In brief

This report describes work done under the Informal Economy, Poverty and Employment (IEPE) Project during the period August 2005 - July 2006. Coinciding with the final period of the project, this also serves as the project’s final report. This document presents the main results of the IE Project in each country. Each country presentation is structured as follows:

- It begins with a description of the national development framework which anchored the work of the IE Project and its partners.
- This is followed by a summary of work done in the country.
- The core of each country presentation consists of brief fact sheets of each major intervention.

This report is best read in combination with an earlier report of the IE Project entitled, Informal Economy, Poverty and Employment Project: The First Eighteen Months.

This earlier report analyses the different aspects of informality and exclusion as manifested in the countries covered by the IE Project and, against that background, how the Project has opted to approach the identified problems and designed responsive strategies. This final report completes the presentation by describing key results and learnings under each major intervention.

We begin this report by revisiting the broad mandate of the project; namely, addressing the Decent Work challenge. We take this as our starting point.

Broad goals: Decent work & institutional development

For the ILO, decent work is a goal to be achieved progressively. In the informal economy where decent work deficits are most pronounced, ILO aims to achieve the following twin objectives within the immediate to medium term:

(a) eliminating the negative forms of informality at the minimum and
(b) gradual integration of the informal economy into formal systems of protection and support.


2 ILO, Conclusions concerning decent work and the informal economy (adopted by the International Labour Conference at its 90th Session, Geneva, 2002; reproduced from ILC, Provisional Record, No. 25).
The task defined above involves working at different levels of intervention:

- Strengthening **internal capacities** of informal units, both individually and collectively, so that they could engage institutions that influence access to resources and protection.

- Adapting and reforming **policies and institutions** so these could apply to, and benefit, the growing labour force found outside of the traditional work setting.

ILO seeks to work progressively along the continuum from informality to formality as it addresses constraints on the policy-, institutional- and enterprise-levels. This forms an integrated and comprehensive strategy towards achieving decent work in the informal economy.

**Project’s approach**

The project has taken the following approach. It has sought to:

1. **Promote rights at work** by:
   - building a “constituency” for decent work through awareness raising (e.g. through study circles and trade union education materials)
   - designing and implementing concrete strategies to facilitate realisation of these rights (e.g. through effective policies, institutional mechanisms and practical action on occupational safety and health, social protection, women entrepreneurship, participatory governance)
   - demonstrating that decent work can lead to positive and sustainable economic results (e.g. through practical and low-cost OSH strategies that result in higher productivity).

2. **Be integrated** in addressing:
   - several layers of intervention (direct action where deficits could be immediately reduced; policy and institutional level where effective and tested approaches could be adopted)
   - interrelated dimensions of exclusion (e.g. statistical information, entrepreneurship and market access, productivity, social protection, organisational development)

3. **Use ILO tools and technical resources.** Various ILO tools have been developed and tested which promote entrepreneurship development, local economic and social development, social protection, organisational development, occupational safety and health, and market access. Technical specialists were engaged to provide inputs and guidance. ILO’s wide resource base enabled the project to adopt integrated approaches involving different technical areas and specialties.

4. **Emphasise partnerships between public and private sectors** by developing capacities and designing responsive services that extend reach and achieve impacts. This is evident for example in Cambodia where capacity and institutional needs are high and where multi-stakeholder cooperation can help combine strengths to achieve longer-lasting solutions.

5. **Use local strategies**, wherein key interventions are piloted where impacts are most immediate to the informal economy; that is, at the local level. The project worked in municipalities and provinces in collaboration with local agencies and enterprises. Furthermore, the project has sought to advance policies beyond mere articulation by collaborating with local stakeholders in operationalising articulated policies.

6. **Build upon past gains**, using approaches that have been developed and tested by other related ILO projects (e.g. enterprise development, empowerment of women, productive employment of people with disabilities, child labour, infrastructure and participatory planning, and trade union education). The IEPE also built upon experiences outside of the ILO by trying to address contemporary challenges and strategic bottlenecks.

Each country presentation highlights the following themes and these are based on the objectives established in the project document: (a) Awareness Raising, (b) Representation and Governance, (c) Productivity and Market Access, (d) Occupational Safety and Health and Social Protection, and (e) Knowledge Sharing.
Mongolia at a glance

Calling for a decent work response

- **Population.** Mongolia’s population is estimated at 2.5 million with about one half of the population concentrated in urban areas. Around one-third of Mongolia’s population lives in the capital, Ulaanbaatar City.

- **Structure of economy.** Livestock production forms by far the major component (79.5 percent) of agricultural production comprising 20 percent of GDP. Mining and quarrying account for 9.5 percent of GDP, wholesale and retail trade and repairs 28.8 percent, and manufacturing 6 percent. Copper, fluorspar, gold, livestock, animal products, cashmere, wool, hides, form the major export commodities.

- **Phenomenon of migration.** High levels of migration to urban areas exist for mostly economic reasons. Ulaanbaatar grew by 5.5 percent in a single year and comprises 33 percent of the population (2002-2003).

- **Employment.** Mongolia’s labour force in 2003 totaled 1,004,800 people, of whom 862,500 (or 85.8 percent) were employed and 142,300 (14.4 percent) were unemployed. Of those who were employed, 33 percent were own-account workers and 26.4 percent were unpaid family workers. Put together, these two categories totaled 59 percent. The remainder are paid employees (40 percent) and employers (9 percent).

- **Informal economy.** The 2002-2003 Labour Force Survey officially estimated total employment in the informal sector as 126,000 (14 percent of total employed). The informal sector was estimated by taking non-agricultural employment in private enterprises and partnerships with up to 4 paid employees as well as in self-employment. However, as previously indicated, if one were to also include agricultural employment within these same categories, total informal economy employment increases to 60 percent.

- **Loss of safety nets.** Mongolia’s transition to a market economy was accompanied by the removal of various subsidies which immediately threw a significant part of the country into poverty, unemployment and insecurity - with institutions unable to respond to these eventualities. This situation has not been fully corrected yet.

- **Poverty level.** Poverty, which was virtually non-existent during the many years of Soviet influence, was around 36 percent in 2002. The national poverty line is US$17 a month.

- **Social security.** The transition forced government to eliminate social security subsidies from certain sectors such as herders and students starting in 1999. The number of uninsured stood at 103,000 in 1998, and had increased fourfold to 554,000 by the end of 2003.

- **Occupational safety and health.** Under the socialist system, factory premises were well-planned and constructed. The emergence of a multi-sectoral economy and the collapse of the large enterprises has given rise to the establishment of numerous small private businesses, home-based production and improvised workplaces (such as gers and basements), which are unsuitable for production activities. A national survey on OSH in 1997 revealed that 18.7 percent of the workforce was working under inappropriate conditions and that about 5,700 people have become disabled and lost their working abilities.

- **Governance and civil society.** The new political environment has given rise to opportunities for public officials and civil society to take up the democratic space. A decentralisation process has begun through the establishment of local planning and policy councils in which civil society participates. While many civic groups have emerged, the process of organisational growth and maturation still requires the development of appropriate services, improvement of internal systems and procedures, and a policy environment that is conducive to legalisation of organisations.

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9 Health Insurance Council. Mongolia.
10 Interview with Ms. Batnasan, in-charge of OSH for the MOSWL, August 2004.
National development frameworks

Aligning with decent work and poverty reduction strategies

The Informal Economy Project in Mongolia promoted legal and institutional development, service improvement, and capacity building of public and private agencies to serve all types of workers and micro enterprises. When the IE Project started, it saw that Mongolia had well-articulated policies and programmes in place but that the technical work to enforce and implement these had to be strengthened. The IE Project took upon itself the task of strengthening technical capacities among partners.

Implementation was aided by the availability of various ILO methodologies and tools, the high literacy and capacity level of the Mongolian people, and willingness among all parties (the IE Project and its partners) to learn by doing.

An external evaluation made of the IE Project after nearly two years of its implementation has shown that the IE Project has laid a good foundation for addressing the major issues on Decent Work for IE workers, as well as addressing the priorities identified in the national planning documents of Cambodia, Mongolia and Thailand.\(^{11}\)

How national goals and frameworks were supported and reinforced by the Mongolian component of the IE Project is illustrated below, using the framework and goals of the EGSPRS. These national goals and frameworks are presented in Box 1. Action programmes drawn up by the Mongolian government to carry out their commitments are shown in Box 2.

It is worth noting that one of the policies listed is a Government Policy on Informal Employment. This Policy was first drafted by the Ministry of Social Welfare and Labour in 2004 with inputs from the ILO Subregional Office in Bangkok and the IE Project. It was finally passed by Parliament in January 2006. Subsequently, an Action Plan for the Implementation of the Government Policy on the Informal Economy was drafted. This Action Plan was deliberated during the IE Project Advisory Committee Meeting held in February 2006. The final draft is expected to be adopted by July 2006. It is apparent from the content of the action programme that the Mongolian government was able to benefit from the technical cooperation activities it had with ILO, including the IE Project. With this technical experience behind it, the government was able to go beyond mere articulation and plan specific action in order to realise its policy intent.

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Box 1
National Development Frameworks:
Mongolian PRSP, Decent Work Agenda and UNDAF

Mongolian PRSP. In 2003, the Government of Mongolia issued its Poverty Reduction Strategy Paper (PRSP) entitled Economic Growth Support and Poverty Reduction Strategy (EGSPRS). The EGSPRS is a comprehensive medium-term framework of policies, strategies and programmes which seek to increase average annual growth to the country’s potential of 5-6 percent and to reduce poverty from its level then of 36 percent.12 Couched in the Millennium Development Goals, the EGSPRS articulates a strategy aimed at:

1. Ensuring macroeconomic stability and public sector effectiveness
2. Supporting production and exports and improving the environment for private-sector led development
3. Enhancing regional and rural development and environmentally sustainable development with focus on addressing rural-urban disparities in economic growth and service delivery
4. Fostering sustainable human development, to improve all levels of education, health service provision, employment, poverty and living standards of the population
5. Promoting good governance and implementing and monitoring the strategy.

A number of provisions regarding the “informal sector” are included in the employment section of the EGSPRS.13 It calls for protection of workers’ interests, the improvement of labour relations and social security, and the provision of opportunities to move into the formal sector.14 The strategy document recognises the importance of the “informal sector.” The document adds that “informal economic operations show a trend of increasing the number of employees with little income and low productivity”. Thus, it states that there is “a need for the Government to work out and implement policies and programs regarding the future development of the sector. First of all, protection of employee interests, enhancement of labour relations and social welfare, and provision of opportunities to switch into the formal sector are required.”

Decent work agenda. ILO has also identified priorities in its country programme in Mongolia based on its decent work framework and in accordance with national development goals. ILO’s priorities were upheld by the Mongolian Government when it established its National Plan of Action for Decent work (2005-2008).

- Priority 1 - Formulating and implementing employment promotion strategies to address issues of sustainable livelihoods and poverty alleviation in the formal and informal economy
- Priority 2 - Better application of rights and security for targeted groups focusing on child labour, disabled persons, and forced labour, including improvement of labour law and administration
- Priority 3 - Strengthen trilateral support to social and economic policy development and implementation

UNDAF. The priorities set out by the United Nations Development Assistance Framework (UNDAF) are intended to support national development plans and complement the government’s development activities. For the period 2002-2006, UNDAF set the following goals, indicated with selected objectives under which ILO is named or has responsibility.

- Goal 1 (corresponding to EGSPRS 4 & DW Priority 2) – Strengthen basic social services to provide quality, equitable services (including the objective of improved access to basic facilities and to social security)
- Goal 2 (corresponding to EGSPRS 2 & 3 and DW Priority 1) - Fostering an economic transition with development which promotes equity, sustainability and decentralisation, such that the following objectives are stressed:
  - (a) strengthening of local capacities in planning, resource mobilisation and management
  - (b) assistance in the revitalisation of the rural economy
  - (c) providing strategic support for sound private sector development (under which the following are cited as indicators: legal and regulatory framework, the creation of traditional and non-traditional jobs, a recognition of workers rights, an improvement of corporate governance, niche marketing, growth in export oriented industries).
- Goal 3 (corresponding to EGSPRS 5 and DW Priority 3) - Good governance that promotes more accountability, transparency and responsiveness is established, under which the following objectives are addressed:
  - (a) The improvement of accountability, transparency and responsiveness in all sectors
  - (b) Assistance in the development of a meaningful partnership between the public sector, civil society and private sector in policy formulation and implementation.

The Government of Mongolia has enacted national and sectoral action programmes to reinforce and implement their commitment to national development frameworks. Most of them recognise the reality of the informal economy and the need to progressively move people found in it along the continuum towards formality.15

Among these action programmes are:

- **A Government Programme of Action** which was approved by the parliament in 2004. The Programme of Action includes references to improving social protection to reduce poverty and hunger as a priority. The Programme of Action specifically states that the goal of reducing poverty and unemployment will be achieved through increasing types and choices of social insurance, improving access to social assistance and services, ensuring a qualitative delivery of assistance and services to the vulnerable groups and increasing employment. Recognising the growing reality of the informal economy, it further states a sub-objective that “State policy on informal employment will be developed and implemented.”

- **National Plan of Action for Decent Work** covering 2005-2008 was adopted in 2005 with ILO technical support. The purpose of this National Plan, which set out clear indicators and budgetary provisions, is (1) to improve the employment and social security through ensuring basic human and worker rights, (2) increasing the number of workplaces and income in all economic sectors, (3) implementing the social insurance schemes appropriate to various types of employment and (4) developing the social dialogue machinery.

- **A Programme for Support of Small and Medium Sized Enterprises** was adopted in April 2005 through Government Resolution No 64. It specifies that the purpose of the programme is to develop and increase the competitiveness of small and medium sized enterprises, improve conditions for the formalisation of informal businesses, as well as to create new workplaces.

- **A National OSH Programme** was developed in 2005 with technical assistance from ILO. It was adopted by the Government in April 2005. The main objectives of this programme are to promote OSH prevention, decrease the number of industrial accidents and occupational diseases, and create conditions to protect workers’ life and health, thus improving the legal framework to protect workers from occupational risks, and developing a social dialogue. Given the predominance of informal economic activities, the adverse working conditions found in it are given substantial attention in the document. (Government of Mongolia has implemented the Occupational Safety and Health Programmes in 1997-2000 and 2001-2004.)

- **A Government Policy on Informal Employment.** This policy was approved by the Parliament in January 2006. Using a Decent Work framework, this policy has aimed to gradually formalise the informal economy by providing government services to people engaged in informal employment, creation of legal, economic, labour and social protection guarantees and by ensuring economic growth. It has been implemented in conformity with the short and medium term development goals of Mongolia and the MDGs. Action plans are presently being prepared. The first phase of implementation is 2005-07; second phase, 2008-11; and third phase is 2012-15.

- **An Action Plan for the Implementation of the Government Policy on Informal Employment, Phase 1.** The draft action plan has been presented to and deliberated by main stakeholders and partners during the Project Advisory Committee of the ILO Informal Economy Project in April 2006. Suggestions were incorporated in the draft. MOSWL is set to submit this Action Plan to the Cabinet by end of June. The Action Plan outlines five areas of work as follows:
  - Coordinating informal employment with macroeconomic policy
  - Improving the legal environment for informal employment
  - Involving people engaged in informal employment into employment promotion services
  - Improving the social protection of people in informal employment
  - Cooperation among agencies and organisations involved in informal employment

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15 Formality is considered here to mean greater recognition, protection and inclusion.
Summary of work done

Developing institutions in a new environment

During its two years of implementation, the IE Project in Mongolia was able to develop local capacities in different areas of competence. As Mongolia shifted from a centrally planned socialist economy to a democratic and market-oriented regime, new competencies were expected. Accordingly, new types of small and home-based workplaces have emerged replacing large factories and agricultural collectives. Capacity building was needed in the public and private spheres, particularly in those areas which have impacted on job creation and quality of employment.

ILO tools and methodologies were implemented and with significant impact. Competence was developed in the following: local planning on investment decisions (e.g. access roads, community facilities), entrepreneurship and business management, training and advisory services in occupational safety and health in small and home-based enterprises, vocational training, research and policy making, as well as organising for better representation and voice. These areas of concerns came with new opportunities for economic and political participation.

New programmes and practices introduced through the IE Project were mostly integrated in public and private sector services, resulting in better institutional practices. In all this, ILO’s competence was brought to bear on policy and law making, training, insurance programmes, OSH advice, vocational training, organising and representation. The objective was to progressively develop stronger institutions and more appropriate policies and procedures -- that is, more appropriate to the growing labour force that lay outside of the formal systems of protection and employment that ensured decent work.

By the end of its two years of implementation, the IE Project in Mongolia collaborated with over 50 local organisations, including social partners. At least 344 staff of local institutions and 1244 workers and entrepreneurs were reached through training and capacity building activities (based only on reported data). Several consultation workshops were held on various policy issues with social partners and other local stakeholders. Through these activities, the level of awareness was also improved not only on issues of informality but on possible technical solutions as well. Project activities also spurred increased collaboration and networking among local organisations. Indeed, the project was reported to have injected new energy among local stakeholders to innovate and carry forward what they have learned.

With the institutional and experiential base broadened and strengthened in Mongolia, the road was paved for the development of a Government Policy on Informal Employment. An Action Plan was further developed which implemented the government policy, reflecting Mongolia’s commitment to national development frameworks (such as their Poverty Reduction Strategy), decent work components, and the work initiated under the Informal Economy Project.

Further deepening of capacities are required to support the momentum generated to integrate programme and policy gains achieved within participating institutions, and continue the path towards policy and institutional development.

Business registration

Easing the legal barriers to formalisation

One of the crucial aspects of the transition in Mongolia has been the development of a healthy private sector which play a vital role in job creation and poverty alleviation. Today Mongolia’s private sector represents more than 80 percent of its GDP. Its role in the economy is continues to increase.

A study of Mongolia’s business registration procedures was carried out in 2005 under the Informal Economy Poverty and Employment Project. The findings of the study are summarised below.

As of end of 2003, about 27,600 business entities were officially registered at the General Tax Authority in Mongolia (GTA).

Four main types of business entities are recognised in Mongolia under the current legislation: state owned enterprises (SOEs), companies (joint stock and limited liability), cooperatives and partnerships. While the Civil Code of Mongolia recognises other forms of enterprises, their legal status is not as well recognised as the four types listed above. Notably, only 24 percent are registered as one of these four types (broken down as follows: partnerships, 13 percent; cooperatives, 10 percent; state owned enterprises, 1 percent). Current registration practices reflect a regulatory system which encourages corporate business forms.

The business registration process involves the following:
1. Identifying the name of the business entity
2. Opening a bank account
3. Ensuring the minimum amount of equity
4. Compiling the application package.

In general the registration itself does not take much time (3-14 working days) and does not involve a high direct cost. However, applicants need to compile a package of documents to be submitted to the registration office. The interviews from the registered small business operators reveal that in most cases the applicants fail to produce the required package of documents at the first attempt. In such cases, prospective business operators can run to a large number of small consulting companies operating in the surrounding areas of the registration agency. The main service of these companies is to produce the full application form package in compliance with the provisions of the related laws. The consulting firm fees are usually range between USD 12-15.

Local tax authorities register micro and small business operators as well as self-employed persons as patent holders. According to the General Tax Authority’s (GTA) data as of the end of September 2004 the number of patent holders was about 24,219. Registering and obtaining the required patent involves a simple procedure. The most difficult part of the process is obtaining permission to operate in certain areas, particularly in case of self-employed people willing to work in cross border areas where auto transportation services are highly lucrative.

Some specific business activities require special permission from relevant authorities in order to ensure compliance of their production activity with operating standards. This is the most difficult part of the whole licensing process. The most important hurdle is obtaining the independent opinions from the State Professional Inspection Authority (SPIA). This agency can further improve the transparency of its procedures.

Once an opinion has been delivered from the SPIA, further problems can be experienced with authorities who issue special permission. In practice, the level of bureaucracy and the cost of licensing are highly dependent on the nature of the business and whether it is lucrative or not. If the type of business is highly profitable, then obtaining the required licenses can be extremely costly. In total there are more than 77 types of various special permissions issued by 28 government agencies.

As for post-registration responsibilities, the main obligations of newly set-up business operations are:

- Registering with the local tax authority
- Submitting on a quarterly basis an audited financial statement and payment of taxes (tax rates are high as 15-30 percent)
- Registering at the local social insurance offices and paying social insurance contributions for employees
(the rate being quite high at 19 percent of workers’ salary)

- Ensuring that personal income taxes are paid to local tax authorities by employees.

The study shows that current licensing procedures for small businesses and the associated regulatory framework is complicated and do not serve the needs of small business operators. In addition, it does not identify an adequate type of business entity suitable for small and micro businesses. In a number of cases, the absence of appropriate business categories becomes an obstacle for registering small and individually owned businesses.

One of the common reasons of not registering a business is the unsupportive attitude of the tax authorities to small-scale businesses. Unless there is a strong rationale to register a business venture, most entrepreneurs prefer to remain unregistered; registration of a business is regarded as an excessive (and sometimes unnecessary) burden.

The above findings are based on a study organized by the IE Project and completed in 2005. Its findings were validated in a workshop where key government representatives and ILO’s social partners participated.

Cooperative legislation

Strengthening channels for cooperation

Cooperatives in transition
Mongolia has a long history of cooperative development beginning with the first consumers cooperatives established in 1921. During the central planning period from 1921 to 1990, cooperatives were formed in practically all vital sectors of the economy. However, they were not based on basic cooperative principles. During this time, the traditional livestock sector was also transformed into a system of large livestock cooperatives which government closely controlled.

With the transition of the Mongolian economy to a market-based one, these collectives were privatised and assets were distributed to their members. Unfortunately, the new legislation on cooperatives adopted in 1993 failed to provide the necessary legislative framework for this type of organisation. In 1998, the Government adopted two documents which currently define the legislative and regulatory environment for cooperatives: a new Cooperative Law and the Cooperative Development Program under Government Resolution No. 145/1998. The 1998 Cooperative Law provides a solid legal basis for the establishment and operation of cooperatives in accordance with internationally recognised cooperative principles. The Cooperative Development Program aims at supporting important social and economic goals such as creation of jobs, poverty alleviation, and the development of market relations, trade and services. In a meeting with the IE Project team in April 2005, Mongolian stakeholders expressed the need to strengthen these laws. Discussions at that point had reached a deadlock, preventing them from further working on the law.

Work done
In 2005, the Ministry of Food and Agriculture formally requested ILO to help review the cooperative legislation, assess the need for revisions, and offer recommendations. Local stakeholders wanted to emphasise taxation, supervision, audit of savings and credit cooperatives and identifying linkages among laws applicable to cooperatives.

