



## Livelihoods for Resilience Activity

# Labor Market Assessment Report

Developed for CARE Ethiopia

By the Education Development Center (EDC)



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## Executive Summary

Ethiopia is the second-most populous country in sub-Saharan Africa. As of 2016 the population exceeded 100,000,000 and as of January 2018 stood at over 106,380,626, based on the latest United Nations estimates. An estimated 45 percent of the population are under age 15 and 71 percent under age 30. Youth unemployment is high, estimated to be around 7 percent; with about 25 percent of youth ages 15 to 29 report being underemployed. Unemployment is reported to be more prevalent in urban areas. However lack of employment opportunity for young people still drives rural-to-urban migration and leads many to emigrate.

Ethiopia has increased its focus in education in recent years. University enrolment has increased from 10,000 in 1990 to 360,000 in 2015. The country has also invested heavily in technical and vocational training (TVET)—with the aim of producing “semi-skilled and relatively well-suited workers to the growing manufacturing and construction sectors”—increasing the number of TVET students from 5264 in 1999 to 271,389 in 2014. The challenge is in the quality of the training with many graduates not meeting the skills needs of the market. There has been an increase in the number of rural woman seeking employment, particularly in the health, education, and social work sectors.

The World Bank estimates that about 600,000 individuals enter the Ethiopian labor force every year. However the economy is not generating enough jobs for this large number. This is even more apparent with the large number of young people entering the market due to the youth bulge. This “imbalance between the increase in the supply of and demand for workers” will create increasing and long-lasting unemployment for Ethiopian youth. Rising unemployment is especially true for university and college graduates, and even more so for those with less skill.

Economic growth in Ethiopia has shifted away from traditional and primary sectors and towards secondary and tertiary ones. The amount of growth has been decreasing in agriculture and increasing in the industrial and service sectors. In other words labor is gradually moving from agriculture to the services sector firstly and then into industry. This is seen in the investment by the Government of Ethiopia in Industrial Parks.

There has been a high rate of public investment in infrastructure resulting in growth in construction and related industries. As a result there has been growth in other value chain linkage sectors. The growth in construction has led to higher employment of urban youth and migrating rural youth in construction and value-chain sub-sectors. As a result the demand for services and retail goods has increased. Thus the financial services, mining, and manufacturing sectors appear to be experiencing higher employment growth. The agriculture, utilities, and transport experienced less growth in employment but higher value-added growth. The Textiles and Garments sector in particular shows positive growth based in increased demand.

Wage levels in Ethiopia remain low, especially for those with lower skills levels. The growth in employment in many of these sectors is highest for entrants with technical skill. However there is an increasing demand for lower skilled youth. This would increase should these youth get both work readiness and basic technical skills.

### **The Methodology Education Development Center follows was as follows:**

Education Development Center was tasked with providing strategic guidance and technical assistance to the design of off-farm and employment pathway strategies for the activity. In order to get relevant data EDC conducted a primary and secondary assessment of the demand for off-farm wage employment. The field research team was in the field from 30 October to 10 November 2017.

EDC conducted a two-day Labor Market debrief workshop on Monday 20 and Tuesday 21 November. Present were the field research teams (the EDC researchers and the representatives from the Implementing Partners), as well as Implementing Partners Managers and key staff from CARE.

This was followed by a one day Planning Workshop on Wednesday 22 November to discuss how to implement the results of the Labor Market Assessment into a user-friendly Employment and Training Pathway for Implementing Partners.

### **Key findings of the Ethiopia Labor Market Assessment.**

The findings of the Labor Market Assessment confirmed the trends identified by the desktop research.

### **FINDINGS REGARDING THE THREE MAIN ECONOMIC SECTORS.**

The three main sectors in the formal Ethiopian economy that offer the most opportunity for wage employment for youth are Construction, Light Manufacturing, and the Services sector.

- **CONSTRUCTION:** All the research teams confirmed through interviews with private sector employers, woreda level officials and with youth that there are many opportunities in the growing construction sector. Some of the opportunities are in large scale projects, and many are in the rapidly growing housing sector. Male and female youth are seeking and finding wage employment on construction sites. This work lasts as long as the construction project lasts. Then the youth need to move of to find other work. Some of the youth enter construction with some relevant technical skills, and so find work easier and are paid higher daily wages. Unskilled youth are also finding wage employment at lower daily rates, doing more manual labor. This includes set up and clean-up of work sites, carrying raw materials, digging holes, ditches, and trenches; mixing concrete.
- Linked to the construction work is the construction materials sub-sector which also offers opportunity for wage employment. The sub-sector is broad, including concrete manufacturing, brick manufacturing, metal and wood related products. Ethiopia is manufacturing more and more of these products and as a result there are wage employment opportunities here.
- **LIGHT MANUFACTURING:** The growth of the light manufacturing sector is dependent on increasingly good quality infrastructure (including energy) and accessible and affordable finance. These have been made possible by the Government of Ethiopia through the Industrial Parks. International investment is thus increasing. The top five light manufacturing industries in Ethiopia at the moment are apparel / textiles, leather, agribusiness, metal products and wood products. Most growth is in the low-tech manufacturing industries - industries for which labour costs are very important and low. This is case in Ethiopia at the moment. Much of this manufacturing is located in the woreda towns.
- Youth have reported that they are interested in this form of work. However there are concerns about the low wages and the high cost of living in the woreda towns around the manufacturing areas.

- **TOURISM AND HOSPITALITY:** The Tourism and Hospitality Sector in Ethiopia continues to grow. There is ongoing construction of new hotels and resorts, mostly in the urban areas. Youth express an interest in working in the sector in the growing number of local hotels, restaurants, bars, and cafés in woredas and some kebeles, as well as for tour guides at the many religious and historical sites around Ethiopia. In 3 of the woredas there is an increasing opportunity for locals in building small huts and providing services for international tourists as the sites are located in scenic places. This development should be tracked for future employment opportunity.
- The transport sector also holds opportunities for youth to seek employment. The sector is characterized by small and medium businesses. These jobs are usually part time and informal. Youth earn a regular if erratic income. The opportunities are in car wash, loading/unloading, drivers, motor cycle renting, cart service, garage (motor repair), tyre repair, taxi conductor, parking.
- **SEASONAL WORK:** The bulk of seasonal work is in agriculture, harvesting crops when they are ripe. As a result of seasonal harvesting on farms, the food processing sector also increases their workforce to cope with seasonal increases. Many youth find seasonal employment as the entry level skills are low and it is usually in their local communities.
- **INDUSTRIAL PARKS:** The growth of Industrial Parks is presently focused on labor intensive industries such as textile, garment, agro-processing and leather. As discussed, these do provide opportunity for youth wage employment. However the issue of high turnover because of limited preparation of youth, low wages and high cost of living is a matter that needs to be addressed. While promising in the long-run, construction has outstripped tenancy and operations.

The findings of the Labor Market Assessment thus suggest that while these are opportunities in the Ethiopia labor market for youth to find wage employment, the private Sector has limited capacity to absorb large numbers of unemployed youth: There are only limited near-term wage employment opportunities in the areas our teams surveyed. There are an enormous number of youth in need of jobs. In general wages are low, and interestingly there are many reports of woman paid less than men for the same work that men do. This was in all sectors, but especially in construction.

#### **FINDINGS REGARDING YOUTH READINESS TO WORK.**

Discussions with employers, training providers and government officers as well as youth, showed that the majority of youth have not been adequately prepared to go and work in a workplace.

- **SOFT SKILL AND EMPLOYABILITY TRAINING FOR YOUTH:** All key informants agreed that there is a need for good relevant soft skill and employability training for youth. The youth themselves indicated that they do not know what work means or where to get information about where or how to look for employment opportunities. Woreda level support for youth employment is very limited Woreda officers know very little about wage employment for youth and don't have data to assist youth.
- **WAGE-EMPLOYMENT vs SELF-EMPLOYMENT:** Youth are interested in wage employment. However, they know that the opportunities are limited and that there is more support for self-employment opportunities than wage employment opportunities. This is true of both TVET and Woreda support programs.

## **Key Recommendations for Implementation**

Education Development Centre has submitted a detailed Inception Report that is based on the findings of both Inception Field Work and discussions with Implementing Partners; as well as the research of the Labor Market Assessment teams.

The Inception Report was developed based on the input and discussion of the Labor Market Assessment findings. A full day of planning on the Employment Pathway with CARE and Implementing Partners resulted in the Implementing Partners developing their own draft implementation plans.

### **Approaches to a practical implementation plan.**

The Feed the Future Ethiopia - Livelihoods for Resilience Activity has a defined process for identifying participating communities and PSNP households. This thus defines the geographic communities in which the implementation of the Livelihoods for Resilience Activities will take place.

The recruitment of youth for an Employment Pathway will thus come from these communities.

As part of the Inception report, EDC has recommended a Pathway for youth participating in the Livelihoods for Resilience Activity. The youth are recruited through VESA meetings, they receive Work Ready Now! training and those that are interested in self-employment then receive Be Your Own Boss Training. Those that are interested in Wage Employment are supported by Implementing Partners through a group accompaniment process to prepare for seeking wage employment, or on gaining additional technical skills training.

The Process Followed – and Findings of the Labor Market Assessment - become important at this stage. Implementing Partners need to understand the local woreda labor market and so inform youth about local employment opportunities, and recommend appropriate next steps for youth.

Implementing Partners need to use the methodologies that learnt from participating in the EDC-led Labor Market Assessment and conduct their own small local labor market assessment. They need to engage with woreda offices, local employers and workplaces, and training institutions to identify and discuss with youth, suitable options. This could include the identification of light manufacturing opportunities, of construction projects, of the availability of work at industrial parks. This would include guiding youth towards technical training programs at local TVET colleges to ensure youth get relevant skills for the local labor market. For example, the Implementing Partners might negotiate that the TVET college conduct demand lead short training courses in construction skills like brick laying or carpentry or metal work for groups of Livelihoods for Resilience who have completed Work Ready Now! training and are interested in working on construction sites.

Implementing Partners also need to understand the availability of seasonal work in these communities and adjust and prepare youth appropriately for these.

The detail of this was developed in the final day of the Inception Workshop Process with CARE and the Implementing Partners and is contained in the Inception Report.

## Background

The Feed the Future Ethiopia - Livelihoods for Resilience Activity (hereafter Livelihoods for Resilience Activity) is a five-year USAID-funded project running from December 5, 2016 through December 3, 2021. Building from a preceding project—Graduation with Resilience to Achieve Sustainable Development (GRAD)—the Livelihoods for Resilience Activity supports PSNP households to build resilient livelihoods with improved food and nutrition security, even in face of shocks and stresses. The project is working closely with the livelihoods component of the Government’s Productive Safety Net Program (PSNP), and will target PSNP households in 27 woreda’s of Amhara, SNNP, and Tigray regions, with the aim of enabling 97,900 households to graduate from the PSNP with resilience.

As part of this project, Education Development Center, Inc. (EDC) has been tasked with providing strategic guidance and technical assistance to the design of off-farm and employment pathway strategies for the activity, with a particular focus on youth and women. From September – December 2017 EDC conducted an **assessment of the demand for off-farm wage employment**<sup>1</sup> for young men and women in the targeted *woredas*. Results of the assessment will contribute to the recommended program approaches for off-farm pathways for youth, with an aim of increasing incomes and employment among target youth.

## Labor Market Assessment Objectives

The objective of the labor market assessment (LMA) was to identify the demand for off-farm employment for youth and women in the targeted woredas. For the purpose of this LMA, youth were initially characterized according to the Livelihoods for Resilience Activity categorization:

Youth—a primary target group of the Livelihoods for Resilience Activity<sup>i</sup>—will be divided into three categories, with different implementation mechanisms for each:

- **Adolescents aged 15-19** are most likely still in school, and still living with their parents. They will be recruited to join youth VESAs, which will focus on many pre-livelihoods activities, such as aspirations, financial literacy, social analysis and action, nutrition, and life skills. However, as they are still in school, they will not be an initial focus for involvement in structured livelihood activities. They youth will engage in livelihoods activities where and when appropriate, with a particular focus on off-farm and employment. The youth VESA manual will be tailored to the needs and interests of these youth.
- **Youth aged 18-29 still living at Home** have been recognized as probably the easiest group to start with. These youth are out of school and not married. Their parents are VESA members. This cohort of youth will most easily be able to participate in WRN! And BYOB training. They are most likely interested in changing their lives and so will be motivated to engage in Livelihoods for Resilience Activity. A “Recruit for Success” strategy will target these youth for the first rounds of training. Their involvement in VESA or Youth VESA needs to be clarified.
- **Youth aged 20 and above who are married** will participate in regular VESAs alongside adult members. They will also be a key target group for employment linkages. Youth members of regular VESAs will engage in activities alongside adult members.

Off-farm and employment pathway activities will be largely geared toward youth clients, and curricula and tools such as the Be Your Own Boss curriculum and Work Ready Now will be tailored to the needs of PSNP youth in Quarter 1 of Year 2, with the plan to roll them out later in the year.

This assessment answered the following top-line research questions:

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<sup>1</sup> While the majority of employment opportunities are in self-employment, CARE instructed EDC to focus on the wage-employment aspect of demand and program approaches for the purposes of this study.

- **Employer/ Sector Demand and Skills Requirements (Theme 1):** Which sectors/ occupations/ firms offer the greatest potential for wage-based employment (including seasonal employment, industrial jobs, jobs in woredas towns and peri-urban centers, and internships) for the target youth in each *woreda*? What are the specific skills—including technical skills and work readiness (“soft”) skills—required to meet this demand?
- **Training and Employment Services (Theme 2):** What existing training and employment (and entrepreneurship) services are offered to youth in the target areas to help them obtain wage employment, and what gaps are there in service delivery? Which youth segments take advantage of such services, and which ones are left out?
- **Youth Related Experiences and Aspirations (Theme 3):** What are the characteristics of the different youth segments targeted by the program, and what are the aspirations, behaviors, challenges and opportunities experienced by each youth segment?

