



ILO *Special Edition* on **Entrepreneurship** **Skills Development Programme**

Bilingual Edition, November 2010

Developing Women's Entrepreneurship in the Papua Highlands



In fact, Papua is not only the economically poorest region, but also has one of the lowest Human Development Indexes in the country. With a population of 2.3 million, Papua's rate of access to health services and participation in formal education are among the lowest in Indonesia. The gender empowerment measure is similarly low.

Boosting economic growth, however, is not an easy task given that most peoples' livelihoods are still primarily derived from traditional ways of hunting, farming and animal-breeding. Poor education achievement, in turn, has also weakened the opportunity for locals to engage in possibly higher income employment.

Only few people are able to engage in business activities that could provide better revenue. In Wamena, the capital city of Jayawijaya, for example, there were only 90 registered businesses in 2006. The existing private businesses have not yet had a big impact on society because they are mostly run to satisfy daily needs and not to create employment possibilities for others.

Women are the most affected by these conditions, which are the cumulative results of underdevelopment. Whilst some women have engaged in agricultural business, women have poorer education levels than men. This, in turn, hinders women's ability to improve their business practices.

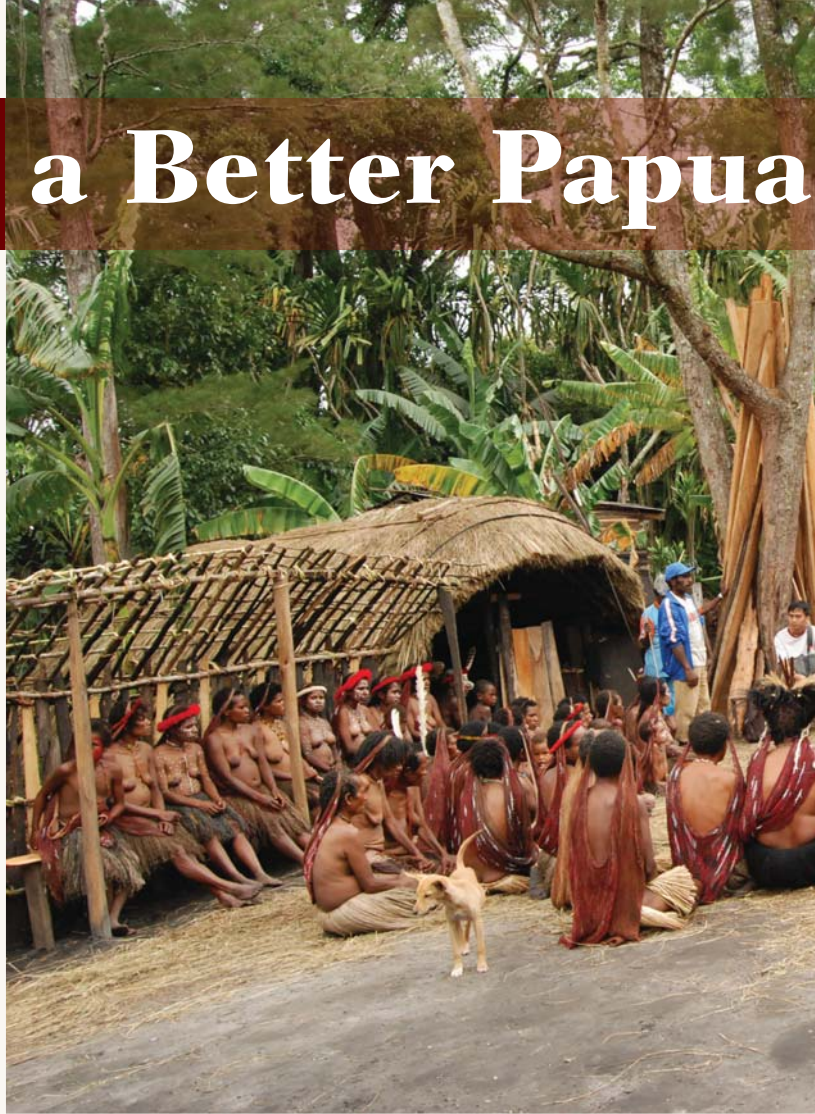
Due to lack of knowledge and networks, most business owners are not able to produce enough surplus income needed to pay for instant food and clothes, or their children's school fees. People also are not used to saving for future needs. These existing conditions contribute to perpetuating poverty in these regencies of the Papua Highlands, and are the reasons why most of the population here are still living in poverty. ❁

