

Institut Académique des Bébés



iab-afrique.com



The Care Economy
Knowledge Hub

the-care-economy-knowledge-hub.org

Profiling Businesses in the Care Economy

The care economy consists of paid and unpaid labor and services that support caregiving in all its forms. In Africa, Asia and Latin America, women spend between three to five times as many hours on unpaid care and domestic work as men. This represents 80 percent of a household's total hours devoted to unpaid care work.

Care economy businesses can help recognize, redistribute, reduce and reward – also known as the 4 Rs – unpaid and paid care and domestic work in the following ways:



Recognize: Initiatives that increase visibility and recognition of paid and unpaid care and domestic activity as "productive" work that creates real value and contributes to economies and societies.



Redistribute: Services and initiatives that redistribute care work from individuals to public and private sector entities, and redistribute care and domestic work within the household.



Reduce: Products and initiatives that reduce the time spent on and burden of unpaid care and domestic work.

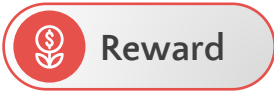


Reward: Products, services and initiatives that ensure that care and domestic workers are paid fairly and have professional growth potential. This provides them with financial reward and security.

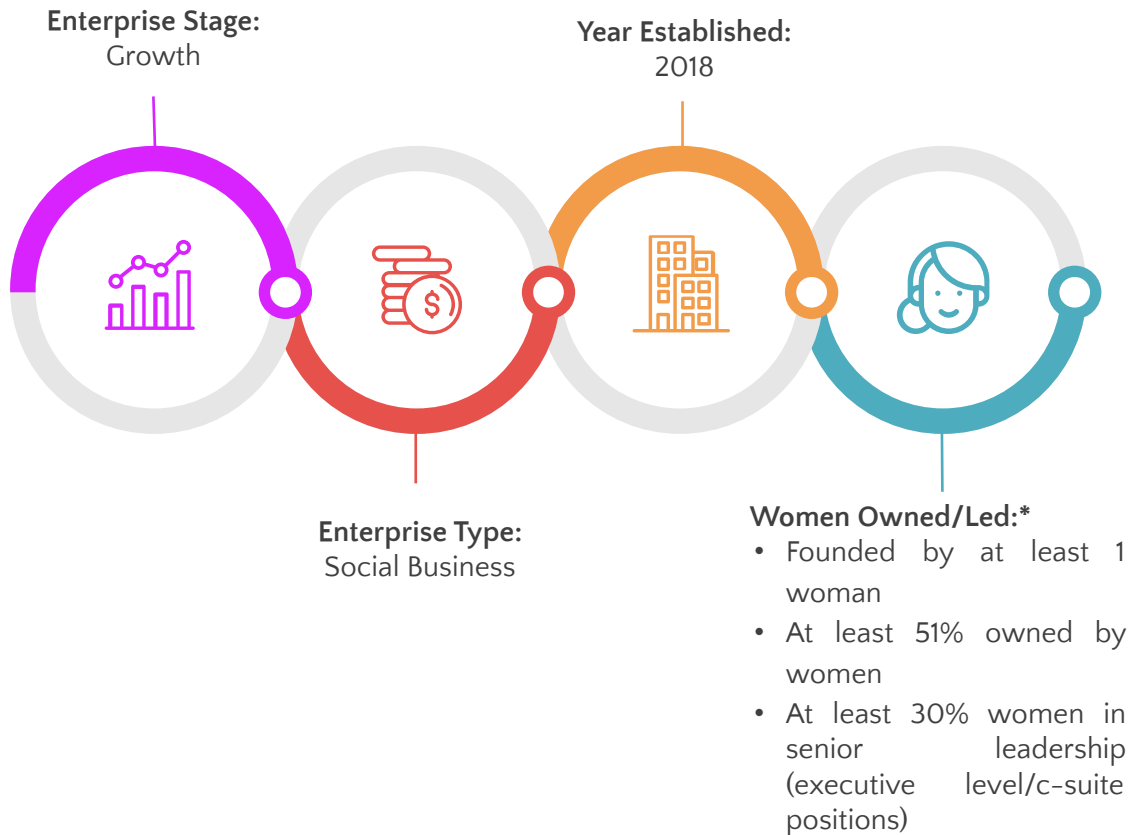
The Care Economy Knowledge Hub aims to address the knowledge gap around care businesses by showcasing various business models and creating a resource base for relevant stakeholders. It also aims to raise awareness and increase knowledge of the state of impact-driven care economy business models and attract a broad range of funders to invest in care economy solutions by showcasing opportunities. These business profiles are intended to showcase said potential investment opportunities. They have been created from information and data provided by the business itself.

