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## CAPABILITY STATEMENT

Exploring new market opportunities.

# OUR EXPERTISE ON SKILLS AND INCLUSIVE MARKETS DEVELOPMENT

Bangladesh will graduate in 2026 from Least Developed Country (LDC) and aims to become a Middle-Income Country (MIC) by 2031. To achieve these results the Government of Bangladesh intends to create more than 1.48 million additional jobs and facilitate the transition to a formal economy. But despite the efforts to strengthen the vocational training system, the mismatch between the availability and the demand for skills in the job market remains huge.

Moreover, the **climate crisis is posing additional challenges on the sustainability** of the country's economic growth. Climate related hazards exacerbate the effects of deforestation, pollution, soil degradation. More frequent and violent extreme weather events, sea level rise, and salinity intrusion could force millions of people to leave their villages and look

for livelihood opportunities in Bangladeshi cities, already confronted with a rapid unplanned development.

The **private sector, in particular micro, small, and medium enterprises (MSMEs), plays a crucial role** in bolstering sustainable development and offering more employment opportunities in particular to young people and women.

Helvetas has been working in Bangladesh since 2000, promoting systemic interventions to address the root causes of poverty. We foster **sustainable agricultural practices** and strengthen livelihoods resilience through private sector and business development. We invest in **vocational and skill training** to support young people and women from underserved communities.

# OUR EXPERTISE

## Inclusive Market Systems

Since 2009, Helvetas has been at the forefront in applying the **Market Systems Development** approach. The approach, now commonly known as the **Inclusive Systems Approach (ISA)** aims to enable systemic change that brings about lasting behavioural and structural changes among stakeholders. By employing this approach, Helvetas strives for equitable benefits for underserved people while fortifying sustainability across economic, social, environmental, and institutional aspects.

Helvetas is convinced that sustainable and large scale impact can only be achieved through systemic changes. Over the years we have mainstreamed the application of ISA approach across our economic development programmes. ISA seeks to identify key constraints within selected (market) sys-

tems that hinder its effectiveness for the benefit of the primary stakeholders (such as farmers, micro-entrepreneurs, and employees), while also exploring opportunities to enact positive changes that enhance its performance. We firmly believe that local ownership is pivotal for achieving systemic change, and therefore, we assume a facilitating role.

Our approach to inclusive systems is founded on the application of three core principles:

- A well-defined vision for sustainable and scalable change.
- A comprehensive understanding of the (market) system.
- A commitment to put local partners in the lead by adopting a facilitative approach that prioritizes local ownership of the change processes.



### Private sector development

Access to affordable rural advisory services is crucial for poor and underserved producers to improve, recover and sustain their incomes. Helvetas has been supporting them, since 2009, by promoting and training Local Service Providers (LSP). We reinforce the technical skills of these providers who work and live in producers' communities to perform as local experts in selected value chains. They work in collaboration with government extension departments and the private sector. Through LSP, Helvetas promotes the provision of comprehensive packages of services that include development of entrepreneurial skills; financial services mapping; support in business plan development; technical advice, and facilitation in access to markets.

Our value chain development activities promote **MSMEs** through business development services and link them with large private companies and financial services.



### Skills development

Helvetas considers skills development as a full range of formal, non-formal vocational, technical and skills based education and training. We follow the government National Technical and Vocational Qualification Framework (NTVQF) to support in particular women and young people from underserved communities.

We work with private Training and Employment Service Providers (TESP) by reinforcing their capacities to offer quality training on in-demand skills.

To increase the sustainability and the efficiency of training offer, Helvetas adopted an innovative result-based financing approach (RBF): we support training providers based on the number of graduates who successfully complete their courses and are linked to the job market. Providers have to pre-finance their trainings and ensure quality and competitive services to avoid the risk of losing their investment.



### Sustainable food systems

Helvetas have been promoting climate-smart agriculture through sustainable land use and agroforestry (fruit and timber tree plantations) to increase household income and improve nutrition, while addressing the effects of climate change. We support food system stakeholders to address issues such as soil degradation, water and resource scarcity, biodiversity loss, market constraints, policy gaps, and consumer behaviour. Producers are encouraged to diversify crops and use inputs wisely, to increase sustainability, and reduce costs.

We also work to improve families' income, by supporting producers to establish local collection centres which contribute to get fairer, competitive prices for produce and reduce transaction costs.

We promote sustainable, healthy and nutritious diets by strengthening agricultural value chains and improving urban food systems.



# OUR FOCUS AREAS



Working after skills training ©Helvetas/Qazi Shamim Hasan

mote the introduction of internships, apprenticeships, off-the-job skills training, **upskilling and reskilling** to ensure people better chances to keep up with changes in the labour market.

## Digitalised Training

We combined digitalized and e-learning with practical-based skills training, thus creating **flexible learning opportunities** and making skills development more accessible and up to date. We also promote digital training and e-learning courses to offer existing workers a more convenient opportunity to upgrading their skills on different subjects.

## Green Economy

### Efficient use of natural resources

We aim to foster **sustainable economic growth** by building on our extensive experience in value chain promotion and skills development. Helvetas assists farmers in reducing vulnerability to disaster and climate change by strengthening their **resilience** through additional income generating activities, portfolio diversification, and risk transfer mechanisms. We encourage the adoption of **climate-smart technologies**, related information, and adaptation measures to avoid and mitigate climate and disaster risks.



LSP explaining compost production. ©Helvetas/K M Asad

### Food system transformation

We support adopting **sustainable agriculture practices**, (i.e. low water consumption crops and energy-efficient irrigation systems) to strengthen livelihoods resilience, market linkages and contribute to food system transformation and nutrition security. We promote **sustainable land management** by supporting organic farming and introducing low external input for sustainable agriculture (LEISA) practices to reduce use of chemical inputs and ensure soil protection and enhancing food safety. Moreover, we work with multiple stakeholders to improve **food system governance**.