Despite being one of the richest regions in Indonesia, Papua has one of the worst economies with 41.8 per cent of its population living below the poverty line. Minerals, gas, oil, forestry and fishery products are part of enormous natural resources that contributed to USD 1.5 billion in export revenues in 2003. However, only a fraction of these revenues is plowed back to Papua annually to support various development programmes initiated by the government.

The Making of a Better Papua

“We want to help people make a better living, especially those who live in the mountainous areas,” said Didi Wiryono, the then Project Coordinator of the ILO’s Entrepreneurship Skills Development (ESD) Project. The ILO-ESD was part of a joint programme conducted by UN agencies. Commenced in January 2009, the project recently ended in September 2010.

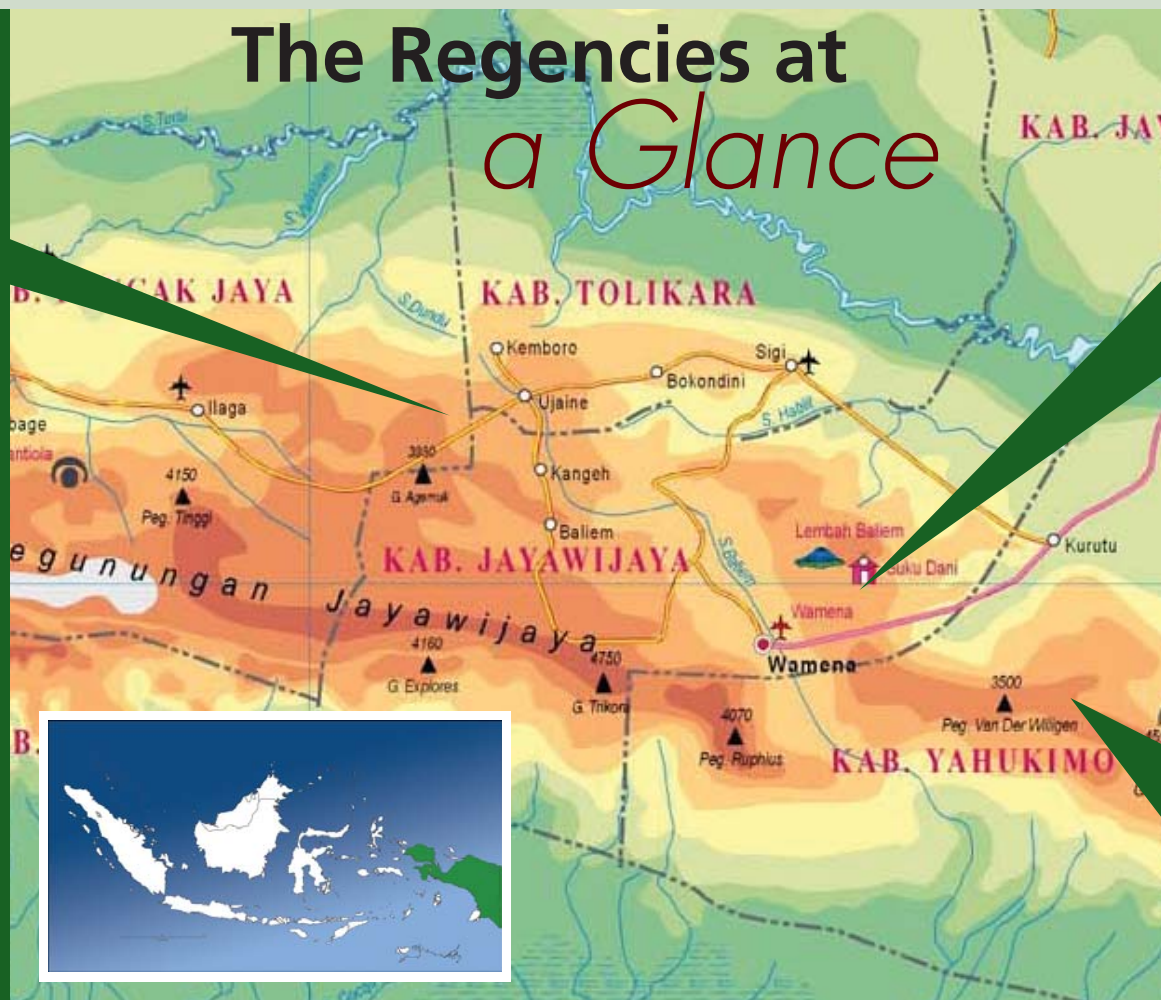
The UN Joint Programme for the Papua Highlands was an initiative taken by the UN agencies presently working in Papua to consolidate their technical cooperation services in specific areas in order to generate greater development impact and sustainability. Funded by UNDP, the project was involved six UN agencies assisting the government of Papua in dealing with problems related to poverty reduction, governance, health and education, and environmental protection—UNDP, UNICEF, WHO, UNFPA, ILO and UNV.



