (5.2%). Among firms who exported goods, the average percentage of goods exported was 43.7%. This was in contrast to formal businesses that were surveyed, which had a greater geographic range of sales and coverage and a higher rate of exports. The focus on local sales illustrates the informal businesses surveyed may supply helpful information on local small and medium enterprises that may hire or be started by vocational training graduates.

Figure 11 Informal Businesses, Main Customer Location



Employees

On average, small businesses had 6.4 permanent employees. The number of permanent employees ranged from one to 155. On average, 0.2 permanent workers were female and 6.2 permanent workers were male. A total of 24 businesses had entirely female permanent staff, but the majority of small businesses had no female employees (97.5%). Very few informal businesses had temporary employees, and the survey did not measure full versus part-time workers (KILM 6). Formal businesses had a greater use of temporary unskilled workers. Table 8 below illustrates the average number of workers by sector. Food service dominates the list as the sector with the highest average number of workers, followed by service, production, and construction. Agriculture was the sector in which respondents reported the lowest average number of workers, reflecting the small-scale nature of much of the agriculture in Afghanistan.

Table 8 Average Number of Permanent workers by Sector

Sector	Average number of workers
Food Service	9.2
Service	7.1
Production	6.9
Construction	6.4
Retail	4.8
Health Service	4.6
Finance	4.0
Industrial	4.0
Utility	2.7
Agriculture	2.5

Most informal businesses hired family members as permanent workers. Although not asked, some of these are likely to be unpaid. Table 9 below illustrates the use of permanent and temporary family members (by gender) for each business sector. No business reported using female family members as temporary workers.

Table 9 Use of Family Members as Permanent and Temporary Employees, by Sector

Sector	Male perm. family member	Female perm. family member	Male temp. family member
Agriculture	100%	0%	0%
Construction	71%	0%	0%
Finance	75%	0%	0%
Food Service	94%	1%	64%
Health Service	83%	0%	60%
Industrial	88%	0%	0%
Production	76%	0%	21%
Retail	79%	5%	35%
Service	74%	7%	26%
Utility	87%	0%	0%

Vacancies and Hiring

Only 17.0% of informal businesses reported that they had current vacancies. Among firms with vacancies, the number of vacancies in a business ranged from 1-50 and averaged 4.1 vacancies among the 318 firms needing additional employees. Only two firms reported needing women to fill vacancies, while 317 stated they needed male employees. Table 10 below illustrates the sectors where informal businesses had the most vacancies, mainly the service industry and construction and production sectors. Although a smaller overall number of firms reported having current or upcoming vacancies, those that did report vacancies often needed multiple employees to fill positions.

Table 10 Vacancies by Business Category

Sector	% of total informal businesses with vacancies by category	Total vacancies	% Male	% Female
Service	38%	466	99%	1%
Production	24%	343	99%	1%
Construction	23%	337	100%	0%
Retail	9%	89	100%	0%
Food Service	5%	61	100%	0%
Health Service	1%	6	100%	0%
Agriculture	0%	1	100%	0%
Finance	0%	0	0%	0%
Industrial	0%	0	0%	0%
Utility	0%	0	0%	0%

Employers most often noted a need for skilled or unskilled labour, and overwhelmingly stated a need or preference to hire male employees. Table 11 below illustrates the intention to hire family or non-family individuals by gender and job category. Although many indicated they would hire a male family member, more were open to hiring non-family members.

Table 11 Vacancies by Gender, Occupation

Occupation	% of businesses with vacancies	Male family	Male other	Female family	Female other
Unskilled Workers	13%	59	614	2	5
Skilled Workers	13%	128	466	0	0
Specialist/Technical	2%	27	25	0	0
Other	1%	10	13	0	0
Manager/Supervisor/Administrative	1%	5	9	0	0

Many vacancies were filled with internal transfers (61.1%) or direct approaches from the job seeker (54.9%). Fewer businesses reported taking references from other employers (9.1%), references from employees (14.6%), or from registration at an employment service (4.1%). **No firms reported hiring directly from training centers.**

Satisfaction with Local Skills

A majority of firms reported being satisfied with the skills of local workers (n=1805, 96.9%). A majority of workers were trained in traineeships, the company, or by family. The vast majority of firms stated that workers gained skills by being trainees (n=1218, 72.8%). Others were family members (n=204, 12.2%), trained in the company (n=240, 14.3%), or in another country (n=18, 1.1%).

More than half of firms (n=1180, 63.3%) were willing to hire apprentices. However, few were willing to hire women (n=119, 6.4%) or the disabled (n=296, 15.9%).

Very few firms (n=7, 0.4%) reported hiring foreigners. Those seven firms hired between one and four foreigners each. They hired foreigners for management or supervisory positions, not for administrative positions. Many firms surveyed may have been reluctant to say they were unsatisfied with local workers, or may have needed additional nuance to highlight technical or soft skills of the local workforce they would like to see developed. It is less likely that informal firms would hire skilled foreigners due to potential regulations and hiring procedures, but firms may also be less likely report if they used skilled or unskilled foreign labour.

Future Plans

Approximately half of firms reported that their business had decreased in the past two years (n=1040, 55.8%), via a general inquiry on the state of their business operations. However, most firms planned to increase in the next two years (n=1697, 91.1%). Many firms reported that insecurity, poverty in the area, a lack of sales, and widespread unemployment were the reasons their business had decreased. Reasons for planning to decrease their business in the next two years were similar, including limited market, lack of sales, poverty and weak economy, and a lack of government cooperation.

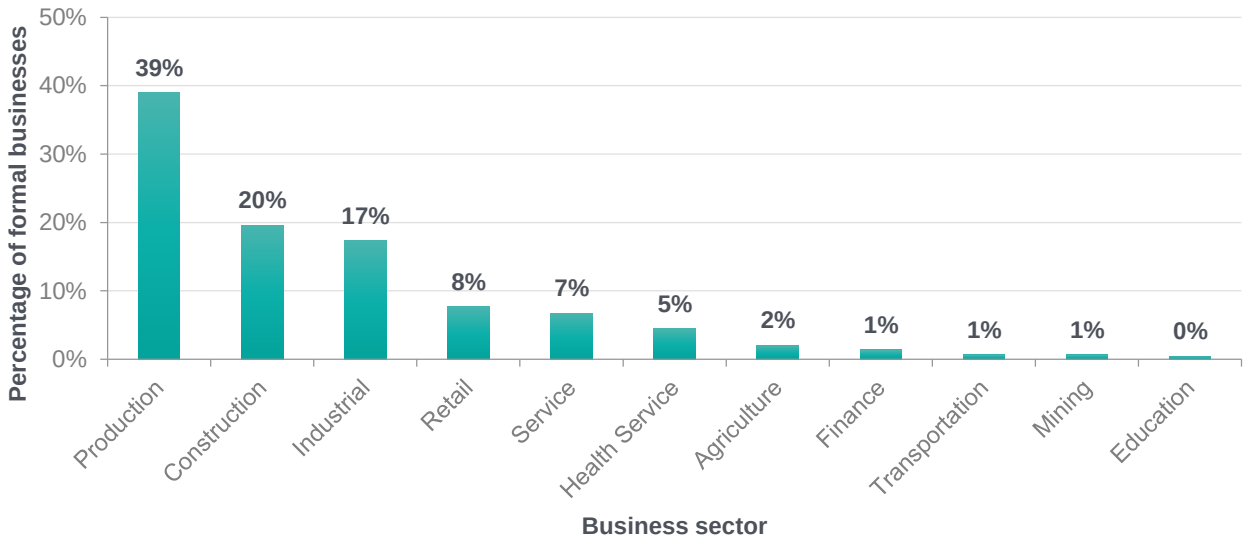
Formal Business Surveys

Nearly all of the 446 formal businesses surveyed were privately owned. As described in the methodology section, MoLSAMD complied business lists from the Afghanistan Investment Support Agency (AISA) and the Ministry of Commerce and Industries (MoCI) and others. Formal businesses tended to be concentrated in main urban centers, and many businesses surveyed were in Kabul (54), Kandahar (34), Herat (41), Balkh (39) and Nangahar (37). Information in this section can serve to inform policy makers about the needs and characteristics of formal and generally larger businesses, but additional assessment should be conducted to understand what types of skills businesses need, and what types of employment and conditions they offer. Businesses surveyed in this section are most likely to have a more sustained need for skilled labour.

Activities, Industry and Income

Formal businesses from a range of sectors were surveyed, with the majority in the production, construction and industrial sectors. For informal and formal businesses surveyed, businesses provided their sector in a free answer format. Where "production" or "industry" was used in the response, those businesses were categorized as such. Businesses stating that they manufactured goods, such as clothing and shoes, metalworking, printing, and undifferentiated workshops were classified as "production." Those dealing in petroleum processing, liquid gas, and engine oil were defined as "industrial." Figure 12 illustrates the distribution of formal businesses by sector percentage.

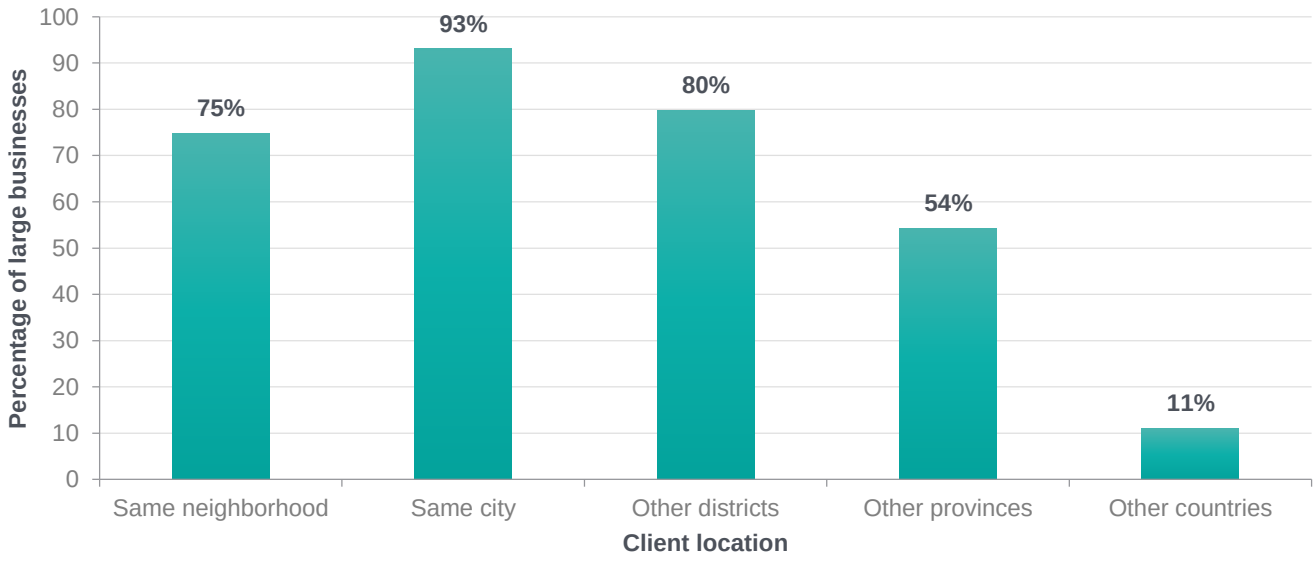
Figure 12 Formal business Surveyed by Sector



The average monthly income, or profit, among businesses was 97,230.67 Afs and ranged from zero (a business reporting no net profit) to 4,000,000 Afs, although there may have been issues with the question as asked or understood (if income was understood as total profit, or as revenue generated). Formal businesses may also have incentive to not fully report their business income to surveyors, and income data was again difficult to analyze.