With the support of ILO Beijing and ILO COOP in Geneva, an international consultant, Mr. Hagen Henry, carried out an assessment mission in Mongolia on 4-11 February 2006. The Consultant met with government, cooperative organisations and donor institutions. Interviewees were generally of the opinion that the current cooperative law had improved the legal status of cooperatives in the country and that problems were related to the implementation of the law than to its content.

The Consultant summarised the main points as follows:

- Review of the definition of cooperatives as non-profit entities with the possibility of harmonising Civil Code and Cooperative Law.
- Opening membership in primary cooperatives to legal entities with the possibility of harmonising Civil Code and Cooperative Law.
- Providing a clear definition of cooperatives and proper bookkeeping to allow for adequate cooperative taxation, based on a distinction between profit and surplus, while strengthening the self-financing mechanisms of cooperatives, e.g. through a reserve fund.
- Stricter registration requirements and procedure through an a priori control of the soundness of the entity applying for registration.
- Prompt de-registration, if needed, based on information given by cooperatives to competent authorities.
- Internal and external cooperative-specific audit by qualified and independent auditors.
- An assessment of the need for additional rules to govern the structure of savings and credit cooperatives, and, integrating these additional rules if necessary into the general Cooperative Law. Grounds for separate legislation on the structural features of savings and credit unions cannot be found.
- Encouraging a bottom-up structuring of the cooperative movement (unions and federations) according to the cooperative values and principles.

The recommendations were discussed with cooperatives and stakeholders on 10 February 2006. They were well-received and lively discussions ensued. Participants agreed to follow up the recommendations and continue the work of furthering the improvement of cooperative legislation in Mongolia.
Participatory local planning

Governance for informed investment decisions

Need for planning capacity and partnerships
At its inception, the ILO, moderated through the IE Project, identified the need to develop appropriate participatory local level planning tools in order to help local administrative bodies identify infrastructure and upgrading needs. The ILO formed a working partnership with the World Bank-supported Household Livelihoods Support Programme Office (HLSPO) which is carrying out a 12-year Sustainable Livelihoods Support Programme. This program includes a component called Local Initiatives Fund (LIF) which has established a planning process and councils down to the provincial, district and village levels. Plans and proposals for infrastructure development and upgrading are submitted to the provinces and to the HLSPO for funding under the LIF. It was found that, although this process is in place, the capacity for planning was inadequate. Thus, upon the suggestion of the ILO, the HLSPO responded positively to the prospect of collaboration in order to help develop local capacity for participatory needs assessment and planning.

Planning in Mongolia
Planning in Mongolia is still very sector-based with little collaboration among the different sectors and ministries. The concept of integrated planning based on accessibility to social and economic resources was something new to Mongolian authorities. Under the HLSPO, local development councils and planning offices were set up to recommend priority investments such as road and bridge construction, rehabilitation or construction of schools, water supplies and health centers. The Mongolian context is very different from many other countries. With a population of approximately 2.7 million in an area of 1,564,116 sq km, Mongolia has one of the lowest population densities in the world. In addition, Mongolia has a long and well-developed culture of nomadic herdsmen who are well adapted to moving themselves and their livestock through the extreme climates that affect the country throughout the year. However, the country also has a growing settled community who live predominantly in rural areas. They are found in small communities known administratively as baghs. It is in these settled communities of baghs and soums that IRAP was developed and carried out.

Work done
The first IRAP training workshop was held in Jargalant soum on 23-24 June and in Batsumbur soum on 28-29 June. While the training in Jargalant was done by an international consultant and an ILO-ASIST official, the subsequent training in Batsumbur was carried out by the trained local expert from the HLSPO. Participants were members of the local council and staff of the HLSPO. IRAP tools were explained.

What is IRAP?
Over the last twenty years, the International Labour Organisation (ILO) has been developing tools to strengthen capacities at local government level to better provide the goods, facilities and services that rural people need. This package, known as Integrated Rural Accessibility Planning (IRAP) helps to identify investment priorities that will address the access needs of rural communities.

IRAP aims to improve the accessibility of rural people to the various economic and social goods, services and facilities that they need in their daily lives. It endeavours to address three basic questions that relate to rural accessibility, transport and infrastructure:
1. What should be done?
2. Where should it be done?
3. How should it be done?

IRAP has three components, called T1, T2 and T3. (T stands for training.)
• T1 introduces the concept of accessibility planning, develops the data gathering questionnaire and prepares base maps of the participating areas.
• T2 analyses the data, ranks sector problems and village priorities
• T3 takes this information and develops project proposals that reflect sector and village priorities in terms of access.

IRAP is a low-tech approach to integrated planning. It uses data gathering techniques such as village-based questionnaires, hand-made mapping and the formulation of simple calculations to assess, score and rank communities' access problems to social and economic goods, services and facilities.
within the local planning context. Data collection proceeded afterwards, using questionnaires, maps and inventory tools introduced during this training. The follow-up training was held in September 2005 where data collected was validated and analysed for planning purposes.

The data collection process yielded the following characteristics related to accessibility in the two pilot soums:

- Majority of trips were made within the soum. This was done by utilising motor vehicles, or by horse or by walking.
- The soum center was the central focus for the baghs as this is where the soum hospital (supplying essentially primary health care), the secondary school and agricultural/livestock supplies are found.
- For advanced medical treatment and access to main markets, people in both soums traveled to the capital, Ulaanbaatar City, as this was closer than their own aimag or provincial center. Long distance travel of this sort was undertaken in hired cars, taxis or buses.
- People’s main accessibility problems centered on the quality of service available; in many cases, schools and health centers were poorly maintained and the quality of roads and tracks was bad. This hampered people’s mobility during winter.
- In general, the baghs and soums had to cope with infrastructure that had fallen into disrepair and neglect.

Proposals were prepared based on the accessibility findings of the participating officials. Participants were enthusiastic about their newly-learned capacities. One bagh governor stated that “this was the first time bagh officials had seen a map of their jurisdiction”. Soum and bagh representatives interviewed stated that while some of the priorities identified during the IRAP process had been known even in the past, a few were identified only after the accessibility assessment while some previously were confirmed and prioritised. They also shared that, in the past, they voted on proposed funding just by a cursory show of hands. None knew how to obtain data on actual community needs.

These two soums could be seen as representative of soums close to major urban centers in other parts of the Mongolia. The methodology developed in Mongolia can be mainstreamed throughout all areas of the country with some adaptations to reflect the diverse geographical and population characteristics.

While national counterparts are keen on replicating this methodology, funding resources for continued replication are scarce. Capacity building resources are not built in LIF’s current funding. There is therefore need both (a) for ILO to continue work to maintain the momentum created and (b) for infrastructure development and rehabilitation programmes, such as the LIF, to integrate provisions for capacity building.

The above experience is documented and published as a joint initiative of ILO ASIST-Asia Pacific, HLSPO and the IE Project. The report is available online at: http://www.ilo.org/asia/library/download/pub06-25.pdf
Registration of informal workers

Creating data on informal economy through administrative records

Background
The Labour and Social Welfare Service Office (LSWSO) is an Implementing Agency of the Government of Mongolia. It acts within the portfolio of the Minister of Social Welfare and Labour (MOSWL). This Office is the public administrative agency responsible for the nationwide implementation of the “Employment Promotion Law of Mongolia”, the Law of Mongolia on “Sending labour force abroad and receiving labour force and specialists from abroad”, the “Law of Mongolia on vocational education, training” and other legislation related to employment promotion and unemployment reduction.

LSWSO has departments in 21 provinces as well as in Ulaanbaatar City and its 9 districts. It has social workers in these provinces who are responsible for employment issues and which carry out tasks mandated for LSWSO. LSWSO therefore has a well-established nationwide institutional framework that is able to reach the informal economy operators. Through its structure and social workers, the LSWSO aims to register informal economy operators.

The main objective of the initiative implemented by the LSWSO in partnership with the ILO IE Project involved the development of a methodology for registering informal economy operators, setting up a database of main employment indicators in the informal economy, and building the capacity of its staff. It is believed that regular data collection could aid the development and implementation of labour market policy as well as producing relevant labour market statistics.

Work done
LSWSO developed a registration card with technical advice from ILO Bureau of Statistics in Geneva. Results are summarised on the following page. Below are some lessons learned through this exercise, as recounted by the LSWSO.

Impact and outcome of the registration
- Initial database has been set up containing information on approximately 19,866 people in informal employment.
- The Revised Employment Promotion Law created the legal basis for further registering people engaged in informal employment and providing employment services.
- People registered in LSWSOs will have the opportunity to benefit from government’s employment services.
- Data input was done via internet which was new for LSWSO. LSWSO also ran into problems related to the technical capacity of local LSWS departments and also related to internet connection speed.
- Time and capacity constraints were encountered during data entry and processing.

Constraints and challenges
- Registration was done based on existing residency records at the lowest administrative units, therefore people without registration in their place of current residence (particularly migrants) were not included.
- Registration was done only on a voluntary basis.
- Registration was done during winter time, when seasonal workers were inactive.

Future plans
- Continue data input and processing, ensure improvement of registration cards.
- Raise awareness of people in informal employment to become registered.
- Identify strategies and frequency of the planned regular registration.
- Improve the data input and processing procedures.
- Enhance the capacity of staff.
- Secure funds for additional work needed for registration of informal economy operators.
Initial results obtained from LSWSO’s registration of informal economy workers

- 38,700 people registered in Ulaanbaatar City and aimags (provinces) are engaged in informal employment. Data for 19,866 registrants have been entered into database on the website and processed.
- 53 percent of the 19,866 people are men and 47 percent are women.
- Bayan Ulgii, Bayankhongor, Selenge and Tuv provinces have bigger numbers of people engaged in informal employment.
- Age structure:
  - 10-19 – 1.9 percent
  - 20-29 – 18.8 percent
  - 30-39 – 37.6 percent
  - 40-49 – 31.1 percent
  - above 50 – 10.6 percent
- The educational level of registrants:
  - Primary education - 3.9 percent
  - Basic secondary education - 32.5 percent
  - Complete secondary education - 37.7 percent
  - Vocational training - 14.2 percent
  - Higher education - 8.4 percent
  - No schooling - 0.7 percent
- 68.3 percent of registered people are self-employed
  - 11.9 percent are unpaid family members
  - 7.9 percent are paid workers
- 32.4 percent of people engaged in retail trade and services,
  - 9.3 percent in transport and communication,
  - 9.1 in agriculture
- 25.0 percent of people engaged in informal employment work in their home
  - 22.9 percent work on market places
  - 10.9 percent work in rented premises
Organising informal workers

Reaching out to all workers

Background

The Confederation of Mongolian Trade Unions (CMTU) is a national center which represents Mongolian workers’ socio-economic interests at national and international levels. The first Congress of trade unions was convened in August 1927 and this established the Central Council of All Mongolian Trade Unions. Since 1990, trade unions have affiliated based on federation principles and the Central Council of Mongolian Trade Unions was reorganised into the CMTU.

The Confederation of Mongolian Trade Unions consists of 12 industrial trade union federations and has branches in the capital city and in all aimags (provinces). Under the IE Project, the CMTU implemented action programmes consisting of the following:

✦ A survey on labour rights and the challenges faced by informal economy workers
✦ A translation of the draft trade union manual on “Organising in the Informal Economy” developed under the IE Project
✦ The organisation of a training of trainers (ToT) workshop based on the manual, “Organising in the Informal Economy”
✦ The implementation of action programmes by trade union federations. These action programmes aimed at building capacity among trade unionists on how to work with informal economy operators. These also aimed at increasing awareness among informal economy workers about their rights as well as freedom of association.

Survey on labour rights and challenges faced by informal economy workers

The objective of this survey was to identify the current situation faced by Mongolia’s informal economy workers. The survey looked into the challenges informal worker faced and the extent to which they are able to exercise their rights and create associations. Another objective was to find out informal economy workers’ understanding of trade unions and to promote the role of trade unions in protecting their rights and interests. The survey was done through focus group discussions, interviews and questionnaires developed with ILO’s technical assistance. The survey covered 756 people engaged in informal employment in Ulaanbaatar, Darkhan and Erdenet cities.

Summary findings of the CMTU’s survey of informal workers

Main findings

✦ Informal economy workers have irregular employment. Though they have a high workload, their income is low. The quality of their machines and raw materials are poor, their working environment is not safe, workers do not have social protection, and they are beyond the reach of any formal inspections or technical advice and mostly operate outside the frame of current legislation.
✦ The study shows that ‘rights to work’ guaranteed by the labour legislation is often not respected in Mongolia. 84.0 percent of all workers involved in the survey answered that they do not have an employment contract. 45.8 percent did not receive any compensation for overtime work. 71.5 percent answered that they work approximately 6-7 days in a week.
✦ Informal economy workers often work in poor and hazardous conditions, in noisy, dusty, cold or hot environments. Almost 50 percent of workers consider that their workplaces do not satisfy national occupational safety and health standards.
✦ 51.4 percent of respondents view that only trade unions should and can protect their rights and 70 percent think that they need trade unions at their workplaces. 43.3 percent of respondents were former trade union members. However 93.3 percent of workers covered by the survey have very limited or no understanding of trade union activities.

What trade unions should do?

✦ Support the informal economy workers in organising, collective bargaining and negotiations
✦ Assist in negotiations of rental fees with market administrations
✦ Support the demands of informal economy workers to improve the working conditions at their workplace
✦ Raise awareness of IE workers using mass media to promote labour rights, freedom of association and trade union activities.
Training of Trainers on Organising in the Informal Economy

Under the IE Project, a manual on organising informal economy workers was developed. This Manual was used by trade unions in the three project countries, namely Cambodia, Mongolia and Thailand. CMTU translated the manual into Mongolian language. CMTU Training of Trainers on “Organising in the informal economy” was held in Orkhon aimag on 8-10 August of 2005. A total of 30 participants attended. They came from the CMTU general council, CMTU training center, 6 industrial and 8 local trade union federations.

The importance and main outcomes of the training are outlined as follows:
1. This was the first ever training for Mongolian trade unions on reaching informal economy workers.
2. 30 trainers were trained and the trade union manual was tested.
3. Participants had an opportunity to meet and talk with workers at the local market.
4. Participants learned of trade union experiences in other countries on how they work with informal economy workers.
5. Participating industrial and local trade union federations developed action plans on training and education to be implemented in their unions.

Action programmes
Following the trainers training, trade union federations implemented their action programmes. These were supported by the IE Project.

- Private Sector Workers
- Agriculture, Food and Environment Workers
- Transport, Communication and Petroleum Workers
- Industry workers
- Construction workers
- Ulaanbaatar city
- Darkhan Uul aimag
- Orkhon aimag
- Dornogobi aimag
- Dornod aimag
- Bulgan aimag Khovd aimag
- Khuvsgul aimag

The action programmes were implemented from February through March 2006. The following were carried out:
1. Training for trade unionists and informal economy workers on fundamental labour rights, freedom of association and trade unionism. Training workshops spanning 1-4 days were done reaching 455 participants.
2. Awareness raising activities reached 2,950 informal economy workers (through meetings, interviews, etc.)
3. An initial batch of 39 workers became trade union members in some provinces. Trade union groups (approximately 7 groups in all) were established within a one-month period.
4. Total 3,405 informal economy workers were reached within this period.

Reports from the trade union federations show that these activities should be continued on regular basis and that there is big demand for and interest in organising among IE workers. Therefore CMTU needs to develop the strategy and overall action plan to organise in the informal economy.
Social dialogue in informal mining

Bridging stakeholders with long-term solutions

Background
A comprehensive sector-based project to prevent and eliminate child labour and to improve the situation of informal gold miners (IGMs) was implemented in 2004-2006 by the Mongolian Employers’ Federation (MONEF) in collaboration with the ILO Office for China and Mongolia and two ILO projects (viz. IPEC and the IE Project). The intervention covers Bornuur and Zaamar soums, in the Tuv aimag. This intervention represented collaboration among different units within ILO and with local stakeholders.

The informal gold mining sub-sector is expanding and is already large for a country with a population of 2.5 million. Informal mining is done in both placer and rock deposits and takes place in almost all aimags. A recent report estimates that there are already about 100,000 people involved in informal gold mining. This represents 20 percent of the rural workforce. Informal gold mining impacts on employment generation and poverty alleviation. It affects both the rural and the national economy. Informal gold miners include unemployed workers, local herders and farm workers affected by extreme climate conditions; former employees of mining companies; unemployed young people recently graduated from higher education; and a significant proportion of children who work alongside their parents. They work in small units consisting of family members or friends. They are also found in larger, loosely-structured groups.

Informal mining activities in Mongolia are characterised as:
- Generally unregulated, very labour-intensive, unsafe and hazardous. Areas with placer mining tend to be overcrowded and unhygienic; there are high levels of alcohol abuse and they often have no access to emergency and regular health services. Mining activities, whether found in placer or hard rock, involve a number of dangerous processes.
- Often having open conflicts between formal registered gold mining companies and informal gold miners. Very few informal gold miners have the legal right to mine gold and they mine within concessions held by formal mining companies. A substantial number of children are working in informal gold mining.

The overall objectives of this intervention were:
- To address issues of the informal gold mining sub-sector leading to an improved situation for the affected people
- To increase employers’ role in eliminating and preventing hazardous child labour in informal gold mining
- To improve and regulate relations between formal gold mining companies and informal gold miners.

The project strategy consists of (a) social dialogue; (b) elimination and prevention of child labour in the sector; and (c) promotion of safe and productive small-scale mining. A social dialogue mechanism which involves government, employers and informal miners is critical for identifying workable solutions to the multifaceted issues faced by informal economy operators. Social dialogue is intended to promote (a) the fundamental principles and rights at work for IGM; (b) adequate regulation of the informal gold mining sub-sector, including supporting the organisation of miners; (c) trust and partnership between mining companies and informal gold miners.
Work done

A number of interventions were carried out. The IE Project in particular supported the following:

- Baseline survey on Informal Gold mining in Bornuur and Zaamar soums, Tuv aimag, was carried out by the Population Training and Research Center, National University of Mongolia (Published report available at http://www.ilo.org/asia/library/download/pub06-12.pdf)
- Study on legal and regulatory framework of informal gold mining in Mongolia and the preparation of draft legislation legitimising and regulating artisanal mining was done by MONEF
- Social dialogue where consultations and meetings were frequently held among all stakeholders.

The impact and results

- Under the component of eliminating child labour:
  - 60 children were registered with the nonformal education component of the project.
  - 20 young gold miners in Bornuur and Zaamar soums were involved in vocational training for the mining profession at the Technological Institute of Orhon aimag.
  - 3 teachers from Zaamar soum were trained and are now teaching nonformal education at the site.

- Under the component of occupational safety and health:
  - An ILO handbook on small-scale mining was translated into Mongolian, printed and disseminated. This provides an illustrated, concise information about safety in mining activities
  - Risk determination and assessment of OSH problems were done in hard rock and placer gold mining areas

- Social Dialogue:
  - New venues opened for consultations with different stakeholders at the local and central levels
  - 15 legal acts were reviewed and a draft legislation on artisanal mining was revised to include feedback from recent consultations, to ensure practical and feasible arrangements, as well as participation of more stakeholders/institutions in the implementation process

One the most important and discernible impacts, under the social dialogue component, is an improved relationship between formal gold mining companies and informal gold miners. The relationship between both had been tense at best and violent at worst. After over a year of continuous discussions and consultations, the attitude of formal mining companies was observed to have changed from outright rejection to gradual accommodation of informal gold miners. For instance, some companies have allocated part of their concessions to informal miners (e.g. Altan Dornod, Mongolbolgargeo companies). The Shijir alt company conducted medical examination of more than 500 informal miners and the Monpolimet company started to contract restoration works to groups of informal miners. One company also began opening up its school - usually reserved for children of company employees - to children of informal gold miners.

The challenges remain daunting. Informal miners are too scattered and itinerant to make organising easy. Informal mining is still considered illegal until the proposed artisanal mining law is promulgated. Political changes in the country have made progress difficult. The envisaged law that will legitimise and regulate small-scale mining expects heavy deliberations. But the road is being paved through social dialogue, towards creating an environment that broadens participation to this sector’s benefit.
Vending policy in Mongolia

Supporting sectoral policy to enhance entrepreneurship and job creation

Background

The IE Project conducted studies on street vending in Cambodia, Mongolia and Thailand. In developing countries where the greater part of the labour force is unskilled, vending is one occupation that can quickly absorb surplus labour and bring in quick revenues. Unfortunately, the allocation of market space has been an overlooked tool for development and employment policy. Governments frequently view street vendors as an eyesore and a bane to society. Yet, where cities have demonstrated a more inclusive policy, it is found that vending creates a dynamic local economy where people earn adequate incomes, local cultures and products are continually developed, local revenues are generated, and creative energies redirected to lawful activities.

Street and market vending emerged in Mongolia since mid-1990s, during the transition to a market economy. Today, street vending has become an inseparable part of city life. Unfortunately, municipalities mostly pursue a restrictive policy towards street vendors. The IE Project collaborated with Mongolian Cooperative Training and Information Center (MCTIC) and Central Union of Mongolian Trade and Consumers Cooperative (CUMTCC) in conducting a study on street vending in three cities of Mongolia.

The objectives of the study were to understand the conditions faced by vendors in Mongolia, examine local policies on street vending, identify good local practices and recommend solutions to expand opportunities in this subsector for income augmentation. A survey of 300 vendors was made in the cities of Ulaanbaatar, Darkhan and Erdenet. Customers were also interviewed as well as 25 managers of trading areas, 24 local officials and 25 ministry officials.