■ Lani Jaya

The regency, Lani Jaya, with a total size of 10,448 km², is located in the mountains of Papua, sitting 1500-3000 meters above sea level. It includes 10 districts with 145 villages. Demographically, the Lani Jaya regency has a population of 316,279 people, which means a density of 25.48 people per square kilometer. Around 213,082 people live in poor conditions. The main sources of livelihood are farming, pig breeding and hunting, and daily family income is very low (approximately Rp. 5.000 - Rp. 30.000 per day).

The Regencies at a Glance



Highlands



Three main objectives of the project were:

- 1) **to enhance awareness and understanding** among the population of the business potential regarding existing natural resources in Papua;
- 2) **to strengthen entrepreneurship skills** among partner community members, especially among women; and
- 3) **to increase capacity of micro and small entrepreneurs to effectively manage** their enterprises which, in the long run, would enable them to generate greater income as well as employment opportunities.

Under the poverty reduction component, the ILO specifically managed the ESD programme. The project was aimed at facilitating activities to develop entrepreneurship skills among communities in these regions, primarily among indigenous Papuan women, in three regencies of Jayawijaya, Lani Jaya and Yahukimo.

To achieve these objectives, three key strategies were devised. First and foremost was to develop and maintain a database on micro and small enterprise potentials and existing entrepreneurs in the Papua Highlands. This database played an important role in identifying micro and small enterprise potentials based on local resources in the area.

The second strategy involved strengthening entrepreneurship skills among partner community members, particularly women, by providing micro-entrepreneurs with training packages consisting of two stages: a) basic entrepreneurship training based primarily on ILO Gender and Entrepreneurship Together (GET Ahead) and Start and Improve Your Business (SIYB) tools; and b) hands-on entrepreneurship training, with special attention to marketing.

The third strategy focused on assisting the micro and small entrepreneurs to develop mechanisms for collaboration with existing business development service (BSD) providers and concerned government agencies.

To measure the sustainability of the project, three pillars had been identified: the availability of self-help mechanisms among the micro entrepreneurs manifested in established common facilities, informal learning sessions, or self-study; the availability of a system of sustained technical assistance to the micro and small entrepreneurs by coaches and BDS providers; and the availability of basic infrastructure. ❁

■ Jayawijaya

Spanning 2,629 km², the regency of Jayawijaya was the largest regency in the highlands of Papua before it was divided into five regencies in the year 2008. Jayawijaya now includes 11 districts with 116 villages. Approximately 110,000 people live in these 11 districts of Jayawijaya. Most villages can still only be reached by plane or by foot. Sources of livelihood are mostly farming and traditional methods of animal-breeding. The number of entrepreneurs is very low, of which only a total of 323 employed workers. A significant number of families are living on less than US\$ 1 a day.