Few businesses had clients in other countries (11.0%) and around half of businesses had clients in other provinces (54.3%). Many large businesses had clients in other districts (9.8%) and nearly all had clients in the city in which they are located (93.1%). Only 12.6% of large businesses (n=56) export products that they produce. Among those who export products, the amount exported ranged from 1-100% of products. On average, large businesses export 37% of their products. Figure 13 below shows the main customer locations for formal businesses.

Figure 13 Formal Businesses, Main Customer Locations



Employees

Surveyed businesses had a maximum of 21 employees and a minimum of one. Table 12 below show the average number of workers by sector. On average, businesses had 7.1 permanent employees. On average, female permanent employees made up 3.6% of total permanent employees, although 83.6% of large businesses had zero permanent female employees. Only 15% of formal businesses employed any temporary employees. The ratio of temporary to permanent workers was 2.7, indicating that firms that did employ temporary workers used a large number of them. Formal businesses were more likely overall to use temporary workers than informal businesses.

Table 12 Average Number of Workers by Business Sector

Sector	Average number of perm. workers	Average number of temp. workers
Education	13.5	12.5
Mining	8.67	70
Health Service	8.6	4
Construction	7.46	10.43
Industrial	7.45	6.29
Service	6.9	3.64
Production	6.87	9.19
Agriculture	6.56	4.31
Finance	6.17	0
Retail	6.12	0
Transportation	6	5

Figure 14 below illustrates the employment of male and female permanent and temporary workers by sector. It shows that the majority of employees of formal businesses are permanent male employees, although agricultural, construction and utility-based businesses are more likely to additionally use temporary male employees. The health, education and service sectors are most likely to have permanent female employees, with temporary female employees also seen in agriculture, education and production and service sectors.

Figure 14 Worker Type by Business Sector

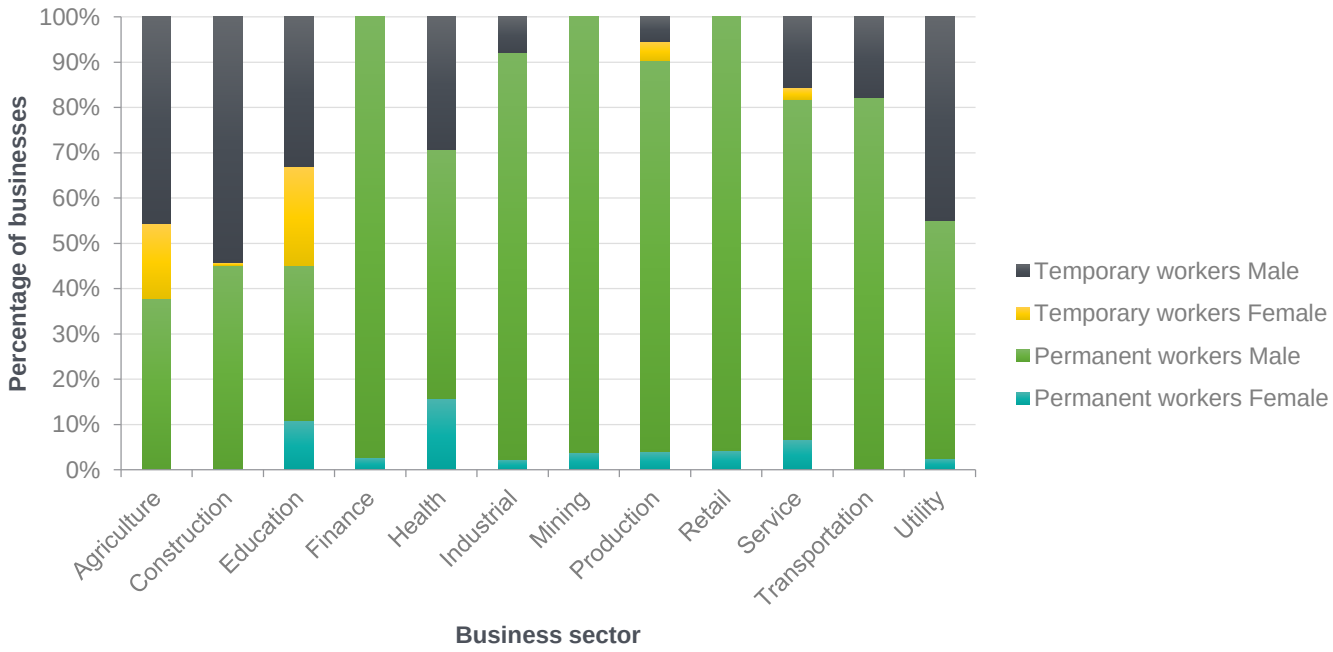
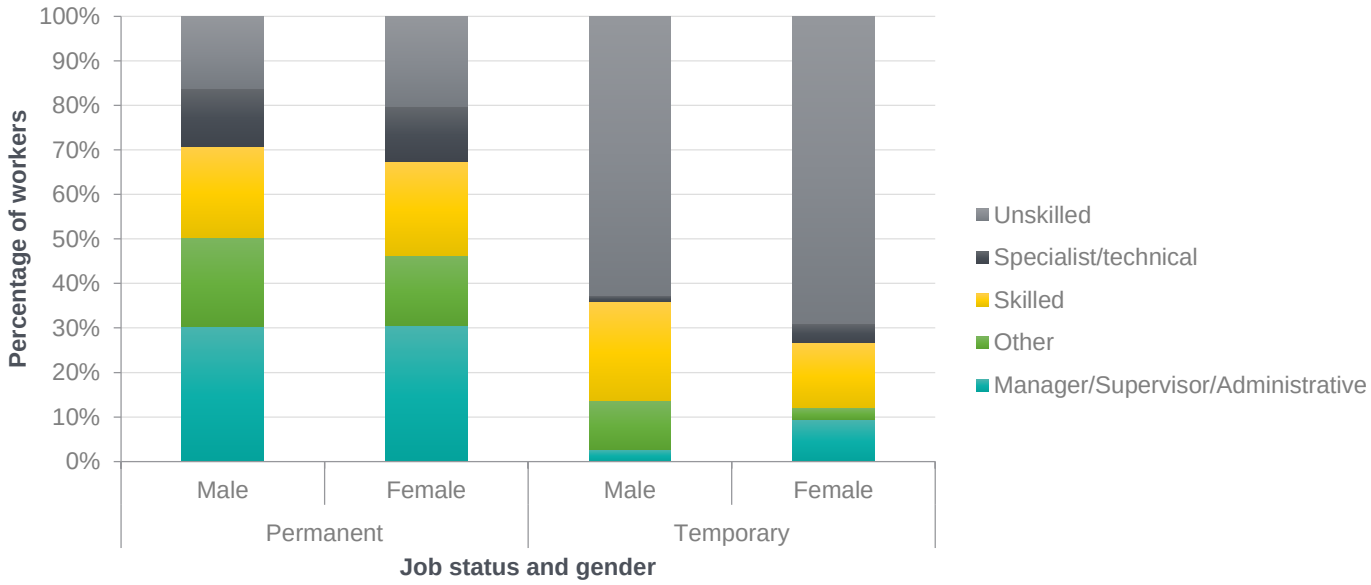


Figure 15 below additionally illustrates the type of labour used by formal businesses, by gender. Men and women in permanent or full-time employment in formal businesses are evenly split by skill category, and both men and women in temporary employment are much more likely to be in an unskilled role. Although women are overwhelmingly less likely to be in permanent employment as compared to men, women are hired at a variety of skill levels.

Figure 15 Formal Business Employees by Occupation and Gender

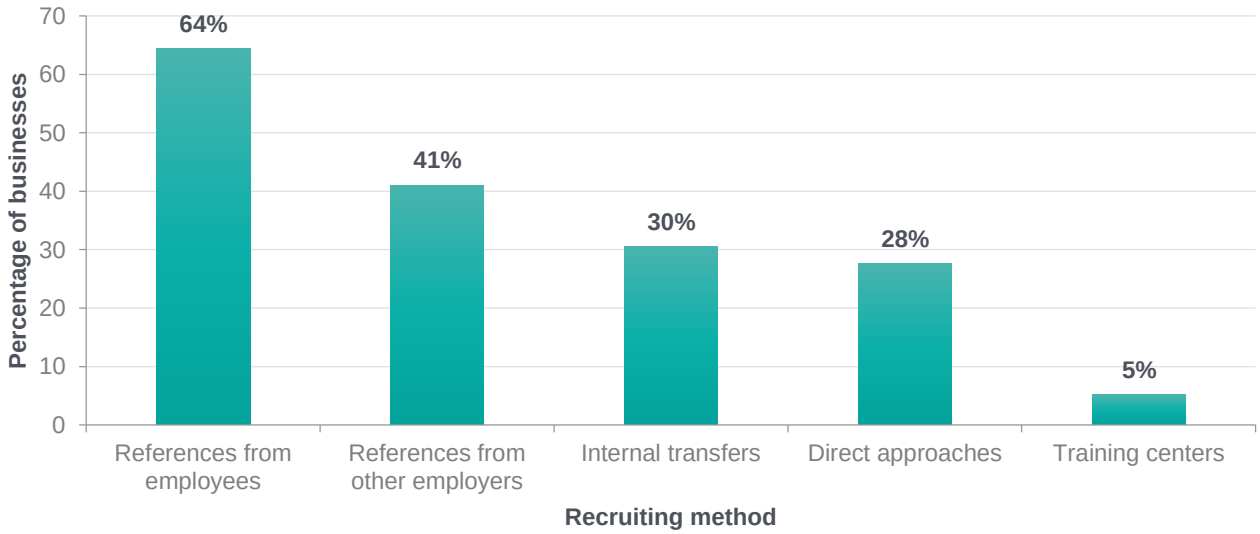


Vacancies and Hiring

Few formal businesses reported needing workers. Of the total 446 large businesses, 362 did not need employees (81.17%). Among those who did, the type of industry was varied.

Figure 16 below shows the percentage of businesses reporting the method by which they recruit for vacancies. Formal businesses were more likely to take references from current employees for job candidates, as well as references from other employers. A small number additionally hired directly from training centers.

Figure 16 Method of Filling Vacancies – Formal Businesses



Approximately half of businesses stated that they were willing to hire apprentices (54.7%) and over half (51.6%) stated that their workers got their skills from apprenticeships. Many businesses also reported their employees got on-the-job training (26%), either in that business or in another business. The concept of apprenticeship may have influenced answers, as many employees in Afghanistan start in informal apprenticeships that may be regarded as on the job training, as well.

Some businesses would be willing to hire females (30.8%) or disabled employees (29.6%), which is a much higher proportion than informal businesses.