## Methodology

Several principles underpinned this LMA:

- **Localized, dynamic:** Unlike most LMAs which provide a national-level snapshot, this LMA is highly localized, intended to be regularly updated at the local level and by local actors.
- **Capacity building of local service providers and implementing partners:** to the extent possible, data collection and analysis is performed by the local service providers who will be implementing the interventions. Utilizing a kinesthetic learning approach, EDC’s assessment team lead walks through the LMA process with local partner staff<sup>2</sup> so that they can repeat this process again (on their own) and update their LMA on a regular basis.
- **Easy to Use:** A relatively simple, low-cost methodology allows local service providers to update the LMA on a regular basis. It emphasizes interactions and connections with key actors in the workforce system, relying on existing secondary information, key informant interviews, and focus group discussions for data collection. The analysis of results is based on a local stakeholder workshop methodology.

The **Methodological Framework** for the assessment (Table 1, below) is organized according to the three research themes.

**TABLE 1. METHODOLOGICAL FRAMEWORK FOR ASSESSING OF OFF-FARM WAGE EMPLOYMENT DEMAND**

Assessment Theme	Methodology	Output
THEME 1. Employer Demand and Skills Requirements	<ul style="list-style-type: none"> <li>• Secondary research: VC analyses, project reports, etc.</li> <li>• KII: lead firms, apex orgs, development experts, possibly other organizations implementing value chain programs and/or public-private partnerships, training providers, ILO or other implementers deeply involved in skills development</li> </ul>	<ul style="list-style-type: none"> <li>• Identify lead industries/ firms in each <i>woreda</i></li> <li>• Identify the functions/ occupations within each firm/ industry appropriate for youth</li> <li>• Estimate the job potential and number of jobs via lead firms in select <i>woredas</i></li> <li>• Define employers’ skills requirements, expectations, perceptions on youth</li> <li>• Identify potential for employer partnerships via curriculum development, on-the-job</li> </ul>

<sup>2</sup> Staff from local service providers who participate in the LMA conducted in 2017 should be those responsible for facilitating employment linkages between employers and youth, and guiding youth to seek employment opportunities.



	<ul style="list-style-type: none"> <li>Analysis: EDC LMA tool (stakeholder validation workshop)</li> </ul>	<ul style="list-style-type: none"> <li>training, internships, mentoring, job placement, etc.</li> <li>Develop shortlist of skills requirements for each sector, and a consolidated set of top-line skills that are relevant across the board</li> </ul>
THEME 2. Mapping of Training and Employment Services	<ul style="list-style-type: none"> <li>Secondary research: business services development, training providers, capacity assessments</li> <li>KII: local partners, CARE, other international prime contractors</li> <li>Analysis: SWOT</li> </ul>	<ul style="list-style-type: none"> <li>Summary analysis of partners, with identified strengths &amp; weaknesses (type of services, service quality, youth/female reach, technical capacity, management capacity, financial capacity, etc.)</li> <li>Short-list of high potential partners ready to implement now</li> <li>Recommendations for partner capacity-building</li> </ul>
THEME 3. Youth Assessment	<ul style="list-style-type: none"> <li>Secondary research: youth assessments, household poverty assessments</li> <li>FGD: youth, youth training providers.</li> <li>Survey (optional): youth</li> </ul>	<ul style="list-style-type: none"> <li>Triangulate findings and recommendations against youth experiences, perceptions, risks, and gender considerations.</li> </ul>

### Desktop Secondary Research

A total of 56 secondary sources were reviewed to inform the assessment. (A Bibliography (31) and End Notes (25) are provided.) While the team located a substantial amount of data on various agriculture and livestock sectors, and on national-level employment and workforce policy, there was little to no information on localized labor market demand in the target woredas, and particularly on wage-based employment, nor on youth employment preferences or services in the areas.

As a result EDC coordinated field research to confirm the findings of the secondary research.

Findings from both the secondary and field research are integrated.

### Primary Field Research

In order to collect primary data, EDC trained three teams of researchers. The respective teams were led by experienced field researchers and a team coordinator. The three teams included representatives from Implementing Partners working in the target woredas. EDC developed a detailed **Demand Assessment Tool for Wage Employment** with instruments and protocols for each of the identified **Themes** defined above. EDC provided three days of training for the team on the use of the instruments and on how to conduct focus groups. Part of the training involved the teams developing an initial list of key informants so that the Implementing Partners representatives could spend a week identifying potential stakeholders in advance.

EDC contracted researchers were paired with each region IPs and the table below designates the assignment.

EDC Researcher Name	IP Name	Region
Medhane Zekarias	REST	Tigray ( 3 Clusters)
Daniel Meread	ORDA	Amhara ( 3 Clusters)

Wondessen Tessema	CARE	SNNPR ( 3 Clusters)
Binyam Shebru	ASE	SNNPR (2 Clusters) plus Industrial Park

The research teams were in the field interviewing from Monday, October 30, 2017 to Thursday Morning Friday, November 10, 2017. The teams conducted a total of **96 key informant interviews and 36 focus group discussions** across the following **19 woredas**:

Primary Research	Key Informant Interviews	Youth Focus Groups
Amhara (ORDA)	26	11
Tigray (REST)	29	11
SNNPR (ASE and CARE)	41	14
<b>Totals</b>	<b>96</b>	<b>36</b>

Woredas in which we conducted research
<b>Amhara (ORDA)</b>
Menz Gera [North Shewa]
Guba Lafto
Meket
<b>Tigray (REST)</b>
Endamehoni
Mehoni
Endamehoni
Raya Alamata
Hawzen
<b>SNNPR (ASE and CARE)</b>
LiMU
Hosana
Wonago
Dilla Zuria
Aleta Wondo
Hawassa
Borecha

Furthermore, the research teams found that local governmental offices (Woreda Youth and Sport Office, Woreda Administration Office, Trade, Industry and Market Development Office) did not keep formal data, and rather relied on informal word-of-mouth to provide quantitative information about wage opportunities in their woredas. These findings underscored the need for the primary data collected by this LMA.

A list of key informants and focus group discussion locations is provided in Annex #.

## The Ethiopian Labor Economy - Desktop

### Main Sources of Economic Activity: General Population

Below are some snapshots of the main trends of the Ethiopian labor economy. Whilst not part of the labor market field research, they are still nevertheless useful.

These findings are consistent with the Field Research Findings that follow.

In Ethiopia's rural areas, agriculture represents the largest share of employment (83.15%), with "undifferentiated goods- and services-production" coming in a distance second (7.34%) and wholesale and retail trade in third place (2.86%). In urban areas, wholesale and retail is the largest share of employment (19.99%), and agriculture coming in second place (13.54%).<sup>ii</sup>

**Table 4.1a:** Share of employment by economic sector and major occupations (2013)

Major occupational area	% share from the Total Employment		
	Urban + Rural	Urban	Rural
Agriculture forestry and fishing	72.68	13.54	83.15
Mining and quarrying	0.42	0.79	0.36
Manufacturing	4.49	14.40	2.73
Construction	1.95	7.52	0.96
wholesale and retail trade; repair of motor vehicles	5.44	19.99	2.86
Transportation and storage	0.83	4.48	0.18
Accommodation and food service activities	1.14	5.14	0.43
Financial and insurance activities	0.32	1.97	0.02
Real estate activities	0.01	0.03	0.00
Professional scientific and technical activities	0.33	1.90	0.05
Administrative and support service activities	0.34	2.00	0.04
Public administration and defense; compulsory social	0.68	3.58	0.16
Education	1.61	6.62	0.72
Human health and social work activities	0.59	2.94	0.18
Other service activities	1.08	5.12	0.36
Activities of households as employers;	0.00	0.00	0.00
undifferentiated goods- and services-producing	7.29	7.00	7.34
Activities of extraterritorial organizations and bodies	0.05	0.32	0.00

Source: CSA (2013 B)

Source: ILO/UNIDO 2017

Among those in non-agricultural employment, the largest share is in sales workers (30.2%), with construction and mining at 10.6%. (See below):

**Table 2.2: Share of non-agricultural employment in Ethiopia by occupational group, 2013, percent**

Occupational group	Share of non-agricultural employment
Sales workers	30.2
Street and market salespersons	43.6
Shop salespersons	22.1
Alcohol sales	20.6
Other sales	13.7
Construction and mining	10.6
Food processing, wood and garment craft	7.6
Refuse workers	7.0
Teacher	6.5
Personal service worker	5.9
Other	32.2

Source: National Labor Force Survey (2013).

<sup>2</sup> In 2013, 88 percent of individuals that reported water and wood collecting as their primary occupation reported that this activity was classified as unpaid family worker. The majority of these workers were female (89 percent) and rural (94 percent). This category was not present or accounted for in 2005. For more information on these individuals see Appendix 1.

(Source: IFPRI, 2016)

While not specific to youth, USAID’s Non-Farm Enterprise Report (pp 9-18) indicated several non-farm activities that provided supplemental incomes to households in **Amhara and Tigray’s** “Northern Mixed Farming” areas<sup>3</sup>:

- **Construction:** “TVET has 19 different training programs in the construction industry beginning with cobblestone manufacture for basic road construction. Students can receive training in road, building, and irrigation canal construction including masonry, welding, carpentry, and general metal work, among others. Unskilled youth are also encouraged and facilitated by various GOE organizations to form construction cooperatives to bid competitively upon and provide contract services for delivery of sand, gravel, and rocks to construction sites.”
- **Commodity trade (petty trade):** “Petty trade of grains, vegetables, and fruit in weekly and permanent open air markets is dominated by women; shops are owned and managed by both sexes with larger, more varied inventories more common in woredas and along major roads.” According to another report, petty trade accounts for 44% of non-farm activity in the Tigray woreda.<sup>iii</sup>
- **Historical & religious tourism,** particularly in Amhara & Tigray: “Youth appear to be very receptive to this training and the industry is spawning a number of local hotels, restaurants, bars, and cafés in woredas and some kebeles.”
- **Transportation services:** kebele-based transportation (animal traction (donkey, horse, mule carts) and motorized vehicles (tricycle taxis, trucks)
- **Manufacturing:** “For the purposes of this report, the processing of raw cotton into thread and the transformation of the thread into cloth on traditional looms is considered agro-processing, not manufacturing. Manufacture and repair of basic farm and household tools and related equipment is a large part of every rural market visited in the area. Creation and repair of wood furniture is also done in local markets. Rural markets also sell homemade pottery used for household utensils. More sophisticated metal and woodwork is done in larger centers by skilled craftsmen and transported to rural markets” “In Tigray, MSED—working in conjunction with DECSI—is encouraging the formation of clusters in Mekele for

<sup>3</sup> The woredas considered in this cluster of livelihood zones include Sekota and Tach Gayint in Amhara Region, and Tselemti and Alamata in Tigray Region. The livelihood zones associated with the Taweredas include Abay-Tekeze Watershed (ATW) Livelihood Zone and Abay Beshilo Basin (ABB) Livelihood Zone (Tach Gayint), North East Woinadega Mixed Cereal (NMC) Livelihood Zone and Tekeze Lowland Sorghum and Goat (TSG) Livelihood Zone (Sekota), Raya Valley Livelihood Zone and Raya Valley Livelihood Zone (Alamata) and Adiyabo Lowland Livelihood Zone (Tselemti).

concrete block making as well as for general metal works. Tigray is considering replication of these clusters on small scales in rural areas.”

- **Mining:** “The existence of modern marble factories, such as the one in the Tigray Region, promises a good labor market. Gemstone mining is being supported by TVET with the construction of 17 training centers in Amhara and represents future NFE employment opportunities. Mining for gold and other mineral is done outside of the livelihood zone and men travel from the region to supply unskilled labor for its needs.”

In **Oromia and SNNPR’s** “south mixed farming” areas<sup>4</sup>, the same USAID NFE report (pp 19-21) found the following non-farming employment opportunities:

- **Construction:** carpentry, metal works, masonry, cobblestone production, mixing cement, and delivery and spreading of gravel and sand.
- **Cottage industries** include pottery, blacksmithing, leather works, and tailoring which is normally done in markets.
- **Local Beverages:** Production and trade of local brews/drinks such as *tella*, *araki*, *ceqa*, and *borde*.
- **Petty Trade:** especially dynamic along major roads. Commodities traded include livestock, grains, coffee, fruits, vegetables, spices, and last but not least, chat. Petty trading during market days is common especially among poorer households who return the borrowed capital with interest at the end of the day.
- **Retail shops** in the kebeles or woreda: sale of consumer goods, tea/coffee shops, donuts/snacks.
- **Other services:** hair/beauty services, bars, restaurant or cafeteria operations, house or room rentals, or hotel operation (especially for teachers and health workers).
- **Manufacturing:** Small-scale farm and household tool metal work manufacture; Electronics repair especially of mobile telephones; Collection of used metal and plastic for recycling or reuse; Carpentry for the manufacture of furniture; blacksmiths involved in making kitchenware; and Mechanics repairing small machinery.
- **Migration:** migration of rural labor to large cities both domestically and abroad, and as such, remittances are playing an increasing role in the local economy.

### Youth Economic Activity

The **IFPRI 2016 report** provides the best national picture of youth engagement in the economy and particularly focusing on non-farm activities. “The labor trends ... suggest that **agriculture remains an important livelihood for the majority of rural youth (63 percent)** and the overall population:

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<sup>4</sup> The woredas considered in this cluster of livelihood zones include Habro and Zuway Dugda in the Oromia Region, and Shebedino and Kedida Gamela in the Southern Nations, Nationalities and Peoples Region (SNNPR).

**Table 2.3: Percent of employed population whose primary occupation is in agriculture, 2005 and 2013, by age cohort and spatial domain**

Spatial domain	Age 10-14	Age 15-24	Age 25-34	Age over 35	Total
Ethiopia					
2005	92.0	77.6	74.8	80.7	80.2
2013 *	93.4	75.4	66.3	77.3	76.6
Rural					
2005	94.2	85.8	85.6	89.7	88.5
2013 *	95.3	86.9	83.9	90.1	88.9
Other urban <sup>1</sup>					
2005	48.5	21.6	11.5	18.5	19.9
2013 *	54.1	19.1	14.5	23.0	21.0
Major urban <sup>2</sup>					
2005	17.9	3.6	2.1	4.3	3.8
2013 *	22.9	3.6	2.5	5.4	4.2

Source: Ethiopia National Labor Force Surveys (2005, 2013).