Main findings

- Street vending and small scale trading have already occupied its place in the Mongolian economy and have become a source of living for part of the population. A total of 133,000 people are engaged in small-scale trading realise sales totaling 1.3 trillion MNT, of which 52.6 percent is informal (Source: State Statistical Office).
- Around 92 percent of decision makers and public officials recognised that small vendors take care of their livelihood without asking any support from the government while 99.2 percent of customers mentioned that small vending increases employment and is a source of income for many.
- There is no clear regulation or policy on small vending. 63.5 percent of decision makers agreed with this. Around 90.6 percent of small vendors do not know about the government and local municipalities’ policy.
- Authorities do not appear supportive of vending activities. They introduce strict measures to collect fees, taxes and fines. Around 51.8 percent of vendors responded that it is very complicated to obtain licenses and they have to pay additional fees and contributions.
- There is no flexible tax system, as all vendors pay same amount of patent fee regardless of their earnings.
- Small vendors have very limited access to financial services. Business loans from banks and other financial institutions are short term and carry high interest rates. Only 39.3 percent of vendors had a chance to borrow from banks while 50 percent borrowed from their friends, relatives and business partners.
- Customers are satisfied with vendors as they are accessible, have flexible working hours and offer prompt services. They want small vendors to observe better sanitation and hygiene standards. In total, 58.6 percent of customers are satisfied with their services.
- The most difficult problem is social security. Around 88 percent of small vendors of working age say that they are not covered by social and health insurance.
- 21.2 percent of vendors evaluated their location as satisfactory, 42.5 percent as not bad and 36.3 percent as not satisfactory. Most of the vendors work on the street and do not have permanent workplaces.
- 73.2 percent of vendors answered that their earnings are not sufficient for their sustenance. The main reason is high competition and low purchasing power of population. Around 39 percent of vendors are not happy with their work, stating that their only reason for engaging in the activity is the absence of any other option.
Recommendations

Among the recommendations of the study:

1. Improve the legal environment for small and street vending, as follows:
   - Develop an independent Law on Trading with a chapter on regulation of small and street vending.
   - Incorporate provisions to support small vending in the draft Law on Small and Medium Enterprises.
   - Develop and implement a special program for small scale vending.
   - Organise a national workshop on small-scale and street vending with the participation of small vendors.
   - Review and make necessary amendments on service standards for trade businesses.
   - Register small vendors at the local administration level.

2. Create an enabling economic environment for small vendors:
   - Conduct a survey on possibilities of setting up a credit fund for small and street vendors.
   - Develop loan products that would meet vendors’ requirement and business cycle.
   - Develop differentiated tax rates for street vendors.

3. Improve the quality of services provided by street vendors:
   - Develop a standard design for street vending places (stalls) taking into account access to basic utilities. Portable or mobile stalls can be developed.
   - In city planning processes, special focus should be on allocation of places for small and street vending.
   - Improve the effectiveness of inspections. This should be done on a regular basis and should be supportive of small vendors.
   - Introduce a one-stop service to coordinate and regulate all issues related to taxes, permission, fees, information and consultations.

4. Improve skills of street vendors, in response to the following training needs:
   - Organise step-by-step training on trading and managing a business.
   - Conduct short-term training for street vendors on the efficiency of loans and business development.
   - Support street vendors on setting up savings and credit cooperatives.

5. Improve social protection of street vendors:
   - Develop a better system of social and health insurance suitable for street vendors.
   - Support street vendors through consultations in organising an association that would protect their interests.

Follow-up activities

The study findings mobilised local stakeholders into examining this issue further and developing appropriate policies to permit and regulate street vending. Follow-up activities included:

- A consultative meeting on improving the legal environment for small trading activities was organised on 3 February 2006. Detailed comments were provided by the Ministry of Industry and Trade, Ministry of Justice, Ulaanbaatar city and district municipalities, State Professional Inspection Agency, CUMTCC, MCTIC and representatives of small vendors. A working group of seven members was formed to follow upon the recommendations.

- The working group developed proposals to amend existing legislation and developed recommendations for Ulaanbaatar and other cities as well as for the State Professional Inspection Agency.

- A desk survey on best practices on street vending policy was done by MCITC, with support from the IE Project, and cases were compiled.

- A simple manual for street vendors was developed and used during skills training for vendors. This training was organised in 4 districts of Ulaanbaatar and Darkhan with the involvement of 122 street vendors.

- Entrepreneurship training (using ILO training packages Get Ahead and SIYB) was organised for 150 vendors.

- Mongolian representatives from the Ministry of Trade, Ministry of Labour, UB municipality and MCTIC participated in the Theme Seminar on Street Vending Policies in Bangkok, Thailand, on 8-11 May 2006. Field visits were made in Bangkok and Chiang Mai.
Gender-based entrepreneurship

Creating entrepreneurs and entrepreneurial trainers

**Background**

Realising that micro-entrepreneurs in the informal economy have limited access to gender-specific business development services and networking opportunities, the ILO developed a training package on gender and entrepreneurship called “GET Ahead for Women in Enterprise”. This training package differs from conventional business training materials as it highlights essential entrepreneurial skills from a gender perspective. GET Ahead Training uses games and actual participants’ experience to convey business practices and messages. Through games and participatory exercises, it is also able to address behavioural constraints (e.g. risk taking, personal commitment) which are important to entrepreneurial success. GET Ahead highlights essential business skills from a gender perspective. It promotes both the economic and social empowerment of women alongside men in enterprise.

The GET Ahead programme includes the following modules: (1) Basics on Gender and Entrepreneurship, (2) Business Woman and Her Environment, (3) the Business Project, and (4) People, Organisation and Management.

**Work done**

Under the IE Project, Get Ahead was very successfully implemented in Mongolia. Two training of trainers (ToT) were held as well as an advanced course for trainers six months after the first ToT. Training of entrepreneurs (ToE) workshops spread rapidly, reaching almost 1000 entrepreneurs within one year. The key activities, in detail, are:

- Two Training of Trainers held (19-28 Sept 2005 & 27 Feb - 9 March 2006)
- Refresher Course on Multidimensional Learning (13-17 March 2006)
- Training of Entrepreneurs (ToE) by participants supported by the IE Project (and others carried out by partners on their own).

Key to the success of this programme is the effective use of modern training techniques such as games, role plays and case studies. Participants consistently expressed, through their daily and final course evaluations, that they were highly satisfied with both the content and method of GET Ahead. One NGO director opined that the participatory method – or deriving business solutions from the learnings of participants - is a very welcome method in their country where people had been used to pedagogical methods and being simply told what to do.

Another factor for its success is the high level of skills of the lead trainer who is a very experienced trainer in experiential and adult learning methods. Another contributing factor is the conduct of ToEs after the five-day ToT where participants carry out the programme with actual entrepreneurs under the close guidance and mentoring of the lead trainer.

*“Our Association very much appreciates ILO’s Get Ahead training. We use it with people who have been unemployed for a long time. They usually are very much isolated from social life and they do not feel confident. Get Ahead inspires people and motivates them while teaching them basic entrepreneurship. We have participants who have low education or are illiterate and this training allows them to learn how to do business. We want to organize the people who participated in this training into groups and already established one in Sukhbaatar district.”*  
- Mr. Tsagaankhuu, Head of SME Development Association

**Training of trainers**

- The first ToT was organised by the IE Project. Participants included Labour and Social Welfare Service Office (LSWSO under the MOSWL), Mongolian Employers’ Federation, Trade Union Federation of Private Sector Workers, Mongolian Cooperative Training and Information Center (MCTIC), ADB project on expanding the employment opportunities for disabled people, CHF Ger Initiative Project, Mercy Corp Gobi Initiative, UB City Women’s Council, Mongolian Youth Development Center, and “Tegsh mur,” a local development organisation.

- The second ToT was organised by the IE Project on a cost-sharing basis with World Vision Mongolia on 27 February - 9 March 2006. Participants included business advisors from World Vision Mongolia, officers from Labour and Social Welfare Service Departments of 9 districts of Ulaanbaatar, SME Development Association, Traditional Craft Development Center – Duuren sanaa, Young Women Center – Gunj and some skill training providers. This ToT was followed by ToE, which involved 19 participants engaged in retail trade, production of traditional boots and clothing, felt items, mobile telephone operators etc.
**Training of entrepreneurs**

- Between October 2005 and February 2006, the IE Project supported 11 ToE workshops involving 257 entrepreneurs. Participants are mostly low-income women engaged in retail trade, garment and handicrafts production or making food items. Training workshops were organised in Khan Uul, Songinokhairkhan, Chingeltei districts of Ulaanbaatar, Batsumber, Jargalant soums of Tuv aimag, Selenge and Darkhan-Uul aimags.

- The trained trainers also implemented Get Ahead on their own resources. CHF Ger Initiative conducted Get Ahead training for 10 business advisors working in community-based offices; 2 training seminars were organised for owners of small food stores in remote ger areas of Ulaanbaatar (24 participants); one training was conducted in Dornod aimag with 20 participants of which 5 started their businesses after the training.

- Mercy Corp’s Gobi Initiative incorporated some sessions of Get Ahead training into their training programme called Young Leaders of Cooperatives. This training was delivered to 89 participants in Gobi-Altai, Umnugovi, Bayankhongor, Uvurkhangai and Govisumber aimags. They found the business games and cases quite useful and effective in delivering training.

- One of the trainers, Ms. Altantsetseg, collaborated with the LSWSO and SME Development Association in implementing Get Ahead training for more than 700 people undergoing vocational training under the Employment Promotion Fund. They combined skills training courses with Get Ahead, giving participants both a strong motivation and basic knowledge on entrepreneurship. It is observed that participants of Get Ahead undergo behavioural changes. While most of the unemployed who attend their skills training workshops are passive and non-participatory, those who have gone through Get Ahead exhibit more enthusiasm.

**Refresher Course for Get Ahead Trainers**

On 13-17 March 2006, the IE Project organized a Refresher Course on Multi-Dimensional Learning (MDL) and Structured Learning Exercises (SLE). Eighteen trainers earlier trained in September 2005 participated in what is hoped to be only the first in a series of refresher training workshops to upgrade Get Ahead trainers continuously. The main outcomes, based on the report of the lead trainer, Mr. Rex Resureccion, are:

- The participants renewed their solidarity and networking. They organised themselves into a GET Ahead Trainers Association which will be the contact point for future networking and assistance.

- The participants learned to facilitate new SLEs which taught them opportunity seeking, avoidance of corruption and unethical practices, persistence, marketing, finance, management, production, franchise system, etc. These increased their repertoire of SLEs. Their facilitation of the same increased their self-confidence to the point that they now aspire to become international trainers in the future.

- They learned the “how tos” of designing their own original SLEs. This skill is a high level training competency that many international trainers do not even possess.

- Their commitment to GET Ahead was heightened.

- A constructive spirit of competition helped in producing high quality output. Their creativity was convincingly demonstrated through the MDL and SLE sessions.
OSH technologies for informal work

Practical strategies for homeworkers and farmers

Background
Many informal economy workers in Mongolia fall under the category of self-employed people, having created workplaces by themselves within their residence. Home-based work in Mongolia includes various types of small-scale manufacturing activities such as sewing garments, making leather and fur items, boots, knitting, handicrafts, carpentry, jewelry, processing of food or raw materials of animal origin. Materials, equipment and machines have been bought into homes for production and pose numerous occupational safety and health (OSH) hazards to workers and their families.

Home and workplace visits undertaken by the ILO Informal Economy Project revealed that almost all workers were not aware or did not pay attention to OSH hazards and had little access to OSH information. Common hazards include arduous work positions, long working hours, use of unguarded machines, exposure to chemicals, poor lighting and electrical/fire dangers. Welfare facilities such as toilets are not adequate. Home-based workers in Mongolia, therefore, need urgent technical support and practical measures in improving working conditions.

In the agricultural setting, Mongolian herders and farmers also confront safety and health hazards. OSH risks include manual handling of heavy materials and loads, strenuous work postures, long and irregular working hours, and exposure to extreme weather conditions use of pesticides and other chemicals. Welfare facilities are almost absent. Farmers, workers and their families are exposed to extreme climatic conditions. Farmers and agricultural workers have little access to OSH information on how to protect themselves.

Work done
The IE Project collaborated actively with ILO SRO Bangkok Senior Specialist on OSH in introducing ILO’s work improvement programmes in Mongolia. These work improvement programmes were designed to provide workers with practical and low-cost measures in improving safety, health and working conditions. The following were implemented in Mongolia with the support of the IE Project:
- Work Improvement in Safe Homes (WISH) – for home-based workers
- Work Improvement in Neighbourhood Development (WIND) – for agricultural workers

WISH for home-based workers
A trainers’ training workshop on WISH was organised in Ulaanbaatar on 28 February – 1 March 2005. The workshop was the first step towards providing practical support for homeworkers in Mongolia to address OSH issues. The training involved 29 participants from the following organisations:
- State Professional Inspection Agency (Ulaanbaatar, Orkhon and Darkhan-Uul aimags)
- Labour and Social Services Office
- Tuv aimag Labour and Social Services Office
- Confederation of Mongolian Trade Unions

Since then, a total of 206 home-based workers have been trained on WISH, of whom 173 are women.

A follow-up training for WISH trainers was carried out by the ILO specialist on 1 July 2005 - three months after the first trainers’ training was completed in March. The specialist also visited home-based workers who were trained by local trainers. Indeed, improvements have been quite discernible.
Some improvements observed when the WISH trainers visited participants three months after the training.

WIND for herders and agricultural workers

As for WIND, a training of trainers was held on 4-6 July 2005 in Batsumber soum in Tuv aimag. The ToT involved 29 participants from the following organisations:

- Ministry of Social Welfare and Labour
- Labour and Social Welfare Service Office
- State Professional Inspection Agency (Ulaanbaatar)
- Tuv aimag Labour and Social Welfare Service Office
- Ministry of Food and Agriculture
- Mongolian Employers Federation (Ulaanbaatar and Khovd aimag)
- Gobi Initiative Project
- Trade Union Federation of Agriculture, Food and Environment Workers (Ulaanbaatar and Selenge aimag)
- National Association of Mongolian Agricultural Cooperatives
- Food and Agricultural Department, Tuv aimag
- Baganuur district Women NGOs Network
- Central Federation of Mongolian Trade and Consumer Cooperatives

The trainers’ training was followed by training of farmers. A total of 19 participants from 10 farming households of Batsumber soum were involved. Husband and wife were invited so that they are able to support each other in applying new work practices.

The newly-trained trainers thereafter conducted four (4) WIND training for agricultural workers in Khushaat soum of Selenge aimag, Baganuur district of Ulaanbaatar, Bornuur and Bayanchandmani soums of Tuv aimag. A total of 86 (60 female, 26 male) farmers, vegetable growers, tractor drivers participated in the training. WIND was the first ever training they have received on occupational safety and health. The participants highly appreciated the participatory method of the training and the use of simple checklists in real workplaces. Training evaluations show that:

- OSH training is in high demand, such that there is need to organise more training
- Agricultural workers need to learn the basics of safe work and employment conditions
- A participatory approach is the most effective and convenient method of training
- There is a need to develop simple instructions on safe work, specific to the conditions of agricultural production in Mongolia.

“I am very glad that I participated in this training. Safety and health is a very important issue. Today many people, in particular, people who work in their milk farms do not pay attention to their health and working conditions. This training reminded us of the important question of ‘labour protection.’ People should know how to work properly even in their small workplaces.”

- comment from evaluation of WIND training done in Bayanchandmani soum on 27 February 2006

“Today you organised this important training in our soum and involved 10 households. But our soum has much more than 10 households … and these people need such training as well. So, I would like to request to conduct this training for all people in our soum.”

- from the closing speech of Khushaat soum Governor, Selenge aimag

WISH and WIND training materials are now available in Mongolian and in English. (WISH manual is available at http://www.ilo.org/asia/library/download/pub06-22.pdf)
OSH integrated in vocational training

Developing institutional capacities for delivering OSH information to IE

Background
The Labour and Social Welfare Service Office (LSWSO) was set up in 2006 within the portfolio of the Minister of Social Welfare and Labour. The Office is a public administrative institution responsible for nationwide implementation of the “Employment Promotion Law of Mongolia,” Law of Mongolia on “Sending labour force abroad and receiving labour force and specialists from abroad,” “Law of Mongolia on vocational education, training,” and other legislation related to employment promotion and unemployment reduction.

Recently, the OSH Training and Information Center was set up under the LSWSO. This Center is tasked to implement training, provide information and advisory services in collaboration with employers and workers organisations.

The IE Project supported the LSWSO in designing, piloting and publishing an OSH module that could be integrated into vocational training courses. Through this approach, people trained in vocational skills also gain knowledge of proper work methods. Furthermore, since vocational training students also end up as self-employed, this is also one way of providing OSH information to the informal economy.

LSWSO implemented its training courses either through its inhouse trainers or through certified skill training providers.

Work done in partnership with ILO

- A 13-day training programme (for a total of 104 hours) and a 5-module trainers manual was developed based on ILO training packages such as WISE, WIND, WISCON, WISH and JILAF POSITIVE:
  - **Module 1:** Basics of occupational safety and health
  - **Module 2:** Material handling, machine safety
  - **Module 3:** Physical environment and hygiene
  - **Module 4:** Work organisation
  - **Module 5:** Industrial accidents and occupational diseases; first aid

  The training module was designed with a participatory approach. Simple checklist, role plays, video sessions, group works and discussions are the main training methods used.

- A training of trainers workshop was organised on 24-25 October 2005 with the participation of Labour and Social Welfare Service staff from all aimags and districts. The trainees learned about OSH-related legislation, OSH standards, and practical skills on using a workplace checklist. They were also trained on the basics of adult training methodology.

- An OSH training workshop was piloted using the developed module. This was organised in Khan Uul district of Ulaanbaatar and Selenge aimag. The objectives of the training workshop were to test the designed modules and to impart knowledge and skills on OSH to vocational training providers. It was intended that these modules would be incorporated into the training curriculum of vocational training courses for unemployed or self-employed people.

  It was found during these pilot training workshops that participants easily gain basic understanding of OSH. They learned to quickly identify potential hazards in their workplaces and indicate how they could carry out low cost, step-by-step improvements. The participatory approaches used proved to be very effective.

  The manual was published by LSWSO. LSWSO plans to conduct OSH training on a regular basis within the curriculum of skill training courses. They also plan to train more trainers from vocational skill training providers.

  Furthermore, they have cited the need to develop OSH modules that are specific to certain types of occupations or industry.

  LSWSO published a manual on how to conduct OSH within vocational training courses.
OSH in national policy

Cross-fertilisation between practical strategies and national policy

The 91st Session of the International Labour Conference (2003) discussed a global strategy towards promoting occupational safety and health (OSH) and recommended that priority be given to OSH in the national development agenda. It also underscored the importance of political commitment to develop, within a tripartite context, national strategies for the improvement of OSH based on a preventive OSH culture as well as an OSH management systems approach.


In spite of these developments, a number of challenges remained: the incidence of occupational diseases has not significantly decreased; occupational safety and health advocacy and training are lacking; OSH interventions taken at the national level are poorly coordinated, regulations on financing OSH preventive measures are absent; minimal attention to developing vocational rehabilitation services for people disabled through industrial accidents or occupational diseases. These remain some of the primary challenges.

The National Programme on Improving Occupational Safety and Health Environment (2005-2010) was developed in conformity with ILO’s recommendation and based on the need to solve the existing problems on occupational safety and health. With a good proportion of the Mongolian labour force engaged in microenterprises and home-based production, the IE Project lent its support (with technical input from ILO specialists from Beijing and Bangkok) to the Ministry of Social Welfare and Labour in the drafting and deliberations towards finalising the National Programme on Improving Occupational Safety and Health Environment (2005-2010).

There are provisions in the National Programme pertaining to the informal economy. For instance, activities related to OSH legislation and prevention (especially on work injuries and occupational diseases) cover both formal sector and informal workplaces. The availability of suitable technologies such as the work improvement programmes of ILO enables government and social partners to envisage strategies suitable for the informal economy. On the informal economy, government vows to:

- implement a joint project with the ILO on improving work conditions in agriculture and informal sector employees.
- expand the coverage of OSH in agriculture, SMEs and informal sectors (home workers, women, children, youth and disabled persons, self-employed and vulnerable group employees), and develop the capacities with the ILO support to provide counseling on OSH issues to them.
Health insurance

Bringing in self-employed, herders and unemployed

Background

An important achievement of Mongolia in the 1990s was the establishment of a Social Health Insurance System. Since 1994, the health insurance fund has become one of major funding sources for the health sector. Today, health insurance is part of the broader social security scheme, which is under the responsibility of the Ministry of Social Welfare and Labor. The scheme is operated under the Health Insurance Sub Council (HIC), chaired by the State Secretary of the Ministry of Health (MoH). According to the new revision of the Health Insurance Law (2002), all citizens of Mongolia are entitled to the state insurance programme. The Health Insurance Law states that among others, self-employed persons, enterprise owners, herders, students and the unemployed are entitled to health insurance. For the self-employed, herders, students and unemployed persons, the monthly contribution is 500 Tugrik (or US$0.43). Salaried workers have to pay about 3.6 times more.

According to HIC, health insurance coverage since 1999 was relatively stable at the level of around 80 percent of the total population of Mongolia, but it declined over the last 3 years. Among the reasons for declining membership are (a) limited capacities to process information of members; (b) bureaucratic administration of collection; (c) difficulties with some population categories; (d) lack of willingness and capacity to pay among some groups; and (e) high internal migration.

In view of this, the HIC has approached the ILO through the IE Project to help them assess how they may encourage self-employed, herders, students and unemployed to register and be regular contributors. They carried out a profile of the health care and health insurance system in Mongolia and subsequently ran a survey of informal economy workers to understand their characteristics and attitudes towards the health insurance scheme.

Work done

The survey was carried out by a team from HIC headed by Ms. K. Tungalag, Secretary of the Sub Council. The study covered 2,656 people in Ulaanbaatar, Gobi Altai, Uvurkhangai, Dornod and Dornogobi aimags. The target population was self-employed or unemployed people, herders, informal gold miners and students. The survey also covered 173 staff from the State Social Insurance offices. Survey findings are as follows:

- Among the five types of insurance available (health, unemployment, family benefit, pension and occupational disease), the highest coverage for both male and female is health insurance (75.4 percent for both), followed far behind by pension (9 percent). More women are covered by health insurance (80 percent) compared to men (71 percent).
- The three main reasons for low health insurance coverage are the following: misunderstanding about eligibility (36.1 percent), lack of desire to be insured (28.6 percent) and lack of information activities from insurance institutions (25.4 percent). For other schemes, the main reason is lack of knowledge about eligibility, the second is lack of knowledge about the importance

of these schemes, the third is lack of awareness raising activities.

- For people in the informal economy, the most needed social security provisions are health insurance, pension occupational disease & injury insurance, and life insurance.

- Around 62.4 percent of respondents were willing to contribute for their social security.

- 55 percent of respondents used to work in the formal sector.

- 41.7 percent of herders and 42.9 percent of informal miners used to work in the formal sector.

- 86.6 percent of insured were satisfied by the current health insurance scheme.

- 60 percent of respondents consider that current contribution rate (500 Tugrik) is reasonable, 31.7 percent says it is high.

- There are some obstacles in getting health services, and insured persons have better access to health services.