Satisfaction with Local Skills

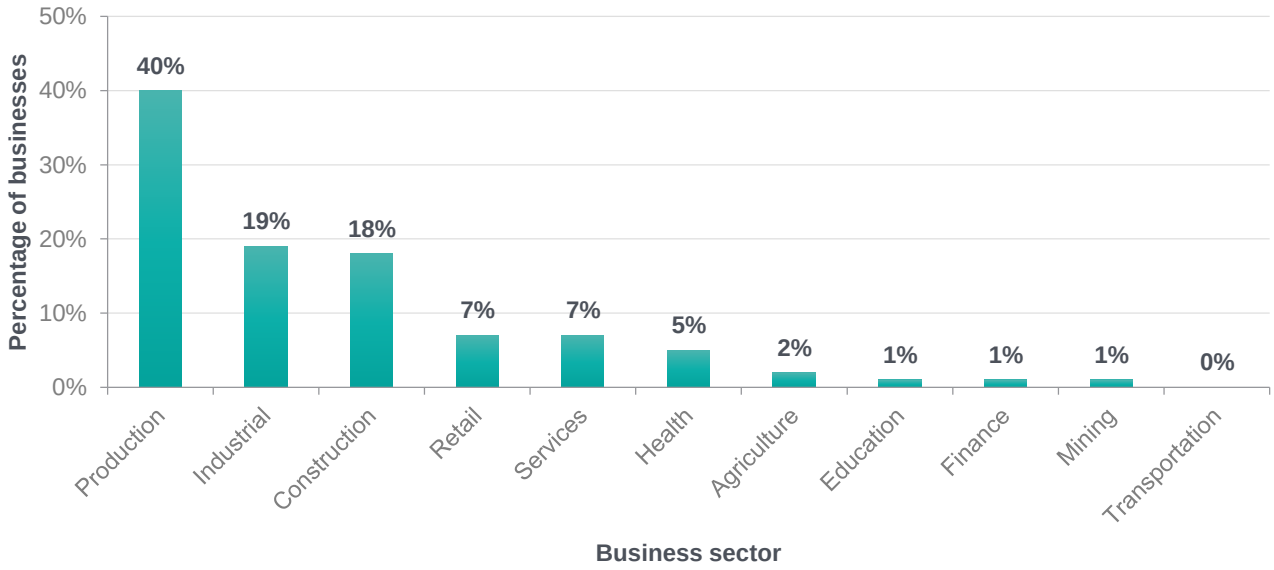
The vast majority of businesses report being satisfied with the skills of local workers (94.17%), which may indicate some reluctance to answer negatively or a need to provide a more nuanced picture of technical or soft skills that may be lacking in the local workforce.

A minority of businesses surveyed (16.1%) hire foreigners. Among them, the number of foreigners hired ranged from one to twenty-nine. Among those who hire foreigners, five (7%) did so for management positions, sixteen (22.5%) did so for administration, and sixteen (22.5%) did so for production or service supervision. The types of positions that foreigners are hired for indicates that formal businesses are more likely to hire experienced or skilled foreign workers.

Future Plans

Approximately half of businesses (52.7%, n=235) reported having increased their work in the past two years, while 47.3% (n=211) reported their business decreasing in the past two years. Figure 20 illustrates the percentage of businesses, by sector, planning to expand in the next two years. Few businesses reported that they planned to decrease in the next two years (n=57, 12.8%), while 87.2% (n=389) planned to increase in the next two years. There is no correlation between the experience of change in the past two years and plans for the next two years. The reasons that businesses gave for not expanding varied, including lack of market or sales, general poor economic conditions, and insecurity.

Figure 17 Percentage of Businesses Planning to Expand in the Next Two Years, by Sector



TVET Institution Surveys

The sample of Technical and Vocational Education and Training (TVET) centers was drawn from lists of institutions compiled by the MoLSAMD Directorate of Skills Development, National Skills Development Program (NSDP) and the Deputy Minister of TVET in the Ministry of Education (MoE). Out of the 183 institutions listed, 138 were randomly surveyed to achieve a high confidence level. Of the 516 TVET programs within these institutions that were surveyed, 438 (84.9%) were technical and vocational programs, while 78 (15.1%) were technical training programs. Institutions from nearly all provinces were surveyed, but a larger amount of the sample was from Kabul (12), Urozgan (10), Herat (18), Badakhshan (11) and Takhar (12). Under half of the programs (45.2%) reported that there were other TVET programs in that location. Slightly more reported that there were other TVET programs in the same province (51.4%).

Courses, Length and Focus

Sewing, weaving, and other textile skills are by far the most commonly taught topic in TVET programs (36.8%). Electrical skills, auto and other repair, computer skills, and carpentry were also commonly taught. Less applied skills were the least commonly taught, including business skills and math. The fields covered in programs offered by training centers are presented below in Table 13.

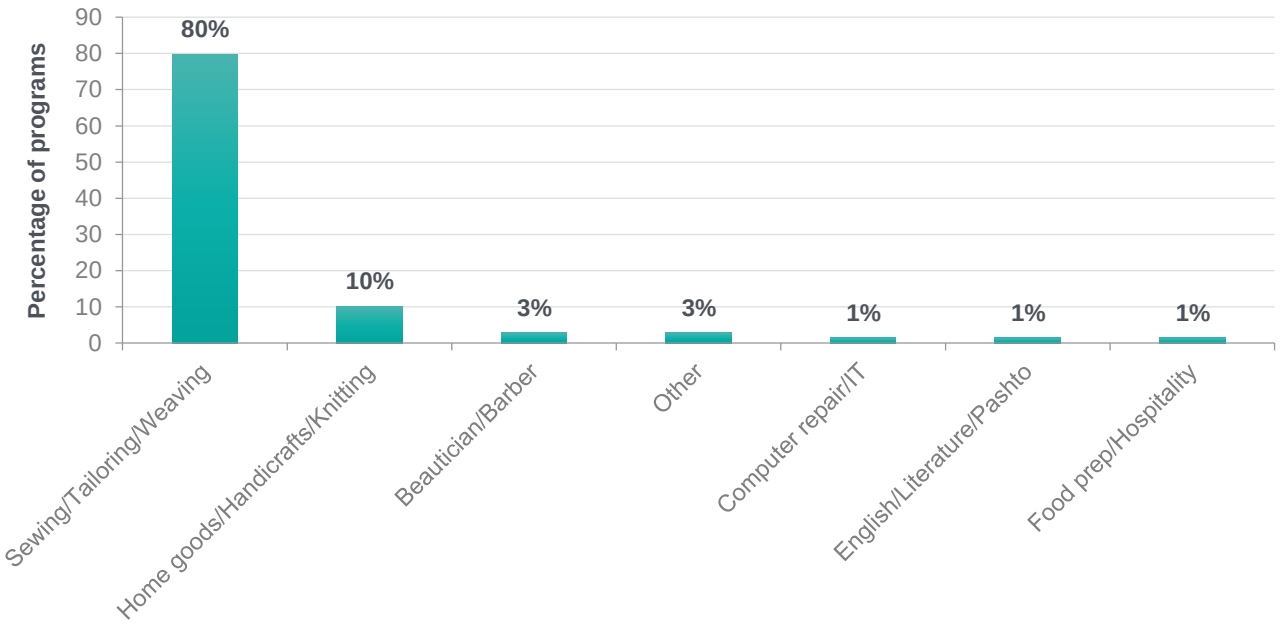
Table 13 TVET Program by Frequency and Percentage

	Frequency	Percentage
Sewing/Tailoring/Embroidery/Carpets/Weaving	190	37%
Electrician/Wiring	36	7%
Auto Mechanics/Motorbike repair/Bicycle Repair	34	7%
Computer Repair/IT	32	6%
Carpentry/Furniture Production	30	6%
Electronics/phone repair	22	4%
Engraving/Goldsmithing/Metalworking	21	4%
Beautician/barber	18	4%
Home goods/Woodworking/handicrafts/knitting	18	4%
Other	16	3%
Plumbing	15	3%
Food preparation/Hospitality	13	3%
Agriculture/Horticulture/Aviculture/Livestock/Fishery/Flowers	11	2%
Construction	11	2%
English/Literature/Pashto	9	2%
Health Services (nursing, phlebotomy)	8	2%
Welding/Aluminum Pipes	8	2%
Accounting/Management/Business	6	1%
Government/Journalism/Litigation	5	1%
Machine Repair/Generator Repair	5	1%
Masonry	3	1%
Math/Science	3	1%
Economics/Finance	1	<1%
Sales/Retail	1	<1%

On average, TVET programs offered 3.5 months of theoretical training and 5 months of practical training. On average, for every month of practical training, the programs offered 0.75 months of theoretical training. **The total average months of training was 8.5.** Among curricula provided by the government, the average number of months of training was 8.6, for curricula developed by the center itself, the average number of months was

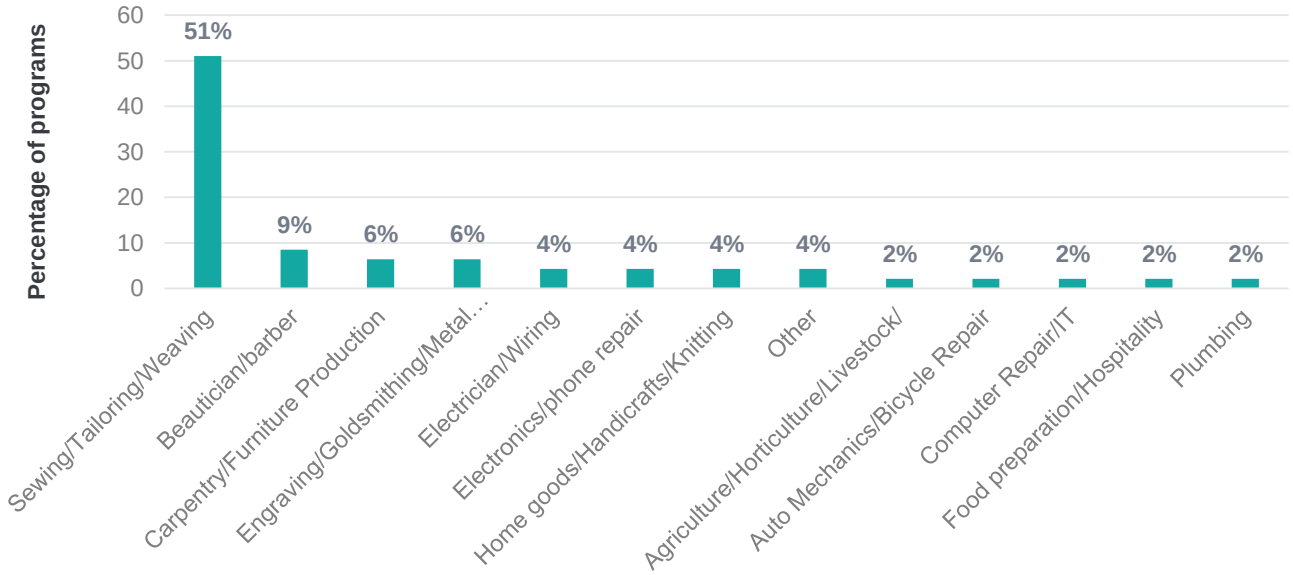
7.9, and for curricula from other sources, the average was 9.1.Among programs targeting women, the vast majority was focused on sewing, tailoring, embroidery, and carpet weaving, as show in Figure 18 below.

Figure 18 Percentage of Programs Targeting Women



Similarly, most programs for veterans and the disabled (martyrs) were in sewing and tailoring, with additional classes for barbers, carpenters, metalworkers, electricians and others.