This project is supported by Canada's International Development Research Center, in partnership with the Soros Economic Development Fund at the Open Society Foundations. Building on their track record and commitment to transforming the care economy and mobilizing finance for gender equality, they have jointly launched this action research program to help transform the care economy through impact business and investment.

Executive Summary



The Institut Académique des Bébés (IAB) is a social business that provides early childhood development training and career placement for care workers in Senegal. The majority of the enterprise's trainees are unemployed women who cannot afford to pursue professional courses and therefore benefit from IAB subsidies. Since its inception, IAB has trained 511 care workers. In 2021, IAB's revenue was US\$ 113,249 and it currently has 7 full-time employees.



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*According to 2X "women entrepreneurship" and "women leadership" criteria; [2X Challenge Criteria](#)

1. About The Enterprise

1.1 Problem

In 2022, 42% of the Senegalese population was made up of children aged 14 and younger (a third of these children were under the age of 5).¹ Early childhood care and education (ECCE) is extremely important for the cognitive development of children, however Senegal lacks sufficient infrastructure to ensure this development. In 2021, only 21% of children aged 3–6 attended ECCE.² Estimates suggest that 53.8% of pupils attend private kindergartens and nurseries, with the remaining pupils attending public kindergartens, community centers (operated by non-government organizations), or “children’s huts.”³ Senegal has a publicly subsidized pre-primary education system and the government has set a target of providing preschool services to 50% of children by 2025. Despite this, the national government has allocated only 0.03% of Gross Domestic Product (GDP) to pre-primary education.⁴ Furthermore, educational quality is a concern, as there is an average child to staff ratio of 24:1. Further, the share of qualified teachers at the pre-primary level is only 38%. Despite a significant child population, no formal rules or policies exist to guide the establishment of childcare centers or preschools in the country.⁵

Health outcomes amongst Senegalese children are concerning. In 2020, the under 5 mortality rate was 38 per 1000 live births.⁶ Studies highlight an alarming prevalence of malnutrition in Senegal and only marginal improvements in rates of acute malnutrition among children under 5 years of age (declining from 10% in 2010, to 8.9% in 2017).⁷

Senegal also faces challenges in employment. Nearly 300,000 new job seekers enter the labor market each year, competing for an estimated 30,000 jobs on offer.⁸ Over 70% of workers are considered unskilled, as they have only completed primary education (or below). This has created a mismatch between the needs of the country’s labor market and the skill level and employability of its youth population.⁹ In addition, the unemployment rate for young women between the ages of 18–24 is 34%, compared to 12.7% for their male counterparts.¹⁰

¹ UNFPA. (2022). *World Population Dashboard Senegal*. <https://www.unfpa.org/data/world-population/SN>

² UNICEF. (2021). *Senegal: Key demographic indicators*. <https://data.unicef.org/country/sen/>

³ Children’s Huts, also known as La Case de Tout-Petit (CTP), began in 2000 in response to the ECCE policies. Children’s Huts are meant for children aged 0–6 and offer a more holistic approach to pre-school education, by emphasizing infants’ education, nutrition, health, and hygiene.

⁴ United Nations Women. (2021). *Investing in free universal childcare in Sub-Saharan Africa*. https://www.unwomen.org/sites/default/files/2021-12/Issue-paper-Investing-in-free-universal-childcare-in-sub-Saharan-Africa-en_0.pdf

⁵ Child Research Net. (2014). *Pre-school education in Senegal*. https://www.childresearch.net/projects/eccec/2014_02.html

⁶ The World Bank. (2020). *Mortality rate, under-5 (per 1,000 live births)*. <https://data.worldbank.org/indicator/SH.DYN.MORT?locations=SN>

⁷ USAID. (2018). *Malnutrition causal factors in under-5 children in Senegal*. https://pdf.usaid.gov/pdf_docs/PA00TZ28.pdf

⁸ Challenge Fund for Youth Employment. (2021). *Senegal: Scoping Report*. <https://fundforyouthemployment.nl/wp-content/uploads/2022/01/Scoping-Report-Senegal-2021-Challenge-Fund-for-Youth-Employment.pdf>