The HIC intends to develop an action plan based on the survey findings and had requested the IE Project to support their follow up action. Unfortunately due to the completion of the Project, this collaboration will not materialise.
Cambodia at a glance

Private sector and rural development

UNDAF 2006-2010 summarizes some of the key development trends and challenges in Cambodia. Below is a summary of these trends:

✦ **Sectoral trends.** Cambodia’s GDP grew by an average of 6 percent over the past decade, fuelled mainly by a rise in industrial output, mainly textile, apparel and footwear. This was aided by a strong world trade and higher quota allocation by the US. Garment manufactures form 85 percent of Cambodia’s exports.

✦ Services also experienced robust growth owing to an increase in activity in restaurants and hotels. In contrast, agriculture has grown modestly and has even contracted in 2004.17

✦ Agricultural production remains far below its potential due to low investment, the lack of access among the poor to arable land and to markets.18

✦ **New sources of growth** needed. The phasing out of the Multi-Fibre Arrangement (MFA) in late-2004 has generated concerns about economic slowdown, especially as it affects the garment industry which is the main engine of Cambodia’s recent growth. Most economic growth of the past decade has been confined to urban enclaves, while rural growth, especially in staple food production, has barely kept pace with the increase in population.19 New sources of growth must be tapped to achieve the 6-7 percent GDP growth rate targeted in the Rectangular Strategy.

✦ **Poverty.** Although Cambodia has made important socio-economic gains over the past decade, poverty remains widespread and intense. There is a consensus that 35-40 percent of the population lives below the poverty line, with 15-20 percent in extreme poverty. Over 90 percent of the poor live in rural areas.

✦ **Informal economy.** The private sector in Cambodia is dominated by the informal economy, which accounts for 80 percent of GDP and close to 90 percent of employment.20 Much of informal employment is found in agriculture. Only around 7,000 enterprises are registered and these are focused on garments and tourism.

✦ **Women and gender situation.** Cambodia has the lowest levels of gender equity in Asia as indicated by the gender development and gender empowerment indices.21 Women are ascribed a lower status by tradition and by social attitude. This is manifested in many areas, including gender inequities in access to education and public services, low female literacy, low representation of women in decision making bodies, lower remuneration of women compared to men for the same work,22 and higher poverty levels compared to men across all economic groups23.

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18 *ibid.*
National development frameworks

Aligning with Cambodia’s ‘Rectangular Strategy’

The Informal Economy Project aligns itself with key national development frameworks in Cambodia, as follows:

- Socio-Economic Development Plan, 2001-2005 (SEDP II) and the National Poverty Reduction Strategy, 2003-2005 (NPRS) which comprise the government’s national development framework to meet the Cambodian Millennium Development Goals (CMDGs).
- UNDAF priorities which are based on the government national development plan and contributes to it realisation.

**Rectangular strategy**

The Rectangular Strategy for Growth, Employment, Equity and Efficiency represents government’s strategy to implement its political platform and to meet the CMDGs. The Rectangular Strategy focuses on key elements of the SEDP II, CMDGs, and the NPRS. It articulates four key operational priorities:

- Improved agricultural investment
- Continued rehabilitation and construction of physical infrastructure
- Private sector growth and employment development
- Capacity building and human resource development.

Good Governance forms the center of the strategy as the most important prerequisite to sustaining development.

The new National Strategic Development Plan for 2006-2010 follows the Government’s Rectangular Strategy and synthesizes the NPRS.

**UNDAF**

The United Nations Development Assistance Framework (UNDAF) envisages the following results during the five-year period, 2006-2010:

- Improved governance and promotion of human rights through institutions that function with integrity and include citizens in decisions that affect their lives and work within the rule of law.
- Higher agricultural productivity, with greater diversification and environmental sustainability, to reduce poverty in rural areas.
- Capacity building and human resources development for the social sectors, including improving access to quality health and education systems.

**Cambodian Decent Work Priorities**

The ILO has formulated the following priorities under its Decent Work programme in Cambodia.

- Productive employment opportunities are more readily available for persons living in poverty, especially in rural areas.
- National training and employment strategies are developed and institutional capacity for their implementation is improved, incorporating experience gained through demonstration projects.
- Stronger labour institutions contribute to good governance.
- Rights and securities are enhanced for targeted groups.

The three frameworks are presented below, showing common priorities and issues.

<table>
<thead>
<tr>
<th>Rectangular strategy</th>
<th>UNDAF</th>
<th>DW Priorities</th>
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<tbody>
<tr>
<td>1 Good governance identified as pre-requisite of the strategies below.</td>
<td>Good governance and the promotion of human rights.</td>
<td>Stronger labour institutions contribute to good governance.</td>
</tr>
<tr>
<td>2 Improved agricultural investment. Continued rehabilitation and construction of physical infrastructure. Private sector growth and employment development.</td>
<td>Agriculture and rural poverty, to include improved productivity and diversification of agriculture.</td>
<td>Productive employment opportunities are more readily available for persons living in poverty, especially in rural areas. National training and employment strategies are developed and institutional capacity is improved.</td>
</tr>
<tr>
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<td>Capacity building and human resources devt for the social sectors, including improved access to quality health and education systems.</td>
<td>Rights and securities are enhanced for targeted groups.</td>
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Summary of work done

Developing private sector linkages and services

The IE Project in Cambodia focused on developing private market linkages, strengthening institutions, and promoting enterprise well-being through an integrated set of interventions. These interventions include organisational development, association building, entrepreneurship training, craft and product development, occupational safety and health, and social health insurance.

In a war-torn country where institutions are progressively rebuilding from a state of devastation, capacity building and service development needs are enormous. With 85 percent of the labour force found in the agricultural sector, decent work initiatives must be located both in the growing industrial (viz. garment) sector as well as in agricultural workplaces. The growing modern sector, led by industry and tourism sectors, needs to be better linked to the rest of the Cambodian population, 50 percent of which are in poverty and 90 percent in the informal economy.

The presence of dynamic actors in Cambodia combined with the vast need for poverty reduction and institutional development provided a rich ground for conceptualising and piloting new approaches under the project. The strength of ILO’s social partners was brought to bear on the work, with employers being active in forming market linkages, trade unions in organising, negotiating, training on work conditions improvement, and the government - especially the labour, agriculture and health ministries - in extending services within their respective mandates to micro enterprises and workers in the informal economy.

Within its two years of implementation, the project supported the development of services that improved the marketing, product development and organisational capacities of associations, as a result of which membership vastly increased and satisfaction levels rose. Work improvement training was quickly replicated by local stakeholders, aided in no small measure by the practicality of the ILO tools that were delivered. This allowed many types of actors, such as trade unions, employers, the labour ministry and business associations, to implement work improvement within their target groups. Target groups included farmers, home-based workers, construction workers, and transport operators. By the end of 2005, over 72 work improvement training workshops have been organised by 22 organisations reaching over 1600 workers and entrepreneurs. Nearly 4000 workers have been organised with the support of the project through partner organisations.

The project further supported a health insurance system that allows rural populations to seek medical care from the public health units up to the provincial hospital level. The collaboration with the IE Project involved improvement of the management information system and impact assessment tools - methodologies which allowed the insurance programme to expand its reach to more people, including workers in the urban informal economy.

In all these, either previously developed ILO methodologies were used (e.g. work improvement programmes, small business association manual, rapid market appraisal) or new ones developed (e.g. trade union manual, product development and marketing manual, community development).

By the end of its two years of implementation, the IE Project in Cambodia collaborated with 30 local organisations through action programmes and capacity building activities.

Policies on business registration and gender mainstreaming were assessed and a national occupational safety and health policy was developed.

The process of development in Cambodia often involves partnerships between public and private sectors, where each brings to bear its mandate and its strengths. Under the IE Project, it was found that when the private sector combined with public agencies in testing innovations, one immediately has the flexibility to experiment, the capacity to mobilise expertise in both domains, and a better prospect for institutionalising innovations that were found to work.

In Cambodia, as stressed earlier, the road to development is both progressive and process heavy. It may be said that the project has contributed to bringing local strategies to a different level - in terms of replication, addressing previous bottlenecks, injecting new methodologies - but all these are dependent on the continuous strengthening and development of institutions which unfortunately are still often fragile.
Business registration

Easing the barriers to formalisation of micro and handicraft businesses

Through a collaboration between the International Labour Organisation (ILO) and the Artisans’ Association of Cambodia (AAC), a study was carried out to examine business registration procedures and the current legal environment for micro and small businesses, NGOs and associations. This study also examined import and export procedures. It included an interview with 15 Cambodian entities involved in the production, sale, and/or export of Cambodian handicrafts.

Issues concerning business registration

There are no accurate statistics on either total employment or total revenues generated by the handicraft sector. From the small sample population used for this study, it can be estimated that the handicrafts industry supports the livelihoods of thousands of families and promotes total sales well in excess of US$3 million. Relative to other sectors, such as the garment industry or agriculture, the handicrafts industry is small. It appears to be growing at least at a 10 percent annual rate and is worthy of attention for the value it provides to export trade, employment and cottage industry development.

Cambodia’s enabling business environment and the business registration process has received considerable attention from donors in recent years, especially since foreign direct investment (FDI) has fallen dramatically since 1996. Committed contributions to develop an enabling business environment from donors such as the World Bank, ADB, IFC, European Union, Germany, Japan, and others are estimated to exceed US$6 million in technical assistance alone. Analysis has shown the business registration process to be inefficient and typified by requests for unofficial fee payments to facilitate public services. At the policy level, recent announcements by the Royal Government of Cambodia (RGC) indicate a willingness to streamline the business registration process to create a more enabling business environment.

At the operational level, this willingness has been difficult to translate into actionable achievements. Corrupt practices appear to remain endemic. As a result, businesses continue to focus on searching for “facilitating agents” rather than concentrating on more important issues, such as increasing productivity and improving quality, developing markets, and acquiring necessary business skills.

Importing and exporting of handicrafts

Importing and exporting processes are typified by non-transparency and negotiation for services. Handicrafts-related entities interviewed for this study indicated that the importing and exporting processes are so complex and time consuming that most entities choose to use a freight forwarding company to perform the negotiations with customs and other agencies and to pay the resulting high fees. Freight forwarding firms have existing, long-term relationships with the importing and exporting agencies, which allow them to have a better negotiating position than individual entities. Still, freight forwarding firms interviewed for this study indicate their frustration with the time consuming processes and constant demands for facilitation fees.

The 15 Cambodian handicrafts-related entities interviewed are generally upbeat about the prospect of improved market for handicrafts products, both at retail and export levels. The business environment for the 15 entities varies considerably; some experience doubling of sales volumes each year, while others are witnessing significant declines. Overall, management capacities are weak, with minimal experience in business development or exporting. Due to the complexity and corruption involved in the business registration, importing, and exporting processes, most of these entities choose to remain as non-government organisations (NGO) with the intended purpose of operating at lower cost and avoiding income, salary, and other taxes.

Possibly due to their desire to maintain a low profile, handicrafts entities receive almost no recognition from the donor community and have little or no representation as an important sector of the economy. Improving the profile of the industry, obtaining technical and financial support from donors, representing their interests in government decision-making circles – these would lead to better opportunities for handicraft businesses to create employment, increase exports and eventually become profit-making businesses that can better contribute to the wealth of the nation.

One of the most important recommendations of this study is for the individual businesses, NGOs, and associations to form one or more industry associations. As a member-based organisation, AAC works as an interest group that advocates for reforms. It also advises members on registration and exporting procedures. This study found that associations such as those formed by garment companies play an important role in helping members overcome bureaucratic entanglements and also to push for necessary reforms. This is a role that AAC is continually strengthening as further informed by this study.

Representation and governance

Strengthening organisations in different forms

Development of Organisations
Association building in the informal economy is nascent in Cambodia. Management skills, ownership structures and administrative systems are informal. Services are also not well developed. Where revenues are being earned from services, the absence of systems and procedures eventually leads to internal problems with high potential for organisational breakups. The IE Project finds that one of the important roles it could play is to support organisations and strengthen their services. The project looked at member-based organisations, trade unions or workers’ associations, small business associations (SBAs) and community-based self-help groups, working to develop their capacity, thus addressing the organisational challenges and improving their service.

Member-based Organisation – In partnership with Traidcraft Exchange, UK and HR Inc. Cambodia, the IE Project implemented an eight-month organisational development consultancy to strengthen Artisan Association of Cambodia (AAC) as a member-based organisation. AAC currently has 27 handicraft producing member groups that employ over 600 workers. Coming in the heels of a product design and marketing consultancy, the organisational development initiative was timely as it would build AAC’s capacity to respond to new marketing opportunities and new product plans.

Using a mentoring approach, the consultancy has provided AAC and its four member organisations (Leather Craft, Khmer Life, Rehab Craft and Watthan) with the ability to address organizational issues such as structure and ownership, strategic business planning and appropriate internal procedures and regulations.

Under the consultancy, 10 participants (two managers and an assistant from each organisation) received training and coaching in:
- Developing a suitable organisational structure - ownership, organisational charting, vision, mission and objectives
- Conducting organisational needs assessment, strengths-weaknesses-opportunity-threat (SWOT) analysis, and business planning
- improving or developing financial systems, internal rules and regulations.

Throughout the consultancy, improvements were observed as follows:
- Participants showed better understanding of the role and importance of their organisation.
- Participants understood the strengths and weaknesses of their organisation and developed strategies to address them.
- They demonstrated the ability to address challenges or constraints that are personal and/or business related. They have now redesigned their organisational structure and updated the organisational vision, mission as well as internal procedures and regulations. They also developed realistic business plans and mobilised resources for implementation.
- Lessons and good practices are documented out of this consultancy and will be disseminated among key stakeholders.

An organisational development mentoring service developed out of a pilot project among the IE Project, Traidcraft, HR Inc. and AAC. The service is replicated with more Cambodian associations after the IE Project is completed.
Trade Unions – More and more workers organisations are trying to expand to the informal economy. Some trade unions include informal economy workers in their membership and assist them in negotiating with public authorities and private companies. Others want to reach out to unorganised workers in micro and home-based enterprises. Amidst all this, however, the legal environment prevents them from registering as trade unions per se; furthermore, they do not have collective bargaining rights. Some IE workers’ associations deal with this situation by registering as non-profit associations and afterwards affiliating with trade union federations. Such an affiliation strengthens their negotiating capacity and collective bargaining power.

In support of efforts by these workers’ organisations to reach out to the informal economy, the IE Project developed a manual for trade union organising in the informal economy and supported a trainers’ training workshop on organising in the IE. This was carried out in cooperation with the ILO Worker Education Project (WEP). The course was held in Phnom Penh in August 2005. The training covered several topics on informal economy and trade unions’ role in it, with focus on strategies for extending the reach of trade unions. The manual further surveyed models implemented in different countries. In Cambodia, 28 union leaders and educators attended the training.

It was found after the training that the participants applied their learnings in intensifying their organising work. For example, IDEA, a newly-formed association devoted to informal economy workers, adopted and implemented the organising strategies which they learned. IDEA conducted nine (9) training workshops on organising in the informal economy. A total of 335 participants (225 men and 110 women) attended the training. Together with its action programmes supported by Coalition of Cambodian Apparel Workers and Democratic Union (CCAWDU) and World Confederation of Labour (WCL) with which it affiliates, it has organised over 300 workers in the informal economy such as beer promotion girls, waiters/waitresses, motorcycle taxi drivers and vendors. Another course for 30 IE workers was recently implemented with financial support from the IE Project.

Small Business Association – Like workers’ organisations, small business associations face similar challenges. One of the challenges is that Cambodian associations are incipient and structurally weak. Building on the regional experiences and available ILO tools, the IE Project, in collaboration with the ILO Integrated Support to Small Enterprises in Mekong Delta Countries (ISED), held a sub-regional SBA workshop in Phnom Penh in January 2005 where five countries (Cambodia, Lao, Vietnam, Mongolia and Thailand) shared their experiences. An ILO SBA manual was introduced in the workshop. It was later adapted and translated into Khmer by ISED.

The IE Project followed this up with a partnership with Traidcraft and Artisan Association of Cambodia on strengthening AAC as a member-based organisation through an eight-month mentoring and consultancy (as described above). The IE Project also supported the Training of Trainers workshop on the SBA manual which was spearheaded by ISED. This workshop was held in August 2005 with 25 participants (10 women and 15 men).

Subsequently, local trainers developed a network that provides training to microentrepreneurs and farmers in many parts of the country. For instance, 16 entrepreneurs were trained by local trainers with support from ISED; another 15 smallholder farmers who joined the IE-supported Smallholder Vegetable Production Project were trained in association building by Agrikhmer in May 2006.

Self help organisations – The IE Project partnered with PADEK (Partnership for Development in Kampuchea) in providing capacity building interventions in self-help community shops. The objective has been to improve the technical skills and managing capacity of shop management committees and sellers in order to operate the shop as a rural commercial point in the communes. A total of 12 community shops are now operating in communities assisted by PADEK. These shops were established in most remote areas where there were no markets. These community shops
supply goods and help communities earn additional incomes. They also link farmers to markets. The community shops are cooperatively owned by rural households and managed by a management committee. By 30 April 2006, there were 678 shareholders (76 percent women) of the 11 operating shops with a total share of 26 million riel (US$6,500).

Under a 15-month partnership, a total of 494 participants (49 percent women) received training on the development and operation of community shops. Of these, 331 were trained in the concept and function of a community shop, 115 trained in business planning, bookkeeping and shop management and 48 in stock control and customer service.

Initial impacts observed with the first annual meeting of shareholders/members of a community shop in Siem Reap are as follows:

- Improved capacity of the management committee members in managing and operating the shop in a business-like manner.
- Increased membership after the 1st annual shareholder meeting in Siem Reap. This shows that people in the Leang Dai Commune have started to value their community shop.
- Sellers are able to perform stock control and bookkeeping according to a system introduced by Padek.
- Sellers and the committee are able to plan together and identify goods needed by the community.
- 50 percent of the shop management committee is made up of women while 65 percent of shareholders are women.
- Financial return is high at 37 percent of the invested capital (as net profit 1,688,152 riel with 7,400 riel per member in the 1st year).

Within this partnership, the project also contributed to documenting the experience of PADEK in promoting self-help groups (SHGs). SHGs are the primary partners of PADEK. They are community-based organisations that catalyse self-reliance among rural and urban poor in Cambodia. SHGs provide villagers with the opportunity to engage in group processes, helping to build people's confidence in interacting with formal institutions. SHGs also provide women with leadership opportunities in their communities. SHGs are seen as an important instrument in building and strengthening civil society. This publication highlights a model of saving and credit schemes developed and run by these SHGs under PADEK’s organizing framework. This publication is distributed to community development partners, NGOs, government officials and policy makers.

The IE Project contributed to the publication of a handbook on partnerships between civil society and commune councils in Cambodia. This initiative was spearheaded by the Working Group on Partnerships in Decentralisation, with contributions from JICA, Oxfam, UNDP, UNICEF, ILO, among others. This was followed up by a collaboration between the IE Project and PADEK (Partnership for Development in Kampuchea) where they documented and set into a user-friendly manual PADEK’s participatory local planning methodologies.

**Manual on Building a CBO & Participatory Local Governance** – The IE Project contributed to documenting PADEK’s community-based strategy called PIDCM or Padek Integrated Community Development Model. In manualising its PIDCM, PADEK shares its lessons learned from years of experience in promoting participatory governance within communities. This manual provides guidance to local development practitioners and other NGOs which have the same objectives and who have approached PADEK for guidance in promoting community development. This 50-chapter manual also captured experiences and lessons learned in promoting participation in commune councils. The manualisation process by itself went through a participatory and consultative process. A draft manual has been completed and will be printed by PADEK.
Productivity and market access

Linking rural economies to growing local industries in three sectors

1 - Promoting and Developing Handicraft Products

The handicraft sector is one of the fastest growing industries in Cambodia. It provides income and employment opportunities for the rural and urban poor who have little or no education. Most handicrafts skills in Cambodia are passed through generations, either within a family or through informal apprenticeships. While raw materials such as bamboo, rattan, wood and silk are abundant in Cambodia, production is widely organised and conducted at the household level with methods that are often inconsistent and less competitive. The design and quality of Cambodian handicrafts made with these materials therefore do not meet the standards demanded by the export market and the upscale tourist market.

Integrated support to market and organisational development

In partnership with the IE Project, the Artisans’ Association of Cambodia implemented a support program to build capacity of AAC and its handicraft-producing members. This 15-month intervention supported the following:

- Product design and marketing through training and consultancy
- Organisational development of AAC as a member-based association through training and consultancy
- Work conditions improvement through training using ILO’s work improvement tools, supporting fair trade practices and its social accountability requirements
- Setting up and visiting trade fairs
- Exchange visits among handicraft sector development partners.

The intervention involves AAC itself as a member-based organisation and its 27 member groups. These member-producers and enterprises employ over 600 workers. Around 33 and 77 percent of the employees are people with disabilities and women, respectively. Under this consultancy, all 27 member-organisations received design and marketing training and coaching, including textile design, production efficiency, exhibit skills, marketing analysis and research, and export procedures.

Five organisations, including the AAC, have undergone organisational development consultancy, mainly through coaching and mentoring, with Traidcraft Exchange, UK, and HR Inc. The consultancy addresses issues concerning the organisational structure and ownership, strategic business plan and internal procedures and regulations.

Over 100 workers have furthermore been trained in Work Improvement for Safe Home (WISH). AAC members also participated in a number of national and international trade fairs and numerous exposure trips and visits. Participants have learnt how to conceptualise and prepare for local and international trade fairs through discussing and brainstorming ideas to create effective trade fair booths, drawing up possible designs, choosing colour pallets, constructing stands and selecting high quality, unique products to display. The training content and AAC’s experiences are documented in Handicraft Sector Design and Business Development Manual, published by the ILO / IE Project (http://www.ilo.org/asia/library/download/pub06-16.pdf).
Impact after 15 months
Due to these improved services, AAC’s membership increased from 12 to 27 enterprises during the project period. AAC has now developed a plan to work towards its sustainability. Members are now paying membership fees to cover some of the basic operational costs while before they had not been willing to. In the future, charges could also be made to cover the cost of training courses and the services of the advisors providing direct training.

Further achievements and impacts of the program are detailed in the following box. The information is compiled based on an evaluation conducted in April 2006 by an external consultant.