Figure 19 - Programs for Veterans and the Disabled



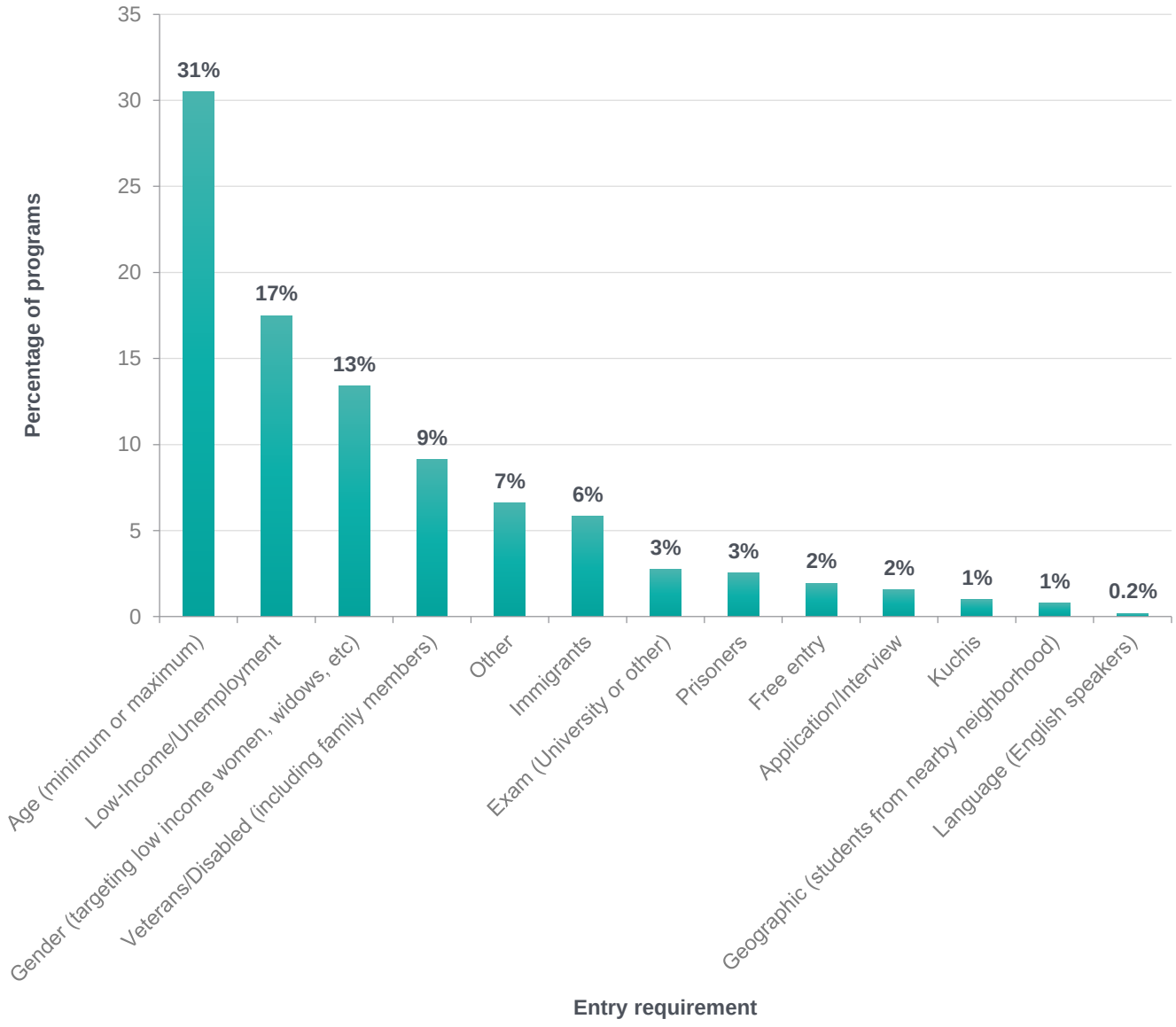
As there were only five programs surveyed targeting Kuchi students, the topics varied between masonry, auto repair, carpentry and sewing/tailoring. All the programs targeting Kuchi students were located in Kandahar.

Entry Requirements and Students

On average, programs had 44.9 students. Of those, 19.4 were male students and 25.5 were female students, indicating a slightly larger portion of female students across all TVET programs. All-male programs made up 41.7% (n=215) of the total. There were also 244 (47.3%) all-female programs.

Figure 20 illustrates the distribution of TVET programs, by program entry requirements. Many programs were targeted to specific age groups (with both minimum and maximum age restrictions across different programs), or specifically for low-income or vulnerable women, the unemployed or underemployed, or veterans and disabled veterans.

Figure 20 TVET Programs by Entry Requirement

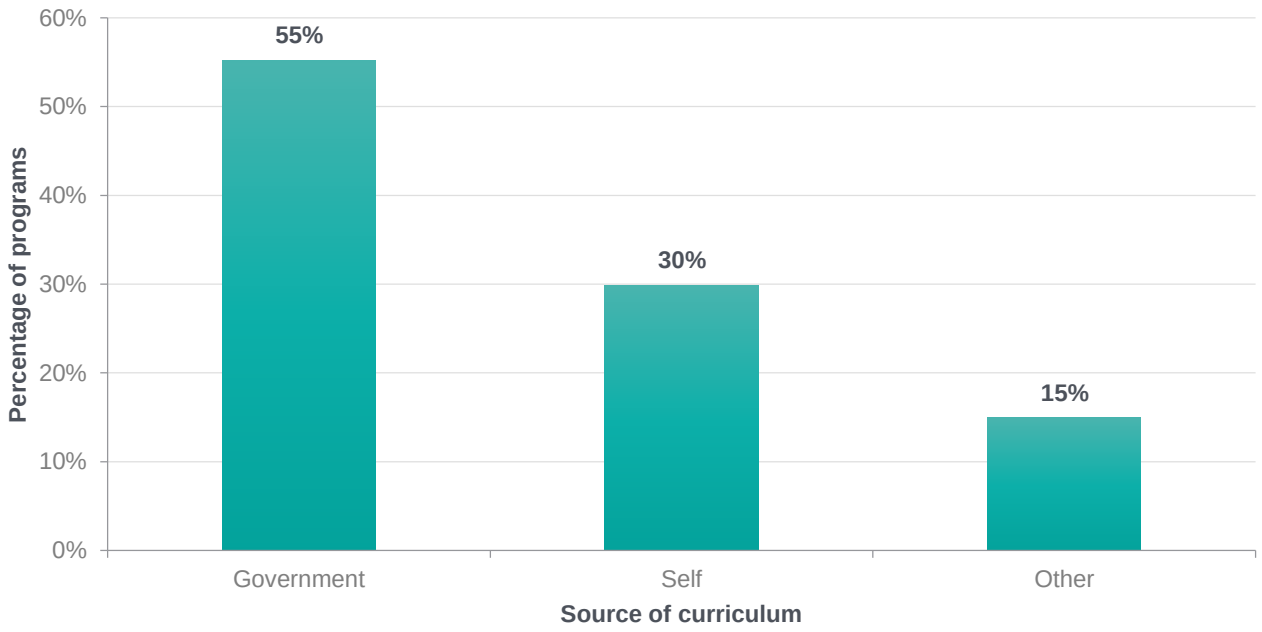


Curriculum and Teacher Training

Over half of TVET programs adopt their curriculum from the government (n=285, 55.2%). The remaining programs either adopted a curriculum from another source (n=77, 14.9%) or developed their own curriculum (n=154, 29.8%). Many programs offered business skills as part of their curriculum (n=323, 62.6%). These skills

included administration, banking, marketing, computer skills, and literacy. For 273 TVET programs (52.9%), business skills were part of all the training programs, although these skills and approaches were not captured in detail. Many programs reported that they were aware of MoLSAMD National Occupational Skill Standards (n=374, 72.5%).

Figure 21 TVET Institution Source of Curricula



Most TVET programs responded that they had trained teachers (n=473, 91.7%). A plurality of programs trained their own teachers (n=209, 40.5%), which leads to some questions about qualifications and training standards. Other centers had teachers trained by the government (n=193, 37.4%) and some reported training from other sources (n=71, 13.8%). Other sources of training included international organizations, foreign governments, or experience in the private sector.

Labour Market Links, Internships, and Evaluation of Skills

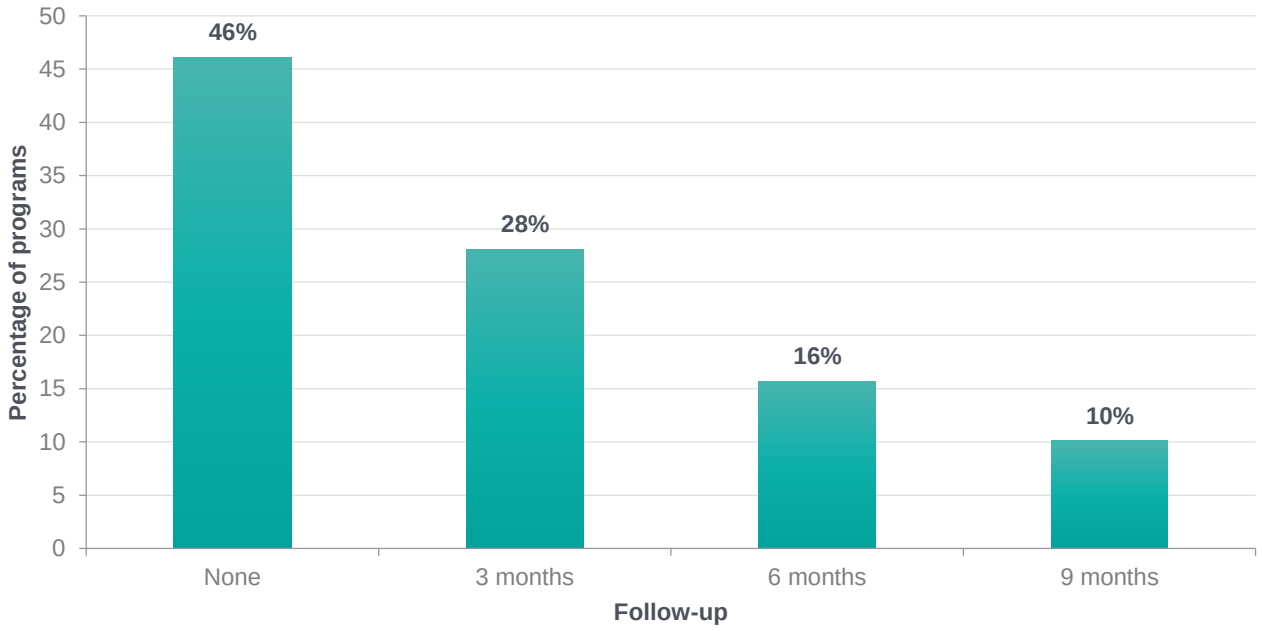
A majority of TVET programs placed students in internships as part of their training (n=441, 85.5%). More TVET programs stated that they monitor the experience of their students in internships (n=483, 93.6%). In addition, a majority of TVET programs use a checklist to ensure that their students are taught the skills they need during their internship (n=432, 83.7%). In order to evaluate the skills of their students and grade them for the overall skill acquisition program, most of the programs use a practical test (n=307, 59.5%) or written test (n=195, 37.8%). Others use a combination of a written and practical test (n=278, 53.9%) or a skill demonstration (n=185, 35.9%).

When asked if they had a link to a labour market, 341 TVET programs stated that they do (66.1%). These links including provision of microfinance, referral to potential employers, coordination with entrepreneurs, links to shops, and post-graduation tracing. Over half of TVET centers provide some form of support to participants in starting businesses, becoming self-employed, or finding employment (n=307, 59.5%). However, many do not (n=209, 40.5%), although this does include exam preparation programs, language training, and other non-applied training programs.

Just over half of programs used follow-up tracing studies to monitor the status of their students (n=278, 53.9%), illustrated in Figure 22 below. Among those who did conduct tracing studies, most did so every 3 months (n=145, 28.1%), some did every six months (n=81, 15.7%), or every nine months (n=52, 10.1%). Among

programs that did not conduct follow-up post-graduation, in order to measure the value of the course, 213 asked the employers (41.3%), 210 asked the trainees themselves (40.7%), and 93 used other informal feedback (18.0%).