⁹ Challenge Fund for Youth Employment. (2021). *Senegal: Scoping Report*. <https://fundforyouthemployment.nl/wp-content/uploads/2022/01/Scoping-Report-Senegal-2021-Challenge-Fund-for-Youth-Employment.pdf>

¹⁰ Challenge Fund for Youth Employment. (2021). *Senegal: Scoping Report*. <https://fundforyouthemployment.nl/wp-content/uploads/2022/01/Scoping-Report-Senegal-2021-Challenge-Fund-for-Youth-Employment.pdf>

In addition to unemployment, the lack of affordable childcare services is a major obstacle for Senegalese women. They must spend significant time on unpaid childcare work, which hinders their participation in the formal labor market.¹¹ For example, the current employment-to-population ratio in Senegal for fathers (aged 25–54) is 79%, but 48% for mothers (aged 25–54). This implies that more mothers in Senegal are opting out of the labor market.¹² Research has indicated that women who are able to afford childcare centers or preschools save approximately 4 hours daily.¹³

1.2 Solution

IAB's solution is as follows:

- **Training and certification:** IAB operates 3 training institutes in Senegal, focusing on infant and early childhood care in the first 1,000 days of life. The training is conducted over a period of 6 months. Topics include: personal development and communication, child safety, child brain development, psychomotor development, and stimulation. Trainees also participate in internship programs at crèches (nursery/daycare), or other institutions that require early childcare professionals. The training is followed by an assessment and successful candidates receive a diploma certificate, the “Early Childhood Specialty Certificate,” from the Ministry of Training. The majority of trainees are young women and men who dropped out of school and are unemployed, and therefore have limited means to pursue education or professional courses. The training program is subsidized by the Vocational and Technical Training Fund (3FPT), a public utility structure set by the Government of Senegal to address the capacity-building needs of the private sector and the employability of young people. IAB is registered with 3FPT, which enables it to leverage scholarships for students.
- **Livelihood linkages:** IAB also provides livelihood support by linking trainees to employment opportunities as facilitators, educational support providers, or assistants in crèches, leisure centers, or private homes. IAB mentors complete several follow-ups with trainees during their first month of employment.

*From March 2023, IAB will operate its first nursery in Senegal. It will provide crèche and daycare services to children for a fee of US\$ 82/month.

¹¹ Jameel Poverty Action Lab. (n.d.). *Impact of Quality Childcare Services on Women's Empowerment in Senegal*.

<https://www.povertyactionlab.org/initiative-project/impact-quality-childcare-services-womens-empowerment-senegal>

¹² United Nations Women. (2021). *Investing in free universal childcare in Sub-Saharan Africa*. https://www.unwomen.org/sites/default/files/2021-12/Issue-paper-Investing-in-free-universal-childcare-in-sub-Saharan-Africa-en_0.pdf

¹³ Agence de presse Africaine. (n.d.). *Women's empowerment: study underscores childcare givers role*.

<http://apanews.net/en/pays/senegal/news/womens-empowerment-study-underscores-childcare-givers-role>

1.3 Customer Segment

Customer Segment	Product / Service Provided	Paid / Unpaid
Caregivers (largely women from low-income communities, who dropped out of school)	Training, certification, and employment linkages: Before enrolment, candidates take a written test, as well as complete an interview. Those selected are registered in the training program. Caregivers attend professional training courses on infant care. This is followed by a State diploma. Trainees are also connected to employment opportunities through IAB’s networks and connections.	<i>Paid</i> The total training cost is US\$ 690. Trainees pay 10% of the fees directly to IAB. The remaining 90% of the cost is borne by 3FPT: 70% of training costs are paid before the training and 20% at the end of the training.
Government	Training services: IAB conducts the training program and links trainees to employment opportunities. The training curriculum is accredited by the government and successful students receive a diploma certificate.	<i>Paid</i> The government funds 90% of the training costs provided through 3FPT. IAB and 3FPT sign contracts for each training program.

1.4 Team And Governance Structure

IAB has 7 full-time employees, 5 of whom are women. The full-time employees include: 3 trainers, an administrative assistant, an accounting assistant, a technician, and a community manager. From March 2023, IAB will hire 5 additional team members to work at the nursery. Nursery staff roles will include: a trainer, a facilitator, a cook, a security guard, and an assistant.

IAB’s board has 5 members, all of whom are women.

