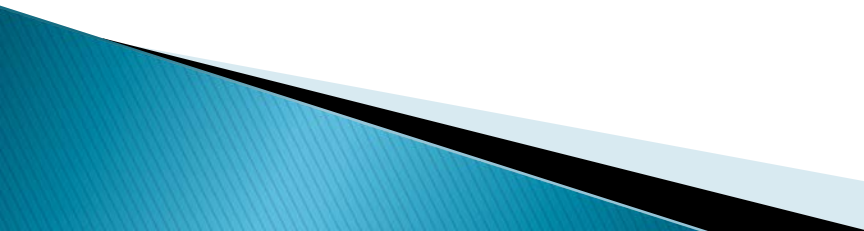


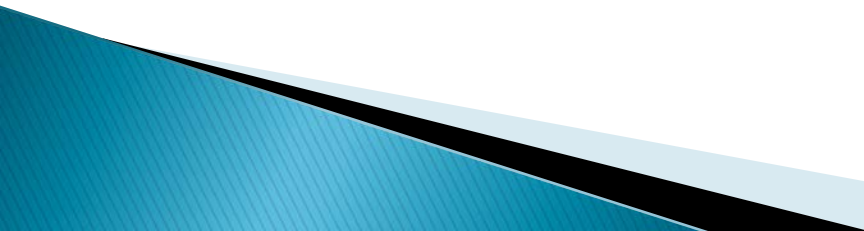
Fostering Digital Industrial Employment: 'Kannywood', GSM Repairers, and SMEs

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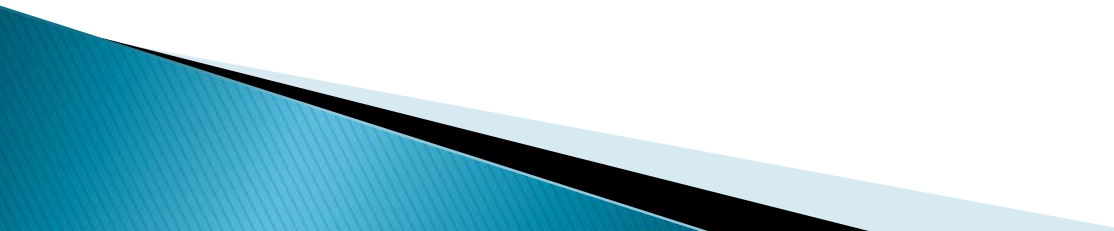
Introduction

- ▶ Many governments have in response to growing youth unemployment, have rolled out a number of youth skill development programme
 - ▶ In spite of the huge amounts of money voted for those grown, they have only achieved marginal impact
 - ▶ The lack of appreciative impact is largely due to that fact that there have been little strategic thinking in the selection of the skill areas for those programmes
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What we see happening

- ▶ Most governments in Northern Nigeria see job creation as starting and ending with just giving training, any type of training
 - ▶ There is no much thought placed on whether the training provided is in strategic areas that will allow the beneficiaries to begin to providing goods or services based on the training
 - ▶ Thus youths are given training on skills that either are no longer competitive in the modern economy or there is no market for the service or goods to be produced by the trained young people
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Factors to consider in selecting skills

- ▶ The choice of skills must therefore be on the basis of careful analysis of the following:
 - The availability of market for the products/services to be produced using the skill
 - The possibility of raising funds or getting support to commence immediate operation
 - The sustainability of the market
 - The size of the skill needs in the sector
 - The possibilities of linkages across value chain
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Three Illustrations

- ▶ I will illustrate some the key points about skill selection and government faulty selection of youth for training using the following:
 - Kannywood
 - GSM Repairers
 - SMEs