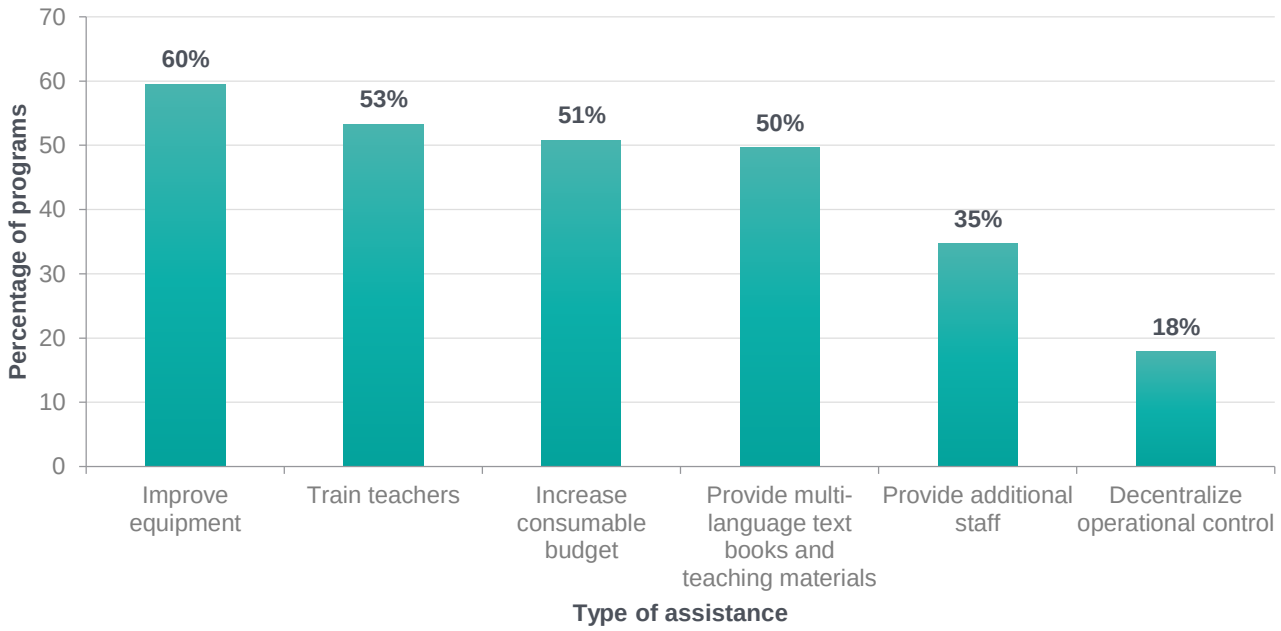
Figure 22 TVET Programs Conducting Post-Graduation Follow Up



Needed Assistance

Figure 23 below shows the most commonly cited thing that the government can do to help TVET centers is to provide additional equipment (n=307, 59.5%). Training teachers (n=275, 53.3%), increasing consumable budget (n=262, 50.8%), and providing multi-language textbooks and teaching materials (n=256, 49.6%) were also common requests. Providing additional staff (n=179, 34.7%) and decentralizing operational control (n=92, 17.8%) were also noted.

Figure 23 TVET Program Requests for Assistance



Policy Implications and Recommendations

Although there are limitations in contrasting the different sources of data presented in this report, there are some main comparative points for policymakers and other stakeholders to consider. This section introduces themes across the report findings, and discusses potential ways they can inform implementation of the national TVET strategy and other policy decisions. The remaining gaps in understanding some of these issues and key aspects of Afghanistan's labour market are also discussed.

Understanding the Skills Mismatch

Increasing levels of education correspond to a more literate and skilled workforce for Afghanistan and higher levels of income. However, it is still not clear how skills acquired via TVET in Afghanistan translate into employment and living condition outcomes for households.

Formal businesses in production, construction and industrial sectors, as well as the majority of informal businesses across sectors, were planning to expand within the next two years. This shows that despite mixed economic outlooks across households as found in the ALCS, businesses are still hopeful about the general economic outlook (despite ongoing challenges of doing business in Afghanistan). Although findings are not representative, they generally support consensus on growing sectors within Afghanistan, including construction, small-scale production and the service sector for micro and small enterprises. As noted in the national TVET strategy, "the TVET system has sought to address the skill needs of productive sectors with higher growth and job creation potential, such as agriculture and rural development, building and construction, commerce and business, mining, transport, manufacturing, energy and water, tourism, eco-tourism, health and nutrition."[55] A deeper look at skills needed in these sectors, as well as high skill sectors such as renewable

[55] NTVETS, p. 16

energy, can help inform labour market policies. It is important to look further at both needed technical and soft skills that employers value.

TVET institutions largely note adherence to government curricula for skill acquisition, and the presence of trained teachers. However, it is widely noted that quality issues in instruction remain, and gaps within how TVET institutions engage the private sector to ensure skills match the demand side of the labour market.

Lack of Women's Economic Engagement

Women continue to be left behind in Afghanistan's labour force. Despite gains in women's education and literacy, women – particularly rural women – are most likely to be outside the labour force or employed in low-skill agricultural or service industry labour, potentially in vulnerable work conditions. The findings of this study also show discrepancies in training approaches for women, where TVET is overwhelmingly focused on sewing and other lower level skills that seem geared towards self-employment. Further expansion of enterprise based skills and an understanding of how women are applying their skill acquisition and actual outcomes on household income can help focus training offerings.

Self-Employment Outcomes and Support for Entrepreneurs

A majority of Afghanistan's labour force is self-employed, but pathways for entrepreneurs are not clear within the current TVET system. TVET institutions note that they provide some business skills development and support for start-up businesses, but gaps remain in understanding outcomes for graduates and how to incorporate self-employment pathways into training approaches. It is clear that the TVET system has to balance the skill needs of productive sectors with self-employment outcomes for graduates. The relevant training support is not well established for the different pathways of entering a skilled or semi-skilled job in a growing sector or for establishing a micro or small enterprise.

For households, the most frequently cited primary development priority concerned construction and repair of local roads, improved drinking water quantity, increased security, and provision of electricity. Education, literacy, and job skills training were less commonly cited. This may not mean that they were not important, but that they seemed lesser concerns when compared with infrastructure and safe drinking water. Although not directly related to employment, a lack of basic infrastructure can be seen to inhibit overall business growth and provide barriers to self-employment. Although a limited number of Afghan households prioritize education, literacy and employment compared to other development priorities, many primary priorities would lead to improved labour market outcomes. Greater provision of electricity, better local roads and increased security all improve both household and business outcomes. Table 14 below highlights the main priority for households surveyed in the 2013-2014 ALCS. Priorities are not significantly different between men and women.

Table 14 Primary Household Development Priorities

Household development priority	Frequency	Percentage
Construction or repair of local road	3,391	16%
Improved drinking water quantity	3,386	16%
Increased security	2,945	14%
Electricity provision	2,510	12%
New/improved local health facilities	1,839	9%
Rehabilitation of irrigation system	1,168	6%
Improved drinking water quality	1,056	5%
Increased employment opportunities for women and men	650	3%
Bridge construction/rehabilitation	558	3%
New/improved local education facility for boys and girls	552	3%
Other	527	3%
Increased employment opportunities for men	455	2%

Improved agricultural services	382	2%
New/improved housing in community	247	1%
Improved veterinary services	228	1%
New/improved local education facility for girls	223	1%
New/improved local education facility for boys	119	1%
New/improved micro-credit schemes	98	1%
Vocational skills training for both	75	<1%
Reformed/improved local justice system	68	<1%
Disarmament of local militia	68	<1%
Literacy training for both women and men	57	<1%
Increased employment opportunities for women	55	<1%
Literacy training for women	46	<1%
Literacy training for men	23	<1%
Vocational skills training for women	22	<1%
Vocational skills training for men	15	<1%
Local land or housing dispute settled	12	<1%

Understanding these development priorities can be important for human capital development. Improved business planning and enterprise related skills could take into account how entrepreneurs will manage security and risk in their business, as well as their plans for supply of electricity.

Labour Sourcing and Relation to TVET

Although this study did not ask in depth questions on how TVET offerings link to the needs of the labour market and the needs of entrepreneurs, several points can be made on building out these types of support within TVET. TVET institutions indicated they linked with the private sector for employment opportunities and many indicated they conducted follow on studies for graduates. However, almost no businesses surveyed indicated sourcing employees from TVET programs, indicating some lack of awareness and concrete linkages with training institutions. Most businesses, particularly informal ones, noted they trained their own employees in needed skills.

Informal businesses were much less likely to say they were willing to hire women or the disabled. Only 30 percent of formal businesses said they would be willing to hire female employees, and only 29 percent said they would be willing to hire disabled employees. Although many TVET institutions have entry requirements to target programs at women and other vulnerable groups, many of these graduates face a private sector unwilling to hire them.

The ALCS notes that are large portion of the labour force consists of unpaid family members, and additional information gaps remain in understanding women's unpaid economic contributions. Further information is needed to understand what decent work exists in Afghanistan and working conditions that many people face. The ILO notes this is particularly true for rural populations, as "underemployment is correlated to the urban-rural divide in labour market participation; higher participation in rural areas is associated with underemployment and prevalence of poor quality jobs."[56] Beyond collecting further information, TVET can potentially influence and improve working conditions in Afghanistan. Vulnerable groups can benefit from how TVET links to informal and traditional apprenticeship, if there is an emphasis on skill building and monitoring of conditions.

[56] International Labour Organization (2012), Afghanistan, Time to Move to Sustainable Jobs, http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_182252.pdf

Relevance to Policy and National TVET Strategy

Findings of this study are relevant to policymakers as they consider how to support the people of Afghanistan as they seek relevant education, skills and employment that will result in decent work and an ability to provide for their families. The National Technical and Vocational Education and Training Strategy (NTVETS) 2013-2018 seeks to realign priorities within the TVET sector to improve governance, access, quality and financing. The Ministry of Education (MoE) is responsible for longer-term formal TVET, with institution-based training usually running two to five years. The Ministry of Labour, Social Affairs, Martyrs and Disabled (MoLSAMD) is responsible for informal TVET through its Directorate of Skills Development. MoLSAMD runs training centers and also contracts out trainings to NGOs and private training providers under the National Skills Development Programme (NSDP). However, the private sector is by far the largest provider of informal TVET, and NGOs run additional training programs. These institutions are not accredited, which denies the trainees a recognized certification of their acquired skills. As the National Strategy already lays out top-level objectives for TVET reform in Afghanistan and how it may be achieved, this section only briefly discusses the findings of this study which may help inform strategy implementation, as well as inform other potential policies of institutions focused on the development of human resources.

- A consistent supply of labour market information can help inform policymakers, employers, students and jobseekers about the current state of employment in Afghanistan, as well as needed skills and support. Deeper coordination among actors collecting information – including government institutions such as MoLSAMD's Labour Market Study Directorate, the Central Statistics Organization and the Ministry of Education – can ensure the collection of useful information.
- Many TVET institutions indicate they conduct follow up with graduates, though follow up to trace their employment or support for entrepreneurs. However, it is not clear if broader lessons learned or data is being collected on this follow up. Rather than formalizing collection of this data at this stage, MoLSAMD could conduct outreach with institutions to see what information is available, and how this follow up is conducted. Overall, as the national TVET strategy moves the system to be more outcome based, more information will be needed on the outcomes graduates achieve with their newly acquired skills.
- Private sector companies consist of 92% micro and small enterprise. Business are still restrained by red tape, low policy predictability and corruption. Incentives for them to engage in TVET are not always clear, especially if smaller informal companies generally source employees from family members or other connections. It will be important to articulate the incentives for different types of private sector employers and actors to support proposed standards and accreditation. Although many TVET institutions noted they engage with employers, many may lack in-depth connections to the private sector, and an understanding of how to do this. A guidance note from MoLSAMD or other actors could provide support in strengthening these approaches.
- As the NTVETS notes, "private TVET is important to fully utilize the experiences and capacities of the private sectors for improving the quality and relevance of TVET."[57] Additional outreach and surveying of the private TVET sector can help understand their current approaches and focus, and how they can be incentivized to support the national strategy.
- "The agriculture sector, which employs almost 60 percent of the labour force and provides livelihoods to more than 40 percent of Afghan households, faces a gap in utilization of modern technologies (irrigation, production, post-harvesting) and limited availability of extension services, which limits the potential of agribusiness for job creation."[58] As many households rely on small-scale agricultural activities, better understanding how policies and government programs can support rural agricultural enterprise development and employment can help draw out what skills are needed.