\* 2013 data are based on reclassification of individuals that reported their primary occupation as 'wood and water collectors' into 'Not in the labor force'.

<sup>1</sup> Other urban centers are urban centers with populations of less than 100,000 people in 2007 and which are not considered regional capitals.

<sup>2</sup> Major urban centers include all regional capitals and the 15 other major urban centers that had a population size of 100,000 or more in 2007.

(Source: IFPRI, 2016)

The **profile of those involved in non-farm activities and wage labor** are the following:

- **Older Youth:** Youth between the ages of 25 and 34 years are generally more active in the non-farm sector (wage or non-farm enterprise), while youth between the ages of 15 and 24 tend to work more on own-farm labor.
- **More Educated – Primary completion:** Those that diversify into wage labor activities have completed more schooling (36 percent completed primary school) and
- **Household Status:** Those that diversify into wage labor are often the household head (60 percent).
- **Male:** Females are less active in wage labor
- **Fewer Assets, Fewer Agriculture Opportunities:** Individuals that work in wage labor come from smaller households with less agricultural land and livestock (Table 4.1). In addition, these individuals receive less extension services and have less access to agricultural credit, compared to individuals that exclusively work on their own-farm. Rural wage workers also live in areas where agriculture is less suitable, and therefore less attractive. Greater ownership of land, livestock, and access to agricultural credit decrease the probability that mature youth diversify out of farming into wage labor activities (Table 5.1, Model 3).
- **Market access** and distance to a major road are not significantly different for non-farm and own-farm workers. While wage workers tend to be closer to a market, overall, most households are relatively remote (at least 55 km on average) from major market centers. (IFPRI)

# 1. Employer/Sector Demand and Skill Requirements (Theme 1)

## High Opportunity Sectors & Job Profiles

The research teams spoke to employers and woreda officials about which sectors and occupations offered the greatest potential for wage-based employment for youth. This included seasonal employment, industrial jobs, jobs in woredas towns and peri-urban centers.

Based on these key informant interviews the teams identified the highest opportunities existed in:

1. Construction and Construction Materials sector
2. Light Manufacturing sector including textiles and leather, and metal and wood work
3. Services sector including hospitality, transport, education

The Implementing Partners and woreda officials guided the team to 31 different local employers. Six in construction, nine in Agro-Processing, eight in Manufacturing, four universities or research institutes, four hotels.

### 1.1 The Construction Sector and Construction Materials

Construction has seen huge growth in Ethiopia over the last ten years, with double digit growth, expanding by 37% annually in recent years.<sup>iv</sup> This is apparent in both the rapidly growing urban areas as well as in rural areas. The Government of Ethiopia is supporting infrastructure projects, new road projects and large scale affordable housing projects<sup>v</sup>. Work in the sector is dominated by micro, small and medium enterprises that act as subcontractors of main building contractors.

The construction of housing is high priority in Ethiopia, with a growing shortage. Rural towns also require more and more homes. There are opportunities in the construction of homes as well as the finishing sub-sector including plastering, tiling, painting, electrical installation, sanitary installation, masonry, carpentry.

While most of this activity is in Addis Ababa, the Amhara team reported on construction activity in dam building, University expansions, road construction, government offices building construction, private building construction, laying cobblestone, and building gabions.

The ILO/UNIDO Socio-Economic and Value Chain Assessment<sup>vi</sup> confirms large opportunities in the Addis Ababa areas, as well as in North Wollo in Amhara Regional State. However the growth of construction is national.

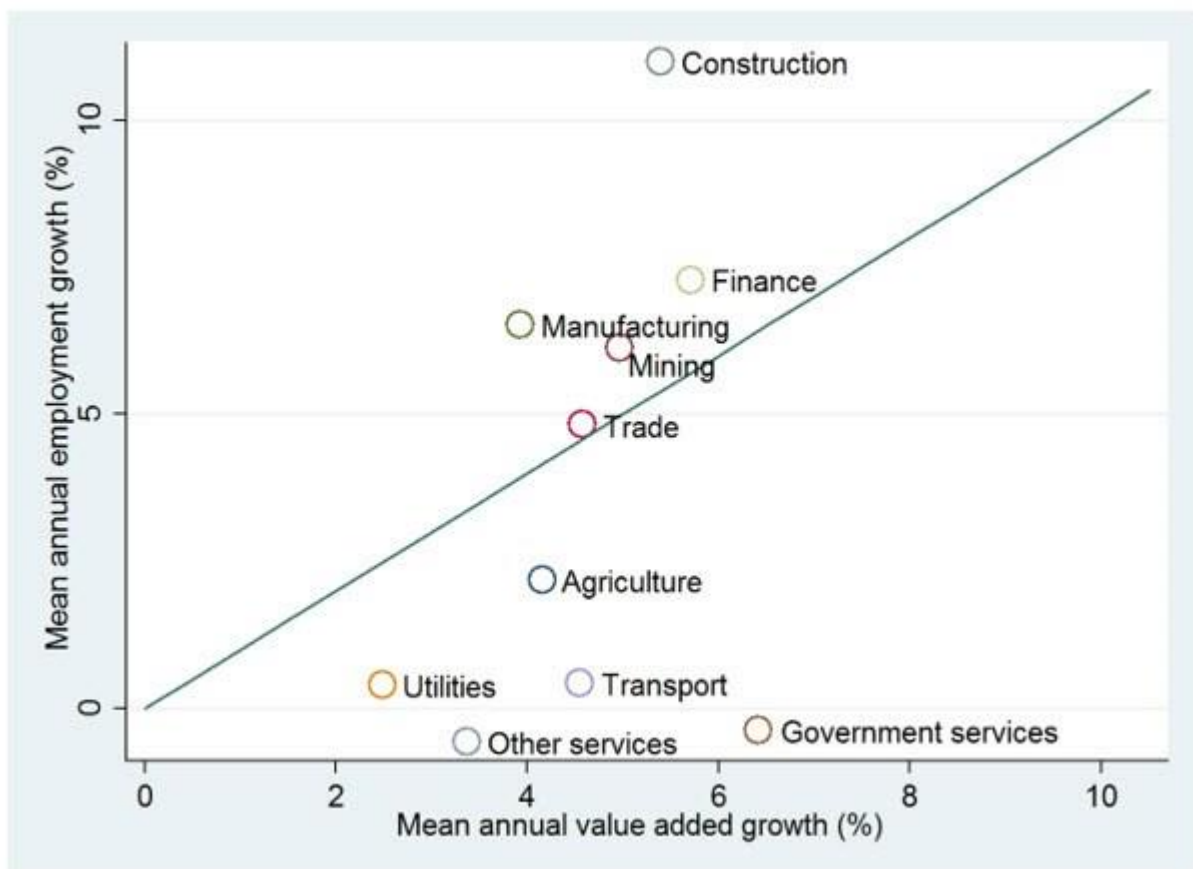
The team from SNNPR reported that in Borecha woreda Sunshine Construction has employed 630 youth this year for the five year road construction project. The Tigray team reported that in Adigrat town the Yotek Construction Company built an expansion project for the Adigrat University. There were 512 temporary jobs for youths.

The growth in the construction industry has an impact on the linked value chains and sub sectors such as cement industries, small scale enterprises in metal and wood work production and stone crushing companies.<sup>vii</sup> Ethiopia is currently the third largest<sup>viii</sup> cement producer in Africa. There is also growth in construction materials like brick and roofing material, paint, aluminum and electrical cable industries. Our research teams have reported the mention of opportunities in related areas such as the mining of sand, stone and other construction raw material from quarry sites.

Most of the employees in the construction sector are young. Official reports suggest the number of woman is low (field research suggests otherwise), as the barrier for skilled entry is low. A high percentage of labor is daily or informal, especially in the housing construction sub-sector. There are many entry level jobs for youth with sufficient skills. The TVET sector produces some semi-skills labor that will meet the growing demand, but it is not sufficient.

The investment in educational facilities, especially universities, was noted by the research team. The Yotek Construction Company at the Adigrat University says they hire semi-skilled daily labour (plasterer, carpenter, masonry and finishing workers) at 200 birr a day. There is a shortage of these skills. Many of these are females. The Tigray team also noted that the Raya University infrastructure development project is a 6 month project that has provided work for local youth. There are likely to be many opportunities like this in different locations during the life of the project. It will require local Implementing Partners to be in touch with their local labor market and economic activity, and develop relationships and agreement with investors and local government. Knowing that a major construction is scheduled for the near future (six months) allows the Implementing Partner to recruit interested youth, provide WRN! Training and the relevant technical training and get them employed on the construction site.

The graph below shows the sector’s growth performance in employment compared to other sectors. It also interestingly shows its low contribution to productivity. The paper Ethiopia—an Agrarian Economy in Transition<sup>ix</sup> attributes this trend to large public infrastructure projects in the country, such as the Grand Ethiopian Renaissance Dam.



The table below is a summary of findings regarding the Construction Sector.

Sector & Sub-Sector	Regions, Woredas	Job Profiles in High Demand	Wage-Based?	Scale of Employment (Number of Jobs in Function/ Sector)	Employment Growth Potential
<b>Construction</b> <b>Roads</b> <b>University building</b> <b>Hospitals</b> <b>TVETs</b>	SNNPR (Borecha, Aleta Wondo, Aleta Chuko, Dera , Dilla Zuria, Limu, Soro, Misha & Ana lemu)	Carpenter Masonry Plasterers Daily laborer Concreting Bar benders	Yes depends on competition Contract	SNNPR About 3000 job opportunities in the next year in the construction sector ORDA	Government sponsored and initiated funds (Mostly)



Government office	ORDA (Woldia, Menz Gera)	Painting	Self-employment	Expecting to have a total of 1200 wage employment opportunity in the construction sector
Hotels		Plumbers		
Industrial	REST (Endamehoni, Ganta Afeshum)	Electricians		Expecting 3000-4000 jobs for youth Government & private construction is highest potential
Parks		Sand +stone excavators		
Dams		Drivers		
Railway		Machine operators		
Factory		Managers Caterers		

## 1.2 The Light Manufacturing Sector

The growth of the light manufacturing sector is dependent on increasingly good quality infrastructure (including energy) and accessible and affordable finance which, in turn, needs commitment and long term vision from leaders in government and industry. The top five light manufacturing industries in Ethiopia at the moment are apparel / textiles, leather, agribusiness, metal products and wood products.<sup>x</sup>

Manufacturing in Ethiopia has grown at 11% per year since 2004.<sup>xi</sup> It remains low, at 5% of the GDZP but is still a significant contributor to the Ethiopian economy. Most growth is in the low-tech manufacturing industries - industries for which labour costs are very important and low – like those in Ethiopia at the moment. In Ethiopia planned manufacturing growth is supported through the government planning of Industrial Parks (see below). Much of the manufacturing is located in the woreda towns.

### Textiles and Leather

Both the leather products and the textile and apparel sectors have been designated as top priority manufacturing industries in the Ethiopia five-year development plan (2015 to 2020). The textile, and apparel industry have grown at an average of 51% and more than 65 international textile investment projects have been licensed for foreign investors, during the last five years.<sup>xii</sup>

One reason for this is because they have strong linkages with the agricultural sector as they use inputs from the livestock and cotton sectors. They are also both labour intensive, thus absorbing labour from the agricultural sector, and have major export potential and low entry barriers.<sup>xiii</sup> The growth in the textile industry is directly linked to the Government's move to set up an industrial development strategy (see Industrial Parks below). The Ethiopian government has been building industrial parks at different cities of the country that are believed to enhance the textile investment and productivity of the country, which ultimately help to increase foreign exchange.<sup>xiv</sup>

**The textile manufacturing sector** is growing, and there are an increasing number of work opportunities for youth in these large factories. The Government of Ethiopia feel the sector will provide employment opportunities for a significant number of women and youth who are prepared to relocate (migrate) for work. However many youth report being reluctant to working here due to low wages and high costs of accommodation. This is particularly true for rural youth who travel far at expense and relocate into expensive accommodation, in the woreda towns at the industrial parks where most of these new opportunities are (See Industrial Parks).

The ILO/UNIDO Socio-Economic and Value Chain Assessment agrees that the sector is expanding. It says that the sector offers considerable opportunities to create employment of basic operators, middle management staff, low-skilled labour in large factories, as well as medium and small entrepreneurial activities. It notes that while these segments hold considerable potential for rapid employment creation, there are gaps in technical and soft skills; and in the ability to create an enabling environment.

**The leather sector** is also in a good position to offer employment for skilled workers, low and middle management staff in small businesses. Ethiopia is a leader in managing its livestock resources in Africa and this provides the availability of a raw materials (skins) for the country's leather industry. The country is known in the international leather market for its superior qualities of sheep skin, acknowledged as being the best in the world. Production is mainly in small businesses but said to be increasing. <sup>xv</sup> Products include footwear, leather garments, leather goods, gloves. The workforce is primarily female and youth. <sup>xvi</sup>

### **Metal Work**

The metal work sector has possibilities to generate employment. The most relevant segment of the value chain is the one including the manufacturing of fabricated metal, metal equipment and (simple) machineries. This includes metal work for doors and windows, machineries for construction and food processing, tanks and water reservoirs and trailers. <sup>xvii</sup>

### **Other Light Manufacturing**

Our team visited a number of light manufacturing companies. They report that companies have some seasonal work for youth, but limited opportunity for recruitment of large numbers of youth. The Raya Brewery Share Company in Maychew, Endamehoni Woreda is an example. The company has 362 full time, 105 part time, 53 contractual, 53 daily laborer and 200 piece-rate workers. Most recruitment is for middle level or technically skilled experiences workers. The whole production process is automated and computer supported so recruits need to be technologically skilled.

The agro-processing sector is different. The Vellvard Tomato processing farm in Endamehoni Woreda currently hires large numbers of daily laborers with the number tripling in season. (they report up to 30,000 seasonal youth – a number we have not been able to verify) . These are entry level workers, mostly female, from local communities with limited skill. They receive basic skills training for the task they are required to do, once they start working. The soft skill requirements are simple - discipline, team worker and commitment. The farm does require technically skills labor to repair equipment, irrigation, vehicles. The minimum wage for regular daily labor is 1,000 birr per month and if the worker is competent it can goes up to 1,500 birr. There is also provision for sleeping rooms, food and other facilities above the wage.