At MBO (member-based organisation) Level
- Membership has grown from 12 to 27 organisations during the project period, with members now paying membership dues while previously they had not been doing so. A number of organisations are applying as new members.
- The member organisations and AAC have a genuine commitment in working together and enthusiasm to continue to implement the training they have already received.
- AAC and its members have created links and are working in collaboration with government agencies and NGOs.
- Marketing and design staff have learnt how to use computer design programmes for design development, developed an understanding of colour theory and its uses as well as the value of branding in marketing. They obtained the ability to develop appropriate and effective marketing materials and branding that suit the needs of the target market.
- Leaflets, brochures and other promotional materials were developed, including AAC quarterly newsletter. AAC has improved demonstrated ability to produce promotional materials to market its profile and members’ business.
- It is clear that AAC has raised its profile as an association and has supported the development of its member organisations.

At Member-Enterprise Level
- Increased export sales from US$637,372 to US$837,782 - an increase of 24 percent in 2005 alone from all 27 organisations.
- Improved range of products.
- Improved communication skills with international buyers, including the ability of using internet and forming a better understanding of foreign buyers via face to face meetings and email communication.
- Producers have developed a better understanding of the process of product development and now have the ability to negotiate designs from buyers’ emailed specifications and develop them into appropriate samples.
- Training provided in various topics was well received by members. All members interviewed revealed that they had implemented many of the activities learnt from the training provided and felt that this had had a positive impact on the development of their business.
- Members are now more confident in running their businesses.
- Members have participated in a number of national and international trade/gift fairs in Cambodia, Thailand, Japan, Malaysia and Hong Kong-China under coordinated efforts and co-organised by AAC.
- AAC members’ products are now exported for sale in 16 countries including the United States, Canada, 9 European countries and 5 Asian countries.
- AAC members gained appreciation of the value of working as a team within the association. A culture of collaboration developed with members referring buyers to each other.

At Individual Level
- Among all 27 enterprises, over 50 percent are managed and directed by women.
- Increase of workers from 377 to 635 (2005) of which 77 percent are women, with an increase from 25 to 33 percent of people with disabilities, who are now given improved opportunities to support themselves and their families with dignity.
- Workers/producers tend to be paid on piecework basis and the majority of newly-recruited producers received an average income of US$70 per month.
- Several organisations report that they are now able to recruit and train more producers thus providing opportunities for more vulnerable and/or disabled members of society.

Wat Than Association had to pick itself up slowly after its donor ended its support in 2004. Try Suphearac of Wat Than transforms from an unwilling manager of a group unprepared for self-management (at the beginning of the IE Project) into an active mover of this fast growing enterprise. Wat Than underwent training and counseling on marketing, product design and organisational development.
2 - Linking Cambodian farmers to growing sectors

Despite its bustling tourism, Siem Reap remains the second poorest province in Cambodia. Local people living around and within Angkor Archaeological Park – a popular destination for tourists all over the world and the top earner of Cambodia’s tourism industry - struggle hard to to make ends meet.

A recent survey reveals that nearly 80 percent of fruit and vegetables coming into Siem Reap are imported from neighbouring countries and consumed by over one million tourists. An estimated 70,000 smallholder farming households living in abject poverty have not changed farming practices from subsistence methods. Local farmers lack the necessary skills and confidence to change practices in order to take advantage of the growing local tourist industry. Also, farmers typically have no clear business or cropping plans, keeping production within a subsistence level. Monoculture cropping systems leave farmers vulnerable to changing market forces, pestilence and natural anomalies – thereby utilising farm resources inefficiently.

Training of farmers for new markets

The IE Project partnered with the Human Resources and Rural Economic Development Organisation (HURREDO), AGRIKHMER and the Provincial Department of Agriculture, Forestry and Fisheries (DAFF) in building the capacity of farmers to produce marketable vegetables for Siem Reap restaurants and hotels. These establishments normally purchase vegetables from neighbouring countries such as Thailand and Vietnam. This 15-month intervention involved:

- Introducing better work methods to improve product consistency, production predictability and work organisation
- Developing a local supply chain of fresh vegetables and market linkages
- Training extension workers from the DAFF in production efficiency and responsive extension services.

A total of 100 farmers completed the whole cycle of training while another 36 were in different stages of training. Of the first 100 farmers, 60 grow and sell vegetables to hotels and restaurants on a continuing basis. Currently 15 hotels/restaurants buy all produce from the farmers on a regular basis. On average they can now earn some additional US$30 per month from this farming activity.

The IE Project also supported DAFF extension workers in acquiring training on integrated farming methods, including their participation in a course in Saraburi Center, Thailand, last year on an organic farming technique using effective micro-organism (EM) technology. DAFF also participated in an IE-sponsored training on occupational safety and health in agriculture. DAFF extension workers are now
providing training and advice on EM technology and on WIND to local farmers. As of June 2006, 90 farmers have been trained on EM application in horticulture, rice production and animal husbandry, and 120 farmers completed WIND (Work Improvement in Neighbourhood Development).

**Observed Impacts of the Smallholder Vegetable Production Project (SVPP) after 14 months**

- All (50) farmers interviewed confirmed that they have changed their farming practices since joining the programme, and many diversified their farm products. This reflects movement from subsistence production to income generation.
- A majority (88 percent) of those participating in the project grew vegetables for 9-12 months of the year while the rest (12 percent) did for 6 months.
- The income of most participating farmers increased (ranging from US$10 to US$50 per month for each farmer as documented through sales records and interviews).
- Participating farmers have become firmly confident with their own choice of produce and far more proficient in production of both traditional and non-traditional vegetables. This is evident in a wider diversity of crops which are being grown in the field.
- Farmers are now able to better balance their garden activities to incorporate both traditional and non-traditional vegetables for the local market and tourist market.
- Smallholder farmers are moving from the basic steps of how to grow non-traditional vegetables into the more complex learning and problem solving of issues such as how to control pests and diseases of these vegetables, when is the best time to plant, seasonal price variations, and marketing.
- The programme is now increasingly replicated as several local NGOs began modeling the strategy and as new groups of farmers start witnessing the improvement experienced by farmers under the programme.

### 3 - Training of traditional musicians for community and tourist markets

Another initiative to promote income-generating opportunities for people living in Angkor Park and linked to the tourism industry is traditional music performance. In partnership with the Angkor Partnership Development Organisation (APDO) and the ILO Project on Alleviating Poverty through Peer Training (ILO APPT), the IE Project supported the training and market linkage activities of vulnerable and disabled persons in the Angkor Park district. This 14-month partnership involves:

- Musical coaching and training on business practice and market development
- Market exposure and linkages between potential clients within their own community and tourist market in Siem Reap town.
- Association and network building.

A total of 64 persons completed musical and business training, including non-literate women. Four traditional musician groups, including two groups of disabled musicians, earn incomes when they perform in weddings and special occasions.

Lessons learned from these interventions are listed in the box below. These can be used as a learning and replicating tool for the stakeholders (APDO, HURREDO, AGRIKHMER and ILO/IEP) for a future similar intervention.
Lessons learned on linking small producers to mainstream markets

- **Implementing projects at the grassroots level involves multi-faceted solutions.** For instance, training of farmers on nontraditional farm produce has involved a number of related issues and constraints, including supply of quality seeds, appropriate water irrigating solutions, and special support for disabled and non-literate participants, organisational development, and balancing with traditional occupations. An effective solution involves an integrated approach and constructive partnerships.

- **Skills transfer requires a prolonged period of mentoring and coaching** to assist handicraft producers, farmers or artists to build confidence in applying new practices and behaviour. Linking to mainstream markets involves issues such as planning and efficiency, fulfilling market requirements of volume, quality and consistency, skills in marketing and network building. While eager to learn and upgrade their livelihoods, low-income producers need a longer period of progressive learning and confidence building to cement new behaviour.

- **Partnership with key stakeholders is central in ensuring the success of developmental interventions.** Ownership is shared and synergies are maximised. The IE Project on linking markets in Cambodia has enjoyed strong cooperation and support from local governments (e.g. DAFF, Department of Fine Art), community leaders (e.g. self-help groups, commune and district leaders) and employer associations (e.g. Siem Reap Angkor Hotel and Guesthouse Association). These partnerships better guarantee replication and upscaling of pilot initiatives as well as continued support after the initial developmental period supported by the Project.

**Product fair in Siem Reap and Phnom Penh**

Cambodian products have always been overshadowed by those of other countries, with obvious impact on the incomes and well-being of indigenous producers. To provide greater visibility to Cambodian products, the IE Project conceptualised and jointly held two product fairs in collaboration with other ILO projects and local stakeholders. The first was organised in Siem Reap (13-14 August 2005) in which 60 booths were set up for the partners of the IE Project. The other was held in Phnom Penh (3-5 February 2006) where over a hundred booths showcased products and services - including business support services. Over 50,000 people visited the two events.

Among the participating partners were HURREDO, which showcased marketable vegetables, AAC’s handicraft producers, CAID’s market vendors and APDO’s basket weavers. APDO’s musicians also displayed their talents. Also participating are partners and beneficiaries of other ILO projects, such as ISED, WEDGE and APPT. Taking on this initiative, two other fairs with the same title ‘Buy Cambodian Products!’ were held in Battambang Province and Kampong Speu Province spearheaded by ISED and NPO, a local NGO that promotes indigenous products. The latter will continue to organise fairs on a regular basis.

The product fair included cultural dances, quizzes and field trips to communities from where the goods are being produced.
Occupational safety and health

Extending to homeworkers, farmers and other informal economy workers

Background

In Cambodia there are currently 15 labour inspectors who are responsible for occupational safety and health (OSH) inspections for the whole country. Their work focuses on the formal sector, leaving a vast majority of the working population, or 85 percent of the total labour force in the informal economy, uncovered and unprotected. Existing workplace monitoring, OSH examinations and advisory systems are conventionally designed and available for large factories registered with the labour ministry; in the meantime, appropriate OSH technology and information is often out of reach of small producers and microenterprises. These hard-to-reach informal workplaces are often the most hazardous and operate in the poorest work conditions.

Work done on three levels

The IE Project has taken a practical and effective approach to addressing the above issues at various levels.

✦ At the workplace level, the project disseminated easy-to-apply, low-cost work improvement methods, building on tools developed by ILO. This was carried out through work improvement programmes designed for reaching home-based workers, farmers and construction workers.

✦ At the institutional level, the capacity for work improvement was strengthened by integrating OSH in public and private services. Appropriate OSH services were integrated in agricultural extension and labour inspection services. Employers’ associations, trade unions, NGOs and IE associations were trained in work improvement training delivery and advice.

✦ At the policy level, a National OSH Programme and Action Plan were developed with ILO support.

With technical backstopping from the OSH Senior Specialist of the Subregional Office in Bangkok, the IE Project has successfully introduced participatory, action-oriented work improvement programmes of ILO in Cambodia. The project trained government inspectors, workers’ and employers’ representatives, and NGO members as participatory trainers to extend OSH protection to informal economy workplaces such as home workplaces, small unregistered construction sites, farms and rice fields.

• In August 2004, 35 participants were trained as trainers of Work Improvement in Safe Homes (WISH) – a training programme targeting home-based workers.

• In February 2005, 39 completed a trainer’s course on Work Improvement in Neighbourhood Development (WIND) – which targets agricultural workers and farmers.

• In March 2005, 27 trainers completed Work Improvement in Small Construction Sites (WISCON) – which is designed for construction workers.

• As of April 2006, 18 WISH, 34 WIND, and 15 WISCON training workshops were carried out reaching 502, 836 and 427 participants, respectively.

• By April 2006 total of 1,765 informal economy workers and farmers were trained in these programmes of which 48 percent were female and 52 percent were male.

• Two tripartite national OSH workshops were co-organised in 2005 by the IE Project and the Ministry of Labour (MOL): one on National OSH Programme Development and the other on OSH in Construction Sector.

• The First National Safety Day Workshop was held in April 2006.

• In March 2006, MOL agreed to integrate these participatory work improvement programmes in a National OSH Programme developed with technical support from the ILO.

These programmes resulted in enormous OSH improvements within a short period of time after the training. With follow-up support, and using low-cost, practical OSH improvement ideas, participants were inspired to implement improvements with their own initiatives and resources. Below are some findings from post-training follow-up:
Extension officers of the Department of Agriculture, Forestry and Fisheries in Siem Reap train farmers on WIND. By April 2006, 1,765 informal economy workers, farmers and self-employed have been trained in ILO’s work improvement programmes in Cambodia.

- Over 60 percent of the participants made improvements in safety, health and overall work conditions. This was done either individually at their own home workplace and farm or collectively at their enterprise and factory with low or no cost.
- Improvements observed included proper storage, more effective material handling methods, organised work floors, improved workstations, healthier working environments (including better lighting and ventilation), safer use of machines and hazardous substances, better work organisation, improved welfare facilities at work and home, and enhanced job efficiency and productivity.

**Lessons learned from OSH interventions**

1. Easy-to-apply OSH tools such as the action-checklists and photo sheets developed by the ILO greatly assisted local trainers and participants in bringing low-cost, practical OSH improvement ideas into action.

2. Work improvement programmes have proven to be an effective entry point in creating partnerships. Post-training action often involved collaboration among different stakeholders (government, workers’ and employers’ organisations and NGOs) by way of complementing each other’s strengths to extend OSH protection to informal economy workers. Notably, trade unions and associations networked among themselves through the OSH training – when such collaboration had previously been rare. A total of 25 organisations/partners were mobilised into action through work improvement.

3. OSH training was an effective entry point for organising informal workers in hard-to-reach workplaces, such as home-based enterprises and small unregistered construction sites. The Cambodian National Federation of Building and Wood Workers (CFBW) succeeded in organising over 1800 construction workers in Phnom Penh and Kandal since they started implementing WISCON, and has represented workers in negotiations with employers for better work conditions. CUF, FBWW, CAID and IDEA have successfully organised IE workers with OSH as a starting point.

4. Policy making related to the informal economy is more effective when informed by experience of workable approaches on the ground. This has been the experience with work improvement programmes where micro level interventions on OSH were progressively upscaled into a national OSH programme. This is also a good example of positive link between policy and grassroots level efforts.
Case: Small improvements, big difference

A home-based basket weaving workplace in Siem Reap town employed around 30 rural women who were trained on site on WISH in September 2004. Using the workplace as training venue, the WISH trainer spent US$18 to carry out the training for a half-day, using photo sheets and other handy training materials provided during the trainers' training programme.

With regular follow-up from the local trainer, the owner and workers managed to carry out many OSH improvements. They set up multi-level racks for keeping raw materials in order, they installed better lighting and ventilation, they maintained clean and organised workstations, they kept work tools within easy reach, and they corrected work posture by having workers who used to squat use small chairs.

These improvements also improved their job efficiency resulting in the higher income of the workers. Workers reduced the number of days required to complete a set of 3-5 baskets of various sizes. 60 percent of workers produced one set in 8 days and 40 percent in 10 days - down from 10 and 12 days, respectively. They were paid 60,000 riel (USUS$15) per set.
HIV & AIDS

Spreading the word in communities and informal workplaces

Background
Cambodia has one of the highest HIV prevalence in Asia. The estimated national prevalence of HIV among persons aged 15-49 was 1.9 percent in 2003. According to a report by the Cambodia Working Group on HIV/AIDS Projection (November 2002), the number of HIV infections was 259,000 (238,000 adults and 21,000 children), of which 94,000 subsequently died of AIDS. It estimates that approximately 114,000 people are currently living with HIV and AIDS in the country. Sex work was largely determined the course of the Cambodian epidemic in the early and mid 1990s.

In 1990, 90 percent of recorded cases of HIV/AIDS were due to sex work, particularly transmission to male from female sex workers. Since 1994, due to a multi-sectoral approach to HIV prevention, the figure dropped to 70 percent in 1995, and to only 20 percent in 2002. While recognising the success of campaigns for condom use and behavioural changes in sexual interactions, a huge segment of the HIV transmission in Cambodia has moved from the brothels to the homes. The highest transmission rate is presently between spouses and from mother to child. In 2002, it showed that almost one half (48 percent) of new infections involved transmission between husband and wife and one-third (27 percent) from mother to child - whereas it was 10 percent and 1 percent in 1990, respectively.

The changes highlight a need for expanded prevention efforts to address these increasingly worrying modes of transmission. This poses an immense challenge of HIV/AIDS prevention that appropriate messages and services must be developed for spouses and made available in homes and communities. This is the challenge that the IE Project is trying to address.

Work done
With support from the IE Project and in collaboration with the ILO project on HIV/AIDS Workplace Education in Cambodia, a toolkit on HIV/AIDS prevention has been developed. The Toolkit was developed in a participatory approach through several focus group discussions, pilot training and feedback workshops with informal economy workers and their communities in Phnom Penh and Siem Reap in 2005 and with technical inputs from ILO HIV/AIDS experts. The objective is to give organisations resource materials for raising awareness and linking their members to relevant services. A related objective of the Toolkit is to allow organisations a voice and venue to report what they are doing with respect to HIV/AIDS prevention as well as addressing stigma and discrimination associated with the disease. It is envisaged that the Toolkit will be used by member-based organisations which in turn will disseminate information to their members. End beneficiaries are farmers, motorcycle taxi drivers, market and street vendors, small business owners who are either members of or beneficiaries of organisations targeting workers in the informal economy.

The Toolkit contains information and exercises on how to understand different aspects of HIV/AIDS and its consequences. Messages to be brought across by the Toolkit include:

- Basic Information on HIV/AIDS
- Roles of men and women in relation to HIV/AIDS
- Behavioural change and prevention
- Rights and voice / Stigma and discrimination
- How to reach needed services

These messages are conveyed through exercises and information sessions that can be used either as dedicated HIV/AIDS training workshops or integrated into other activities of the organisation. A first TOT workshop on the Toolkit involving IE organisations was held in May 2006. It is expected that HIV/AIDS information transfer and learning activities will be conducted and reinforced by these organisations.

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24 HIV Sentinel Surveillance 2003 by the National Centre for HIV/AIDS, Dermatology and STD (NCHADS)
25 The Working Group comprised of members from NCHADS, research institutes in Cambodia (Family Health International) and international agencies (East-West Center, USA, and UCLA).
Social protection

Securing income and preserving assets

In Cambodia, like in many other developing countries, health financing is dominated by out-of-pocket spending. Hence a very large proportion of Cambodia’s health expenditures comes from private households. In 2003, an estimated 70 percent of health costs (an average of US$ 34 per capita per year) was covered out of pocket, while approximately 20 percent was from donor organisations and 10 percent from the government budget. Cambodia does not have as yet a functioning statutory social health insurance.

Accidents or sickness and their related costs are a major cause of impoverishment of individuals and entire families. A survey reveals that treatment costs for serious illnesses often exceed average annual food expenses of a family. Catastrophic illnesses are the main reasons for selling land or other productive resources of many households, thus perpetuating a vicious circle of poverty entrapment.

The IE Project’s approach to addressing the needs for social protection is to work with current service providers to expand coverage, while at the same time promoting awareness and capacity building of key stakeholders in the development of social health insurance (SHI) in Cambodia.

A community-based health insurance scheme is implemented in Cambodia by an NGO, GRET. GRET is the first organisation in Cambodia to have introduced and operated a health insurance scheme (known as SKY) in collaboration with the public health system. Families pay an average of US$3.20 per person per year in exchange for free access to participating health units at all levels (from the community health center to the district and provincial hospitals). The scheme covers the district of Takhmao, Kandal Province, and the districts of Ang Roka and Kirivong, Takeo Province. Over 3,500 people have been insured as of June 2006. Building on its experience in the rural SKY, GRET launched the SKY urban scheme in December 2005, targeting informal economy workers such as home-based workers, transport operators, market vendors and self-help women groups in Phnom Penh. Over 450 people have initially registered as members of the urban SKY.

Observed initial impacts of SKY are as follows:

- Insured members tend to seek treatment sooner and thus serious illnesses no longer occur, securing people’s jobs, assets and income-generating activities.
- Referral rate of members from health center to hospital is 50 percent lower than for non-members. This validates the above observation that members seek treatment earlier. This also reduces the pressure on the public health system.
- Financial barriers to medical care at the time of illness are removed among insured members. Therefore there is no need to spend money (out-of-pocket) when seeking care at the time of illness.
- Impact on incomes and family budgets are seen from the fact that one needs only to pay US$ 3.20 per year to have full access to medical care in contrast to the average annual (out-of-pocket) health expense of US$ 24 per capita.

The IE Project supported the improvement of GRET’s documentation and information system. This has allowed GRET to scale up its work and expand its membership. The information tools listed below were redesigned and piloted:

- Assessment of economic situation of households – to improve market identification and segmentation
- Impact monitoring tools – to assess effectiveness of GRET in meeting its development goals
- Management information system – to track member information, including payment, usage, and health status of each member. This also improves its operational risk management, reporting systems and membership and financial follow-up.

In collaboration with the ILO projects on Community Social Protection and HIV/AIDS, the IE Project and GRET co-organised a first national SHI awareness workshop in October 2005 for officials of relevant ministries, representatives of workers’ and employers’ organisations and members of MBOs, CBOs and NGOs. The project has been cooperating with key SHI development partners (GRET, GTZ and WHO) to coordinate and implement SHI development plans and capacity building activities. The project has supported the functioning of the newly established inter-ministerial SHI committee and the development of SHI regulatory framework.
Institutionalisation of pilot schemes

Upscaling of pilot and community-based health insurance schemes into policy responses require -

- Link to primary health care providers (using a payment mechanism to ensure both costs containment and quality of care).
- Partnership with hospitals for more serious and expensive risks in order to ease financial obstacles.
- A clear and functioning referral system between the primary and secondary health facilities.

The GRET scheme has served as a model and an input to the Master Plan for Social Health Insurance in Cambodia. This is one clear example where policies and institutional schemes are built within civil society partnership.

Adequate Insurance Services for Rural Households

Rural households are usually not familiar with insurance services. To develop appropriate insurance products, GRET believes that specific communication methods must be developed to explain basic insurance principles and discuss insurance products with members.

To ensure the participation of rural households in the insurance system, the project has developed the following methods:

- It uses focus groups and other participatory methods to know the opinion of members and improve the services proposed
- Insurance agents live in the rural villages covered by the system; insurance must be a service that is close to the people
- Insurance Consultative Committees are developed in villages. Such committees allow insured people to be informed on the project, provide feedback on insurance products and contribute to improving the overall system.

Innovative Model for a Viable and Reproducible Insurance System

The early stages of the experiment made it possible to verify the existence of strong demand among households for primary health care coverage beyond hospital care alone. Indeed, primary care is a daily preoccupation for households. With very limited resources, the insured wants a return on their insurance premiums all the more. Yet, given the population’s limited ability to contribute, insurance systems tend to cover only hospital care first, leaving out primary care.

Lessons learned from the SKY insurance scheme

Quality of care and more generally the quality of services delivered are essential. Patients are not necessarily aware of the objective of the quality of medical care but only of its proximity, how they are received by staff, etc.