■ Yahukimo

The regency of Yahukimo was formed in 2002 and was officially acknowledged by the central government as a new regency on 12 April 2003. The name of the regency was formed by combining the first two letters of the names of the four biggest tribes that live in the area: Yali, Hupla, Kimyal dan Momuna. In the year 2006, the regency of Yahukimo, which includes 51 districts with 518 villages, had a population of about 216,000 inhabitants. Most of the residents were poor. Yahukimo had big business potential such as production of tahu and tempe, forestry products, and vegetables. However, the people received no business and knowledge assistance that could realize these potentials.

Main activities conducted:

Enhancing Awareness of Business Potentials



As part of raising awareness, the ILO conducted a baseline survey in April 2009. This survey reported on the status of micro and small entrepreneurship activities in the Papua Highlands by interviewing a total of 102 indigenous Papuan business

owners, especially women. The baseline study was key to understanding the capacity, limitations and challenges faced by indigenous Papuan entrepreneurs in the highlands.

It also identified the strengths of Papuan business owners and potential business opportunities in the region. More than that, it also envisaged external influences (threats) which could likely hinder the economic development of Papuan entrepreneurs.

Based on the baseline study, the ILO has significantly and continuously increased awareness of the potential of Papuan entrepreneurs as well as the issues affecting them, especially indigenous women. This has mainly been attained through encouraging and facilitating people at all levels to examine their reality, which has enabled discussion on what can really be done and how change could be achieved.

However, the overall impact of the project is greatest in the regency of Jayawijaya, and to a lesser extent Lani Jaya. There have not yet been significant results or progress in the Yahukimo regency. This is mainly due to political and logistical factors but also due to the limited number of staff on the project team. ❁

Fostering Basic Entrepreneurship Skills

In addition to providing training for entrepreneurs, ILO-ESD had succeeded in mobilizing many local skilled workers from different backgrounds to participate in training of trainers (TOT) programme. The project trained people from the NGO sector, church, UNVs, and government staff, creating a body of potential trainers that can subsequently support local entrepreneurs.

The project baseline showed that there were very few people who were equipped to support entrepreneurs especially in

remote areas in Lani Jaya and Yahukimo. Utilizing the GET Ahead module, a total of 137 people were trained as trainers over the course of seven workshops (one of these was in Sorong). ❁



Increasing Capacity to Manage Enterprises and Networking

The provision of business development services (BDS) within the project area was vital to supporting entrepreneurs in the target regencies. Unfortunately, the baseline study found that there were very few BDS functioning and they had inadequate capacity to effectively serve small and micro entrepreneurs with technical assistance.

In Jayawijaya one of the main functioning BDS is Oikonomos, who provide training, accompaniment, and support in access to bank services and opportunities for practical experience. In Yahukimo, there is also one BDS called Papua Service Forum from Java. However, they are currently under contract to the government and do not have a long

term programme in the area. And, there was no organisations functioning as BDS in Lani Jaya.

Due to the conditions described above, ILO-ESD decided to support the set up of a new BDS entity. A workshop was held to provide training in the principles of BDS at the end of November 2009. Shortly after this workshop a group was developed from experienced trainers/facilitators to set up a local BDS in Wamena City headed by an indigenous Papuan woman.

In addition to the establishment of this BDS, the ILO-ESD project also established the groundwork and foundations for developing an effective and workable framework for economic interaction between micro-entrepreneurs and other economic actors (banks, government, NGOs) at the regency level in Jayawijaya. This network was aimed at facilitating the exchange of knowledge and experience. ❁



what's inside?

The Making of a Better Papua Highlands 2

The Regencies at a Glance 2

Main activities conducted

Enhancing Awareness of Business Potentials 4

Fostering Basic Entrepreneurship Skills 4

Increasing Capacity to manage Enterprises and Networking 5

Creating Sustainable Indigenous Women's Entrepreneurship 6

Women's Plight in Papua 6

Basic Entrepreneurship Skills for Women 8

Changing times 8

Success Stories 7

Reaching People through Media 10

Documentaries on Entrepreneurship Development in Papua 10

Wempi Wetipo, Head of Jayawijaya regency, was not exaggerating when he said, "For a long time, women's condition in Jayawijaya has been very sad." He referred to the irony that Jayawijaya's women have been facing: whilst women's potential is very promising, these women continue to be bound by their culture and do not have access to means of developing themselves.