## **1.3 The Services Sector**

The research teams indicated that the broad service sector included many opportunities for youth employment. The debrief discussion unpack the hospitality and the transport sectors.

The **Tourism and Hospitality Sector** in Ethiopia continues growing slowly. Our teams report that youth are interested in working in the sector in the growing number of local hotels, restaurants, bars, and cafés in woredas and some kebeles, as well as for tour guides at the many religious and historical sites around Ethiopia.

It will be important to take note of the high potential of employment opportunities in this sector. Preparing youth with appropriate soft skill or work readiness skill such as customer service, communications skills, punctuality, problem-solving skills, and teamwork will open opportunities for youth.

Ethiopia has immense natural, cultural and historical resources. Many argue that the country is the birthplace of humanity. Ethiopia has many different UNESCO world heritage sites and is known for its interesting landscape, ancient religions, and unique alphabet and calendar. There are also more than 80 different ethnicities, with their own distinct culture and language. <sup>xviii</sup> The GOE has established two new entities to improve tourism. The Tourism Transformation Council (ETC) and the Ethiopian Tourism Organization (ETO). The ETO recognises that "Tourism was on the back burner for a long time," <sup>xix</sup> while Ethiopia was going through major changes and the government's priorities were health, education, communication. This shifted in 2013 and now the sector is growing.

Currently, tourism and travel contributes only 1.2% to the Gross Domestic Product (GDP) and is planned to reach 9.0% of Ethiopia’s GDP by 2024.

Sub-Sector opportunities for employment related growth include: light manufacturing of equipment for new hotels and travel agencies, construction of modern tourist hotels and recreation facilities, hospitality services, provision of processed food and agricultural products for hotels, transport facilities and maintenance of transport vehicles, facility maintenance, security.

The expansion of Bole International Airport and the construction of new hotels in Addis Abba like the Marriott and InterContinental, the new light rail system, rebuilding and modernizing the old railroad line between Addis and Djibouti, and the new highway construction all point to increased opportunity. However even though the new hotels and infrastructure improvements in Addis Ababa are ready, doubts remain about whether the rest of the nation is prepared. Hotels beyond the capital are often substandard. Even popular destinations like Gondar, Lalibela and Bahir Dar have poor accommodation. Problems range from lack of air conditioning, mosquito netting and basic bathroom amenities to lackluster service, less-than-stellar restaurant food and litter-filled hotel grounds.

The Tigray team reported that the hotel industry is looking for labor with the appropriate level of work readiness skill for positions like hospitality, reception, cooking

An interview with the Delight International Hotel, located in Dilla town, SNNPR notes that they are continually growing and employ 135 youth presently as waiters, cook, cashier, store keeper, security guards, reception, and display attendants. Most of these are female. They offer 15 to 20 job opportunities for youth every six months. The average pay scale for full time vacancies is 2500 birr for administrative and finance; 3000 birr for a kitchen cook, and 900 birr for a waiter.

The Delight International Hotel said that they find it easy to find workers with the technical skills but the soft skills are less easy.

The table below is a summary of findings regarding the hospitality and transport sectors.

Sector & Sub-Sector	Regions, Woredas	Job Functions in High Demand	Wage-Based?	Scale of Employment (Number of Jobs in Function/ Sector)
Hotels- Lodges & Restaurants	SNNPR (Dilla, Lemu, Aana Lemu, Soro, Wonago & Aleta Chuko)	Cooking/Catering Store keeping Guards Drivers	Wage	Amhara implementation areas 400 jobs
	ORDA (Raya Kobo, Mersa Guba Lafto)	Cashier Finance Managers Bar Tending		Tigray implementation areas 800 – 1200 jobs 200 jobs (Hadiya) 200-400 jobs (Sidamo)
	REST (Endamehoni, Alamata, Ganta Afeshum, Hawzen)	Cleaners Traditional coffee		500-700 jobs (Gedio)
Transport	One or more of these services in all woredas	Car wash Loading/unloading Drivers	Wage  and  Self	SNNPR implementation areas 200-300 jobs
		Motor cycle renting Cart service Garage (motor repair) Tyre repair Taxi conductor Parking		Amhara implementation areas 200-300 jobs  Tigray implementation areas 200-300 jobs
University		Day labor Food Delivery Gardening	Wage	SNNPR implementation areas Dilla University (100-150 jobs) Wachamo University (200 jobs)

		Cleaning Cafeteria control Agri farms Messenger Office Admin		ORDA Woldia University (100-200 jobs)  REST Adigrat University (150-200 cleaning jobs) Raya University (300 jobs)
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Of interest is the report of a growing **education sector**, particularly universities and TVET Colleges, in a number of woredas. The expansion of **universities and TVET Colleges** results in short term opportunities in construction related employment. Researchers also reported that universities are recruiting youth as maintenance and cleaning labor, in catering services, as well as in administrative and finance support positions.

The **transport sector** is characterized by small and medium businesses who are reported to be continually needing casual wage employees. These jobs are never full time nor by contract by nature, but offer scores of youth an opportunity to earn a regular if erratic income. The opportunities are in car wash, loading/unloading, drivers, motor cycle renting, cart service, garage (motor repair), tyre repair, taxi conductor, parking.

#### 1.4 Seasonal Work

The bulk of seasonal work is in agriculture, harvesting crops when they are ripe. As a result of seasonal harvesting on farms, the food processing sector also increases their workforce to cope with seasonal increases.

The Tigray team reported that Raya Hortifarms PLC in Tigray region will hire 250-300 daily laborers when needed. Vellvard Tomato processing does the same.

An example of how this works is the Bele kara coffee processing cooperative firm in Wonago Woreda which employs up to 200 youth per year on a seasonal basis in the harvesting season. The youth work for three months and are paid 25 birr a day. The work is washing the beans, it requires strength but no skill. A private family coffee processor in Dilla zuria woreda also provides seasonal work to local youth. The annual cycle offers employment to 60 – 120 people for three months in the peak harvesting season. The first to be hired are those from last year, and then those who have not worked before. Average daily wage is 25 birr. They receive no training. Men and woman are treated equally.

Labor and Social Affairs Office (LSAO) in Wonago Woreda, Gedeo Zone reports that youth get information about seasonal jobs from vacancy announcements that are posted on kebele bulletin boards. They say that 'The primary driver to seek for seasonal work is the absence of job opportunity in their locality. Moreover, lack of income and financial capability is also the reason to seek for seasonal work. The employers provide sleeping places. However, some of the accommodations provided by the employers are not suitable and convenient. As a result, some of them are forced to leave work and return their localities.

The working day is eight hours long five days a week. The sugar factory pays birr 60.00 per day as a minimum rate. The Textile industries pay birr 650.00 per month including accommodation, transport and transport. The coffee processing sites pay Birr 1200.00 including accommodation, food and transport.

They saved their earnings and brought it back home. With the money they saved they bought farm lands and supported their family. They also did maintenance services to their parent's houses.

The Food and Security office in Aleta Wondo, Sidama Zone says that youth get information about these seasonal opportunities from the livelihood project office. Youth want to do this work because they can't find more permanent work and as they are in vulnerable households they need the income. They say the decision is reached through family discussion where the head of the family decides on whom to delegate on behalf of the household.

While the office says they are not sure where youth sleep when they are away or at seasonal work, most of them do return afterwards. Youth do one seasonal job at a time, and rates vary with an average of 50 birr a day. Most of this work is eight hours a day

## 1.5 Industrial Parks

To transform the Ethiopian economy from agriculture to industry, the Government of Ethiopia is investing heavily in infrastructural zones to stimulate export-oriented light manufacturing industries as well as small and medium manufacturers. The industrial zones target labor intensive industries such as textile, garment, agro-processing and leather.

Stakeholders in establishing industrial zones include the Ministry of Industry (Mol), Ethiopia Investment Commission (EIC), Industrial Parks Development Corporation (IPDC).

The first industrial zone in Ethiopia was completed in 2014 - the **Bole Lemi Industrial Park** situated in this zone 37 km south of Addis Ababa, has 66 sites operational on 40 hectares of land Another 167 hectares of additional land will be developed. The zone houses mixed industries, a number of them Chinese like Huajian shoes and Lifan motors.<sup>xx</sup> And Changfa Agricultural Equipment Manufacturing.

The Chinese-built **Hawassa Industrial Park**<sup>xxi</sup> has been operating for eight months. It is focused on textile and apparel and has attracted international companies, including PVH, a company known for marketing diversified portfolio of brands including Calvin Klein and Tommy Hilfiger. The Hawassa Industrial Park has 18 companies that have already started operations inside the park. Six of them are presently exporting their products to the international market.

Kombolcha Industrial Park is not yet operational. Potential investors in the park are first evaluated by Ethiopian investment commission. There are presently three investors who are installing machineries and hope they will finish installation within 2-3 months. The factories will manufacture textile products. Once recruitment commences, priority will be given to youth from households displaced from the area as a result of the construction of the park.

The Mekelle Industrial park has not started operation. It is in the process of construction. The Industrial Park Development Corporation, which will be responsible for managing the park, has not yet been organized. The Ethiopia Investment commission was the only office contacted for an interview regarding the current status of the industrial park. The EIC is working towards attracting private investors to the park offering various incentives. The EIC signed lease agreement with four international companies, so far. The prospective clients are international and local investors engaged in garment, textile and leather production. These companies have not started operation yet. They are installing machineries in their facilities. Attempt to reach the employers was not possible since they were not available in Ethiopia.

22 Industrial Zones are planned, 19 industrial zones are currently under construction or planning in Ethiopia. Planned Industrial Zones in Ethiopia (as of February 2017) are depicted below <sup>xxii</sup> Chinese companies are constructing five industrial zones in Ethiopia.

Planned Industrial Zones in Ethiopia (as of February 2017) are depicted below <sup>xxiii</sup>

No.	Name of Industrial zone	Location	Distance from Addis	Distance from Djibouti	Progress	Organizer	Constructor	Main industry	Size
1	Eastern Industry Zone	Oromia, Dukem	80km	860km	Completion in 2008	China(江蘇其元集团)		Chinese companies	500ha
2	Bole Lemi Industrial Park 1	Addis Ababa	–	860km	Completion in 2014	Government, WB funds	23 Local companies	Garment	157ha
3	Hawassa Industrial Park	SNNPR	275km	998km	Completion in 2016	Government, WB and foreign government funds	CCECC	Garment	400ha(100ha in phase I)
4	Mekelle Industrial Park	Tigray	760km	750km	Under construction	Government, WB funds	CCECC	Garment	1000ha(75ha in phase I)
5	Kombolcha Industrial park	Amhara	363km	480km	Under construction	Government, Indian government funds	CCCC	Garment	750ha(75ha in phase I)
6	Jimma Industrial Park	Oromia	346km	1200km	Decided constructor	Government	CCCC	Garment	1000ha(75ha in phase I)
7	Bole Lemi Industrial Park 2	Addis Ababa	–	860km	Decided constructor	Government, WB funds	CCCC	Garment	170ha
8	Kilinto Industrial Park	Akaki, Addis Ababa	–	860km	Decided constructor	Government, WB and China funds	CTCE	Pharmaceuticals, medical equipment	279ha
9	Dire Dawa Industrial Park	Dire Dawa	445km	380km	Decided constructor	Government	Chinese company	Assembling, Garment, Foods	4000ha(150ha in phase I)
10	Adama Industrial Park	Oromia	74km	678km	Decided constructor	Government	Chinese company	Assembling, Garment, Foods	2000ha(365ha in phase I)
11	Bahir Dar Industrial Park	Amhara	578km	985km	Under planning	Government		Garment	1000ha(75ha in phase I)
12	Arerti Industrial Park	Amhara	105km	860km	Under planning	Government	CCCC	Construction products, Home appliance	
13	Aysha Industrial Park	Somali	620km	150km	Under planning	Government			
14	Debre Birhan Industrial Park	Amhara	130km	895km	Under planning	Government			
15	Huajian Group Industrial Park	Lebu, Addis Ababa	–	863km	Under planning	China		Shoes	138ha
16	Mojo George Shoe Industrial Zone	Oromia, Mojo	74km	797km	Under planning	China		Leather	50ha
17	Airlines and Logistics Park	Addis Ababa	–	863km	Under planning	Government		Transportation	200ha
18	Kingdom Linen Industry Zone	Dire Dawa	515km	400km	Signed MoU	China (Zhejiang Jinda Flax)		Linen	
19	Bure Integrated Agro-Industrial Park	Amhara			Under planning	Government		Agri products processing	154.99ha
20	Bulbula Integrated Agro-Industrial Park	Oromia			Under planning	Government		Agri products processing	263ha
21	Yirgalem Integrated Agro-Industrial Park	SNNPR			Under construction	Government		Agri products processing	108.8ha
22	Baeker Integrated Agro-Industrial Park	Tigray			Under construction	Government		Agri products processing	150.92ha

## Youth in Industrial Parks

Our research teams conducted interviews at the Hawassa Industrial Park and the Kombolcha Industrial Park inaugurated in July 2017 which has not yet started manufacturing. We also visited the Mekelle Industrial park.

Researchers report that recruitment is done in two ways. Woreda government offices are expected by regional government to send quotas of job seeking youth to the industrial parks. Some woreda offices reported that they screen the youth first. Targets or quotas for woredas vary between 500 – 5000 youth. Youth can also apply themselves.

Potential recruits are tested for dexterity and coordination at a test centre at the industrial park. Hawassa reports to screen up to 600 youth per month. Most applicants are unskilled with an education lower than Grade 10.

Successful job seekers get basic skills training in one specific task on the production line only; like making sleeves or fitting buttons only. Employers do not provide soft skills / work readiness training. When researchers asked the Admin and HR officer at the Hawassa Industrial Park why they employed a high percentage of woman, he said “Most jobs are filled by women because these jobs are tedious and need patience”.