### Green jobs

Tapping into opportunities arising by the transition to energy-efficient technologies we contribute to create green jobs and support SMEs and large enterprises to transform their businesses. We facilitate the adoption of **green production** methods, including environmental production standards and energy and resource use efficiency. We support people preparing for new green occupations through relevant skill development training. We advocate for greening vocational training policy and regulatory framework conditions. Where possible, we promote renewable energy power for light and irrigation systems, improved cooking systems, and bio-gas production.

## Private Sector Development

### Business skills development

Building on our extensive experience on market system development, we support micro, small and medium enterprises (MSME) and entrepreneurs to boost their competitiveness and identify new opportunities in agriculture and non-farming sectors. Through **Local Service Providers (LSP)** Helvetas ensures business development, innovation sharing and better access to markets.

### Access to inclusive financial services

We believe that individual and businesses have the possibility to expand their economic activity only if they can access useful and affordable financial products and services. Helvetas mobilises LSP to provide and promote entrepreneurs' **financial literacy** and support them in getting **better access to formal financial services**. LSP also facilitate linkage between financial institutions and small businesses. We support banks and other financial institutions in better understanding the needs of entrepreneurs, developing new products and managing risk through balanced clients' portfolios.

### Governance of the market system

Market governance occurs at two levels: a broader enabling environment where government rules can enhance or inhibit the performance of market systems, and relationship and coordination within the key market actors (from producers to private sector enterprises and service providers). We thus adopt a multi-stakeholder consultative approach to identify appropriate platforms and other mechanisms and facilitate better dialogues, exchanges, coordination, and collaboration among government stakeholders, local service providers, entrepreneurs, civil society, the private sector, and media to create better support mechanisms and a conducive environment in the market. We further advocate for **more conducive framework conditions** and better governance of market systems.

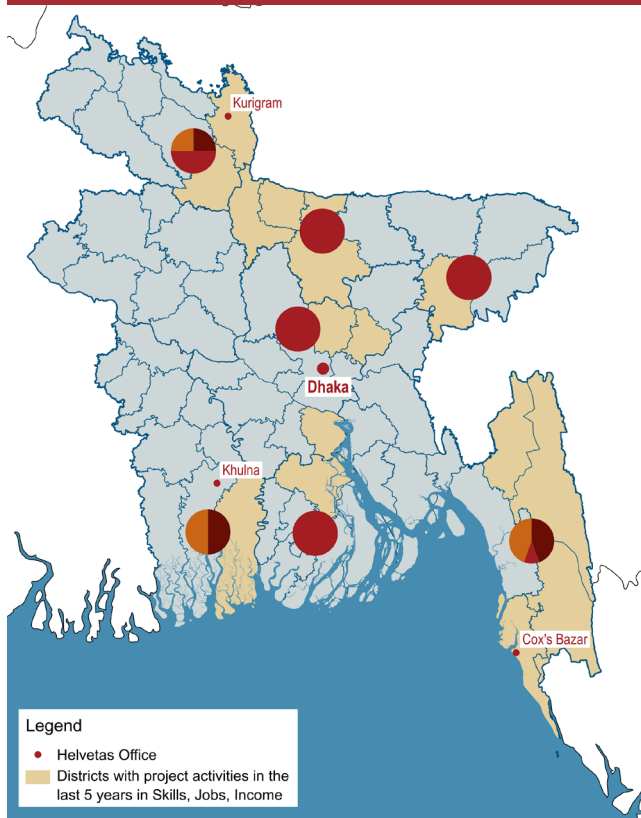
## Skills Development and Employment

### Strengthening skills development system

We strengthen public and private skill development systems by facilitating the delivery of quality Vocational Education & Training (VET) more **responsive to job market demand**. We specifically support skills development and career orientation for left-behind young people, women, and persons with disabilities by promoting **practical-based skills**.

We encourage potential private sector, employers and VET providers to ensure the promotion of market-relevant skills and also create opportunities for self-employment. We pro-

# OUR EXPERIENCE



## Sustainable Food Production

### Key Results

- Around **120,000 farmers** promoted climate-smart agriculture through sustainable land use techniques.

### Key Insights

- To increase livelihood security and production sustainability is necessary to reinforce farmers' capacity on disaster risk management and climate change adaptation.
- In order to achieve lasting improvements in household nutrition, it is important to increase the availability of healthy food, but also to raise awareness on the nutritional value of food and the correct way to cook and store food.

## Skill Development

### Key Results

- Approximately **21,500 young people** have been trained in market-driven trade.
- **17,100** skilled women, men and left-behind people got gainful employment/self employment.

### Key Insights

- To ensure the sustainability of the intervention it's important to strengthen the capacities of local skills development and employment actors to provide quality trainings and career advice, adapted to market demand.
- Promoting a blended learning (e-learning coupled with practical sessions) proved to be crucial to ensure a higher attendance of people living in underserved, remote communities and women often burden with domestic and care work.

## Private Sector Development

### Key Results

- We selected and trained more than **1,100 LSP** who provide technical supports to farmers.
- More than **150,000 farmers** in different agricultural value chains have been supported with technical and business advice.

### Key Insights

- Being part of the community allows LSP to play a pivotal role in fostering knowledge sharing and networking, which goes far beyond their ordinary business and has proved beneficial especially for the most underserved producers.
- It's key to consider the private sector as a system actor, encouraging ecologically and socially sustainable business practices.



Farmers adapt their practices. ©Helvetas/K M Asad



Learning new skills. ©Helvetas/K M Asad