



Garment Sector and Youth Employment in Kyrgyzstan: A Value Chain Analysis

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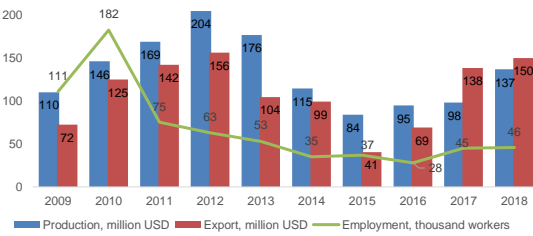
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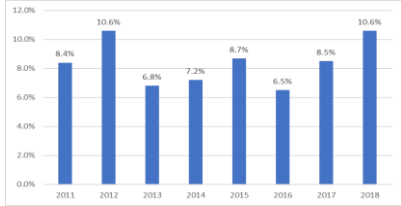
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Garment Sector in Kyrgyzstan

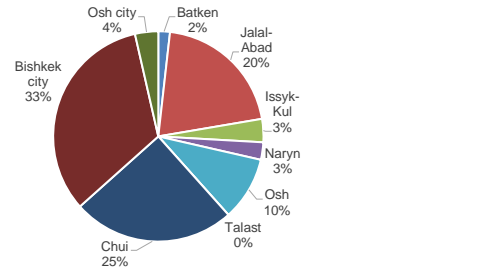
Production, Exports, and Employment in the Garment Sector in 2009–2018 in the Kyrgyz Republic



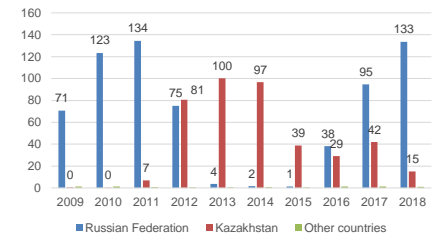
Share of Garment Exports of Total Export of Kyrgyzstan, %



Regional Distribution of Garment Enterprises, 2018

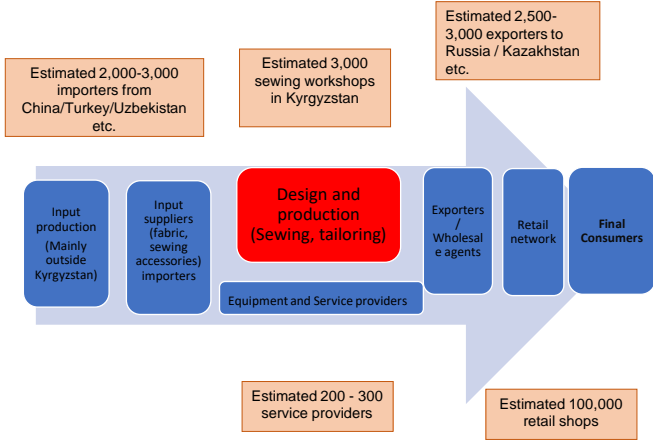


Kyrgyz Garment Export by Destination, million USD



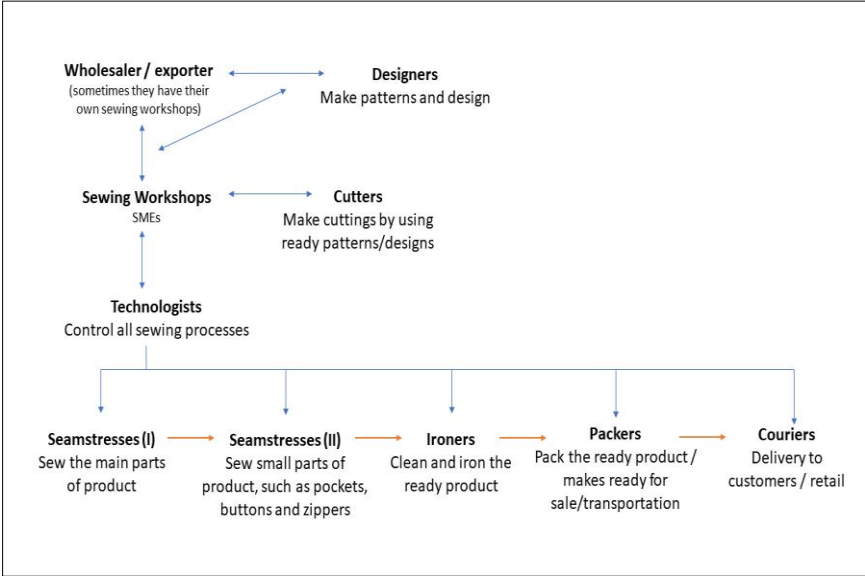
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Value Chain of the Garment Sector