Different woreda offices have reported youth being employed at the industrial park, but they do not track how long they stay there or why they leave. The Labor and Social Affairs Office Coordinator in Dilla Zuria reports that 164 youths found work in the industrial park. The development plan officer at Borech Woreda Trade and Industry Office reports that in 2017 120 youths, mostly females found employment in industrial parks. Dilla Zuria Rural Job Creation Office reported that 67 youth were recruited at the Hawassa industrial park

Researchers report that the basic salary of 650 – 850 birr per month is the same for all companies. Most companies also provide food and transportation allowance. The food is reported in some cases to be maize flour for porridge.

In general, youth and government officials said that the low salary and high cost of accommodation provided low motivation for this form of work. Employers also spoke of high turnover of staff, which increased costs and reduced productivity. Isabella Socks and Hosiery Manufacturing Company in the Hawassa Park reported a 26% turnover for a nine month period.

Workers rent houses together as accommodation is difficult to find and is expensive. This is especially the case for woman who make up the majority of workers moving to industrial parks. Young men in different regions often will stay at shelters / accommodation built by the factory. Woman tend to stay in houses they rent together, for safety reasons.

A recent December 2017 article “Park life: workers struggle to make ends meet at Ethiopia's \$250m industrial zone”<sup>xxiv</sup> confirmed many of these findings.

*Tsegaye Teferra, a cloth-cutter for Sri Lanka's Hirdaramani garment company, receives a monthly salary of 650 birr (£17) for working eight hours a day, six days a week. The company provides transport but not food or housing. His rent is 600 birr, so he shares a room with a friend. He's looking for better-paid work. “People come from the countryside for jobs, and then they start begging their families for money”.*

*Another worker sharing a 600-birr room is Mihret Gobeso, 18, who describes her workplace within HIP only as “Shed 37”. She works nine hours a day, six days a week for 850 birr a month. “The salary is not good”.*

The report on the Pan-African Coalition for Transformation Light Manufacturing in Africa meeting in June 2017 offers the following on the Industrial Parks:

**Pan Li: In Hawassa Industrial Park (Ethiopia):**

*We are producing socks using imported machinery from China, and then selling to Germany. This simple example shows the restructuring underway in global manufacturing: materials and machinery imported from China are used to produce socks in Africa in order to export, sometimes duty free (e.g. to the United States under the African Growth and Opportunity Act). Ethiopia was chosen due to the cheap labour costs and because Hawassa was the first modern industrial park which offered a range of incentives and quality infrastructure. A country needs to have good infrastructure, effective policies, and a high level of commitment from the national government to building industrial parks and support manufacturing.*

**Belachew Fikre. Deputy Commissioner at the Ethiopian Investment Commission:**

*Ethiopia is trying to focus on projects which make the greatest impact. We also created an effective ‘one-stop’ institutional environment and services in Ethiopia to attract investors, administer incentives and follow up on policy related issues. Nigeria has also created a one-stop service by putting key ministries in one location. Investors are mostly attracted by strong institutions, rather than just financial incentives. To address coordination failures, we have built robust coordination between the Ethiopian Industrial Park Development Coordination and other key agencies. Land management is very important. The Ethiopian Government considers land as a means to facilitate structural transformation in the country. Land is thus provided for free to investors and industrialists. Energy is also provided at a subsidised rate to support investors in manufacturing. It is also important to improve human capital and you need backward linkages to agriculture to support manufacturing.*

## Soft Skills Requirements

Our teams all reported that employers commented on the lack of work ready and soft skills in entry level youth they recruited. Youth do not have a work ready attitude and no commitment to hard work,

especially from young men. The SNNPR team reported employers to be saying that hotels and cafes look for soft skills such as customer care, communication, social skills and discipline in work place.

The Delight International Hotel in Dilla town said that young men and women lack punctuality, do not arrive at work on time.

This was confirmed in interviews with Raya Hortifarms and Kibrom Desta General Contractors in the Tigray region. They all agreed that youth are not adequately exposed or prepared to go into workplaces. As a result youth enter a workplace and are not aware of appropriate behaviours and attitudes to adequately function.



## 2. Youth-Serving Training and Employment Services (Theme 2)

In order to understand what training and employment services were offered to youth in the target areas to help them obtain wage employment, and what gaps are there in service delivery, our team spoke to PSNP 4 Government Counterparts (woreda Level Offices), Employment Service Providers, and Training Providers.

For the most part the research teams started at the woreda level and used these officials to guide them to relevant key informants.

### 2.1 PSNP 4 Government Counterparts at Woreda Level

Our research teams conducted visits to woreda level offices to gain information on government initiatives to support youth, as well as information about other initiatives for youth in the region.

They met with a range of different offices including Woreda Youth and Sport Office, Woreda Administration Office, Trade, Industry and Market Development Office.

The woreda offices assist our teams to identify relevant stakeholders to talk to for their key informant interviews.

<b>Tigray</b>	
Endamehoni	Endamehoni Woreda Youth and Sport office head
Endamehoni	Endamehoni Zone Trade and Industry office
Raya Alamata	Woreda Administration Office
Raya Alamata	Raya Alamata Woreda Youth and Sport office head
Gantafeshum	Adigrat Town Investment Office
<b>SNNPR</b>	
Aleta Wondo	Food and Security office
Aleta Wondo	Youth and sport office (Rural youth employment creation department)
Borecha woreda	Income Generation and market linkage work process group
Borecha woreda	Trade and Industry office
Dilla Zuria	Labor and Social Affairs office
Dilla Zuria	Rural Job Creation Office
Limu Wereda	Youth and Sport office (Rural Youth employment creation Department)
Soro woreda	Youth and Sport Office, Rural Youth Job Creation Section
Wonago	Food Security coordinator
Wonago	Youth and Sport Office
<b>Amhara</b>	
Menz Gera	Youth and Sport Office
Menz Gera	Trade, Industry and Market Development Office
Guba Lafto	Youth and Sport Office
Guba Lafto	Finance and Economic Coordinating Office
Guba Lafto	Technical and Vocational Development Enterprise Office
Meket	Youth and Sport Office
Meket	Technical and Vocational Development Enterprise Office
Meket	Amhara Credit and Saving Institute Filaqit Branch
Meket	Office of Tourism

### Discussions at Woreda offices

Our teams asked woreda officials for information about the following sets of information:

- major economic activities occurring in the woreda and which sectors were growing fastest.

- major businesses, factories, or lead firms in the area that were supporting economic growth and had prospects for wage employment
- public and private training provision in the woreda
- government programs providing training or support to job seekers

### **The Availability of Information at Woreda Offices**

The teams reported that it was not as easy to get youth related labor information from the respective offices.

The Amhara team reported that setting up appointments with woreda and sector officials was very difficult as they were mostly out of the office. Often they had to talk to their representatives instead, and often the representatives were in an administrative role so had limited information. Additionally they encountered suspicion from officials that they were being check up on. This was in spite of the researchers have an official letter of introduction. The SNNPR team also reported on the difficulty of getting appointments with the correct officials.

The Amhara team reported that it was hard to get raw quantitative data. Both the SNNPR and Tigray team confirmed this, saying most offices had no recorded data. The officials often said they would forward the data later as it was not captured electronically and had to be transcribed form hardcopy meeting notes and agendas.

### **Training Provider Information found from Woreda Offices**

The woreda offices were able to name the major training providers in their communities, and provide limited oral data to the researchers. These names are recorded in the training provider section.

### **Employment Information found from Woreda Offices**

Woreda offices confirmed growth and possible employment in the same sectors we have previously described in the Employment Section of this report: **construction, hotel and hospitality, transport.**

As was expected the agriculture and agro-processing sectors were confirmed to be the most prevalent in all woredas. Most seasonal work is in on-farm agriculture. Most of the light manufacturing opportunities that officers identified were also linked to the agriculture value chain. Examples are tomato processing, horticultural farms, dairy farming, honey production, flour manufacturing. Seasonal work is on average two to four months.

Woreda offices have good plans to create job opportunities for youth each year. The Raya Alamata Woreda Administration Office in Tigray says the plan to create 8000 job opportunities for youth in 2018. However they do not have concrete data on how many were actually placed in 2017

The Raya Alamata Woreda Youth and Sport office says that the Woreda bureau of labor and social affairs tries to register job seekers and link them to investors that requesting labor force either permanently or for seasonal jobs.

Labor and Social Affairs Office (LSAO) in Wonago Woreda, Gedeo Zone says the way youth find work is that employers communicated their need for workers through vacancy announcements and requests made to zone and woreda offices. The employers provided food, bed and cooking materials for workers. They provide the following rates.

- The textile manufacturers paid birr 600.00 per month
- The sugar factory paid birr 60.00 per day on average.
- The coffee processing sites paid birr 1200.00 per month on average.

Other jobs youth were placed in include coffee processing jobs, sugar cane cultivation, livestock raising, cattle fattening. Nearly 50% of the jobs are on farm seasonal. In this region there are no

major jobs in construction. Coffee processing site jobs lasted three months. Industrial jobs, such as the sugar factory and industrial parks, lasted a year and over.

The woreda offices were able to name the major employers in their communities, and provide limited oral data to the researchers. They pointed the research teams and Implementing Partners to private sector companies in their communities. The reports on these are found in the section on Employers.

The woreda information was oral, with estimate numbers of employment opportunities, or ‘planned numbers’ for employment. As discussed elsewhere, woreda level offices were not able to provide hard copy data on employment figures.

The Livelihood M&E officer and Public Works Coordinator in the Food and Security office at Aleta Wondo, Sidama Zone provide an example of the kind of jobs the office place youth in. they said that on farm seasonal jobs provide more than 65 percent of the total jobs in the area. Construction jobs provide up 30 to 35 percent in the area. Most of these jobs last from five months up to a year long.

- The cobble stone jobs last from four months to six months.
- Road construction jobs could last up to a year or more depending on the project.
- Seasonal on farm jobs last from two months up to four months.
- Irrigation based seasonal on farm jobs could last up to a year.

The kinds of jobs youth were placed in were reported as:

- Construction sector (Road construction jobs, Cobblestone jobs, Farmers training center construction, School construction, Water point development jobs)
- Agriculture sector (Seedling nursery jobs, Soil conservation jobs, Irrigation jobs , Horticulture jobs, Livestock raising jobs, Cash crop production jobs)
- Industry sector (Coffee processing site jobs, Sugar factory jobs, Industrial park jobs)

The same office at office at Aleta Wondo, Sidama Zone also reported providing support on arranging and linking public and private job opportunities to the PSNP households.

- The office had arranged the employment of 80 youngsters in Bokito Agricultural Development Enterprise
- The office had provided support on the employment of 122 clients in different jobs.

The table below illustrates the number of clients who received support from the office.

No	Type of clients	No of clients			Remark
		M	F	T	
1	Livelihood clients identified for employment pathway	202	182	384	
2	Employed livelihood clients(participating in different job)	70	52	122	
3	Unemployed livelihood clients	132	130	262	
4	PSNP-4 household public work participant	1326	944	2270	Those are the total PSNP HH rather than LH clients

The types of employment selected in livelihood projects are:-

- Private agricultural investment (coffee processing plant, raw coffee harvesting...)
- Construction project (URAP, coble stone)
- Manufacturing industry (wood work, metal work, waving...)
- Commercial farm (dairy farm, poultry farm...)
- Linking with different industrial park, sugar plantation

Employers communicate their need for workers through vacancy announcements. They also communicate their needs for workers’ labor and social affairs office. The employers send request of list stating the number of workers needed to sector offices.

An example of rates paid for respective jobs comes from the Public Works Coordinator in the Food and Security office at Aleta Wondo, Sidama Zone:

- Workers service fee payment varies between birr 30.00 to birr 70.00 per day.
- Public work jobs paid birr 36.00 per day in government projects per day.
- Private labor jobs paid from birr 40.00 to birr 50.00 per day.
- Cobblestone jobs paid between birr 40 to birr 70.00 per day depending on skills.
- Agricultural jobs paid between birr 30.0 to 50.00 per day

Many youth who want wage employment are forced to relocate because there is little support of opportunity at local level. Woredas have quotas of youth they can recommend to the industrial parks. For example the Endamehoni Zone Trade and Industry office says they have screened 5,000 youths to be recommended to be employed in the industrial park of Mekele. The Raya Alamata Woreda Youth and Sport office screened 521 youth to send to the regional government.

### **Soft Skill Services at Woreda Level**

The Aleta Wondo, Sidama Zone reported that they provided “soft” trainings to youth. In the previous year they had provided training on Awareness creation and HIV/AIDS prevention

The Raya Alamata Woreda Youth and Sport office says that they have provided some training for youth on job creation, on employment services, financial literacy. They also provide Capacity building training, financial literacy training, life skill training and job creation training.

Youth in focus groups have generally reported that this training lacks structure, is mostly in lecture format and is not very practical or useful.

Labor and Social Affairs Office (LSAO) in Wonago Woreda, Gedeo Zone reports that the support they provide to youth is limited training but mainly to classify employed and unemployed youths, searching for job openings for youth, creating awareness on savings , creating awareness on alternative job creation.

Other support that would be useful are trainings on self-development skills, problem solving skills (Aleta Wondo); Training to instill work motivation and determination, the idea that an individual can grow financially through hard work (Wonago Woreda).

### **Self-Employment Information found from Woreda Offices**

Woreda level programs concentrate on self-employment support for youth. They report that these programs are not well implemented and so support for youth to get access to loans or revolving funding, access to land or working space is not efficiently conducted.

An interview with the Manager of the Filaqit Branch of the Amhara Credit and Saving Institute in Meket commented on the success of youth self-employment saying that many enterprises fail due to lack of support and because government sector offices (Agriculture and Livestock Resource Development, Job Creation Unit at Woreda and Kebele level and Bureau of Technical and Vocational Enterprise Development) are pushing to make loans available to young males and females without “predicting long run scenarios along the selected economic activities of those enterprises and with a diminished provision of training opportunities on savings, preparation of business plan and market assessment techniques” According to the Manager youth receive only 2 to 3 days training on savings, preparation of business plan and market assessment techniques, with limited training on loan repayment rules and regulations, and limited support.

## 2.2 Employment Service Providers

Our research teams conducted visits to employment service providers in each region. Employment Service providers provide support to youth to find wage employment. These are either government offices such as BOLSA (Bureau of Labour and Social Affairs), or private initiatives.