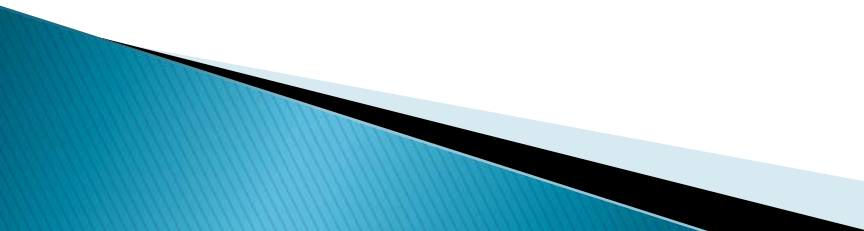
Kannywood

- ▶ Kannywood is the name given to the local film industry in Kano as indistinct sub-set of the Nollywoods
- ▶ Produced films in Hausa and also the film production is spreading across the region, the bulk of it is based in Kano, with a significant contribution from Kaduna, especially when the film makers faced a difficult time at one point in Kano
- ▶ There are today about 120 film production companies registered with Motion Pictures Practitioners Association of Nigeria (MOPPAN) the umbrella organization
- ▶ 40 of them are registered with Corporate Affairs Commission (CAC)
- ▶ It is estimated that it provides direct jobs to about Kannywood industry houses over 500,000 direct jobs (writes, producers, artists, makers, musicians, costumes designer, editors, etc)
- ▶ The value chain include cinema houses, the music industry, social advocacy, football viewing houses , etc

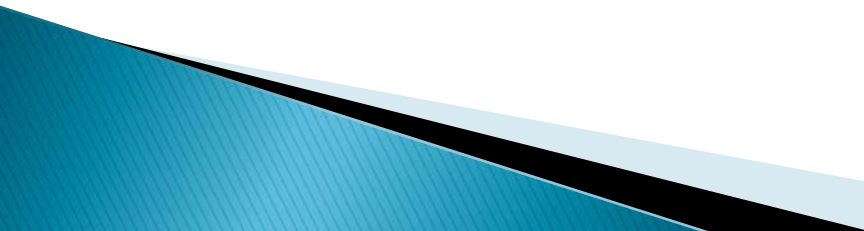
Challenges and Opportunities

- ▶ It is important to acknowledge the two main sources of actors in the Kannywood
 - Religious singers who have outgrown the religious environment and graduated to popular tunes
 - Soyaya novels writers who form the bulk of the early script writes for Kannyhood
- ▶ What this means is that many of the writers, actors, producers, etc in Kannywood are self-taught

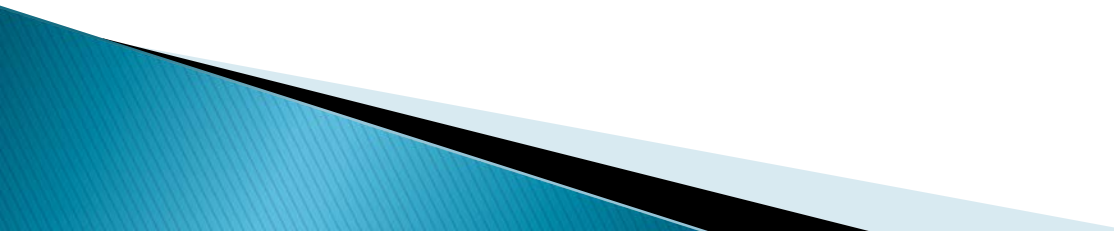
Government

- ▶ Although Government has from time to time intervened (often negatively but a times supportive), the industry has not attracted significant support from governments
 - ▶ Consequently, Kannywood is under equipped, largely untrained, and in many cases, not certificated
 - ▶ These have reflected in the both the themes and the quality of many of the productions from the industry
 - ▶ Yet in spite of this, the products of Kannywood are massively consumed across the region, creating a huge market that has generated employment for many
 - ▶ Government has established a film training institute
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Other Challenges

- ▶ Lack of Professionalism and trainings–it is all–comer industry in which interest, looks and other considerations may well be more important than training
 - ▶ Lack of concrete marketing strategies–marketing has remained tradition using radio as means of advert and film vendors shops as the main place for purchase
 - ▶ Intellectual property theft – a very common problem with pirates always on the look out of new films to pirate
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Opportunities