1.5 Enterprise Policies

Policy	Yes / No
Overall HR Policy	Yes
Equal pay for equivalent work policy	Yes
Non-discrimination / Equal employment opportunity / Diversity and inclusion policy (gender, LGBTQ, PWD, etc.)	Yes
Anti bullying and sexual harassment policy / Respectful workplaces	Yes
Whistleblower policy / Employee grievance mechanism	Yes
Maternity / Paternity leave policy	Yes
Safeguarding policies for vulnerable groups (children, elderly, PWDs)	Yes
Safeguarding policies for the environment or to reduce detrimental impact on the environment (covers reducing carbon footprint, reduced water consumption etc.)	No

2. Impact

2.1 Mission Statement

IAB's mission is to enhance the quality of infant care, as well as decrease youth unemployment. It aims to create equal opportunities and to promote the empowerment of women, as well as human capital formation.

2.2 Intended Impact

IAB's work is aligned to 1 of the 4 Rs:

- The training and certification provided by IAB has resulted in increased **reward** for care workers, who otherwise would not have access to professional development courses and livelihoods.

2.3 Monitoring And Measurement

IAB tracks the following data (monthly):

- Number of trainees in each region
- Number of training and workshops conducted
- Number of alumni
- Number of placements

IAB also monitors the impact of its training programs by maintaining a baseline record of each student. Midway through the training course, IAB measures and records skill enhancement. At the end of the training program, IAB conducts a survey on (and updates student records for) individual acquisition of specific skills and employment.

2.4 Results To Date

- Number of caregivers trained: 511 (97% of whom are women).¹⁴
- 100% of trainees found employment in 2019 and 2020
- After training and employment, IAB graduates received an average monthly salary of US\$ 160–250. This is 3x higher than the national minimum wage.

IAB's work is aligned with the following Sustainable Development Goals (SDGs):



¹⁴ In 2020, IAB halted operations for 8 months due to COVID-19.

3. Financials

3.1 Financial Status

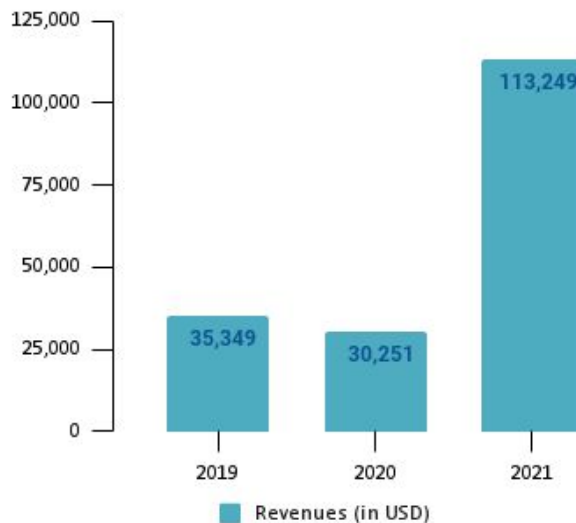
IAB is financially sustainable through training fees and government payments (provided to IAB as student scholarships).

<i>Particular (Amounts in USD)</i>	FY2019	FY2020	FY2021
Total Revenue	35,349	30,251	113,249
Total Expenses	20,330	36,456	57,400
EBITDA OR Profit/Loss	15,019	(6,205)	55,849
EBITDA Margin	38%	(20%)	46%

3.1.1 Revenue Streams

Currently, 70% of IAB's revenue is through payments received from 3FPT. The remaining 30% comes from students' training fees and grants.