Our research teams conducted the following interviews:

<b>Tigray</b>		
Gantafeshum	BOLSA Bureau of Labour and Social Affairs	Seasonal or on Construction Sites
Gantafeshum	Kahssay Broker & Agent	
Raya Alamata	BOLSA Bureau of Labour and Social Affairs	
Raya Alamata	Radar Broker & Agent	
<b>SNNPR</b>		
Aleta Wondo	BOLSA Bureau of Labour and Social Affairs	
Borcha woreda	BOLSA Bureau of Labour and Social Affairs	
Dilla Zuria	BOLSA Bureau of Labour and Social Affairs	
Limu Woreda	BOLSA Bureau of Labour and Social Affairs	
Soro woreda	BOLSA Bureau of Labour and Social Affairs	
Wonago	BOLSA Bureau of Labour and Social Affairs	
<b>Amhara</b>		
Menz Gera	BOLSA Bureau of Labour and Social Affairs	
Meket	BOLSA Bureau of Labour and Social Affairs	

The BOLSA (Bureau of Labour and Social Affairs) office in Gantafeshum aims to provide youth with short term work that is Seasonal or on Construction Sites. The work in the construction sector is project based. It might be for a segment of the construction (a few months) or it might be for the life of the project over a few years. Seasonal work is usually agricultural, either on the land in the agricultural sector or in a processing plant in times of high production.

Employers request assistance with labor force and then BOLSA tries to assist. The requests vary in size and demand. They then check compliance issues like safety, safety clothing, and contracts with the youth.

They confirm the youth is of appropriate age and unemployed, register them and give them an ID card or write a support letter that indicates he/ she is registered in the BOLSA office. BOLSA do not provide any form of training for youth, but agree that employers say that youth need work readiness training. Employers complain about the attitude and motivation of youth. Youth would also benefit from technical skills training relevant to the skills of the employer sector.

Youth would prefer permanent work but the permanent jobs are in government and people in those jobs don't move. So youth are forced to temporary work, often requiring them to relocate. When they do so, they stay in groups to reduce costs.

Kahssay Broker & Agent in Gantafusum Woreda in Tigray also provides employment services to employer and job seekers in different sectors. They recruit and provide competent youth for hotels, restaurants, households, secretarial service providers, photo house, pool house, and electronics shop. They provide opportunities for around 240 unskilled and semi – skilled youth each year as cooks, receptionists, cashiers, home cleaners, dish washers, waiter/waitress, guards, store keepers, home servants, and secretaries.

Youth need a minimum Grade 10, and then different jobs need different technical skills. Hotels need cooking, cashier, reception, and waiters. Other require computer literacy, communication, basic financial skills. Employers say youth need customer handling, communication skill, discipline, honesty and conflict resolving skills.

Although the contracts are usually full time employment, they report that most youth only last six months on average. Examples of these jobs are provided in the “Employment Information found

from Woreda Offices” section above. Youth say it is because they are looking for better pay (using this as a way to build experience), or disputes with the employer. Employers comment on the bad attitude of the youth.

## 2.3 Training Service Providers

Our research teams conducted visits to training providers in each region to attempt to get a picture of what existing training and employment services are offered to youth in the target areas to help them obtain wage employment, and what gaps are there in service delivery?

The Implementing Partners in each region worked with the woreda level “*Technical, Vocational and Development Enterprise Office*” to identify appropriate training providers to visit. Then they identified where they were located, contacted responsible persons and got appointments.

The three respective teams reported the following:

<b>Tigray Region</b>	<b>7 Training Providers Interviewed</b>
Adigrat TVET College  Maychew Polytechnic College /TVET/	TVET Colleges provide similar training program. They have 4 faculties with 13 departments in each: Manufacturing: Auto mechanic, General mechanics, furniture making, machine operation Construction – masonry, concrete, finishing, sanitary, survey and installation Business – entrepreneurship, accounting and Budgeting IT – web and multimedia, hard ware and networking, data base application There is no soft skill training
Birhan Computer Training Center	Computer
Helen Beauty Salon Training institution	Beauty
Kahssay Broker and Agent	
Radar Broker and Agent	
Teklit Driving Training Institution	Driving Lessons

<b>Amhara Region</b>	<b>4 Training Providers Interviewed</b>
Mehal Meda TVET College, Guba Lafto	<b>Short Term Training: [2 Weeks – 3 Months]</b> Entrepreneurship, Masonry, Carpenters, Sanitary Installation, Poultry Production, Concrete and Bar Bending, Auto Engine, Basic Metal Works, IT Assistant, Plastering, Garment, Basic Wood work, Basic Home and Office Management
	<b>Regular Program [Level 1 – Level 4]:</b> Furniture Making, Road Construction, Animal Production, Basic Electricity, Surveying, Building Construction, Hardware and Networking, Textile and Garment, General Metal Fabrication, Sanitary Installation
Woldiya Polytechnic College, Guba Lafto	<b>Short Term Training: [2 Weeks – 3 Months]</b> Entrepreneurship, Masonry, Carpenters, Sanitary Installation, Poultry Production, Concrete and Bar Bending, Auto Engine, Basic Metal Works, IT Assistant, Plastering, Garment, Basic Wood work, Basic Home and Office Management
	<b>Regular Program [Level 1 – Level 5]:</b> Furniture Making, Road Construction, Animal Production, Crop production, Electricity, Surveying, Building Construction, Hardware and Networking, IT, Textile and Garment, General Metal Fabrication, Sanitary Installation, Hotel and Tourism, Auto Mechanics
Woldiya Metal Works Manufacturing Enterprise, Meket	Short Term Training: [2 Weeks – 3 Months] General Metal Fabrication
Meket TVET College, Guba Lafto	Short Term Training: [2 Weeks – 3 Months] Entrepreneurship, Masonry, Carpenters, Sanitary Installation, Poultry Production, Concrete and Bar Bending, Auto Engine, Basic Metal Works, IT Assistant, Plastering, Garment, Basic Wood work, Basic Home and Office Management, mining
	Regular Program: [Level 1 – Level 4]

	Furniture Making, Road Construction, Animal Production, Basic Electricity, Surveying, Building Construction, Hardware and Networking, Textile and Garment, General Metal Fabrication, Sanitary Installation, Natural Resource Reservation [Gabion], Crop Production
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SNNPR Region	5 Training Providers Interviewed
Dilla TVET	All National TVET curriculum courses (including short courses)
TVET/ Hossana polytechnic college	All National TVET curriculum courses (including short courses)
Zonal broker in Hossana Town	
Dilla Don Bosko TVET	Solar power technology
Mekane Eyesus in Dilla Town	Business skills and entrepreneurship skills for 21 groups of females for on-farm business

The ILO /UNIDO Socio-Economic and Value Chain Assessment Report<sup>xxv</sup> confirmed these general findings. It says that the Technical and Vocational Education and Training (TVET) sector is important in terms of skill development and job creation. TVETs are there to play an important role in the promotion of employment services in the country by fostering a skilled labour force. TVET colleges and their skills training are summarized in this report as follows:

- In Tigray region there are skills training centers/ colleges such as Wukro Hirshan Polytechnic College, Mekele Polytechnic College, Alamata TVET, Korem TVET, TilahunYigzaw TVET College and Garment College. These trainings include animal feed processing, fruit and vegetable processing, meat and meat product processing, electronics, construction, furniture, ICT and automotive.
- Amhara region has also several Polytechnic colleges and TVET centres which have been providing a range of skills training for youth and women. Some of the skills training centres identified in the area include::Kombolcha Polytechnic college, Akesta, Woreeli, Haik, Kemissie, w/t Sihin, Woldia, Mersa and Kobo TVET centres. The colleges and TVET centres are found to be providing both short and regular training in animal production, crop production, textile and garments, metals, machine, energy, water supply system, water work site construction, urban development and construction/building, road construction and road transport, hotel and hospitality.
- In SNNPR, some of the colleges are Hawasa and Hossana Polytechnic colleges, the TVETs of Aleyawondo, HawassaTegibared, Bodity, Halaba, and Worabie. Those centers provide different types of skills training such as textile and garment production, leather technology, metal work, water construction, ICT, Hotel and Tourism.

Our field team made the following observations about the TVET sector

- There are TVET colleges in most areas. The distance to them will vary from community to community and in some it is far for youth to travel.
- Teacher turnover is high and teachers are under resourced.
- TVET have some linkage to industry with cooperative agreements so that students can do practical experience in a work place. This is a requirement for the qualification. There are limited work places so students often have to travel far. The TVET colleges pay some money for the transport
- The duration of TVET college training varies from one year to three years, depending on the kind of courses. TVET colleges provide short term & long term training. Short term training is responsive to demand, at flexible times, and is offered free. There is no soft skills training provided by TVETs.

- There is a research office which does labor market research to assess which departments have better chance for student employment.
- TVET's track their graduates to see who gets employed and record it on a data base. They say that 10% of their graduates get wage employment and 40% work in cooperatives. 50% are self-employed.
- TVET's like to partner with NGO's and donors to bring about improvements.
- Discussions at local level with respective TVET Colleges will be necessary to secure the provision of 'demand driven' trainings – trainings that can take place for targeted youth at times that meet project demands.

With regard to Private Training Providers the teams noted the following gaps:

- Private colleges have limited capacity (resources and expertise) to train the basic technical skills.
- There is limited provision of life skills, work readiness skills
- Providers have limited linkages with business development support and micro finance providers

### 3. Youth-Related Experiences and Aspirations (Theme 3)

#### 3.1 Talking to Youth

Our research teams conducted focus groups with youth in each region according to the research protocols. These protocols which are attached as an annex, identified the following groups of target youth:

	Focus Groups of youth to find out about:	The information we want to find out
1	Youth Earnings & Economic Behavior	Explore the economic activities undertaken by the youth from a youth group or youth organization or church or such
2	Youth Access to Training and Employment Services	Explore the experiences of youth job-seekers participating in training and employment programs
3	Youth Experiences in the Formal Workplace	Explore the experiences of youth recruits in places of employment
4	Youth Migration	Understand the experiences of youth who migrate to find work
5	Youth from a Youth Association	Understand how youth perceive what their parents think about them working

The Implementing Partners in each region worked with the woreda offices and their networks and connections to identify and recruit appropriate youth for the focus groups.

*“First we had had a key informant interview with the “Youth and Sport Office” to get background information about the youth age 15 to 29 who fitted each profile identified by the research Then we identified where they were located and tried to contact and invite them. This took many attempts and some youth only came after the discussion had started” (Tigray Team).*

#### The Aim of the Research

The research aim was to try to identify the characteristics of the different youth segments targeted by the program, and get some insight into the aspirations, behaviors, challenges and opportunities experienced by each youth segment in terms of seeking, obtaining, and maintaining work.

The research teams conducted the following focus groups:



<b>Tigray Region</b>	<b>Number of Focus Groups</b>
<b>Youth Access to Service</b>	<b>2</b>
Alamata TVET College	1
Job seekers	1
<b>Youth Earning and Economic Behavior</b>	<b>4</b>
Handcraft workers	1
Potential youth beneficiaries	1
Youth Earning and Economic Behavior	1
<b>Youth Experience in the Formal Work Place</b>	<b>1</b>
Raya Brewery Sh. Co workers	1
Right Mineral Water Manufacturing PLC	1
<b>Youth from a Youth Association</b>	<b>1</b>
Credit and Saving Association	1
<b>Youth Migrant</b>	<b>2</b>
Middle East Returnees	1
Youth Migrant	1
<b>Grand Total</b>	<b>10</b>

<b>Amhara Region</b>		
<b>Number</b>	<b>Youth Profile</b>	<b>Woreda</b>
1	Youth Migrant	Menz Gera
2	Youth Migrant	Guba Lafto
3	Youth Access to Service	Menz Gera
4	Youth Access to Service	Guba Lafto
5	Youth Access to Service	Meket
6	Youth Experience in the Formal Work Place	Menz Gera
7	Youth Earning and Economic Behavior	Menz Gera
8	Youth Earning and Economic Behavior	Guba Lafto
9	Youth Earning and Economic Behavior	Meket
10	Youth form a Youth Association	Guba Lafto
11	Youth form a Youth Association	Meket

<b>SNNPR Region</b>		
<b>umber</b>	<b>Youth Profile</b>	<b>Woreda/Zone</b>
1	Youth Association FGD	Wonago
2	Youth Migrating FGD	Soro Woreda
3	Representing formal work place – KII one by one at Hossana town	Hossana Town
4	Representing migration KII one by one at Dilla town	Dilla Town
5	Youth from formal work place	Borecha
6	Youth Access to Service	Limu
7	Youth Experience in the Formal Work Place	Limu
8	Youth Earning and Economic Behaviour	Limu
9	Youth Access to Service	Dilla Zuria
10	Youth Migrant FGD	Dilla Zuria
11	Youth Migrant FGD	Wonago
12	Youth Earning and Economic Behaviour FGD	Aleta Wondo

### 3.2 Findings Regarding Youth

#### What are Youth saying about their economic behavior and earning money?

- Youth would like to earn money in their local communities but there are limited opportunities and wages are low. The work is usually short term and seasonal

- Many youth indicated that they want to establish their own businesses in their own communities, instead of seeking wage employment. They need accompaniment and business development support for this.
- Most youth are engaged in some form of self-employment. Because it is not easy to access jobs in their local communities, most are doing some form of petty trade or agriculture related activity to generate income to support themselves and contribute towards household income.
- Income generation activities mentioned include livestock fattening and potato farming, petty trading, mobile maintenance, cycle transportation, recreational access to pool tables, hair dressing. In Hawzen male and female youth are involved in handicraft design of cultural dress, while others have started poultry farming using GRAD project access to credit.
- In South – Eastern zone of Hewane woreda, youth working on a vehicle parking service have been doing well, but report that the new road is opened from Mekele to Djibouti is shorter than the route through Hewane so they are seeing a decline in customers. These youth who were part of a focus group in Hewane agreed that self-employment was more preferable than wage employment, because they had heard that wages were too low to live on. The challenge was the resources (capital and land) to start their own business.
- Youth feel they are doing well with these activities but could do much better if they had good business development support, easier access to finance, support to access markets and access to working space. They feel that the woreda level support is not effective. In Endamehoni youth who are supported by the POTENTIAL Project report that they are doing well with little skill personally because they have support.
- A focus group in Meket [Geregera] with males and female youth (Grade 2 - TVET Level I Graduates) said that many youth in their area sought daily work. They gathered at a set location and employers needing daily construction of farm labour would come and find them there. This was more acceptable for young males. They indicated that they would prefer stable wage employment, or self-employment. However they resorted to daily labour because there was no regular wage labour in their community, and they did not have the resources to start their own businesses. They felt that having training in work readiness and communication would assist them, however they have never seen any opportunities to acquire this in their community.