On this ground, the ILO-ESD project decided to facilitate entrepreneurship programmes specifically for women in the Papua highlands. "The women are very productive," Tauvik Muhamad, the ILO's Programme Officer, describing why the role of women needed to be emphasized. "They are at the core of the family's economic livelihood."

The ILO-ESD project was designed to develop entrepreneurship skills among community members, especially women, in order to increase the capacity of micro and small entrepreneurs to better manage their businesses, and create greater income and employment opportunities.

Women's Plight in Papua

It is a known fact that the lives of women in the central highlands are full of challenges and hardships. Women in villages do not have many chances to take part in the development process because decision-making is seen as a task for men. Their traditionally low status in the tribal hierarchy and their poor education makes it difficult for women to increase their incomes. Often women are still treated as second-class members of society who only have the right to care for food and children, and to serve their husbands.

Their needs are rarely properly understood and they are never asked what they think about their own situation or about what they would like to do about it. There are many issues



affecting their lives, some of which are forefront in their minds and often not the issues that others would maybe prioritize for them.

Women do not have easy access to government support whereas men seem to be able to access business capital much more easily as they “hang around” the government offices, know how to write a proposal and use family relations to get the needed starting capital. There have been no grants provided by the government for women to start businesses on their own. Therefore all of the businesses that were owned by women in the areas surveyed had been started with their own savings or a contribution from their husbands.

Living in a patriarchal society, women are confined to domestic jobs instead of being able to develop other competencies. But as soon as women are given the chance to receive a better education (when they live in the city) they show greater motivation than men to increase their business potential. As soon as they have the chance to save some money from selling vegetables on the markets, they invest it in buying goods which they bring back to their small kiosks (in order to sell

these goods for higher prices in the villages). While men are focusing on consumption, women are much more aware that it is necessary to increase income to be able to provide for their children’s future needs.

Women also seem much more efficient and strict about how money is saved and used. They are more aware of making profits, and generally seem more able than men to manage a business in the long term. One of the reasons for this is that men are often drawn into other activities such as building projects and politics. Women who have a small income generally use this money for family needs and very rarely on themselves. According to a survey done by Yasumat, an NGO that researches forestry and enterprise development, in Yahukimo, 80 per cent of women used money earned for school fees for children, 60 per cent used it to fulfil basic needs for their family and to pay for healthcare. ❁

“Now, I can afford my children’s education”



**Yulia Walilo,
Honey Bee
Entrepreneur**

“This training changed my mindset,” said Yulia Walilo, a honey bee entrepreneur in Lani Jaya. Participating in the ILO-ESD project last year, Yulia was able to gain new knowledge through the GET Ahead module. For Yulia, one thing was for sure: she became much more confident in her ability to run her enterprise as she began to gain the financial and management skills needed to advance her business.

Her increased self-confidence matters a lot to her. Before getting into the honey bee farming business, Yulia experienced many ups and downs in business. She used to run a small stall, selling candy, soaps, cooking oil, etc. However, few buyers paid in cash and her business went broke. She tried to re-open the same business but it only lasted for three weeks.

In 1996, her husband participated in bee farming training, a starting point for Yulia to run her new business. She asked a colleague of hers to join the business and share the profit. Orders were always on call. She delivered the product to buyers either by motorcycle or by car. By selling the honey, Yulia was able to meet her family’s daily needs, and save some money for her children’s education. “Now, I can afford my children’s education.”

Some money was allocated from her business to allow her to begin studying in tertiary education. “I thought that because I now have my own business, I’d better to get a better education on how to manage the finances,” Yulia said after having recently graduated from college. This thirst for knowledge was the reason that Yulia was so enthusiastic to join the ILO-ESD programme. ❁



Basic Entrepreneurship Skills for Women

A baseline study conducted by the ILO in April 2009 showed that some of the main weaknesses of Papuan women entrepreneurs preventing them from progressing in business were lack of knowledge of basic business administration and financial management. Lack of self-esteem and cultural factors were also obstacles.