- ▶ Bayero University has established a new department of Film Studies– this can provide both current and aspiring Kannywood professionals with relevant training
 - ▶ The State Government institute for film is aimed at producing film professionals but has not taken off
 - ▶ A few have established studios with very good equipment
 - ▶ There are few other training outlets (including CITAD)
 - ▶ If government provide some enabling support, this is one area that can generate employment while creating wealth
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GSM Repairers

- ▶ There are over 140 million mobile lines in Nigeria
- ▶ This data is not disaggregated according to states, so it is difficult to say how many are in say Kano or even the northern part of the country
- ▶ Nevertheless with an average national mobile phone density of over 80%, it can be assumed that around 70% of the people in the north have mobile lines
- ▶ These cellphones come from mainly China and Korea but also from other countries such as Denmark
- ▶ Poverty level has meant that for many, buying a cellphone is a long term saving scheme
- ▶ This means that when they spoil, which they usually do, replacement with a new one is not easily done– thus giving rise to a booming sub-sector of GSM phone repairs

GSM Repairers and Sales Market in Kano

- ▶ Although there are many mini markets for GSM, the government established the GSM Market is very huge- in spite of the attack by Boko Haram on the market, it remains one of the busiest places in Kano
 - ▶ The market is well organized with an association of GSM Repairers
 - ▶ As of last year, it has over 5000 registered members
 - ▶ Number of people engaged in the sector in Kano alone along the chain will provide be around have a million employments also
 - ▶ The value chain include the repairers, the cellphone sellers, recharge cards sellers. distributors, etc
 - ▶ It is youth dominated sector
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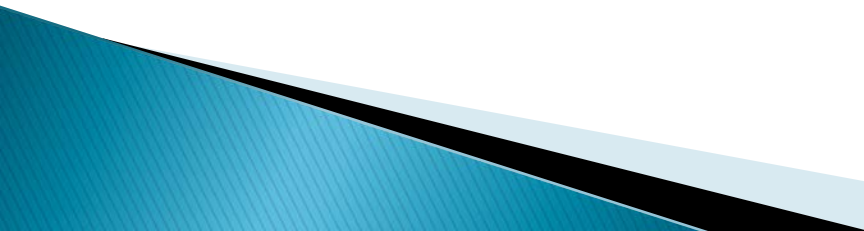
Government Contribution

- ▶ Unlike Kannywood, the Kano State Government has shown keen interest in the sector
- ▶ In two years, the Ministry of Commerce acting for the Government supported CITAD to train 1500 youth on GSM repairs
- ▶ Those trained youth were each given tools box and kits as well as some amount of money to rent space for workshop
- ▶ This is one skill area in which the skill holder can immediately begin work or business
- ▶ It also does not require large capital to set up and start business
- ▶ Today there are many such businesses, often providing employment for between 2–3 people are actor

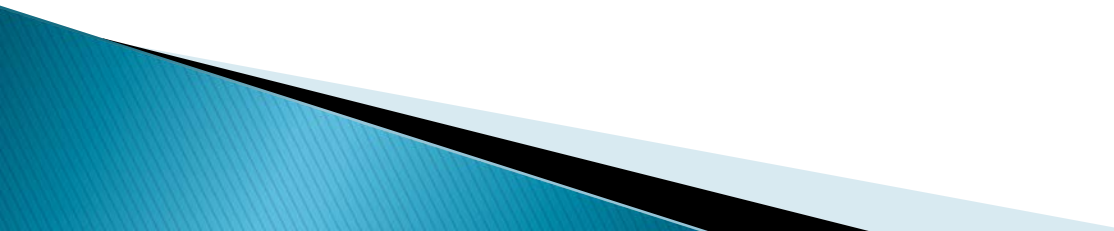
Challenges

- ▶ Energy need: a survey joint done by GIIP and CITAD found that
 - 74% use diesel for electricity
 - average, those operating in the market spend about \$5 per week on electrical power, while relatively this is small compared to the service fee they charge, it is drain on them
- ▶ Efforts to migrate them to portable solar solution have not yielded much as government has not shown interest in this aspect