#### **What are Youth Saying about Formal Wage Employment?**

- Youth indicated that there are limited wage employment opportunities in their local communities. They feel that the wages are very low and that work is often short term or seasonal. There is high competition for any openings and they are not well prepared to compete.
- Youth feel they need more training to better prepare them for work. These include work readiness and employability soft skills to be able to deal with things like understanding expectations, conflict in the workplace, coping with long hours. Some say they work extra hours without compensation.
- Youth also say they need further technical skill training to make them more competent.
- Youth indicated that they do not have sufficient knowledge about how or where to find information about job vacancies and wage employment.
- They indicate that it would be helpful to have accompaniment support in the form of job placement services.
- Most would prefer self-employment, in their own communities.

- A focus group with seven youth employed at the Raya Brewery Factory in the Dehub South zone in Endamehoni woreda in Tigray provided information on employment trends for youth with some skill. Three of them had previous factory working experience and three were from TVET colleges. Two were part of the construction team and had got contracted after construction was complete. All had gone through an interview process prior to being hired. They explained that the time and expense of coming to interviews might restrict the opportunities to those with means and experience. They indicated that it was probably their technical skill and experience that got them the job. However once hired they needed more on the job training on the particular automotive processes of the plant. They also mentioned that attitude and commitment were important.

### Are Youth prepared to move for wage employment opportunities?

- Many youth are prepared to move for wage employment but they recognise that the challenge is low wages and high costs for accommodation and living. If these difficulties were resolved, many would be more prepared to relocate to areas where there is wage employment.
- Many youth say they would prefer to start their own business.
- A youth interviewed in Dilla Town Woliyta zone in SNNPR says he is like many youth who have come from his home woreda Bitena in Woliyta zone who are selling lottery, chewing gum, grounds nuts, shoes and clothes on the street. He says most of them come for six to 12 months, and only return home over big religious festivals. He says four of them rent a house together for 100 birr a month each. The cost of food is high. *“Life is difficult when you migrate to places you don’t know but it is far better than the life we had in our community”*. Most youth earn get 20-50 birr per day. For shoes and clothes it is more. *“We have weekly joint saving scheme called EKUB. We contribute 100 birr a week. When it reaches 2000 birr we use it for something, like send some amount of money for our parents to buy sheep and goat for rearing. We also put an amount of money in small banks at home as a saving”*
- A second youth in Dilla Town from Wolayta Sodo said he has been waitering at a café’ for three years and earns 700 birr per month wage, plus about 500 birr from tips. He came because back home he was working very hard driving a cart and selling metal and barely covering his daily expenses. He has only completed sixth grade. He now works long hours from 6am to 8pm with very few days off. However the opportunities in Dilla are better than at home.

### What are Youth Saying about accessing training services?

- Youth indicate that they find it difficult to access TVET training that assists them to follow a career path in their local areas. They find it difficult to find relevant information about what training is available.
- Many have tried to get into a TVET College because they do not have a Grade 10 but indicate that the colleges do not have courses that interest them or fit into their goals and aspirations. Many end up doing courses that they are not interested in. They say that there are not sufficient workshops at the college. Some programs are short of resources and materials so numbers are limited. They say it is hard to convert what they learn into practical application.
- They also say that it is difficult for them to travel to other areas, because their parents cannot afford to pay the travel and accommodation costs involved.
- Local training by woreda officials is provided to large groups or cooperatives and is short (a few hours). It is oral training – the youth listen to an official talking – and there are no learning materials handed out. It is difficult to apply to real life. They suggest that the

trainings should be given by successful business who have benefitted from the training and have now improved.

- There is no work readiness and employability training to give youth confidence and motivation and the right attitude.
- Most say they want to be self-employed after graduation.

#### **Do Youth Associations support youth to find employment**

- Most youth feel that youth associations do not support youth to find employment. The woreda level office of Youth and Sport” and BOLSA (Bureau of Labour and Social Affairs) provide better support than youth association. Youth say they are interested in support that relates to feasible business and income opportunities in their local communities.

#### **What do youth want?**

- Youth want to be able to earn money to improve the living standards of their families. They want appropriate work readiness soft skills, good skills training, access to a place to work from to run income generation activities and access to support and finance.

### 3.3 Findings Regarding Target Youth Segment(S)

#### A brief summary of the respective youth segments identified during the debrief

Youth Segment Name/ Title	Youth Segment Defining Characteristics*	Aspirations, Preferences	Assets/ Skills	Challenges	Opportunities	WRN!, BYOB, Technical Skills or Employment preparation
Not married (20-29)	<ul style="list-style-type: none"> <li>• Mobile</li> <li>• Have better literacy</li> <li>• Dependent</li> <li>• Young females are few in numbers</li> <li>• Family status: under their parent</li> </ul>	<ul style="list-style-type: none"> <li>• Self/wage employment</li> <li>• Loan/ financial services</li> <li>• Input support (land materials)</li> </ul>	<ul style="list-style-type: none"> <li>• Technical/ hard skills</li> </ul>	<ul style="list-style-type: none"> <li>• Limited resource</li> <li>• Lack of skills</li> <li>• Financial incapability</li> <li>• No inputs (land/materials)</li> <li>• No guarantee (employment preparation)</li> </ul>	<ul style="list-style-type: none"> <li>• Energetic/ Passionate</li> <li>• Optimistic</li> <li>• Time availability</li> </ul>	Technical skills <ul style="list-style-type: none"> <li>• Seedling</li> <li>• Poultry</li> <li>• Fattening</li> <li>• Masonry</li> <li>• Carpentry</li> <li>• Electricity</li> <li>• Gabion production</li> <li>• Mobile maintenance</li> <li>• Bar bending &amp; concrete</li> <li>• Garment</li> <li>• GM/Auto engine</li> <li>• Furniture making (women/Men)</li> </ul>
Youth in school (15-19)	<ul style="list-style-type: none"> <li>• Limited time and resource</li> <li>• Live under parents support</li> <li>• Mixed gender</li> <li>• Primary</li> <li>• Secondary</li> <li>• TVET</li> <li>• Place with parents/ away</li> <li>• Limited skill</li> <li>• More stable</li> </ul>	<ul style="list-style-type: none"> <li>• . 17-19 LIVING WITH PARENTS</li> <li>• . Participate in small IGA</li> <li>• . Support family business/ activity</li> <li>• . Focus on personal development</li> </ul>	<ul style="list-style-type: none"> <li>• literacy/ Numeracy</li> <li>• Agricultural practice</li> </ul>	<ul style="list-style-type: none"> <li>• Discriminate living away from family</li> <li>• Drop out/ preference</li> <li>• Limited time to participate</li> <li>• Family permission</li> </ul>	<ul style="list-style-type: none"> <li>• Literacy level</li> <li>• Energy/ motivation</li> <li>• Family resource/ support</li> <li>• Stability</li> <li>• Easy to group</li> <li>• School holidays</li> <li>• Training areas/class</li> </ul>	<ul style="list-style-type: none"> <li>• WRN!</li> <li>• BYOB (Risk but highly desired)</li> </ul>
Married Men/Women household Can be trained	<ul style="list-style-type: none"> <li>• More engaged in household activities</li> <li>• Most women school dropout (primary)</li> <li>• Women don't have interest on migration</li> </ul>	<ul style="list-style-type: none"> <li>• Petty trade</li> <li>• IGA (On&amp; off farm)</li> <li>• value chain small business activity</li> </ul>	<ul style="list-style-type: none"> <li>• Trading skill</li> <li>• Life skill</li> <li>• social capital</li> <li>• economic assets</li> <li>• child care</li> <li>• farming skill</li> </ul>	<ul style="list-style-type: none"> <li>• Higher number of participants if they come together</li> <li>• Limited number of trainers</li> <li>• Time</li> </ul>	<ul style="list-style-type: none"> <li>• Stable</li> <li>• Ambition to change</li> <li>• Family</li> <li>• Good life experience</li> <li>• Better resource access</li> </ul>	<ul style="list-style-type: none"> <li>• WRN!</li> <li>• BYOB</li> <li>• Technical skills</li> <li>• value chain</li> <li>• financial services</li> <li>• Employment preparation</li> <li>• Men can be employed in casual / seasonal works</li> </ul>

### 3.4 Youth Stories

#### A story that youth told a researcher

#### Youth stories

##### **Story 1: Youth telling us how many unskilled youth enter the labor market each year**

- I have found a young male FGD participant at Meket Warkaye. He told us that the total number of students in their high school who sat for school learning examination in the year 2009 E.C. was 600 and among those students who succeeded to join preparatory school were 54. He explained that this would put him in an anxiety on looking bright future in his life time for there are new unemployed youth added to the existing 1000s.

##### **Story 2: Youth struggle to fund the costs of Technical Training**

- The FGD group which is economic earning say that they want to extend the (technical) training they were on in the future to become complete (complete the qualification) but they couldn't cover their expenses, of food, house rent and other expenses for the duration of training.

##### **Story 3: Woreda level Training**

- A youngster mentioned that the trainings provided to him (at woreda level by woreda officers) were less practical and more of theoretical. He suggested that inviting individuals, who have succeeded, after participating in training, would be beneficial in sharing their real experiences. He also suggested that trainings should be conducted outside hall rooms, in a particular work site related to the training. He also added that audio visual materials could help the most.

##### **Story 4: Getting appropriate Technical Training is not easy**

- She was member of job seekers group discussion and she is (currently) TVET student year 2 studying Electrical installation. She is happy in the department she joined. What surprised us was her friends (females) wanted to join to that department (Electrical) but were referred to dress trouser (Tailoring) instead.

##### **Story 5: Youth who are productive were interested in talking about their situation**

- That in a woreda known for its handicraft work in cultural dresses. All the participants' men/women come to attend the FGD with their handicraft work. I was afraid that no one will listen to me. But thanks to God we spend very interactive discussion.

##### **Story 6: Youth do not know how to find wage employment opportunities**

- He was fresh graduate young job seeker. He is highly desperate about searching for job because he thought things are happening for those who had relatives but not skills or qualifications. He was invited for different interviews or surveys both from NGO's & GO's but he doesn't find real solution in searching of job placement or creation.

## Assessment Findings and Conclusions

### General High Level Findings

**The Private Sector has limited capacity to absorb unemployed youth:** There are limited wage employment opportunities in the areas our teams surveyed. There are an enormous number of youth in need of jobs.

**Sectors with Potential for Wage Employment:** Three main sectors offer the most opportunity for wage employment for youth. These are Construction and Construction Materials sector; Light manufacturing sector including textiles and leather, and metal and wood work; Services sector including hospitality, transport, education.

**Soft Skill and Employability Training for Youth:** All key informants (Employers, Training Providers and Youth) agreed that there is a need for good relevant soft skill and employability training for youth. Public TVET Colleges and Private Training Providers do not have a structured soft skills or employability curriculum to prepare youth to work.

**Youth need Job Placement Services:** Youth in target communities do not know where to get information about where or how to look for employment opportunities.

**Woman will be paid less than men:** There were a number of report on the fact that woman get paid less for the same work that men do. This was in all sectors, but especially in construction.

**Wage-Employment vs Self-Employment:** Most regions report that youth are more aware of and motivated towards self-employment opportunities than wage employment opportunities. The TVET and Woreda support programs all lean towards self-employment.

**Woreda Level Support:** Woreda level support for youth employment is very limited and does not address the need. Woreda officers know very little about wage employment for youth and don't have data to assist youth. Most Woreda support focuses on self-employment. This support is limited, focusing on business plans, access to micro-finance and group activities.

### Conclusions regarding Wage Employment

**Limited Wage Employment:** There are limited opportunities available for entry level wage employment in Ethiopia.

**Industrial Parks:** The current conditions at the Industrial Parks will not result in many wage opportunities for our youth as wages are low and the cost of living in the relatively large regional towns where the industrial parks are based makes it very difficult for youth make ends meet.

**Wage Opportunities at Woreda Towns:** There are more opportunities at smaller towns that our youth could take advantage of. These are mostly in the three main sectors discussed above Construction and Construction Materials sector; Light Manufacturing sector including textiles and leather, and metal and wood work; Services sector including hospitality, transport, education.

**Seasonal Work:** Youth continue to find income in seasonal work, both in agriculture as well as the growing construction sector. Season work provides opportunities for unskilled youth. Conditions are often hard and wages are low. Youth would like a more permanent income.

**Technical Skills:** Many youth need increased technical skills in order to secure more permanent and more meaningful work. Implementing Partners need to secure partnerships with local TVET

colleges to facilitate access to skills training for youth who successfully complete WRN! and want to go into wage employment.

**Local Partnerships:** Implementing Partners need to develop a better understanding of employment opportunities and investment and development projects in their local communities. An example is a local university which is going to construct a new campus in six months time. This will provide opportunity to train youth through the local TVET in construction skills and to get them employed on the construction site.

**Local Government Initiatives are Limited:** Training and support provided to youth through local level offices is very limited. The offices have limited resources and capacity to effectively guide the numbers of youth seeking assistance.

### **Conclusions regarding Youth**

**Formal Wage Employment:** Youth have indicated that they are interested in wage employment but they know that there are limited **opportunities** in their local communities. They would like to work in off-farm employment but this is even more limited.

**Ready to Work:** Youth feel they need more training to better prepare them for work. These include work readiness and employability soft skills to be more work ready. They also say they need further technical skill training to make them more competent. There is high competition for any openings and they are not well prepared to compete.

**Wages:** Youth want to contribute to household income. However they feel that wages offered are very low and that work is often short term or seasonal. This is a particular challenge for female youth as their wages are often lower, and their ability to access relevant technical trainings are restricted.