In order to guarantee such quality as well as transparent user fees, clear agreements with local health structures are necessary. In Cambodia, the government made the policy choice of creating health operational districts throughout the country with subsidised local health centers and a user fee system that is clear. Some public facilities also receive support from health NGOs, thus guaranteeing the minimum quality necessary for the health care to be used. If the quality of health care is not acceptable, the insurance scheme which provides access to the public health system will also not be attractive to the intended users or members.

The challenge for the public sector is balancing access to care for the largest number at accessible rates while paying health staff attractive salaries. Developing an insurance system can contribute to financing health care services and structures. For this reason, health care facilities in Kandal and Takeo have been interested in building strong partnerships with GRET’s insurance project.

Need for Strong Partnerships with Public Health Care Structures

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Major design features of the GRET health insurance scheme

GRET’s scheme has the following features:

- follows a community based approach
- targets rural and urban households with potential affordability
- has a clear social mission - be affordable for all including large and poor families
- is non-profit but must reach financial sustainability in the long-run after a subsidised period by external donors’ funding
- is private and independent from health authorities or health providers, with aims to be managed by Cambodian managers with local insurance agents based in the village
- is designed in consultation with the direct beneficiaries in the villages
- is transparent in the scheme’s financial management, as its financial reports are presented in village-based Health Insurance Consultative Committee (which includes elected insured representatives)
- covers both primary health care and hospital care with mandatory referral mechanism
- covers all members of the family (family membership required)
- works in partnership with public health facilities through capitation payment mechanism (or fixed payment per member covered by the health center or district hospital) and per-case payments for most advanced care services (provincial and national hospital care levels) to enhance quality assurance and costs containment
- works in partnership with Health authorities (Ministry of Health at the central and provincial level) and the Ministry of Finance (Department of Insurance) to fit into national health policy and guidelines and to contribute to building up the social insurance sector in Cambodia.
Thailand at a glance

**Growing need for workplace cooperation**

- Thailand is a middle-income country with a population estimated at 62.4 million in 2004.\(^{26}\) Around 68 percent of the population lives in urban areas.\(^{27}\) Poverty incidence has fallen to 12 percent in the first half of 2004\(^{28}\).

- Between 1990 and 2002, Thailand successfully reduced poverty by almost two-thirds and health indicators have registered marked progress. Thailand also nears its goal of universal health insurance coverage through its 30-baht scheme\(^{29}\) which covers 70 percent of the population. Thailand is said to have progressed towards achieving its Millennium Development Goals.

- Thailand is still marked with progress that is unevenly distributed across regions, with the rural North-east, the far North and the far South still suffering from poverty, malnutrition and maternal mortality. Progress is also uneven across sectors with those producing for the domestic economy, such as small-scale farmers, gaining less from the economic development.

- Since most of the poor in the rural areas rely on agriculture, one of the main priorities must be to boost agricultural productivity and on/off farm income through integrated approaches. Subsistence agriculture could be supported into becoming more productive and market-oriented, thereby spurring growth in agro-business, industry and services where the poor could diversify and earn more incomes. This requires effective public support services from government, such as extension services, marketing and credit.\(^{30}\)

- Workers linked to international markets, such as those manufacturing for exports, are better off. Yet, continued industrial progress has to be matched with improved social dialogue at the workplace, more mechanisms for workplace cooperation and more organisations to represent workers and employers. Notably, unions represent only four percent of the workforce in the private sector.\(^{31}\)

- Unemployment in Thailand was at a record low of 1.9 percent in 2005. Of the 35 million employed, however, 51 percent are in work categories that are roughly associated with the informal economy; namely, own account workers (31 percent) and unpaid family labour (20 percent).\(^{32}\)

- There are also one million poor people in the urban areas, earning a living from various income generating activities where they are outside of the protection offered by labour legislation. In 2004 two Ministerial Regulations were passed allowing homeworkers and agricultural workers access to labour protection.

- Official social security schemes exist but, except for health care, they are mainly for workers in the formal sector. Only about a fifth of the population are covered by this scheme, leaving out over 50 million out of the system. Of this figure, 20 percent are self-employed, 15 percent are unpaid family workers and 13 percent are dependent employees. Around 22 percent are not in the labour force, and 29 percent are children under 15 years of age.

- The government in Thailand is looking for ways to address the informal economy and such measures should include extending labour law and social security to protect the informal economy, improving registration and taxation systems, providing vending official spaces, access to training and technical programmes.

- Government will also need to support representation of informal economy workers. Many vulnerable groups fall outside the scope of labour protection and opportunities are limited for organising and representing their interests.\(^{33}\)

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29 This scheme provides basic medical services to all Thai people at an out-of-pocket cost of 30 baht per patient per visit.
31 ibid.
National development frameworks

Emphasis on social protection and rural development

Issues relevant to the informal economy are emphasised in Thailand’s Ninth National Economic and Social Development Plan, 2002-2006 as well as through the United Nations Development Assistance Framework for Thailand, 2002-2006.

Thailand’s Ninth National Economic and Social Development Plan, 2002-2006, emphasised a three pronged strategy which involved (a) strengthening its social foundation by building capacity at the grassroots level, (b) adopting a balanced approach to development, taking into account economic, social, political and environmental aspects; and (c) promoting good governance at all levels, including decentralisation and corporate governance. In line with these strategies, the Plan defined its nine priorities as follows:

1. **Human development and social protection**
2. **Rural development, with emphasis on community empowerment, along with sustainable urbanisation**
3. **Efficient management of natural resources and environment**
4. **Macroeconomic management in order to maintain financial stability and security in a liberalised economic regime**
5. **Enhancing competitiveness through modern technology and skills**
6. **Strengthening science and its technological base**
7. **Good governance with emphasis on transparency and public participation.**

UN support under the UNDAF during this period likewise promoted the reduction of economic disparities and sustainable human development. These also supported Thailand’s Millennium Goals. In consultation with the Thai government, UNDAF has identified six focus areas for UN support and collaboration, indicated here with sample expected outcomes relevant to ILO (specifically the informal economy) or ascribed to ILO.

1. **Poverty Reduction**, including provision of technical assistance on small enterprise development, support to handicraft clusters, increased capacities of public and private sector to support rural income opportunities
2. **Social Protection and Social Development**, including workable mechanisms to deliver safety and health services for the rural and informal sectors, practical national action plans to improve safety and health of home workers, effective enforcement of laws and regulations to protect vulnerable groups such as informal agricultural and home-based workers, and improved health promotion systems with databases and services at local levels

3. **Governance**, including communities empowered through understanding of their civil rights and involvement in community plans; communities provided with training on small enterprise development; dialogue enhanced among local development stakeholders through discussion, seminars and workshops; partnerships created to address issues affecting livelihood; enhance local authorities’ capacity to carry out quality service delivery
4. **International Competitiveness**, including successful clusters strengthened; business to business networking strategy developed; training in management tools;
5. **Human Security**, including documentation of good practices on HIV & AIDS prevention, information systems on care and support for HIV and AIDS at central to provincial levels strengthened; livelihood opportunities of vulnerable groups thereby reducing their vulnerability to HIV and AIDS, substance abuse, etc.; vocational training for vulnerable youth
6. **Environmental Management**.

ILO’s work supports the above priorities as it identified priority concerns in its Decent Work Country Programme for Thailand. The priorities include:
- enhanced access to social service and protection and reduced economic disparities
- reduced discrimination and promotion of equality
- improved institutional capacity to apply and act on fundamental rights and principles at work
- participation of the people and their voice facilitated.
Summary of work done

Conducive ground for testing labour protection strategies

Labour protection is a strong component of the IE Project’s work in Thailand. There are a number of reasons for this. Firstly, among the three project countries, Thailand is the more economically and industrially developed. This gives the country a more secure base - not to mention mounting pressures - to strengthen labour protection mechanisms in both the formal and informal economy. Secondly, the Thai government has taken unequivocal steps towards extending protection to the informal economy. Ministerial Regulations on homeworkers and agricultural workers have been passed which extend the protective arm of the labour law to the specific groups in the informal economy, and the government is looking for effective ways to enforce it. The Social Security office has been carrying out assessments on how the system could open up membership to workers without employers. The Ministry of Public Health has strong capacity to address occupational health issues in informal workplaces and is poised to do more.

Given that informal workers are found in many types of locations and can even be indistinguishable from household activities, the IE Project has supported collaboration among ministries given complementary mandates, reach and target groups. The task is no longer that of the Labour Ministry’s alone as other ministries have a deeper reach into villages and come in daily contact with informal workers through their respective mandates. As a result one strategic intervention encouraged by the IE Project is that of integrating labour protection strategies and OSH into the work of the public health system, agricultural extension services and handicraft promotion.

The project also worked closely with trade unions and workers’ associations. While often at a loss for how they may effectively extend to the informal economy or provide responsive services, they are nevertheless committed to doing so. The IE Project helped provide the opportunities to pilot learning experiences, share lessons learned and document experiences.

Amidst all this, economic capacities of homeworkers and informal workers were strengthened. The IE Project initiated studies and market assessments on sectors where many informal workers are currently found or which easily absorb labour. Homeworkers engaged in handicraft production were the focus of a marketing assistance. Street vending was a subject of inquiry especially as regards their role in providing economic mobility and how policies can both allow and regulate this activity.

In the course of the project implementation, ILO tools were used to the IE Project’s great advantage. Work improvement tools and training programmes were highly effective. ILO’s Get Ahead training programme on entrepreneurship was quickly adopted by local trainers and entrepreneurs.

Manuals were developed for topics where ILO tools are not available. Working manuals on the following have been developed: (1) a study circle guide for homeworkers, (2) a trade union manual on organising in the informal economy, (3) paralegal training for trade union counselors on retrenchment issues, (4) clustering of handicraft workers and market development, and (4) an operations manual for primary health care units in delivering OSH services.

By the end of its two years of implementation, the IE Project in Thailand collaborated with 23 local organisations. Its capacity building programmes have recorded a reach of 2,074 workers and entrepreneurs of which 72 percent are women. It has contributed to policy discussions on social security, provided input towards the implementation of the ministerial regulation, and has improved the enterprise development practices of homeworkers in the poorer regions of Northern and Northeastern Thailand.

It was deemed propitious that the project countries included Thailand where labour protection strategies could be designed and piloted. This is one area where Thailand’s contribution to knowledge sharing was valued among the three countries. However, as the process of evolving solutions and approaches is a lengthy process, the project could only contribute to the initial discussions and piloting, but was not able to see the maturation and replication of some of its tested approaches.
Awareness raising

Building a constituency for decent work

Home-based work has long been recognised in Thailand as an important form of employment that has emerged over the past decade. As companies increasingly outsource production processes to outworkers who are often based in their homes, they also effectively shift their responsibilities over many aspects of the outsourced work. These tasks have to do, say, with workplace conditions, raw material transport, chemical handling and waste disposal. Moreover, the absence of a contract - whether a work contract or a job contract - can make both sides, but particularly homeworkers, vulnerable to uncertain eventualities.

These processes (shaping décor out of styrofoam and painting them) found in Phayaho province used to be done in a factory until it was outsourced to homes. With that, the responsibility for workplace issues such as machine safety, raw material handling, waste disposal, fumes and dust are also transferred to homes.

Background. In response to the growing number of workers in ill-defined employment relationships, the Ministry of Labour in Thailand has launched a number of initiatives to extend protection to homeworkers and other forms of informal workers. In 2004, for instance, a Ministerial Regulation on Homeworkers was issued which effectively extended some provisions of the labour law to homeworkers. With this mandate, the statistical offices and social security offices likewise stepped up their efforts to extend their coverage to the informal economy.

Amid all these initiatives from the public sector, it is important that the call for protection come from the constituents themselves. Poor work conditions are often accepted as a necessary characteristic of the informal economy. Various surveys reveal a wholesale acceptance of poor work conditions as inevitable and workers report satisfaction no matter what condition they face as long as they have work. If decent work is to become a reality, the level of expectation from the constituencies themselves and their knowledge of practical technical solutions must be addressed.

Work done. In September 2004, the Sustainable Alternative Development Association (SADA), whose members are home-based workers located in the Northern provinces of Thailand, and the Informal Economy Project launched a partnership to develop a study circle guide or a handbook on decent work and social protection.

The aim of this handbook is to facilitate personal understanding among homeworkers of what decent work is and how this is manifested in their day-to-day lives. It also aims to show how decent work can be achieved through practical strategies as well as legal recourse. It also enhances capacities of informal workers to get organised at the grassroots, regional and national levels, in order to promote protection and welfare for workers in informal economy.

One homeworker leader remarked that, while they visited their neighbours and peers to discuss common issues, they usually did not know how to express their aspirations properly and in terms of technical and legal solutions. The handbook is a response to this gap.
Its format as a study circle guide provides a participatory learning and discussion method. The main contents of the handbook are as follows:

✦ Who are we in the production chain?
✦ Basic rights of homeworkers
✦ What is the Ministerial Regulation on Labor Protection for Homeworkers?
✦ Civil and Commercial Law related to self employed workers
✦ Social welfare
✦ Network formation to strengthen the rights and benefits of members.

The study circle guide was developed jointly by content and process experts, advocates, and homeworkers. It was piloted, improved and reused within the network in four regions; namely, the North, Northeast, Bangkok/ Central and South.

**Results.** Some results are as follows:

✦ A total of 99 leaders were trained from the four regions. Seventy-eight of them were female. One-third participated actively involved in the further development of the manual. A total of 829 members were reached through regional and local training. (82 percent of these were female).

✦ Leaders who underwent the training say that they gained a tool for raising awareness of their members. It also allowed them to articulate more concretely their interests in public forum and with the Ministry of Labour.

✦ The handbook became an entry point for further expansion of the network beyond just the homeworkers in the Northern provinces, but also to the agriculture network in the Northeast and South, and subcontracted garment workers network in the North.

✦ Academicians who were involved in the development of the handbook, such as Chiangmai University’s Law Department, use the handbook among their student when they conduct field visits.

✦ In collaboration with UNIFEM, SADA further applied the handbook to more provinces.

While there is much to be improved in the handbook - e.g. its level of difficulty which can be further reduced - the partnership provided the opportunity to develop a process that demystifies decent work - bringing within reach of homeworkers technical and legal solutions which are often solely the province of professionals. The handbook is now used by different networks and its life now goes beyond that of the IE Project.
Representation and governance

Strengthening the role of trade unions in informal work

Workers organisations in many countries are striving to find out how they may extend their organising work to those found in ill-defined employment relationships; specifically to workers scattered in small and micro enterprises, homeworkers with no identifiable employers, retrenched workers and former trade union members who have to create their own employment, and small farm holders who produce for middlemen and factories. Increasingly they are finding out that, while challenging, they can actually bring to bear their expertise and experiences to workers found in new forms of employment relationships.

The IE Project in Thailand has created a venue for Thai trade unions to learn and experience organising workers in the informal economy.

**Trade union working group.** Firstly, a working group of TU representatives on the Informal Economy was set up in July 2004. This involved eight core members coming from the four national centers (also main constituents of ILO) as well as advisors and informal workers representatives.

The working group served as a forum for exchange among trade unions interested in extending to the informal economy. Eight meetings were held during the past two years both where the members shared their experiences and resource persons were invited to share their knowledge.

**Manual on trade union organising in IE.** Secondly, a training manual for trade unions on decent work in the informal economy was developed in collaboration with the International Federation of Workers Education Association (IFWEA). This manual examines models and strategies utilised by trade unions in many countries. It guides participating trade unions in assessing their own objectives, priorities and options for strategy.

The manual was tested in the three countries covered by the project. In Thailand, the Training of Trainers (TOT) on the manual was held on 27-29 July 2005 in Ayudhaya Province.

A total of 20 leaders from 16 trade unions plus three representatives from the IE (homeworkers) participated in the TOT. The training exposed the trade union leaders to the situations and problems faced by informal economy workers. Interestingly, many said that while they always encountered these workers in their day-to-day lives, such as vendors, motorcycle drivers and homeworkers, they never associated their issues with those of the workers whom their trade unions organised. This prompted them to review the role of their trade unions vis-à-vis the informal economy. With the support of the project, the trade unions replicated some modules with their own leaders and members.

**Training of other TU leaders.** Thereafter, six pilot trainings were organised by various labor organisations from September to October 2005. The objectives of these training workshops were to disseminate to other trade union leaders and members what was learned during the ToT, to have a larger number of people within the trade unions reflect on their own strategies, and to establish the experiential basis for making a decision on whether they would extend to the informal economy and, if so, how to facilitate this. The six labor organisations, which trained union leaders based on the manual, were Petroleum & Chemical Labour Federation of Thailand (PCFT), Ayudhaya Labour Group, Eastern Labour Group, Omnoi-Omyai Labour Group, Thai Trade Union Confederation (TTUC), Labour Congress of Thailand (LCT), and National Confederation of Thai Labour (NCTL). They all adapted the training according to the topics, duration and format most suitable for them. Below is a summary of training held.

Thai trade union leaders visit homeworkers doing joss sticks (used for incense) during the training of trainers on trade unions and the informal economy, held in July 2005.
INFORMAL ECONOMY, POVERTY & EMPLOYMENT PROJECT

Summary of Training Workshops on Informal Economy Implemented by Thai Trade Unions

<table>
<thead>
<tr>
<th>Implementing Trade Union</th>
<th>Date</th>
<th>Venue</th>
<th>Number of participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade unions of Ayudthaya</td>
<td>19-20 September 2005</td>
<td>Ayudthaya Province</td>
<td>25</td>
</tr>
<tr>
<td>TTUC &amp; LCT jointly organised</td>
<td>1-2 October 2005</td>
<td>Samutprakarn Province</td>
<td>35</td>
</tr>
<tr>
<td>Petroleum and Chemical Workers Federation of Thailand</td>
<td>15-16 October 2005</td>
<td>Singhaburi Province</td>
<td>30</td>
</tr>
<tr>
<td>Trade unions in Omnoi</td>
<td>29 September, 4 &amp; 22-23 October 2005</td>
<td>Omnoi, Samutsakorn</td>
<td>25</td>
</tr>
<tr>
<td>LCT</td>
<td>5-6 November 2005</td>
<td>Samutprakarn province</td>
<td>40</td>
</tr>
<tr>
<td>Trade unions under the Eastern Sea Board Union</td>
<td>12-13 November 2005</td>
<td>Cholburi Province</td>
<td>25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>180</strong></td>
</tr>
</tbody>
</table>

**Results.** Some results are as follows:

- The implementers met after the training and provided inputs on how to improve the manual and make it suitable to the Thai context. The result is a Thai version of the manual which is being finalised and disseminated among trade unions.

- After this experience, some of the trade unions, notably, the Ayudthaya trade union groups, NCTL and Omnoi trade union groups, amended their constitution to allow extension of trade union membership to the informal economy.

- Some of them, e.g. the Omnoi trade union groups, PCFT, NCTL, set up a committee within their organisation to be responsible for IE-related activities.

- Others, like the Health Promotion Committee of the Easter Seaboard trade union set up committees with external groups in order to work more effectively with informal economy workers.

**Collaboration with the ILO ACTRAV/International Training Center (ITC), Turin, on Trade Union Organising in the IE.** Amid these initiatives, the IE Project in Thailand played host to a collaboration between the IE Project and ACTRAV/ILO International Training Center, Turin, in implementing on 21-November 2005 a Regional Training Workshop on Freedom of Association and Organising in the Informal Economy. Trade union representatives from 12 countries participated in this training, including partners of the IE Project in Cambodia, Mongolia and Thailand.

Held in Bangkok, Thailand, the five-day regional training workshop allocated two days to the modules developed by the IE Project and the Senior Specialist on Workers’ Activities in the Subregional Office in Bangkok, Mr. Raghwan. Ms. Christine Nathan (currently, Senior Specialist on Workers’ Activities of the Regional Office for Asia Pacific) was one of the key resource persons. A shorter and adapted manual was produced following this training workshop. For more information, see: [http://training.itcilo.org/actrav/courses/2005/A3-50965_web/](http://training.itcilo.org/actrav/courses/2005/A3-50965_web/)

Notably, this two-day module on the informal economy was again implemented at the ITC, Turin, during the ACTRAV Course entitled Capacity Building for Organising, held on 20-24 March 2006. Ms. Nathan was again the key resource person for informal economy modules. Trade union representatives from Asia, Latin America, and Africa, each requested for a session for their region’s delegates.
**Linking retrenched workers to new opportunities.** Finally, one more area where the IE Project supported trade union initiatives was by assisting members who have been, or are in the process of being, retrenched. Trade unions in many countries find themselves having to meet this growing threat. Under this scenario, trade unions, first and foremost, need to raise workers’ awareness of the law and their legal rights. Secondly, when separation is imminent, trade unions are pressed upon to assist in finding post-employment alternatives. Retrenched workers who fail to find new jobs are forced to create their own employment - or put up with marginal work which do not provide adequate incomes, let alone protection. Separation pay is quickly dissipated in uninformed investments or business ventures. Post-employment options for retrenched workers are varied. These include re-employment, business creation, cooperative formation or corporation among workers acting jointly to create their business. Trade unions, as well as government and the private sector, can play an important role in opening up and clarifying options.

The IE Project supported Thai Durable Textile Union in assisting retrenched members. The Thai Durable Textile company has suffered a series of retrenchments since 1994. All throughout, its union has played an important role in representing workers in the court, raising funds for better livelihoods, linking them to skills training, and providing legal consultation.

The IE Project, in collaboration with the Department of Skill Development, Ministry of Labour, jointly facilitated interventions which involved the following:

- To build the capacity of the group of retrenched workers in business so that they can sustain their economic base.
- To develop capacity in providing legal advice and other related services to retrenched workers in the local area.
- To promote the role of the TU in extending services to workers in the informal economy.
- To advocate for local policies for retrenched workers and informal workers with collaboration of the local authorities.

Three main activities were carried out.