Other Problems

- ▶ Government selection of training often was not on the basis of those who were interested but many were nominated by party stalwarts. Consequently, because they were actually not youth who have applied to be trained out of their own interest, many of those trained had no intention of practicing the skills
 - ▶ While the market in Kano could sustain the number of those trained, the expansion of the training programme to all local government was a disincentive
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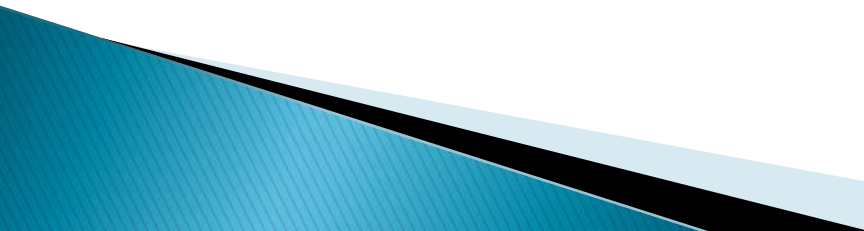
Opportunities

- ▶ The Association is has been building capacity to be doing the training on itself so as to both raise funds and also to be able remain key player in the area
 - ▶ Thus on their own, they have worked with CITAD to train several other youths aside from those by the government
 - ▶ Some of the members have graduated from repairers to sellers, and some others even to importers, going to Dubai and China to import cellphones
 - ▶ A key transition will be to link them up with major original producers , which may be interested in setting up a production plant or work with to assembly and customized cellphones
 - ▶ This is another area that strategic support can lead to not only job creation but also the development of subsidiary industries relating to the telecommunication sector
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Other Digital SMEs

- ▶ In 2005, the State Government approached CITAD to train 500 youth on digital skills who were to be given computers, printer, scanner, generator and money for office space to set up SMEs
- ▶ While the training was going we realized that because of the fault in the selection, many were just not interested in acquiring the skill but interested in the allowances being paid to them
- ▶ We therefore suggested to the government that the starter pack should be given to only those who pass the examination which it agreed
- ▶ At the end of the training, those who passed were given the items and the number
- ▶ Many of them sold the items that same day!
- ▶ Eventually only a very small percentage of them succeeded in setting up small scale businesses, and many of them did not last beyond the first year
- ▶ In real terms, it was a failure

Key Problems with this Initiative

- ▶ The thinking of government was that those trained will set up business centres but in a world in which in which many people have access to computers, there is little sustainable market in business centre mainly focused on typing documents
 - ▶ Many of the youth were selected not because they were interested but because of political consideration and saw the training and its allowance as an itself rather a means to an end
 - ▶ There was no post training mechanism to follow up the trained youth to enable that they did set up: this was a consequence of the fact for government, number of people trained as an output was just enough for political noise that a much smaller number of successful business as outcome
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Key Observations

- ▶ Beneficiaries of ICT-based youth training programmes of government tend to male, suggesting that females were by some stereotyping banished from these areas (they would be found in poultry, catering, etc)
- ▶ Skill selection is not situated within a clearly mapped out value chain as to locate the position of those trained within the chain
- ▶ Most state government skills training programmes do not incorporate business formalization and assumed rather unproblematically that those trained will simply set up businesses

Conclusion

- ▶ Government and other stakeholders, must do an assessment of the skills needs before rolling out programme, Government that training the youth has not often shown follow interest to undertake a tracer study to find out how many jobs it has actually crated out of the training, thus turning output to outcomes – this needs to b e done
 - ▶ Governments and other stakeholders needs to provide on regular basis enterprise support services to beneficiaries to see them through to successful entrepreneurs. This has been lacking
 - ▶ We found gender bias and stereotyping in the selection of skills set and participants.
 - ▶ Start up capital is difficult to come buy from such high risk business
 - ▶ Finally private sector has often not paid much attention to this effort. It should key in because , they will provide a link to the large value chain for their businesses
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