[57] NTVETS, p. 27

[58] NTVETS, p. 9

Recommendations

The findings of this report lead to several recommendations to advance the understanding of Afghanistan's human resource potential for all stakeholders influencing labour market policies, particularly those within the informal TVET system.

- Continuing to collect more specific and up-to-date labour market information relevant to the development of human resources in Afghanistan. This can include further outreach with businesses to understand what skills they require (both technical and soft skills), how training institutions coordinate with the private sector, and what support entrepreneurs and graduates receive. Targeted and updated Labour market assessments can ensure that the skills provided by educational and training institutions are relevant for the private sector. Further investigation of future fields relevant to TVET include solar energy and value added agriculture.
- Empowering training institutions to better connect with the private sector in order to build employment outcomes for TVET graduates. Concrete actions can include the development of guidance notes in creating and maintaining private sector links, further outreach with employers to understand their skill needs and working conditions, and the promotion of skill development within closely monitored informal apprenticeships. If resources allow, institutions or programs can also be funded to conduct job outreach and career counseling for graduates, and institute a more rigorous system of monitoring employment outcomes.
- As access to the labour market is increasingly challenging and entrepreneurs face uncertain conditions, post-graduation employment support should be an integral part of employment and skill development programming. Assistance can include business start-up kits, support to rent space or establish market stalls, customized support to women such as establishing women's markets, and provision of solar to those businesses that do not have access to the grid.
- MoLSAMD, working with other stakeholders, should articulate pathways and intended outcomes for TVET graduates, and provide guidance on options for support of trainees. In addition to technical or vocational skills, this can include support needed to develop business and soft skills for those likely to be self-employed, as well as financial and business start-up support. Pathways should include potential outcomes for women, from highly skilled graduates entering professional fields to vocational trainees who open a home based business.
- Ensuring the development of quality standards for short-term TVET includes private sector and NGO training institutions and employers to help build a case for certification of all TVET providers. MoLSAMD and other government bodies can make the case for certification and how it can benefit private sector actors. Standards need to be clear and flexible.

Annexes

Annex 1: Table of Key Findings

Labour force participation rate (KILM 1)	Nearly half of respondents reported that they were either employed, underemployed, or currently trying to find work. Among those who were participating in the labour force, 81% were in rural areas, 15.4% were in urban areas, and 3.6% were Kuchi.
Employment to population ratio (KILM 2)	The employment to population ratio of 42.9 shows that under half of the working age population was employed, while of a labour force of 8.5 million (6.3 million men and 2.2 million women), 22.6% were unemployed and 16.4% underemployed.
Status in employment (KILM 3)	Over half of employed people are self-employed. Within the full set of employed persons, 35.7% were self-employed without employees, 13.8% were unpaid family workers, and under 3% were self-employed, showing the prevalence of small-scale economic activity in potentially vulnerable working conditions.
Underemployment (KILM 12)	16.4% of those employed are working less than 40 hours a week and are available and willing to work additional hours.
Gender and age	Women's economic participation is extremely low (less than 30% of working of working age, and only 10% of employed women in non-agricultural sectors), and women earn less across all age, education and geographic groups. Few employers (almost no informal employers, and only 30% of formal employers) surveyed indicated they would be willing to hire female employees. Predictors: • Being female decreases the likelihood of employment by 147% • Each year of age is associated with a 13% likelihood of some employment, although the positive effects of age on employment diminish over time. • Controlling for province, sex, and literacy, age was highly predictive of daily income • An additional year of age is associated with 14.49 additional Afs per day. This benefit decreases as age increases (older people see a smaller age bump). After controlling for age, province, and literacy, women on average earn 186.67 Afs fewer per day.
Education and literacy	Gains in education have the potential to translate into better employment and income outcomes. Literacy in particular is significantly likely to lead to higher pay. Increasing levels of education correspond to a more literate and skilled workforce for Afghanistan and higher levels of income. Predictors: • Being literate is associated with a 26% greater likelihood of employment, after controlling for gender, age, and province. • After controlling for age, sex, and province, literacy was significantly associated with higher pay. Being literate, on average, increased daily pay by 63.14 Afs.
Informal businesses	Informal businesses surveyed were mostly in the service (45%), retail (25%) and small scale production (20%) sectors, had an average of 6.4 employees (many likely to be family members or apprentices) and mostly focused sales on their neighborhood or city (although 5.2% did export goods). Only 17% of these businesses had job vacancies.
Formal businesses	Formal businesses surveyed were mostly in the production, construction and industrial sectors. They had an average of 7.1 employees (more likely to also use temporary workers), and were more likely to export (11%) and have sales in other provinces (54.3%). Only 19% of these businesses had job vacancies.
TVET institutions	TVET institutions covered a large range of skill programs, although 36.8% of programs overall and 80% of programs for women were focused on sewing, weaving or textile work. Programs on average were 8.5 months long, with an average of 3.5 months of theoretical training and 5 months of practical training. 55.2% of programs used curricula from the government. Current needs included equipment (59.5%), support in training

	teachers (53.3%), an increased consumable budget (50.8%) and materials and textbooks (49.6%). TVET institutions indicated they linked with the private sector for employment opportunities for graduates (66.1%) and many indicated they conducted follow on studies to measure the achievements of their graduates (53.9%). However, almost no businesses surveyed indicated sourcing employees from TVET programs. Most businesses, particularly informal ones, noted they trained their own employees in needed skills. Pathways for entrepreneurs are not clear within the current TVET system. TVET institutions note that they provide some business skills development (52.9%), but gaps remain in understanding outcomes for graduates and how to incorporate self-employment pathways into training approaches.

Annex 2: Demographics

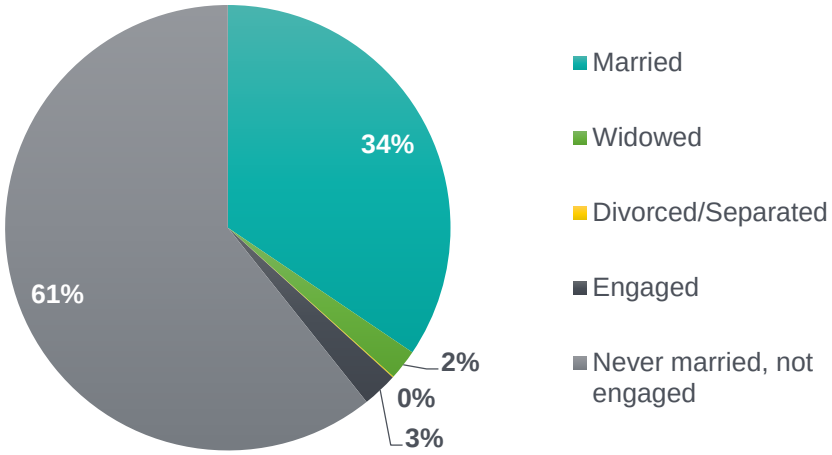
The below table provides detail on the number of households interviewed in the ALCS in rural, urban, and Kuchi households by province.

Annex Table 1 - Details of ALCS Participating Households Rural-Urban Breakdown by Province

	Total HH	Urban HH	Rural HH	Kuchi HH
Badakhshan	630	70	530	30
Badghis	539	20	489	30
Baghlan	590	170	420	0
Balkh	710	260	440	10
Bamyan	540	30	500	10
Daykundi	528	20	508	0
Farah	570	40	510	20
Faryab	630	60	550	20
Ghazni	590	30	540	20
Ghor	580	10	550	20
Helmand	590	60	530	0
Herat	910	300	570	40
Jawzjan	550	140	410	0
Kabul	1,640	1,260	320	60
Kandahar	730	270	450	10
Kapisa	520	0	520	0
Khost	550	40	490	20
Kunar	520	50	460	10
Kunduz	610	160	430	20
Laghman	550	10	510	30
Logar	560	10	520	30
Nangarhar	720	50	570	100
Nimroz	500	120	380	0
Nooristan	500	0	500	0
Paktika	520	0	520	0
Paktya	550	0	540	10
Panjsher	500	0	500	0
Parwan	560	50	490	20
Samangan	520	40	480	0
Sar-e-Pul	550	70	460	20
Takhar	640	80	560	0
Urozgan	500	30	470	0
Wardak	560	0	530	30
Zabul	529	50	459	20
Total	20,786	3,500	16,706	580

Figure 1 gives the proportion of individuals by marital status. Those who were never married and not engaged include children under marrying age.

Annex Figure 1 - Individuals in the ALCS by Marital Status



Annex 3: Provincial Employment and Income

Annex Table 2 below gives the percentage of working age respondents per province, by employment status.

Annex Table 2 - Employment Status by Province by Percentage

Province	Employed	Underemployed	Unemployed	Inactive
Kabul	33.92	3.61	9.47	52.99
Kapisa	23.65	11.11	23.51	41.74
Parwan	25.61	17.09	15.37	41.93
Wardak	41.65	19.9	10.57	27.87
Logar	33.79	3.97	3.54	58.7
Nangarhar	34.27	7.99	7.52	50.22
Laghman	41.79	19.39	6.75	32.07
Panjsher	28.85	9.3	18.78	43.07
Baghlan	20.83	6.4	12.89	59.87
Bamyan	27.48	11.5	23.14	37.88
Ghazni	35.83	5.78	7.65	50.74
Paktika	81.48	4.89	5.18	8.44
Paktya	55.58	1.72	12.51	30.19
Khost	63.17	2.42	5.81	28.61
Kunarha	46.24	8.45	5.9	39.41
Nooristan	47.22	2.69	21.02	29.08
Badakhshan	24.4	15.09	9.77	50.74
Takhar	23.66	11.14	8	57.2
Kunduz	35.05	2.93	8.8	53.22
Samangan	21.31	9.01	9.77	59.92
Balkh	23.09	15.05	27.13	34.73
Sar-e-Pul	31.91	15.39	19.3	33.4
Ghor	22.05	18.85	35.77	23.32
Daykundi	17.94	4.51	25.44	52.12
Urozgan	33.89	13.25	11.13	41.74
Zabul	26.95	15.19	5.31	52.56
Kandahar	41.01	0.17	4.99	53.82
Jawzjan	66.41	0.98	4.05	28.55
Faryab	36.18	16.42	11.6	35.8
Helmand	41.21	4.42	3.35	51.02
Badghis	23.32	21.49	20.33	34.86
Herat	21.66	12.71	24.23	41.39
Farah	24.46	18.12	17.42	40
Nimroz	42.69	3.89	5.4	48.03

Annex Table 3 below gives the average daily income by province.