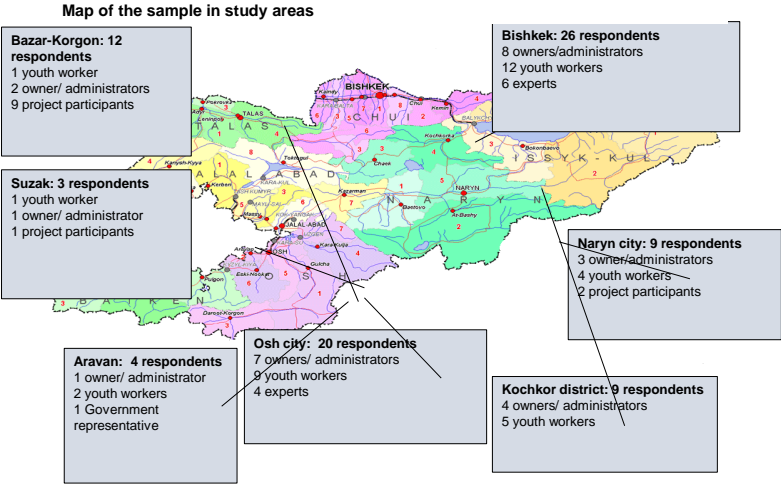
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Process of Garment Production at Sewing Workshops



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Study design -Case Studies of Sewing Workshops



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Specifics of Garment Production

Seasonality matters

- Demand is highest from March to November, and the lowest December to February.
- Employment opportunities also vary according to the time of the year.

Gender Occupation

- Females are seamstresses
- Males occupies positions requiring physical power and technical skills - cutters, in ironing, operating computerized and other equipment



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Knowledge and Skills Gaps of Youth in the Sewing sector

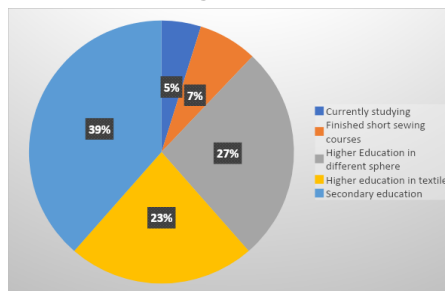
Workers and owners of the workshops were interviewed
Technical skills, physical strengths and psychological stability is needed in the sector

Youth skills and sector requirements

Youth demonstrate low initial skills
Investment in training is needed
Core literacy skills are needed- communication abilities, showing initiative, problem-solving, sense of responsibility)
Core competencies (computer literacy and language skills) need to be strengthened



Educational background of respondents



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Causes of Labour Mobility in the Garment Sector

Seeking of Employment Opportunity

- Migration is a new way of job seeking of the new generation
- Searching of the new employment opportunities is a new norm among young males and females in Kyrgyzstan
- In combination with the cyclical nature of demand it creates high labour mobility

Working Conditions

- Many workshops provides in the basements, private houses, sometimes in the storages
- Temperature (high at summer and low at winter), weak ventilation, insufficient lightning are common



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Causes of Labour Mobility in the Garment Sector (cont.)

Income fluctuations

- Salaries are competitive, but not stable
- Best seamstress can earn 730-850 USD/month in a high season, and 350-600 USD/ month in a low season
- Cutters salaries – 850- 100 USD/month, ironer – 400- 430 USD, package section – 250- 300 USD (high season)
- Many workers moves from the one workshop to another in the search of the better salary conditions
- Consequences – high mobility of workers, low team sense, no corporate culture, it requires constant quality control on all stages

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Conclusions and Recommendations

- Garment sector depends from export to Russia, time to be included in the global textile value chains
- Low labor cost model of business is going to decline
- Trade policy affects negatively on the imported inputs
- Government plans needs high investment

Problems:

Youth laborers demonstrate gaps in the knowledge and skills:

- Vocational competences low - sewing skills are very basic among young workers
- Core literacy (communication abilities, showing initiative, problem-solving, sense of responsibility) and core competencies (computer literacy and language skills) are in deficit.

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Conclusions and Recommendations (2)

Negative factors in garment sector:

- Seeking of employment opportunities – Migration
- Working conditions are poor
- Unstable salaries

Policy recommendations

- Kyrgyz government should support and strengthen human capacity -improving vocational school training and education, making programmes more closely related to real work requirements through the engagement of employers (with the assistance of international donor organizations, such as GIZ, ADB, and USAID).
- Access to credit in garment sector need to be improved
- De-concentrate the garment sector might give a new 'competitive advantage' for a revival of the garment production in the country, as well as improve livelihoods in rural areas
- Promotion in the Eurasian Economic Union and other countries markets need to be improved
- International and local development organizations core literacy skills their training programmes that will help young people present themselves to employers and navigate the work environment. This is particularly important for young people in rural areas operating workshops trying to secure orders from bigger sewing enterprises.

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Thanks for the attention!



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