- The first was capacity building of trade union leaders in labour protection law so that they could provide minimum amount of legal information and assistance to workers who are about to be retrenched or who have been retrenched. Knowing one’s rights is the first step towards guaranteeing protection against excesses or illegal dismissal. This first set of activities involved the following:
  - Training for trade union leaders on legal rights of workers especially in the context of retrenchment, including practicum where trainees provide legal services under the guidance of the trainer-lawyers
  - Legal services by trade union leaders to peers, first as a practicum, and subsequently as a regular advisory service provided to both trade union members and other workers in the community
  - Advocacy and networking with local TUs and local authorities and the Ministry of Labour
- The second is capacity building of groups of workers in managing a cooperative bakery business which they set up after they lost their jobs
- The third is the initiation of a career options orientation programme for retrenched workers, which contains the following topics: (a) preparation for the transition process, (b) mobilising family support in times of change, (c) exploring workers’ interests, skills, experience, values as basis for their post-employment work or ventures, (c) guide to investment, (d) introduction to entrepreneurship, (e) options for continuing with social security membership. This initiative was carried out in collaboration with the Skills Development Specialist of the ILO Subregional Office in Bangkok and the Thailand’s Department of Skill Development - both of which will continue with the initiative after the project is completed. The manual is still being completed at the time of writing. The results therefore will come after the project is over.

**Results.** Some results are as follows:

1) About 15 leaders from 5 trade unions joined the legal training, which was organised on six consecutive Sundays. It was found that this legal education was very much valued as it empowered trade union leaders in understanding legal rights and recourse and reduces their total dependence on lawyers.

2) After the training, 12 of the leaders volunteered to practice their knowledge through the practicum where they provided advice to members who came to seek help especially on issues of retrenchment. The legal services functioned well during the three-month practicum. Counseling was available from 9 am to 8 pm.
everyday and both trade union members and non-members were accommodated. Below is a summary of cases handled during the practicum period.

3) Twelve trade union leaders visited two local authorities for a dialogue. They were briefed about the work of the district councils and had a dialogue with them on the issue of the TU and retrenched workers especially in relation to the employment and promotion of micro businesses. Local authorities also provided them with meeting facility and offered future collaboration.

Summary of cases presented for consultation during the three-month practicum

<table>
<thead>
<tr>
<th>Types of cases</th>
<th>No. of persons consulting</th>
<th>Worker seeking advice came from</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Compensation from retrenchment</td>
<td>13</td>
<td>Trade union and community</td>
</tr>
<tr>
<td>2) Social Security</td>
<td>3</td>
<td>Trade union</td>
</tr>
<tr>
<td>3) Labour Disputes</td>
<td>24</td>
<td>Trade union</td>
</tr>
<tr>
<td>4) Domestic Violence</td>
<td>2</td>
<td>Community</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>53</strong></td>
<td></td>
</tr>
</tbody>
</table>

4) For the business training, it was established that training must be accompanied by mentoring so that the retrenched workers could be guided in applying the procedures and behaviour taught therein. For workers accustomed to receiving wage employment and performing under tight supervision, running a business and its attendant risks and independence in decision making represent a totally different experience. Business improvement and business planning inputs were delivered over a period of several weeks where the group was convened to receive inputs, after which they were given ‘back home’ application work. They met again to discuss their experience and for further discussion of the issues they faced. Around 20-25 participants were in attendance. It was found that the inputs provided could be further simplified for the continued effectiveness of the programme.
Productivity and market access

Linking local producers to growing industries

Linking homeworkers to larger markets

Thailand has a strong agricultural base where families rely on agriculture for their livelihood and women engage in off-farm activities for additional income. Off-farm activities provide women with opportunities to participate in generating income and one common activity is weaving. Weaving skills in Thailand have been passed on from generation to generation and the Thai weaving industry has become a well-known home industry. The Thai government recognizes this strength and has thus focused on this in its poverty alleviation programs.

Some of the most skilled weavers and handicraft makers are found in the poorest Northern and Northeastern provinces in Thailand. Apart from high quality silk and cotton woven fabrics, farming families produce basketry and wood carving. Local knowledge on weaving and craft making is as wide-ranging as it is innovative. Local weavers for instance are able to identify indigenous raw materials, develop organic dyes from plants (such as indigo), innovate indigenous technologies such as submerging yarn in mud to improve colour, and design their own looms with available materials. Yet despite their skills, their products end up unsold and hidden from the market.

The Sustainable Alternative Development Association (SADA) - the Northern affiliate of Homenet Thailand - has catalysed the formation of a network of women’s groups across the northern provinces of Thailand. Aiming to empower marginalised women producers for social and economic development, SADA launched a number of initiatives including confidence building, policy advocacy, mutual support and handicraft development. A Learning Center was set up to link member-homeworkers to potential markets as well as being a hub for skills, technology and market development. Over the years, results achieved have fallen behind the mission and, in response to this, the IE Project and SADA collaborated to explore how the Learning Center could be better capacitated to meet its objectives.

Work done

The IE Project supported SADA and Homenet Northeast in undertaking marketing development initiatives. Three sets of interventions were launched:

(a) Market assessment by an expert
(b) Training on clustering among homeworkers
(c) Implementation of clustering and product chain development, and
(d) Development of the Learning Center as a stronger marketing unit.

Homeworkers in six north and northeastern provinces were involved in this project. These provinces were Chiang Mai, Lamphun, Lampang, Phayao, Nan and Prae.

Market assessment and training on clustering. This intervention began with an assessment by a market development specialist, Ms. Marian Santos-Nash, who looked into the potential of the homeworkers’ products and recommended a role for the Learning Center as a market facilitator. She found the products of homeworkers to be of high quality yet mostly remaining unsold. Among the issues identified were:

- Homeworkers produced ‘items’ which are either bought or ignored by clients and the purchase decision is made based upon consideration of only one product, in contrast to a potential collection of products made from the fabrics and materials as the ‘base’
- Homeworkers had their own individual operations which limited the volume of order that they could accommodate. She proposed to have the homeworkers clustered according to raw materials, components, dying and production capability. If the homeworkers were to increase their product range (rather than offering ‘items’ alone) and tap bigger markets, then they had to prepare themselves as a group to accommodate higher volumes. This would be done through clustering and assigning parts of the production process.

In light of the above, the consultant developed a training programme that followed the format of assessment and consultancy in the villages and with groups of households, rather than a classroom type activity. The manual she
developed covered the following topics but the consultant initially focused on the first three topics which were to serve as foundation for product development (what to produce) and product chain development (how to produce and who will do what). These topics were:

- Clustering
- Product profiling
- Preparing marketing strategy and marketing plan
- Preparing people for consumer ‘research,’ business and exporting
- Contacting customers and executing orders
- Preparing a business plan

Organising for market linkage:
Feedback from the training on clustering and product profiling

The homeworkers who participated in the training said that they learned the following from:
- They realised from the trainer that they have capacity to make woven products with high workmanship.
- They became aware that they missed out on some product categories and have potential to do different types of products from same raw materials.
- They realised that in order to do a broader range of products, they did not need to be talented designers. Rather, through proper product grouping they could cluster and classify a range of products.
- That they were able to “salvage” items that are slow moving towards sales potential by adding them into the product range or into the story board collection.
- They could capture a bigger market without compromising the natural qualities of organic components and natural dyes and materials while keeping their high quality workmanship.

SADA implements the recommendations.

Based on the recommendations of the expert, SADA set out to replicate the training in other village groups to identify and classify the products of homeworkers. As the expert visited only three villages, it was expected that the core leaders (called working team) who were trained could replicate the same process they learned in three other provinces.

SADA implemented the following also in partnership with the IE Project, reflecting a subsequent flurry of activities and capacity building work.

- Establishment of a Marketing Organisation for Home-based Workers Network. The network agreed to meet twice a year to report profits, income distribution, results of their work in general. Membership fees were set a 100 baht per group per year.
- Clustering done in all six provinces targeted where information was collected on raw materials as well as the potential and current products of homeworkers. A total of 132 network leaders from Chiang Mai, Lamphun, Prea, Nan, Lampang and Phayao, were trained on clustering. Three workshops were held from August to November 2005 on product development based on the manual which the consultant drafted.

Out of this process, two product lines were selected; namely textile product and basketry. Clusters and production chain were created among them, as shown below. By organising in this way, the homeworkers are now able to accommodate more orders and earn better incomes.

In Phayao, the homeworkers learned to present clients with a ‘collection of products’ based on a colour or design theme. Prior to this, homeworkers would present clients with individual ‘items’ and purchase decisions of clients are simply made based on one item.
Each province also decided to have its own product collection. For instance:

- Chiangmai: Women’s accessories, gift & home décor
- Lamphun: Bedroom and living room furnishings
- Lampang: Living room, bathroom & kitchen furniture
- Perea: Women’s accessories, living room accessories
- Nan: Home décor, gifts, living room furniture, skirt
- Phayao: Living room furniture, home décor and skirt.

- Deliberations were made on the market facilitation role of the SADA and the Learning Center, involving 26 people.
- A website was developed, as well as catalogues and brochures were done.

- The manual on marketing handicraft products was translated into Thai and tested with 61 leaders of the six provinces. The manual had the following four topics: Product Selection and Grouping; Colour Shade and Colouring; It will be published by SADA.
- Product Information and Marketing; Planning for Group Development.

**Results.** The government’s One Tambon One Product Programme, in particular, through the Ministry of Industry, has recognised the clustering concept of the network and has partnered with the network in Chiang Mai as a pilot province for government collaboration. As for buyers, three buyers from Japan are now ordering from the network. One of these has been in contact with the homeworkers for two years while the two new clients were tapped through recent marketing strategies such as the catalogues.
Labour and social protection

Extending protection to informal workers

One of the challenges to Thailand’s industry and growing economy is that of strengthening labour protection mechanisms. This applies not only to the formal sector but also to jobs created outside of it, including subcontracted work and other forms of dependent work. The Ministry of Labour of Thailand recognises that its mandate includes workers in ill-defined employment relationships. Under the prescription of Section 22 of the Labour Protection Act 1998, the Government issued in 2004 the Ministerial Regulation on Labor Protection in Home Work and the Ministerial Regulation (MR) on Labor Protection in Agriculture Sector with the aim of extending to homeworkers and agricultural workers some protective mechanisms provided under the labour law. The MRs were effective on 8 September 2004 and 13 April 2005 respectively.

The Ministry of Labour is exploring how it may more effectively enforce the regulation. It understands that extending the scope of labour protection laws does not involve a mere extension of its administrative reach. To conduct inspection and monitor small enterprises and home-based workplaces would intimidate those in the informal economy and drive them further underground.

The task on hand is to design appropriate policies and strategies so that all types of workers have same access to labour advisory mechanisms, legal aid, dispute resolution, contract enforcement and social security as that enjoyed by workers in the formal sector. A number of initiatives were carried out in Thailand, among them: (a) an assessment of the labour law and labour administration in Thailand, (b) consultations organised by the IE Project in partnership with the Ministry of Labour aimed at developing suitable strategies for enforcing the Ministerial Regulation, and (c) participation in the deliberations to extend social security in the informal economy.

Study on Labour Law and the IE in Thailand

The IE Project launched a research study in the three countries on labour law and labour administration and their relevance to the informal economy. The objectives of the study were to identify labour legislation and administrative regulations and assess their relevance to workers the informal economy. It also aimed to identify new mechanisms or institutional bodies that have played a role in labour protection by way of informing future institutional arrangements. An international consultant, Mr. David Tajgman, was engaged to technically supervise the preparation of the three country papers.

The country study for Thailand was conducted by a team led by Mr. Bundit Thanachaisethawut from the Arom Pongpangan Foundation. Among others, the study pointed out some practical difficulties with extending labour protection to the informal economy. For instance, looking at just one of the tools for labour protection, viz. inspection and advice, a number of difficulties were pointed out by inspectors when it comes to homeworkers in a meeting held in December 2004. These include the following:

- The labour inspector will potentially have a problem deciding whether he or she has the authority to act if an employee comes to file a complaint since their authority is based on geographic jurisdiction and one of the parties may come from another jurisdiction.
- Guidelines are not clear, say, whether or not intermediaries are employers of the employee. Nor is it clear whether labour inspectors have the power to go and inspect the workplace being that the residence and workplace are often identical in the informal economy. Home workers’ workplaces are difficult to access. They are often very far away and widely dispersed; working hours are very irregular.
- Employers may feel that these provisions increase administrative burdens by, for example, obliging the preparation reports to inspectors or written work contracts. Employers are also obliged to have permission before delegating dangerous work to home workers.
- Target groups do not understand the benefits found in labour protection rights and feel that a written contract puts them at a disadvantage.
- There is currently no information on employees and employers. Individual employees have no information about their employer benefiting from their work nor do home workers give information about their activities.
• Inspection processes need to be conducted twice because employers and employees are situated in different locations and current inspection forms are inapplicable.

The paper makes the following recommendations in order to enforce labour protection as well as its legal mechanisms.

• **Rights at work.** Redefine ‘employee.’ Based on the Labour Relations Act, an employee is someone who works for an employer to earn wages, including those with production contracts, those who are wage workers, and those who work for the benefit of an employer in exchange for wages or payment. (The Ministry of Labour has pointed out that one demonstrated evidence of dependence is the source of raw materials and equipment.)

• **Social protection.** A proper rate of contribution and benefits of insured persons must be defined for those who are presently not defined as employee by law. Three types of contingencies must be covered: sickness, invalidity and death. Contributions must also be sought from both government and contractors (or those who benefit from a part of the products of the workers or subcontractor).

• **Employment.** Government policy to support community businesses has been set up with the OTOP project. Best Product awards also have been offered to encourage design and quality improvement. An integrated policy to support workers is further required through vocational training, and credit support; product development projects must also be developed.

• **Representation and participation.** The study recommends setting up participatory mechanisms in various governmental departments to set up policy and establish measures for the effective enforcement of the law. It also proposes voluntary labour inspection or networks for law enforcement at different levels, including provincial national and regional levels.

The study was considered to be an important step towards promoting a better understanding among academicians and labour advocates about labour administration and how it could be relevant to the informal economy. There was renewed understanding that in order to reach the informal economy, various stakeholders and local institutions need to be involved to help extend the reach of the Labour Ministry. The validation workshop was coincided with a Senate hearing. This was a strategic approach in that it immediately brought the recommendations and deliberations to the attention of decision makers. (More on this below.)

**Consultations on enforcing the Ministerial Regulation**

**National consultations.** A validation meeting was held to present the results of this study. The meeting was done as part of a hearing session of the Labour Commission of the Senate. Held on 28 April, 2005, this validation meeting was attended by 150 participants, including senators, government officials, trade unions, and employers. Among the recommendations arising from the meeting were to consider new mechanisms for labour protection in the informal economy, to advocate for the ratification of Convention 87 (Freedom of Association and Protection of the Right to Organize) and 98 (to Organize and Collective Bargaining) and to encourage the government to work with networks consisting of local governments, trade unions, and communities of informal workers.

**Provincial consultations.** As follow up to this national meeting, the IE Project supported a consultation by the Labour Ministry on the provincial level. It was deemed that a provincial perspective needed to be added to the consultations as this would be where the enforcement would actually take place.

Provincial consultations took place in the Northeastern Province of Khon Kaen. In Khon Kaen, two workshops were held on 16-17 June 2005 where employers were invited for a dialogue in one workshop, with workers in informal economy, namely homeworkers, agricultural workers, labour officers from three provinces (Roiet and Mahasarakam), NGOs (Homenet and Agricultural northeast network ), and academics invited to the other.

There were 78 participants in the two-day meetings in Khon Kaen. These composed of 36 employers, 16 homeworkers, and 26 agricultural workers and several labour officers .

The discussions during the meetings reflect the challenges inherent in the entire debate of labour protection. Below are some excerpts from the discussions:
The 'employers' did not see themselves as actual employers of agricultural contract workers. They do not provide OSH equipment to out sourced labour as they believe such equipment should be provided by the individuals. They cannot provide medical check-up due to the short term contracts of either contract workers or seasonal sugarcane workers. These are some conditions spelled out in the Ministerial Regulation for Farmers.

In the Ministerial Regulation for Homeworkers, employers find that the M.R. is too difficult to apply especially provisions on wages and holidays. Then, on contracts, it was not clear whom they have to contract with. They also discussed the issues of tax payment and contribution to the social security fund which were not clear to them.

**Consultation with labour inspectors and informal workers.** Ultimately, another national consultation was organised by the Ministry of Labour. The IE Project supported the participation of homeworkers and agricultural workers as well as the engagement of two lawyers who performed a talk show, set in comedy, where they explained and discussed the Ministerial Regulations. This was meant to demystify and promote understanding of the law among the informal workers. This was held on 30 June and 1 July, 2005. A VCD of the talk show was produced and distributed to homeworkers.

### Some lessons learned

The Ministry of Labour has been working on the implementation of the Ministerial Regulation on Homeworkers and the Ministerial Regulation on Agricultural Workers. It has been taking gradual steps with collecting information, extending the labour inspection and carrying out protection procedures to homeworkers and agricultural workers. The Ministry was quite overwhelmed with the load of work in implementing the regulations. Furthermore, how they may go about extending protection is not entirely clear.

The IE Project supported these initiatives by funding some consultations and linking the Ministry with ILO experts. It can be said that during the life of the IE Project, the Ministry of Labor has been enriched with the regular inputs from the ILO specialists on the Labour Standard and good practices from various countries. In addition, the IE Project facilitated and contributed to the participation of the DLPW in international and regional seminars organised by ILO-DIALOGUE in Turin, Italy, and in Chennai, India, where various countries shared their experiences. Given its short duration, however, the project could not accompany the Ministry of Labour further in evolving appropriate strategies.

### Extension of the Social Security for Workers in Informal Economy

In line with the ILO resolution of 2001 which promotes social security coverage for all, the Social Security Office launched a study in 2002 on the extension of the Social Security in collaboration with the ILO Subregional Office and the National Statistical Office (NSO). The study was ongoing when the IE Project started operating in Thailand.

After the completion of the study, the IE Project collaborated with the NSO in organising a seminar, “Summary of discussions of the Inter-Governmental Seminar on Social Security Extension in Thailand” in December, 2004, where the results of the study were presented.

The National Project Coordinator (NPC) was also invited regularly to the meetings of the sub-committee on the extension of the SSS to informal economy workers in Thailand. Both specialists on Social Security and Social Protection of ILO were regularly consulted and provided inputs to the NPC. The NSO was particularly intent on developing a scheme appropriate to workers in the informal economy.

Several studies and consultations were done thereafter. While the final scheme has not yet been decided, but it would most likely be a voluntary scheme that includes health care and old age benefits. The scheme is expected to be funded out of workers’ and government contribution on a 50-50 basis. It is expected to be implemented by the year 2007.
Occupational safety & health

Mainstreaming OSH in public sector services

Since informal economy workers are found in different types of workplaces, including homes, streets, markets, farms, different types of service delivery mechanisms must also be found when disseminating information and advice. Occupational safety and health advice traditionally has been the domain of the Ministry of Labour extending advisory services through the labour inspection system. With more and more workers falling out of reach of this already-overtaxed inspection system (not to mention doubts about the effectiveness of a system that may intimidate workers and entrepreneurs), other complementary mechanisms are needed. Two of these are presented here, based on Thailand’s experience - the public health and agricultural extension services.

PUBLIC HEALTH - When people fall ill, the first level of public health assistance which they approach is the community health center. Public health units administer care to their clients but they are often not trained to address work-related health problems. Farmers and workers in small factories can be constantly subjected to extreme environmental conditions. Home-based workers expose their families to poor work conditions. When they get sick, health centers can administer care but are unable to address causes rooted in their workplace where they spend three-quarters of their time.

In Thailand, the IE Project partnered with the Ministry of Public Health (MoPH) in developing the capacity of primary health care units (PCUs) to address occupational conditions of their clients. The MoPH’s action programme involves 7 steps towards establishing OSH service procedures within PCUs. These steps are:
• Survey of OSH conditions in target locations and survey of OSH competency in PCU
• Analysis of collected data
• Health check-up of community members
• Establishment of a database system on OSH
• OSH education in the community and pilot activities
• Setting up of service standards and procedures
• Monitoring and evaluation.

During the covered period, the MoPH piloted the activities in five provinces of Central and the Northeastern Thailand; namely, Nakhorn Pathom, Suphanburi, Khon Kaen, Lamphun and Phayao. A total of 54 health personnel from the five provinces participated in this training. Participants reported that they were highly satisfied with the training. At the end of the course, they formed an action plan to carry out OSH services in their respective PCUs.

<table>
<thead>
<tr>
<th>Topics covered in the training of PCU staff</th>
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<tbody>
<tr>
<td>1. Occupational health situation</td>
</tr>
<tr>
<td>2. Occupational diseases and surveillance</td>
</tr>
<tr>
<td>3. Occupational hazards evaluation &amp; health assessment</td>
</tr>
<tr>
<td>4. Laws related to occupational health</td>
</tr>
<tr>
<td>5. Principles of occupational safety</td>
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<tr>
<td>6. Occupational health for the agricultural sector</td>
</tr>
<tr>
<td>7. Holistic and integrated occupational health services</td>
</tr>
<tr>
<td>8. Occupational health for primary health care workers</td>
</tr>
<tr>
<td>9. Occupational health for SMEs and workforce in community</td>
</tr>
<tr>
<td>10. Planning and evaluation of occupational health services provided at health center</td>
</tr>
</tbody>
</table>

• The IEPE conducted pilot occupational health services in ten pilot PCUs in the five provinces. The activities involved were as follows:
  o Established procedures in the PCUs that involved orientation of agricultural and home workers on occupational health; collection of data of patients through a family folder which the patient brings home to regularly complete based on their personal observations; establishing an early detection procedure for occupational diseases.
  o Developed an occupational health service project and selected one to two areas for pilot implementation
  o Conducted orientation meetings involving local leaders, local authorities, health volunteers, agricultural workers groups, and others
Developed simple forms to be used toward conducting workplace surveys and health examinations for agricultural and other workers.

Collected and analysed data using a participatory approach.

Developed specific solutions to address the health problems identified. Examples are provided in the box below.

### Sample of OSH services provided by PCUs

Some of the PCUs with longer experience in OSH service delivery have innovated the following activities and services:

- Established a “hotline” where people can call to complain and seek advice on occupational and health conditions.
- Deployed mobile units which go to villages to do risk assessment. The mobile units hold forums, do a “walk through” survey, and listen to people’s problems.
- Maintained personal health files for patients which now include data on occupation and work-related sickness.
- Included OSH module for health volunteers’ education.
- Integrated OSH in a home-based health care programme.
- Set up of a surveillance system through documentation and monitoring of diseases using international coding standards.
- Other specific activities:
  - Provided factories with personal protective equipment.
  - Working towards the successful advocacy among companies to collect/dispose waste produced by home-based subcontractors out of raw materials provided by the companies.
  - Launched an educational programme in factories which convinced employers to pay for health check-ups of home-based producers.

The Ministry of Labour and Ministry of Agriculture also collaborated with MoPH in their effort to extend OSH to homeworkers and agricultural workers respectively. For this, the ILO training programme on Work Improvement for Neighbourhood Development (WIND) was used in several PCUs.