Annex Table 3 Average Daily Income by Province

	N	Average daily income	SD	Min	Max
Kabul	264	446.3	391.4	50	3500
Kapisa	65	380	188.1	100	1000
Parwan	202	359.7	160.1	100	1400
Wardak	104	301.5	56.1	125	500
Logar	121	383.9	143.9	100	900
Nangarhar	466	264.4	90.9	100	1000
Laghman	248	214.7	123.7	50	1300
Panjsher	68	406.2	171.7	170	1000
Baghlan	120	301.8	131.5	100	800
Bamyan	59	288.8	99.1	50	600
Ghazni	125	321.9	181.7	148	2100
Paktika	110	364	119.8	150	700
Paktya	137	398	188.9	200	1500
Khost	250	267	85.2	100	600
Kunarha	251	265.2	76.5	100	500
Nooristan	53	352.5	142.1	150	600
Badakhshan	329	274.8	141.4	41	1000
Takhar	235	311.4	116	100	1000
Kunduz	113	236.3	123.5	95	1200
Samangan	163	296.5	74.5	50	800
Balkh	319	190.4	135.9	10	800
Sar-e-Pul	173	290.1	143.1	50	1500
Ghor	65	299.2	79.3	150	500
Daykundi	62	271.4	83.1	50	570
Urozgan	67	206.1	98.2	50	750
Zabul	54	259.8	118.2	150	1000
Kandahar	156	252.2	91.3	66	600
Jawzjan	400	272.1	68.1	80	700
Faryab	353	279.4	135	15	1000
Helmand	75	322.5	153.8	200	1030
Badghis	114	299.8	51.5	180	700
Herat	331	238.4	168	25	2000
Farah	86	306.3	66.3	200	500
Nimroz	215	273.3	70	16	500

Annex Table 3 Employment, Underemployment and Unemployment by Province and Gender

	Male				Female			
Province	Employed	Underemployed	Unemployed	Inactive	Employed	Underemployed	Unemployed	Inactive
Kabul	56%	6%	10%	28%	12%	1%	9%	79%
Kapisa	36%	12%	22%	30%	11%	10%	25%	54%
Parwan	40%	24%	15%	20%	11%	10%	16%	63%
Wardak	40%	29%	13%	18%	43%	11%	9%	38%
Logar	66%	8%	5%	22%	4%	1%	2%	94%
Nangarhar	57%	12%	12%	18%	7%	3%	2%	88%
Laghman	56%	28%	5%	11%	28%	10%	8%	54%
Panjsher	44%	11%	16%	29%	13%	7%	22%	58%
Baghlan	40%	12%	20%	28%	2%	1%	6%	92%
Bamyan	40%	13%	25%	22%	14%	10%	21%	54%
Ghazni	53%	10%	11%	25%	17%	1%	3%	80%
Paktika	82%	10%	7%	1%	81%	0%	3%	16%
Paktya	81%	2%	8%	9%	30%	1%	17%	52%
Khost	78%	4%	5%	13%	47%	1%	6%	46%
Kunar	42%	17%	11%	30%	50%	0%	1%	48%
Nooristan	59%	4%	20%	17%	33%	2%	22%	43%
Badakhshan	41%	27%	12%	20%	7%	3%	7%	83%
Takhar	45%	22%	13%	20%	2%	0%	3%	95%
Kunduz	61%	5%	14%	19%	8%	1%	3%	88%
Samangan	39%	17%	16%	28%	3%	1%	3%	93%
Balkh	37%	21%	27%	14%	9%	9%	27%	55%
Sar-e-Pul	46%	25%	19%	9%	18%	6%	19%	57%
Ghor	28%	25%	37%	10%	16%	12%	34%	38%
Daykundi	29%	9%	38%	24%	7%	0%	14%	78%
Urozgan	53%	25%	13%	9%	16%	2%	9%	72%
Zabul	51%	30%	10%	9%	2%	0%	1%	98%
Kandahar	81%	0%	6%	12%	2%	0%	4%	94%
Jawzjan	83%	1%	5%	10%	48%	0%	3%	49%
Faryab	49%	16%	14%	20%	23%	17%	9%	51%
Helmand	72%	8%	5%	15%	3%	0%	1%	96%
Badghis	36%	34%	15%	14%	9%	7%	26%	58%
Herat	40%	22%	26%	11%	4%	4%	22%	70%
Farah	37%	27%	17%	18%	11%	8%	18%	63%
Nimroz	69%	6%	6%	19%	14%	2%	5%	79%

Annex 4: Regression Analysis

The equation for regression one is below, in which *y* is the probability of being fully or underemployed. β_0 is the y-intercept for the equation, the probability of employment for a male, fifteen-year-old, living in an urban area. β_1 is the change in probability of employment for every additional year of age. β_2 is a polynomial term to represent the non-linear relationship between age and employment. β_3 is a fixed effect for changes in probability of employment by province due to factors not otherwise captured in the model. β_4 is the change in probability of employment for women. Finally, β_5 is the change in probability of employment for those living in rural areas and the Kuchi. The model also uses a probability weight for individuals.

$$\text{Log } [y/(1-y)] = \beta_0 + (\beta_1\chi_1) + (\beta_2\chi_2)^2 + (\beta_3\chi_3) + (\beta_4\chi_4) + (\beta_5\chi_5) + \varepsilon$$

The below table gives the full regression results for the above equation. All coefficients are highly significant ($p<0.000$). The pseudo R^2 suggests that 5% of the variation in employment is explained with the included variables.

	Coef.	Standard Error	P	95% Conf. Interval		99% Conf. Interval	
Age	0.100	0.005	0.000	0.903	0.109	0.087	0.112
Age^2	-0.001	0.000	0.000	-0.001	-0.001	-0.002	-0.001
Province	-0.011	0.001	0.000	-0.013	-0.008	-0.014	-0.007
Female	-1.026	0.028	0.000	-1.081	-0.971	-1.099	-0.954
Urban Rural	0.157	0.034	0.000	0.090	0.223	0.070	0.244
Constant	0.030	0.111	0.788	-0.189	0.248	-0.257	0.317
N	46599						
Pseudo R^2	0.052						

The equation for regression two is below, in which *y* is the probability of being fully or underemployed. β_0 is the y-intercept for the equation, the probability of employment for an illiterate, male, fifteen-year-old living in an urban area. β_1 is the change in probability of employment for those who are literate. β_2 is the change in probability of employment for women. β_3 is the change in probability of employment for every additional year of age. β_4 is a polynomial term to represent the non-linear relationship between age and employment. β_5 is the change in probability of employment for those living in rural areas and the Kuchi. B_6 is a fixed effect for changes in probability of employment by province due to factors not otherwise captured in the model. The model also uses a probability weight for individuals.

$$\text{Log } [y/(1-y)] = \beta_0 + (\beta_1\chi_1) + (\beta_2\chi_2) + (\beta_3\chi_3)^2 + (\beta_4\chi_4)^2 + (\beta_5\chi_5) + (\beta_6\chi_6) + \varepsilon$$

The below table gives the full regression results for the above equation. All coefficients are highly significant ($p<0.000$). The pseudo R^2 suggests that 6% of the variation in employment is explained with the included variables.

	Coef.	Standard Error	P	95% Conf. Interval		99% Conf. Interval	
Literacy	0.139	0.032	0.000	0.077	0.202	0.057	0.222
Female	-0.977	0.030	0.000	-1.036	-0.917	-1.055	-0.898
Age	0.116	0.005	0.000	0.107	0.125	0.104	0.128
Age^2	-0.002	0.000	0.000	-0.002	-0.001	-0.002	-0.001
Rural Urban							
Rural	0.325	0.036	0.000	0.255	0.396	0.233	0.418
Kuchi	1.125	0.095	0.000	0.939	1.311	0.881	1.369
Province	-0.010	0.001	0.000	-0.013	-0.007	-0.014	-0.006

Constant	-0.442	0.097	0.000	-0.633	-0.251	-0.692	-0.192
N	48223						
Pseudo R^2	0.064						

The equation for regression three is below, in which *y* predicted monthly income. β_0 is the y-intercept for the equation, the predicted monthly income for an illiterate, male, fifteen-year-old. β_1 is the change in probability of employment for every additional year of age. β_2 is a polynomial term to represent the non-linear relationship between age and employment. β_3 is a fixed effect for changes in probability of employment by province due to factors not otherwise captured in the model. β_4 is the change in probability of employment for women. β_5 is the change in probability of employment for those who are literate. The model also uses a probability weight for individuals.

$$y = \beta_0 + (\beta_1\chi_1) + (\beta_2\chi_2) + (\beta_3\chi_3)^2 + (\beta_4\chi_4) + (\beta_5\chi_5) + (\beta_6\chi_6) + \varepsilon$$

The below table gives the full regression results for the above equation. All coefficients are highly significant ($p<0.000$). The R^2 suggests that 4% of the variation in monthly income is explained with the included variables.

	Coefficient	Standard Error	P	95% Confidence Interval		99% Confidence Interval	
Age	523.76	92.85	0.00	341.74	705.79	284.52	763.01
Age	-6.40	1.24	0.00	-8.83	-3.96	-9.60	-3.19
Province	-138.73	20.59	0.00	-179.10	-98.37	-191.79	-85.68
Female	-5562.37	424.29	0.00	-6394.14	-4730.60	-6655.63	-4469.11
Literacy	2406.92	626.63	0.00	1178.51	3635.34	792.32	4021.52
Constant	3034.19	1595.04	0.06	-92.67	6161.04	-1075.68	7144.05
N	5936						
R	0.04						

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Annex 6: ALCS 2013-2014 Questionnaire

The full questionnaire used in the Afghanistan Living Conditions Survey 2013-2014 can be found in the Annexes of the 2013-2014 report from the Central Statistics Organization at http://cso.gov.af/Content/files/ALCS/ANNEXes.pdf

Annex 7: Informal Business Questionnaire

Islamic Republic of Afghanistan
Directorate of Labour Market Survey - NSDP
Informal Sector Establishments
Small Business Questionnaire - English

1.1 Small Business Activity

1.01	**Enterprise name:**	
1.02	**Owner's name:**	
1.03	**Complete Address:**	
1.04	**Phone number:**	
1.05	**Email address,**	

1.2 Status of Establishment

2. Informal Sector Company/Enterprise data.

3.0 Workforce Data

3.1 Number of PERMANENT Employed Employees/Workers including self-employed and any Family Members by Gender,

Type of Enterprise	Manager/Supervisor				Professional/ Technical				Skilled Production				Unskilled Production				Other			
	Male		Female		Male		Female		Male		Female		Male		Female		Male		Female	
	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others

3.2 Occupational Details of PERMANENTLY employed Workers including Self and Family Members by Gender, Type of Enterprise and Enterprise Activity

Manager/Supervisor				Professional/ Technical				Skilled Production				Unskilled Production					
Male		Female		Male		Female		Male		Female		Male		Female		Male	
Family	other	Family	other	Family	other	Family	other	Family	other	Family	other	Family	other	Family	other	Family	other
1. 2.	1. 2.	1. 2.	1. 2.	1. 2.	1. 2.	1. 2.	1. 2.	1. 2.	1. 2.	1. 2.	1. 2.	1. 2.	1. 2.	1. 2.	1. 2.	1. 2.	1. 2.

3. 4.	3. 4.	3. 4.	3. 4.	3. 4.	3. 4.	3. 4.	3. 4.	3. 4.	3. 4.	3. 4.	3. 4.	3. 4.	3. 4.	3. 4.

3.3 Number of TEMPORARY employed Workers including any Family Members by, Gender

Manager/Supervisor				Professional/Technical				Skilled Production				Unskilled Production				Other			
Male		Female		Male		Female		Male		Female		Male		Female		Male		Female	
Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others

3.4 Details of TEMPORARY employed Workers occupations including any Family employed Members by, Gender and by type of occupation

Manager/Supervisor				Professional/Technical				Skilled Production				Unskilled Production				Other			
Male		Female		Male		Female		Male		Female		Male		Female		Male		Female	
Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others
1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.