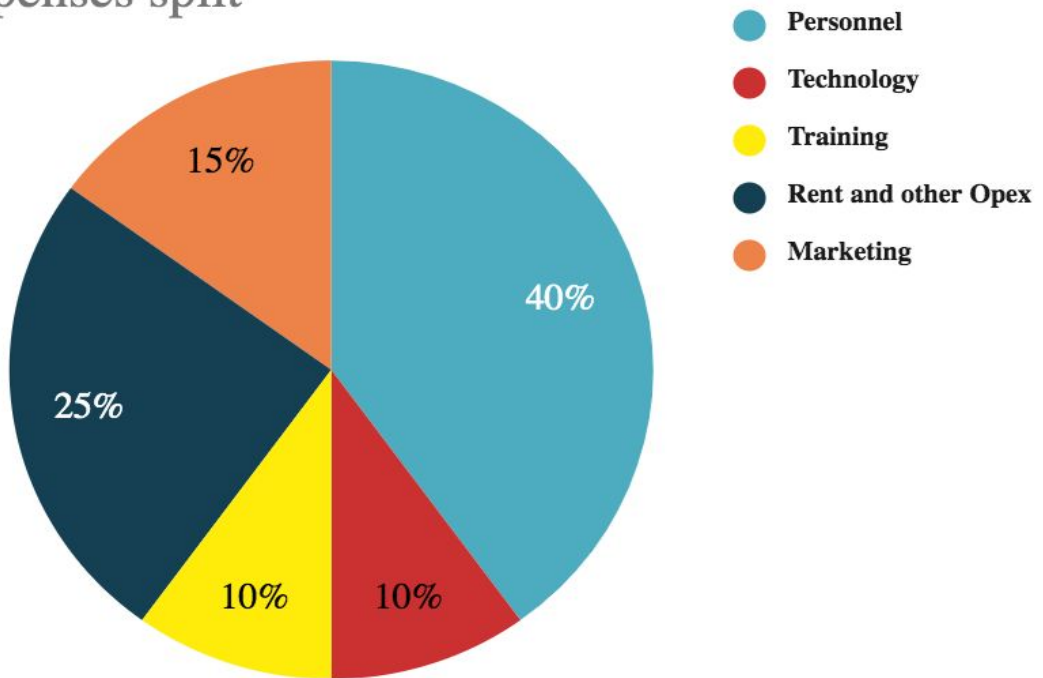
Past Revenue



3.1.2 Expenses

The following pie-chart displays IAB's expense breakdown in the year 2021.

Expenses split



3.2 External Funding Sources (Past and Current)

- In 2021, IAB received payments from 3FPT (in the form of subsidies for training costs).
- In 2022, IAB received a grant from Oxfam to operate a nursery in St. Louis, Senegal.
- IAB received a bank loan to develop its training center.
- In 2020, IAB received a grant from I&P, an impact investment group. Grant funds were used to develop extra classroom space, create an online training program, as well as set up a laboratory day-care.

3.3 Challenges Faced In Accessing Capital

Availability: There are few funding opportunities in Senegal to support social businesses. Investors and funders have limited understanding on how IAB integrates its social purpose with early childhood care.

4. Path To Scalability

4.1 Potential Avenues For Growth

IAB has identified the following avenues for growth:

- **Establish IAB-owned crèche:** IAB intends to establish 3 creches in Senegal by 2024. One creche will be built in January 2023, for which IAB has already received funding from Oxfam. This creche will serve children between the ages of 3–36 months. IAB intends to replicate this model in 2 other cities in Senegal.
- **Training and livelihood linkages:** By 2024, IAB will scale-up its training program. This will enable training and employment linkages for close to 800 additional trainees. IAB will prioritize women candidates and ensure that estimated 99% of trainees are women.

4.2 Risks And Challenges

- **Financing:** Students (the majority of whom are young women) often come from marginalized communities and struggle to pay their fees. It is often difficult for students to obtain scholarships large enough to finance 90% of training costs. Therefore, IAB is building partnerships with other agencies to support training programs.
- **Operational:** IAB faces challenges in identifying quality trainers in the field of ECCE.
- **Regulatory:** IAB is dedicated to providing its graduates with a diploma, not just a certificate. However, IAB faced challenges in getting accreditation for the institute, due to delays in the accreditation process. The submission of the application (and the inspection by government officials) were both lengthy processes.

4.3 COVID-19 Impact On The Enterprise

IAB was forced to close its training institute for 8 months during the COVID-19 pandemic. This closure reduced student's admission by more than 80%. To overcome this, IAB adapted its classroom training to an e-learning format. This new method allowed IAB to enroll more learners. Since then, IAB has followed a hybrid training course, integrating both e-learning and in-person classes.

4.4 Support Received To Date

The founder of IAB has participated in several accelerator programs, including: the AFD for Inclusive and Digital Business in Africa (AFIDBA) in 2019, and the Social and Inclusive Business Camp in 2020. Further, IAB has procured cost-free premises (through homes and garages of individuals) in order to conduct its training.

4.5 Inputs Required For Growth

Financial:

IAB requires US\$ 90,000 to support the establishment of 2 new nurseries, as well as the accelerated training of additional nursery staff. IAB is seeking this funding in the form of grants or zero-interest loans.

Non-financial:

IAB is seeking technical support, HR support (particularly project management and web development), and training support.