To address these issues, the ILO-ESD project initiated Training for Entrepreneurs (ToE) programmes, utilizing an innovative GET Ahead module. Not only did this module focus on the administration, finance and marketing factor, but it also provided—through its participatory way of teaching—opportunities for women to speak out, hence giving a voice to them.

The module on gender was very useful, inserting new ways of thinking about relationships between men and

women and how it affects aspects of their lives. These factors are a good start to tackling issues of culture and gender but need much more in-depth activities before having a real impact.

A total of 21 TOE workshops were conducted. As many as 625 entrepreneurs were trained in basic entrepreneurship skills using the GET Ahead principles, exceeding the original target (of 250 entrepreneurs). This



Changing times



Noticeable progress has taken place recently. In Jayawijaya, for example, women now tend to be more equal with men in terms of business activities they can engage in. This change, according to Bupati Wetipo, comes about as they learn how to change their mindsets in order to make a better living.

“There have been changes happening,” asserted Christian Sohilait, Head of Lani Jaya Planning Bureau.

“Proving this shift is the fact that anyone in Lani Jaya can now hear many women talk about how they can knit wool with equipment.”

The ILO-ESD Project successfully enhanced awareness among women about business potentials in the region. The project also taught basic entrepreneurship skills to indigenous women. After the project, more women feel confident to start a business or to enhance their existing businesses. Not only did the project enrich women’s capacity to achieve better results in business, it also facilitated their access to microfinance institutions.

Bank Papua became one of the finance institutions that is involved in improving the condition of women. For quite some time, according to Tauvik, those women had depended on local finance organizations because there was not much institutional financial support. “We are grateful that the government bank has been very supportive, so that people in this programme could have easy access to microfinance support,” Tauvik said. ❁

"Nyeki Awa Loh Halok, Nyape Awalok Hat"



**Serlina Wenda,
Coffee Milling
Entrepreneur**

"The programme not only gave me knowledge, but it also gave me a chance to expand my business by helping me with a loan," said Serlina Wenda, a coffee milling entrepreneur in Jayawijaya. When joining the ILO-ESD programme in 2009, Serlina had been an established

entrepreneur, with a coffee milling business that had run for more than a decade. But she believed that her business knowledge needed to be updated and developed.

The training materials admittedly enriched and refreshed her mind. The new knowledge gained evidently significantly improved her finance management skills. As an experienced entrepreneur, the training coincided with her needs, that is, in the area of administration. Moreover, ILO-ESD also facilitated access for entrepreneurs to microfinance institutions. "I am grateful for this," Serlina said. "This is real."

Although today she is an established businesswoman, Serlina's success as a coffee milling entrepreneur did not come overnight. She had to endure long and tiring days to be able to sell the coffee. Before the business took off, Serlina was constantly frustrated and felt hopeless for not being able to fulfil her family's basic needs. Life was unbearable for her as she had to feed so many dependants: a husband, a grandmother, a sister, and six children.

"Everyday, I went out to meet the new neighbours, crawling. I told them that I wanted to start a business making coffee, but my coffee was scattered. I did not know how to manage it. They only said how pitiful I was," she said, remembering her long journey to be a successful entrepreneur.

Now this is far behind her, even though initially she didn't know how to meet and expand her market. She only sold the products to the people she knew. She even asked her children to help sell the coffee. Her business began running better over time and profit continued to grow.

In addition to re-injecting some of the profit back into the business, some was allocated for her son's education. After 16 years of doing business, Serlina could finally send some of her family members to college, and several have since graduated. Narrating an old proverb, Serlina spoke of the motivation and achievements that the ILO-ESD project has provided: 'Nyeki Awa Loh Halok, Nyape Awalok Hat.' 'If the hand does nothing, the mouth will be not chewing'. ❀



training also successfully met the gender specific targets as 70 per cent participants (437) were women. This is a significant achievement given the challenges and gender inequality that exist in the central highlands.