The Ministry of Public Health reflects that one of the challenges to the implementation of such a programme is the lack of regular budget for occupational health related interventions of the PCUs. MOPH and other advocates are proposing that the main source of their budget (i.e. government subsidy for the 30-baht scheme) also cover OSH preventive services - rather than simply curative services. Related to this is the lack of continuity in the PCU-level initiatives.

### AGRICULTURAL EXTENSION

It has been estimated that during the period, 1980-2000, about 3,000-5,000 farmers fell ill due to the use of chemicals. This translates into an average of 150-250 per year or 12-20 farmers per month. Thai farmers do not protect themselves properly when spraying insecticides; they also do not report accidents at work. Rice growers, for example frequently experience being cut by sharp objects and suffer from muscular pain due to improper body positioning and repetitive movements.

The Department of Agricultural Extension (DOAE) under the Ministry of Agriculture and Cooperatives promotes group formation among farmers and their family members. Through these networks, they provide training on agricultural technology geared towards income generation as well as quality of life improvement initiatives.

While occupational health and safety is related to quality of life, the DOAE has never provided information or training in this area. Some staff however has gone through ILO’s WIND training programme as carried out by Mahidol University a few years ago.

In partnership with the IE Project, the DOAE trained extension workers and farmers groups on WIND among 14 farmer groups in 12 provinces. Trainers’ training was held in July and the follow-up activities were carried out within six months thereafter, from July to December 2005.

Other collaborators were the Faculty of Public Health, (Mahidol University); Department of Labour Protection & Welfare (Ministry of Labour) and Department of Disease Control (Ministry of Public Health).

The sequence of implementation activities are as follows:

- Two training of trainers on WIND to agricultural extension officers from 12 provinces
- Series of training of farmers on WIND conducted by the agricultural extension officers
- Implementation of OSH improvements in households and farms
- Monitoring by the agricultural extension workers
- Summary workshop
- Planning for follow-up
Target groups are as follows:

<table>
<thead>
<tr>
<th>Region</th>
<th>Provinces</th>
<th>Produce</th>
</tr>
</thead>
<tbody>
<tr>
<td>North</td>
<td>Nakhornsawan, Pichit</td>
<td>Rice</td>
</tr>
<tr>
<td>Central</td>
<td>Ayudhaya (2 areas)</td>
<td>Rice (organic) and seeds</td>
</tr>
<tr>
<td>West</td>
<td>Rajburi, Kanchanaburi</td>
<td>Vegetables, chicken, pineapple, rubber</td>
</tr>
<tr>
<td>South</td>
<td>Songkhla, Chumporn</td>
<td>Vegetable, rice and fruits</td>
</tr>
<tr>
<td>Northeast</td>
<td>Nongkai, Chaiyapoom</td>
<td>Rice, chilli, maize, livestock</td>
</tr>
<tr>
<td>East</td>
<td>Cholburi, Chantaburi</td>
<td>Fruits (durian and sala)</td>
</tr>
</tbody>
</table>

As for the results of the action programme:

- 32 officers from MOAC, 11 from the MOPH, and 4 from the Ministry of Labour were trained in WIND and they were tasked with the follow-up training among farmers groups.
- 380 farmers received training of which 27 percent were males and 73 percent were females.
- Several improvements were carried out by the farmers as the list below shows.
  - Improvement of household such as the living area, floor, corridor, rest area, closet, banister, and lighting
  - Improvement of storage of agricultural tools and chemicals
  - Improvement of work environment and welfare facilities such as handling of garbage and the provision of a washing area
- MOL, MOPH, MOAC and local authorities worked closely together for the first time.
- MOAC prepared their workplan for 2006 consisting of the following:
  - Expansion of activities to more areas within the selected provinces
  - Provide refresher training to farmers who could be trainers themselves
  - Integrating OSH into the training programmes of the MOAC for the farming groups and in three projects
  - Collaboration with MOL and MOPH at the national and local levels
Knowledge sharing

Learning from peers

Knowledge sharing activities are pursued where learning opportunities are available. There are generally three types of knowledge sharing activities pursued under the IE Project. These are:

- Pursuit of common themes across the three project countries
- Participation in Knowledge Sharing activities with other related projects within the region and with other DFID-TCRAM projects organised by ILO/INTEGRATION
- Thematic seminars of common concern to the three countries
- Publications and sharing of reports.

Common activities across project countries

Whenever countries share a common issue or interest, the project took the opportunity to pursue the same topic and find opportunities for sharing findings and insights at various stages. In cases where it is important to bring the partners or researchers together, this was also organised by the project. The common themes pursued among the three countries are as follows.

Activities carried out across project countries

Awareness raising
- Literature review on decent work in the IE (C, M, T)

Governance and representation
- Local planning (IRAP training & PADEK manual devt / C, M)
- Business registration and barriers to formality (C, M)
- Vending policies (C, M, T)
- Trade union organising in the informal economy (C, M, T)

Productivity and market access
- Small Business Association training in Siem Reap (C, M, T)
- Handicraft promotion (C, M, T)
- Work improvement training programmes (C, M, T)
- Get Ahead training (C, M, T / Cambodia through ILO-ISED)

Social protection
- Labour law and the informal economy (C, M, T)
- Social security and health insurance (C, M, T)
- Work improvement training: WISH, WIND, WISCON (C, M, T)
- HIV-AIDS (C; to be replicated in Mongolia)

Knowledge sharing meetings with other projects

Two knowledge sharing meetings were held back to back during the period 28 November - 3 December 2005. As the selected venue was Siem Reap, the IE Project also co-organised these meetings. These meetings were the following:

- Knowledge Sharing among DFID-supported projects on the informal economy, 28 November - 1 December 2005. Five DFID-funded projects from Tanzania, Moscow, Brazil, Geneva and Bangkok participated in this meeting, in addition to representatives from various technical units in ILO Geneva and Subregional Office Bangkok.

Participants from the Knowledge Sharing meeting among DFID funded projects on the Informal Economy held in Siem Reap, Cambodia, 28 November - 1 December 2005.

- 3-Project Knowledge Sharing Meeting (Integrated Support for Small Enterprise Development [ISED], Poverty Reduction through Integrated Small Enterprise Development [PRISED] and IE Project), 3-5 December 2005, where the three projects shared information and experiences about various technical and management issues.
Seminars on specific themes

We considered it to be more fruitful if knowledge sharing seminars were focused on specific themes such that each theme could be dealt with in greater detail. Field visits are also made part of the agenda so that participants were able to internalise the experiences being shared. There have been four subject matters covered in these thematic exchanges.

- The last progress review reported was the IE Project’s participation in the Small Business Association Workshop which was held in January 2005. This provided an opportunity for representatives of five countries to share knowledge on association building. The countries were Laos, Cambodia, Thailand, Mongolia, and Viet Nam. The interactions that occurred among three partners of the IE Project (Artisan Association of Cambodia, Thaicraft Association, and Credit Union League of Thailand) led to further exchanges after a few months. In this follow-up occasion, twenty members of AAC went to Thailand with the support of the IE Project to visit the International Gift Fair in April, met with Thaicraft Association, and attended the latter’s monthly producers’ sale.

- Another theme-based activity where knowledge sharing took place was the Regional Training Workshop on Freedom of Association and Organising in the Informal Economy organised by ACTRAV/ILO International Training Center, Turin. The IE Project, in collaboration with the Senior Specialist on Workers’ Activities of SRO Bangkok, organised the two days in which Organising in the Informal Economy was covered. The programme, lasting two days, drew from an IEPE manual implemented previously in July and August. This Regional Training was held on 21-25 November 2005. Trade union partners of the IE Project from Cambodia, Mongolia and Thailand participated in this seminar and exchanged their experiences. Notably, many of these experiences were gained after the said training of trainers carried out in July and August 2005. Interesting experiences from India and Fiji were also shared. (See http://training.itcilo.org/actrav/courses/2005/A3-50965_web/)

- Most recently, a knowledge sharing meeting was held in Bangkok covering two themes; namely, labour protection strategies for the informal economy and street vending policies in Asia. Entitled Theme Seminars on Labour Protection Strategies and Street Vending Policies, this seminar was held on 8-11 May 2006. It was co-organised with the Ministry of Labour of Thailand and Thammasat University. Resource persons from the three project countries, as well as Malaysia and India, shared their experiences. Participants from the three project countries came from agencies which have responsibility over the subject matters covered. Field visits were made in Bangkok and in Northern Thailand provinces of Chiang Mai and Lamphun, where proactive street vending policies are in place that favour local producers. The Mongolian representative from the Ministry of Industry and a local official from the Ulaanbaatar City Office found inspiration in these street vending policies, believing that they could be used to promote farm and herder’s products. Visits to the primary health care units in Lamphun also inspired participants from the Cambodian and Mongolia health ministries to replicate experiences which they witnessed. A seminar newspaper was prepared in order to quickly disseminate the seminar content in an interesting and reader friendly format. (See http://www.ipsterraviva.net/tv/bangkok/)
Publications

Finally, the IE Project shares knowledge through its publications. Below is a list of publications which are produced by the IE Project under its series name. Also listed are publications produced by partners with the support of the IE Project.


Informal Economy Poverty and Employment
Mongolia Series Number 1


Informal Economy Poverty and Employment
The First Eighteen Months: A Progress Review
Sandra O. Yu, Sophorn Tun, Shurenchimeg Zokhiolt, Rakawin Leechanavanichpan


Informal Economy Poverty and Employment
Mongolia Series Number 2
National Occupational Safety and Health Profile of Mongolia by Nyam Ayush, Ministry of Social Welfare and Labour


Informal Economy Poverty and Employment
Mongolia Series Number 3
Easing the Barriers to Formality: Regulatory Framework Affecting Mongolian Micro and Small Businesses by Tsetsen Dashtseren (forthcoming)


Informal Economy Poverty and Employment
Thailand Series Number 1
Fighting Poverty from the Street: A Survey of Street Food Vendors in Bangkok by Narumol Nirathron, PhD

http://www.ilo.org/asia/library/download/pub07-03.pdf

Informal Economy Poverty and Employment
Thailand Series Number 2
Integrating Occupational Health Services in Public Health Systems: A Model Developed with Thailand’s Primary Care Units by Dr. Somkiat Siriruttanapruk and team, Ministry of Public Health (forthcoming)
Informal Economy Poverty and Employment
Cambodia Mongolia Thailand

Extending Labour Law to All Workers: Promoting Decent Work in the Informal Economy in Cambodia, Thailand and Mongolia
Edited by David Tajgman

Policy Issues on Street Vending: An Overview of Studies in Thailand, Cambodia and Mongolia
by Kyoko Kusakabe


Publications of ILO and partners supported by the IE Project (all based on action programmes carried out under the IE Project)

Know More about HIV and AIDS: A Toolkit for Workers in the Informal Economy
Published by ILO

Work Improvement for Safe Homes (WISH)
English / Cambodian / Mongolian edition / by Tsuyoshi Kawakami, Sara Arphorn, Yuka Ujita

Good Practices in Safety, Health and Working Conditions (Homeworkers, Farmers, Construction Workers in Cambodia, Mongolia and Thailand)
Edited by Tsuyoshi Kawakami

Work Improvement for Neighbourhood Development (WIND) Mongolian / Cambodian edition / by Tsuyoshi Kawakami, Ton That Khai, Kazutaka Kogi

Guideline for Integrated Rural Accessibility Planning (IRAP) in Mongolia
by Chloe Pearse

Handicraft Sector Design and Business Development Manual (Cambodia)
by Bronwyn Blue

Trade Union Organizing in the Informal Economy: A Training Manual (in Thai)
Adapted by the Working Group of Thailand Trade Unions

Get Ahead for Women in Enterprise (Thai Edition)
by Susanne Bauer, Nelien Haspels, Gerry Finnegan, Manasnan Pongprasertchai, Suntaree Seng-king

A conference newspaper covering the IE Project’s Theme Seminars on Labour Protection Strategies and Street Vending Policies, 8-11 May 2006.

Integrating Occupational Safety and Health in Vocational Training

Campaigning for Workers’ Rights: A Handbook for Home-based Worker Network
### Partners and collaborators

#### Partners and collaborators of the IE Project in each country

#### Cambodia

**Government**
- Ministry of Labour and Vocational Training (MOLVT) – Departments of Occupational Health and Labour Inspection
- Provincial Department of Labour and Vocational Training (Kampong Cham and Siem Reap)
- Ministry of Agriculture, Forestry and Fisheries (MAFF) – Department of Agricultural Extension (DAE)
- Provincial Department of Agriculture, Forestry and Fisheries (DAFF), Siem Reap
- Department of Industry, Mine and Energy (DIME)
- Department of Commerce
- Phnom Penh City Hall
- Siem Reap Provincial Governor’s Office

**Employers and business sector**
- Cambodian Federation of Employers and Business Associations (CAMEBA)

**Trade unions**
- Cambodia Industrial Food Union Federation (CIFUF)
- Cambodia National Federation of Building and Wood Workers (CFBW)
- Cambodian Construction Worker Trade Union Federation (CCTUF)
- Cambodian Union Federation (CUF)
- Cambodian Federation of Independent Trade Unions (CFITU)
- Coalition of Cambodian Federation of Apparel Workers Democratic Union (CCAWDU)
- Cambodian Labour Union Federation (CLUF)
- Free Trade Union of Workers of the Kingdom of Cambodia (FTUWCK)
- Federation of Builders and Wood Workers (FBWW)

**Other member-based associations**
- Artisans’ Association of Cambodia (AAC)
- Cambodia Association for Information Economy Development (CAID)
- Independent, Democratic Informal Economy Association (IDEA)

#### Mongolia

**Government**
- Ministry of Social Welfare and Labour (MOSWL) - Department of Labour Market Policy & Coordination
- Ministry of Health
- Labour and Social Welfare Service Office
- National Tripartite Health Insurance Council
- State Professional Inspection Agency
- Ministry of Food and Agriculture
- Ministry of Industry and Trade
- Household Livelihood Support Program Office
- Batsumber soum Government (Tuv aimag)
- Ulaanbaatar City Municipality

**Employers and business sector**
- Mongolian Employers’ Federation (MONEF)
- Mongolian National Chamber of Commerce and Industry
- Employers Federation of Selenge aimag

**Trade unions**
- Confederation of Mongolian Trade Unions (CMTU)
- Trade Union Federation of Private Sector Workers
- Trade Union of Mongolian Transport, Communication and Oil Workers
- Trade Union Federation of Mongolian Construction Workers
- Trade Union Federation of Agriculture, Food and Environment Workers
- Trade Union Federation of Industry workers
- Trade Union Federation of Energy, Geology and Mining workers
- Trade Union Federation of Ulaanbaatar city
- Trade Union Federation of Dornod aimag
- Trade Union Federation of Khovd aimag
- Trade Union Federation of Khuvsgul aimag
- Trade Union Federation of Orkhon aimag
- Trade Union Federation of Bultagan aimag
- Trade Union Federation of Darkhan Uul aimag

**Cooperatives**
- National Association of Mongolian Agricultural Cooperatives
- Central Federation of Mongolian Trade and Consumer Cooperatives

#### NGOs and research institutes
- Groupe de Recherche et d’échanges technologiques (GRET)
- Partnership for Development in Kampuchea (PADEK)
- Angkor Participatory Development Organisation (APDO)
- Economic Institute of Cambodia (EIC)
- Traidcraft Exchange / HR Inc.
- Human Resource and Rural Economic Development Organisation (HURREDO)
- People’s Association for Development (PAD)
- Agrikhmer Organisation
- Association for Farmer Development (AFD)

#### Research and training institutions
- Population Teaching and Research Center (Mongolian National University)
- Institute of Finance and Economics
- Mongolian Cooperative Training and Information Center
- Marbis consultancy company

#### Radio Stations
- Radio Orkhon – 106
- Gobi Wave Community Radio

#### Thailand

**Government**
- Ministry of Labour (MOL) – Department of Labour Protection and Welfare; Khon Kaen Province’s Office of Welfare and Labour Protection; Department of Skill Development (DSD); Social Security Office (SSO), National Institute for the Improvement of Working Conditions and Environment (NICE)
- Ministry of Public Health (MOPH) - Bureau of Occupational and Environmental Diseases, Department of Disease Control
- Ministry of Agriculture and Cooperatives (MOAC) - Department of Agricultural Extension
- Ministry of Social Development and Human Security
- Ministry of Interior - Community Development Department
- Ministry of Social Development and Human Security
- National Health Security Office

**Employers and business sector**
- Employers’ Confederation of Thailand (ECOT)
- Phuket Tourism Association
- Chamber of Commerce of Phuket
Trade Unions
- Thai Durable Textile Workers Union
- Thai Trade Union Congress
- National Congress of Labour
- Labour Congress of Thailand
- State Enterprise Labor Relation Confederation of Thailand
- Petroleum and Chemical Workers Federation of Thailand
- Trade union groups in the Eastern Seaboard Industrial Estate
- Trade union groups in Samutsakorn & Nakornpathom provinces
- Trade union groups in Audtthayya province.

Other member-based associations
- Credit Union League of Thailand (CULT)

NGOs and academic/research institutes
- Arom Pongpangan Foundation-Labour Resource Center
- The Thai Craft Association
- Homenet North - Sustainable Alternative Development Association (SADA)
- Faculty of Social Administration, Thammasat University
- Faculty of Public Health, Mahidol University
- National Institute of Development Administration (NIDA)

Others
- Thailand’s Senators’ Commission on Labour and Senators’ Commission on Social Development and Human Security
- Urban Management Programme – Asian Institute of Technology
- International Federation of Workers’ Education Associations
- Inter Press Service (IPS) Asia-Pacific

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The ILO Office in Bangkok would like to thank DFID for this opportunity to contribute to the further development of the knowledge base on promoting decent work in the informal economy.
The Project in Perspective

Partners and collaborators of the IE Project within ILO

OSH specialists in Bangkok and TRAVAIL Geneva
- The OSH specialist in SRO Bangkok is an active partner, especially in introducing work improvement training in the three countries and in formulating National OSH Policies in Cambodia and Mongolia.
- Technical backstopping from ILO specialists in SRO-Bangkok and in TRAVAIL in OSH-related activities, including integration of OSH services in public health units (Thailand), agricultural extension (Thailand), vocational training (Mongolia) and street vending.

Workers’ Specialist in Bangkok, ACTRAV Geneva and ILO Turin
- Support and collaboration on the development and pilot testing of trade union manual in the three countries.
- Technical and financial support from SRO Bangkok’s Workers Specialist for trade union activities in the informal economy under the project.
- Collaboration between IE Project and ILO Turin in organising a regional workshop in November on trade union organising in the informal economy.

ILO Workers’ Education Project (WEP) in Cambodia
- Participation of trade union educators in WISH, WIND, WISCON, organised by the IE Project, including post-training replication activities.
- Joint support and organisation of the training of trainers workshop on organising in the informal economy.
- Technical and financial collaboration in translating, adapting and pilot testing of the trade union manual produced under the IE Project.

Social dialogue and ILO Conventions specialists in Bangkok and Geneva
- Technical guidance received from Social Dialogue and Labour Standards on the ongoing research on labour administration systems as they relate to IE.
- Inputs provided by SRO technical specialists on labour standards to Thai labour ministry on implementing the Ministerial Regulation on Homeworkers.

Social security specialist in Bangkok and STEP
- Support to government-requested assessment of Mongolia’s health insurance scheme, especially coverage of herders and non-formal workers.
- STEP backstopping IE partnership with GRET on the latter’s community-based risk pooling scheme.

ASIST-Asia Pacific
- Training on IRAP in Mongolia as a tool to build local government capacity for consultation and planning.

ILO IPEC / ACTEMP specialist in Bangkok
- Close cooperation with ILO-IPEC and ACTEMP in the implementation of research, training and social dialogue concerning informal gold mining activities in Mongolia.
- ACTEMP made possible the certification of the only SIYB master trainer in Mongolia who provides training and guidance to trained SIYB trainers in Mongolia, including IE Project partners.

CODEV
- Coordination with donor and disseminating project info

ILO Tsunami Project
- Extending reach of the IE Project to the Tsunami-affected provinces in Southern Thailand.

ILO Office for China and Mongolia
- Coordination on overall administrative and technical matters for Mongolia.
- Collaboration and support to Mongolia’s (a) Informal Gold Mining project and (b) planned National OSH Policy Workshop held in February 2005.
- Financial support to the further training of the SIYB master trainer in Mongolia.
- Coordination with COOP and financial support for international consultant on cooperative law development.

ILO Alleviating Poverty through Peer Training (APPT) in Cambodia
- Collaboration on an action programme involving training of traditional musicians with disabilities.
- Participation of ILO-APPT staff in the WIND TOT and introduction of WIND and WISH programme to ILO-APPT clients in Siem Reap.
- Assistance by ILO-APPT local staff in organising Buy Cambodian Products! Fair in Siem Reap.

Enterprise Development specialist in Bangkok/Integrated Support to Small Enterprises (ISED)/Enterprise and COOP in Geneva
- Joint organisation of the Small Business Association workshops and two product fairs in Cambodia.
- Participation of ISED NPC in WIND TOT workshop in Siem Reap / Participation of IE partners in ISED-organised SIYB and Get Ahead training.
- Collaboration in engaging an expert on cooperative legislation to Mongolia to advise constituents.

HIV/AIDS project in Cambodia, HIV/AIDS in SRO BKK, Associate Expert on Social Protection, SRO Bangkok
- Integration of HIV/AIDS awareness course in WISH TOT workshops in Cambodia with the active contribution of the NPC of the HIV/AIDS project.
- Development and training on HIV & AIDS Toolkit.

Gender specialist Bangkok, EEOW (CMB), UNIFEM
- Collaboration in IE Project’s implementation of Get Ahead in Thailand and Mongolia.
- Participation of IE NPC (Cambodia) and project partners in Get Ahead in Cambodia and support of IE Project to publication of Get Ahead in Cambodia.
- Participation of EEOW beneficiaries in WISH and WIND training programmes organised by the IE Project, followed by advise from the NPC of EEOW to its partners to integrate WISH and WIND elements in their women’s rights and entrepreneurship training programmes.
- Preparation of policy papers in collaboration with UNIFEM on IE with gender considerations.

Employment specialist in Bangkok
- Publication and dissemination of the rural employment strategy in Mongolia authored by the employment specialist of SRO-Bangkok.

INTEGRATION
- Technical support to different work areas, promotion of knowledge sharing activities; organising of Knowledge Fair in June where the IE Project participated; Virtual Forum; support to IE publication series.