3.5 Number of needed Workers by Family Members and by Gender for the years of 1396/1395																			
Manager/Supervisor				Professional/Technical				Skilled Production				Unskilled Production				Other			
Male		Female		Male		Female		Male		Female		Male		Female		Male		Female	
Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others

3.6 occupational Details of needed workers by gender and occupation for the years of 1396/1395																			
Manager/Supervisor				Professional/Technical				Skilled Production				Unskilled Production				Other			
Male		Female		Male		Female		Male		Female		Male		Female		Male		Female	
Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others
1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.

3.7 wages of permanent workers , monthly income by gender and occupation																			
Manager/Supervisor				Professional/Technical				Skilled Production				Unskilled Production				Other			
Male		Female		Male		Female		Male		Female		Male		Female		Male		Female	
Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others

1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.

3.8 wages of Temporary workers , monthly income by gender and occupation																			
Manager/Supervisor				Professional/Technical				Skilled Production				Unskilled Production				Other			
Male		Female		Male		Female		Male		Female		Male		Female		Male		Female	
Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others	Family	Others
1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.	1. 2. 3. 4.

4. Accessary products or services of this establishment

4.1.	**Product (describe)**
4..2	**Service (describe)**

5.0 Location of Clientele
Where is the location of your clients? Pl. tick either yes or No

In the neighborhood: Yes ☐ ☐ No

In the city: Yes ☐ ☐ No

In other districts of this province: Yes ☐ ☐ No

In other provinces of Afghanistan: Yes ☐ ☐ No
In other countries: Yes ☐ ☐ No

6.0 How are your vacancies filled?

Only family members	
Reference from other owners:	
Reference from employees:	
Registration at an employment service:	
Shagirds Hired:	
Others	

7.0 Do you export your products / services ? Yes No

7.1 If you export please indicate the percentage ☐

8. Do you hire the foreign workers ?

8.1 How many are foreign workers? ☐

8.2 What are the types of occupations of the foreign workers?

Management

Administration

Production or Service Supervisory

8.3 What are the types of foreign workers?

Have high quality skills Skilled workers Semi-skilled workers

Unskilled workers

9.Are you satisfied with the quality of local skilled workers? Yes No

10. Did your BUSINESS increased or decreased in the past two years? Promoted Decreased

10.1 If you planning to decrease your business activity in the next two years please explain the reasons of that

11. . Are you planning to increase or decrease your business activity in the next two years?
Increase Decrease

11.1 If you planning to decrease your business activity in the next two years please explain the reasons of that.

12. Do you willing to hire Apprentice ? yes No

13. do you consider to hire female ? yes
No

14. do you consider to hire disabled people Yes No

15. How your workers acquired the skills:……..

16. Monthly income of your business/ company in Afghani goes in what category

Annex 8: Formal Business Questionnaire

Islamic Republic of Afghanistan
Ministry of Labour, Social Affairs, Martyrs and Disabled
Deputy Ministry of Labour
Directorate of Labour Market Survey- NSDP
Formal Sector Establishments/Large Business Questionnaire - English

1. FORMAL SECTOR/ENTERPRISE DATA		
1.0	Enterprise name:	
1.a	Director's name:	
1.c	Address:	
1.d	Phone number:	
1.e	Email address:	

1.1 Legal Status of the Company/Enterprise

Private **Public** **Mixed**

1.2 Type of Activity

2. WORKFORCE DATA

2.1 Number of Permanent Workers by Gender, and Type of Activity/ enterprises

Main activity of Enterprise	Activity Code	Management/ Administrative workers		Professional/ Technical		Skilled Production		Unskilled Production		Other	
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female

2.2. Details of Permanent Workers by Gender, and Type of Activity

Gender	Category of Employees/Workers			
	Management/ Administrative Workers	Professional/Technical	Skilled/Production	Unskilled/Production
Male	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
Female	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9

2.2 Number of Temporary Workers by Gender, Type of Activities .Enterprises											
Management/ Administrative Workers		Professional/ Technical		Skilled Production		Unskilled Production		Other			
Male	Female	Male	Female	Male	Female	Male	Female	Male	Female		

2.4 Details about Type of TEMPORARY workers employed by Type of Enterprise and Workers. Blank.					
Gender	Category of Employees/Workers				
	Management/ Administrative Workers	Professional/Technical	Skilled/Production	Unskilled/Production	Other
Male	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
Female	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9

2.5 Number of workers NEEDED for the year of 1395/1396 [2016/17] by Gender, Type of Enterprise											
Management/ Administrative Workers		Professional/ Technical		Skilled Production		Unskilled Production		Other			
Male	Female	Male	Female	Male	Female	Male	Female	Male	Female		

2.6 Details about Type of NEEDED workers for the year of 1395/1396 (2016/17) by Type of gender and type of Enterprise.					
Gender	Category of Employees/Workers Needed				
	Management/ Administrative Workers	Professional/Technical	Skilled/Production	Unskilled/Production	Other

Male	**1 2 3 4 5 6 7 8 9**	**1 2 3 4 5 6 7 8 9**	**1 2 3 4 5 6 7 8 9**	**1 2 3 4 5 6 7 8 9**	**1 2 3 4 5 6 7 8 9**
Female	**1 2 3 4 5 6 7 8 9**	**1 2 3 4 5 6 7 8 9**	**1 2 3 4 5 6 7 8 9**	**1 2 3 4 5 6 7 8 9**	**1 2 3 4 5 6 7 8 9**

2.7 Monthly Average of wages by type of gender and type of Enterprises that been paid by Employers in Afs

Management/ Administrative Worker		**Professional/ Technical**		**Skilled Production**		**Unskilled Production**		
Male	**Female**	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**	**Male**

2.8 Details of WAGES by gender and by type of Activities/ Enterprises

Gender	**Category of Employees/Workers**				
	Management/ Administrative Workers	**Professional/Technical**	**Skilled/Production**	**Unskilled/Production**	**Other**
Male	**1 2 3 4 5 6 7 8 9**	**1 2 3 4 5 6 7 8 9**	**1 2 3 4 5 6 7 8 9**	**1 2 3 4 5 6 7 8 9**	**1 2 3 4 5 6 7 8 9**

Female	**1** **2** **3** **4** **5** **6** **7** **8** **9**	**1** **2** **3** **4** **5** **6** **7** **8** **9**	**1** **2** **3** **4** **5** **6** **7** **8** **9**	**1** **2** **3** **4** **5** **6** **7** **8** **9**	**1** **2** **3** **4** **5** **6** **7** **8** **9**

3. ADD-ON PRODUCT OR SERVICE OF THE ESTABLISHMENT

For Product/ Service	

4. LOCATION of CLIENTALE
Where is the location of your clients?

4.1 In the neighborhood: Yes ☐ ☐ No

4.2 In the city: Yes ☐ ☐ No

4.3 In other districts of this province: Yes ☐ ☐ No
4.4 In other provinces of Afghanistan: Yes ☐ ☐ No
4.5 In other countries: Yes ☐ ☐ No

5. Do you export your products/ services ? yes ☐ ☐ No

5.1 If you are exporting your Product or Service please write the percentage

6.0 How are your vacancies filled?

Internal transfer:	
Reference from other employers:	
Reference from employees:	
Registration at an employment service:	
Job Seekers Direct Approach:	
Directly from Training Centers:	

7. do you hire foreigners? yes no

If yes:
7.1 How many are foreign workers? ☐

7.2 What are the types of foreign workers activities?

Management ☐

Administration ☐

Production or Service Supervisory ☐

7.3 What are the types of foreign workers?

Have high quality skills Skilled workers semi-skilled workers

Unskilled workers

8. Are you satisfied with the quality of local skilled workers? Yes No

9. Did your BUSINESS increased or decreased in the past two years? Promoted Decreased

9.1 Are you planning to increase or decrease your business activity in the next two years?

increase decrease

9.2 If you planning to decrease your business activity in the next two years please explain the reasons of that

10. Do you willing to hire Apprentice ?

11. do you consider to hire female

12. do you consider to hire disabled people?

13. How your workers aquired the skills
:……..

14. Monthly income of your business/ company in Afghani

Respondent's Name: **Position:** **Contact Number**

Annex 9: TVET Institution Questionnaire

Islamic Republic of Afghanistan
Ministry of labor, Social Affairs, Martyr and Disabled (MoLSAMD)
Deputy Minister of Labour
Directorate of Labour Market Studies
Technical Vocational Education and Training Center Questionnaire

1.0 Province

City

Provider type

Govt ☐ Private ☐ NGO ☐

2.0 Center/organization Name _____ Director's Name _____

Address----------Contact NO ----------

3.0 Year of establishment ---------- Establishment year of this agency:……

Agency

4. List of Vocational Courses in this Center

Vocational Occupations	Training Duration in Month		Entry requirement	No of students		Vocational Occupation	Training Duration in Month		Entry requirement	No of students	
	Theory	Practical		M	F		Theo-ry	Prac-tical		M	F

5.0 Are there other vocational training courses in locations in this city?

Yes ☐ No ☐

If yes, please specify_____

_____

6.	Do you provide vocational training Courses in other District/Province?	Yes ☐ No ☐ If yes, in which District/Province ---------- ☐☐
7.	CURRECULUM DOCUMENT SOURCE How the developed of the curriculum documents toke place	Government ☐ Adopted from other sources ☐ Own ☐

TVET Center Questionnaire……continued

8.0	Are any business skills subjects or related subjects taught? Yes ☐ No ☐						
8.1 in case the answer was yes , please describe it:……..							
Is this subject taught within all courses? Yes ☐ No ☐				Is there any separate course for those wishing to start a business or improve an existing one? Yes ☐ NO ☐			
8.1 Do you place students for work experience/internship when attending your course?	☐ Yes ☐ No	Do you monitor their work experience?	☐ Yes ☐ No	Do you have a check list of skills to be learned on the job (during internship)?	☐ Yes ☐ No	How do you measure those skills?	1.Practical test 2.Observation 3.Written test (Please circle)

9.0	Practical test ☐	Written test ☐	Observation ☐

How do you assess the traniness progress in the course Practical test ☐ Written test ☐ Observation ☐	9.1 What system do you use to determine the scors and pass? Written test ☐ Practical test ☐ Combination of written and practical test ☐ Demonstrated practical competence ☐ 9.2 : What is the proportion of theoritical and practical assesment? ☐
	10.0 Is there a system in place to link you to the labour Market? ☐ 10.1 If yes, Please explain the mechanism----------

TVET Center Questionnaire……continued

12.0 Pl. inform whether you are aware of MoLSAMD National Occupational Skill Standards (NOSS) developed by NSDP: Yes ☐ NO ☐

13.0 Do you conduct tracer studies on past students?

Yes ☐ No ☐

Yes	How often	No	How do you measure the value of your course?
	Within 3 months ☐		Response from employer ☐
	Within 6 months ☐		Response from trainees ☐

11.0	Are your teachers trained? Yes / No	If yes, Who taught them?	The government ☐
	Within 9 months ☐		Your experience staff ☐
			Other ☐

11.2.1 If there are untrained teachers, please indicate education level:----------

11.3 If teachers trained by others, pl. explain by whom:----------

14.0 What can the government do to assist your vocational school?	Train teachers ☐ Provide additional staff ☐ Improve equipments ☐ Increase consumable budget ☐ Provide multi language Text books and teaching materials ☐ Decentralize operational control ☐ ☐ Other

Does the vocational training organizations provide guidance regarding the establishment of self-employment or to find employment opportunities in public and private sectors ?

Yes ☐

No ☐

Please attach the Results of graduated trainees studies that you recently carried out to this form.

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