Based on interviews carried out with participants of the ToE workshops, a generally positive impact had been achieved and beneficial knowledge imparted. The main learning point identified by the majority of women interviewed was in the area of separation of private money from business money.

Additionally, more experienced businesswomen commented that they had been able to significantly improve their administration and finance management. They already had a good base of knowledge, and the training fit very well with their needs in the area of administration.

Women were also very receptive to information on banking, especially on access to credit, which clarified the process involved. According to ILO progress reports, approximately 18 training participants of the ILO-ESD course have had their credit applications approved by Bank Papua Wamena Branch. ❀

Reaching People through Media

The ILO-ESD project 'owes' the ability to effectively communicate business messages to the GET Ahead module. This module is an easy, 'fun' way to understand all aspects of managing a small business. Not only did the ILO-ESD project utilize the GET Ahead module, it also used a video, 'GET Ahead, the Movie', to educate participants. The movie shows the possible impacts of training and what can be achieved by strengthening the capacity of women entrepreneurs.

"This film is a very good tool for motivating and inspiring the participants, as it helps them realize their own capacity and initiatives. It definitely has the potential to change mindsets of women in the highlands," said Gita Lingga, the ILO's communication officer, adding that the video have also be used as a tool for NGOs

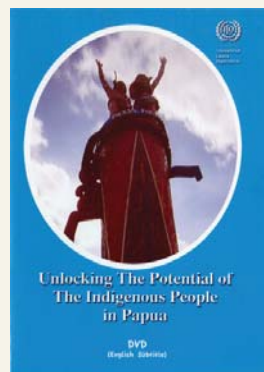
and the government in their motivational training programmes and have been made widely available.

In addition, awareness on entrepreneurship development and economic potential was also carried out through the use of media and socialisation meetings. A collaboration programme was developed between the ILO-ESD and RRI Wamena (Radio of the Republic of Indonesia). This programme included: a) an interactive radio programme broadcast every week for two months until the end of November, 2009, with entrepreneurship as the primary topic; b) spot or message broadcasting on the roles of women within entrepreneurship, transmitted two to five times daily and; c) weekly radio dramas, broadcast up to the end of November 2009.

"The radio spots and programmes have backed up many other ILO activities and helped reach a wider audience. They have also provided ILO with a public feedback mechanism, which is very useful for self-reflection and learning," added Gita. ✨

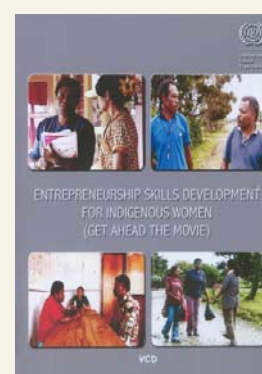
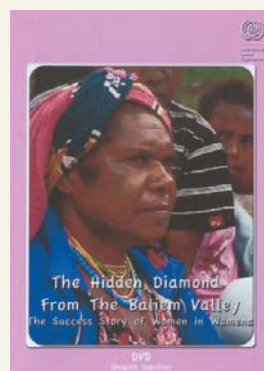
Documentaries on Indigenous Peoples

Unlocking the Potential of the Indigenous Peoples in Papua captures the potential of indigenous peoples in Papua to contribute to the overall development in reducing poverty through sustainable income and employment generation, promoting general equality and strengthening peace and development mechanisms through community driven participatory development.



their enterprises effectively and generate greater and self employment opportunities.

The Hidden Diamond from the Baliem Valley is a documentary movie portraying the success of the women of Wamena in Papua who actively contribute to their communities' economic livelihoods. The movie also shares lessons learnt on how the capacity building activities introduced by the programme strengthen entrepreneurship skills among partner community members, especially women, to manage



GET Ahead the movie

features the instructional training module of GET Ahead (Gender and Entrepreneurship Together) that has been adapted to the Papuan local context and culture. The module focuses on gender equality and business management, women and networking, marketing, product, services and technology and finance management. It is a user-friendly hands-on entrepreneurship skills material with special attention to marketing, through coaching. It also takes into account the difficult situation of accessing experienced instructors on the subject. ✨

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