**Support for Female Youth:** As discussed the conditions are more difficult for female youth. The project will need to develop a strategy to provide additional support to these women.

**Information about Job Opportunities:** Youth indicated that they do not have sufficient knowledge about how or where to find information about job vacancies and wage employment. There are some advertisements at woreda level offices but youth need more guidance on how to access these.

**Local Community:** Youth would like to earn money in their local communities, remaining with and contributing to their families. However they are aware that there are limited opportunities in these communities and wages are low. The work **here** is usually short term and seasonal.

**Self-Employment:** Many youth would prefer to be self-employed. This would be in their local community.

**There are Many Vulnerable Unskilled Youth:** The number of youth who are dropping out Grade 10, who are not completing secondary school is very high. This means the pool of unskilled job seeking youth will continue to grow rapidly.



## Key Recommendations

### Focus on High Demand Sectors

Livelihoods for Resilience Activity should focus on the three main high demand sectors identified in the labor market research. These are Construction, Light Manufacturing and Services.

The construction sector in Ethiopia is growing through large infrastructure projects, urban renewal and development, and private housing. The sector requires both skilled labor (with TVET qualifications) as well as semi-skilled and unskilled manual labor. Recruitment for the construction sector is conducted locally. Youth trained by local Implementing Partners will be a positive asset given the demand for casual and long term labor opportunities at local levels.

Light manufacturing opportunities are increasing in Ethiopia. Many employers are looking for technically skilled staff (TVET qualifications), there is also a demand for semi-skilled (shorter courses) and unskilled manual labor. There are also many smaller employers in this sector who will be seeking labor at local sites. The sub-sectors of textiles and leather, and metal and wood work will prove opportunities for youth employment.

The Services sector particularly in hospitality and catering, as well as transport continues to grow. Both large and small employers will seek unskilled and semi-skilled youth. This sector lends itself particularly to engagement at local level with small employers who can provide employment opportunities for entry level youth with good attitude.

### Develop Local Partnerships – Understand Local Opportunities

Implementing Partners should be guided to develop local level partnerships with government agencies, employers and with TVET colleges. Through these partnerships Implementing Partners will develop a better understanding of employment opportunities and investment and development projects in their local communities. As Implementing Partners develop relationships with local employers, the employers will be more accessible to their youth.

### Align Youth Training to Local Need

The training provided by Implementing Partners needs to be of sufficient quality to empower youth to take advantage of local opportunities. The quality and duration of the Work Ready Now! And Be Your Own Boss training needs to be such that lives are changed, not just knowledge increased.

This also includes relevant technical training provided through local partnerships with TVET colleges. This technical training needs to be demand driven based on local employer needs.

### Build Capacity of Implementing Partners to Sustain Implementation

Implementing Partners will need focused support to coordinate the youth trainings, understand the local economic drivers, build relationships with local stakeholders and provide sustainable support to the youth. This will require a dedicated strategy and approach.

### Develop a Strategy to support Woman

Livelihoods for Resilience Activity should develop a strategy to support and empower woman to take advantage of the opportunities provided by the youth training and Implementing Partner support.

# Annexes

## Completed LMA interviews conducted by the Research Teams

Amhara (ORDA)						
	Theme	Interview Type	Name of Firm/Institution/FGD Group	Types of Interview	Woreda	Date of Contact
1	1. Employer Demand and Skill Requirements	Government Sectors Office	Youth and Sport Office	KII	Menz Gera [North Shewa]	30/10/2017
2		Government Sectors Office	Trade, Industry and Market Development Office	KII	Menz Gera [North Shewa]	31/10/2016
3		Government Sectors Office	BOLSA	KII	Menz Gera [North Shewa]	31/10/2017
4		Government Sectors Office	Technical and Vocational Development Enterprise Office	KII	Menz Gera [North Shewa]	31/10/2017
5		Government Sectors Office	Agriculture and Natural Resource Office	KII	Menz Gera [North Shewa]	31/10/2017
6		Employer [Off Farm, On Farm, Large, Medium, Small]	Yencomad Construction PLC	KII	Menz Gera [North Shewa]	30/10/2017
7		Employer [Off Farm, On Farm, Large, Medium, Small]	Metal and Wood Work Enterprise	KII	Menz Gera [North Shewa]	31/10/2016
8		Employer [Off Farm, On Farm, Large, Medium, Small]	Metal and Wood Work Enterprise	KII	Menz Gera [North Shewa]	31/10/2017
9	2. Mapping of Training and Employment Service	Government Counterparts Offices Dealing with Short Term Employment	Rural Road Transport and Construction	KII	Menz Gera [North Shewa]	31/10/2017
10		Education/Training Providers and Employment Services [Public, Private and NGO]	Office of Civil Service	KII	Menz Gera [North Shewa]	2017-01-11
11		Education/Training Providers and Employment Services [Public, Private and NGO]	TVET College	KII	Menz Gera [North Shewa]	2017-01-11
1	3. Youth Assessment and Focus Groups	Youth Migrant	Youth of Age 15 - 29	FGD	Menz Gera [North Shewa]	30/10/2017
2		Youth Access to Service	Youth of Age 15 - 29	FGD	Menz Gera [North Shewa]	30/10/2017
3		Youth Experience in the Formal Work Place	Youth of Age 15 - 29	FGD	Menz Gera [North Shewa]	2017-01-11
4		Youth Earning and Economic Behaviour	Youth of Age 15 - 29	FGD	Menz Gera [North Shewa]	2017-01-11

12	1. Employer Demand and Skill Requirements	Government Sectors Office	Youth and Sport Office	KII	Guba Lafto	2017-03-11
13		Government Sectors Office	Finance and Economic Coordinating Office	KII	Guba Lafto	2017-03-11
14		Government Sectors Office	Technical and Vocational Development Enterprise Office	KII	Guba Lafto	2017-03-11
15		Employer [Off Farm, On Farm, Large, Medium, Small]	Daniel Tsehaye Bulding Construction Level 1 [Woldiya University]	KII	Guba Lafto	2017-06-11
16		Employer [Off Farm, On Farm, Large, Medium, Small]	Woldiya Flour Factory	KII	Guba Lafto	2017-06-11
17		2. Mapping of Training and Employment Service	Education/Training Providers and Employment Services [Public, Private and NGO]	Polytechnic College	KII	Guba Lafto
18	Education/Training Providers and Employment Services [Public, Private and NGO]		Metal Works Manufacturing Enterprise	KII	Guba Lafto	2017-06-11
5	3. Youth Assessment and Focus Groups	Youth Access to Service	Youth of Age 15 - 29	FGD	Guba Lafto	2017-05-11
6		Youth Migrant	Youth of Age 15 - 29	FGD	Guba Lafto	2017-05-11
7		Youth Earning and Economic Behaviour	Youth of Age 15 - 29	FGD	Guba Lafto	2017-05-11
8		Youth form a Youth Association	Youth of Age 15 - 29	FGD	Guba Lafto	2017-05-11
19	1. Employer Demand and Skill Requirements	Government Sectors Office	Youth and Sport Office	KII	Meket	2017-08-11
20		Government Sectors Office	Technical and Vocational Development Enterprise Office	KII	Meket	2017-08-11
21		Government Sectors Office	ACSI [Filaqit Branch]	KII	Meket	2017-09-11
22		Government Sectors Office	Office of Tourism	KII	Meket	2017-09-11
23		Government Sectors Office	BOLSA	KII	Meket	2017-09-11
24		Employer [Off Farm, On Farm, Large, Medium, Small]	Metal and Wood Work Enterprises	KII	Meket	2017-10-11
25		Employer [Off Farm, On Farm, Large, Medium, Small]	Beza Mar Agro Industry	KII	Meket	2017-10-11
26	2. Mapping of Training and Employment Service	Education/Training Providers and Employment Services [Public, Private and NGO]	Meket TVET College	KII	Meket	2017-08-11
9		Youth Access to Service	Youth of Age 15 - 29	FGD	Meket	2017-08-11

10	3. Youth Assessment and	Youth Earning and Economic Behaviour	Youth of Age 15 - 29	FGD	Meket	2017-10-11
11	Focus Groups	Youth form a Youth Association	Youth of Age 15 - 29	FGD	Meket	2017-10-11

## Tigray (REST)

S. No	Theme	Interview Type	Name of Firm/Institution/FGD Group	Types of Interview	Woreda	Date of Contact
1	1. Employer Demand and Skill Requirements	Government Sectors Office	Youth and Sport Office	KII	Endamehoni	31/10/17
2		Government Sectors Office	Trade and Industry/ Southern Zone Office/	KII	Endamehoni	2017-01-11
3		Employer [Off Farm, On Farm, Large, Medium, Small]	Raya Brewery Sh. Co	KII	Endamehoni	31/10/17
4		Employer [Off Farm, On Farm, Large, Medium, Small]	Kibrom Desta General Contractor	KII	Endamehoni	2017-02-11
5		Employer [Off Farm, On Farm, Large, Medium, Small]	Raya Hortifarms PLC	KII	Mehoni	2017-02-11
6		Employer [Off Farm, On Farm, Large, Medium, Small]	Vellevard Tomato Processing Center	KII	Mehoni	2017-02-11
7	2. Mapping of Training and Employment Service	Government Counterparts Offices Dealing with Short Term Employment	LICU	KII	Endamehoni	2017-02-11
8		Education/Training Providers and Employment Services [Public, Private and NGO]	Maychew Polytechnic College /TVET/	KII	Endamehoni	2017-01-11
9		Education/Training Providers and Employment Services [Public, Private and NGO]	Helen Beauty Salon Training institution	KII	Endamehoni	2017-01-11
1	3. Youth Assessment and Focus Groups	Youth Experience in the Formal Work Place	Raya Brewery Sh. Co workers	FGD	Endamehoni	31/10/17
2		Youth from a Youth Association	Credit and Saving Association	FGD	Endamehoni	31/10/17
3		Youth Earning and Economic Behaviour	Potential youth beneficiaries	FGD	Endamehoni	2017-01-11
10	1. Employer Demand and Skill	Government Sectors Office	BOLSA of Raya Alamata Woreda	KII	Raya Alamata	2017-03-11
11		Government Sectors Office	Raya Alamata Woreda Administration Office	KII	Raya Alamata	2017-03-11

12	Requirements	Government Sectors Office	Youth and Sport Office	KII	Raya Alamata	2017-04-11
13		Employer [Off Farm, On Farm, Large, Medium, Small]		KII	Raya Alamata	2017-03-11
14		Guiding Questions for Prime Contractors (International Organizations) Partnering with Local Service Providers	REST (Potential Youth Project)	KII	Raya Alamata	2017-03-11
15		Employer [Off Farm, On Farm, Large, Medium, Small]	Tewodros Hotel	KII	Raya Alamata	2017-04-11
16		Employer [Off Farm, On Farm, Large, Medium, Small]	Tewelde Tadele Creature and Gravel producer	KII	Adigudem	2017-10-11
17		Employer [Off Farm, On Farm, Large, Medium, Small]	Solomon Bogale Agro Processing Firm	KII	Raya Alamata	2017-04-11
18		2. Mapping of Training and Employment Service	Education/Training Providers and Employment Services [Public, Private and NGO]	Radar Broker and Agent	KII	Raya Alamata
19	Education/Training Providers and Employment Services [Public, Private and NGO]		Teklit Driving Training Institution	KII	Raya Alamata	2017-04-11
4	3. Youth Assessment and Focus Groups	Youth Access to Service	Alamata TVET College	FGD	Raya Alamata	2017-03-11
5		Youth Migrant	Youth Migrant	FGD	Raya Alamata	2017-02-11
6		Youth Earning and Economic Behaviour	Youth Earning and Economic Behaviour	FGD	Hewane	2017-10-11
7		Youth form a Youth Association				
20	1. Employer Demand and Skill Requirements	Government Sectors Office	Trade and Industry Office	KII	Ganta Afeshum	2017-06-11
21		Government Sectors Office	BOLSA	KII	Ganta Afeshum	2017-07-11
22		Employer [Off Farm, On Farm, Large, Medium, Small]	Right Mineral Water Manufacturing PLC	KII	Ganta Afeshum	2017-06-11
23		Employer [Off Farm, On Farm, Large, Medium, Small]	Adigrat University	KII	Ganta Afeshum	2017-06-11
24		Employer [Off Farm, On Farm, Large, Medium, Small]	Messobo Flour Factory	KII	Ganta Afeshum	2017-07-11
25		Employer [Off Farm, On Farm, Large, Medium, Small]	Yotek Construction Company (constructing expansion Project in Adigrat University)	KII	Ganta Afeshum	2017-07-11

26		Government Counterparts Offices Dealing with Short Term Employment	LICU	KII	Ganta Afeshum	2017-07-11
27	2. Mapping of Training and	Education/Training Providers and Employment Services [Public, Private and NGO]	Birhan Computer Training Center	KII	Ganta Afeshum	2017-08-11
28	Employment Service	Education/Training Providers and Employment Services [Public, Private and NGO]	Kahssay Broker and Agent	KII	Ganta Afeshum	2017-08-11
29		Education/Training Providers and Employment Services [Public, Private and NGO]	Adigrat TVET College	KII	Ganta Afeshum	2017-09-11
8	3. Youth Assessment and Focus Groups	Youth Access to Service	Job seekers	FGD	Ganta Afeshum	2017-09-11
9		Youth Earning and Economic Behaviour	Right Mineral Water Manufacturing PLC	FGD	Ganta Afeshum	2017-06-11
10		Youth Earning and Economic Behaviour	Handcraft workers	FGD	Hawzen	2017-09-11
11		Youth Migrant	Middle East Returnees	FGD	Hawzen	2017-09-11

### SNNPR (ASE and CARE)

S. No	Theme	Interview Type	Name of Firm/Institution/FGD Group	Types of Interview	Woreda
1	1. Employer Demand and Skill Requirements	Government Sectors Office	Youth and sport office ( Rural Youth Employment Creation Department	KII	LIMU
2		Government Sectors Office	Labor and Social Affairs	KII	LIMU
3		Government Sectors Office	Civil service Bureau	KII	Hosana
4		Employer [Off Farm, On Farm, Large, Medium, Small]	Wachamo University	KII	Hosana
5		Employer [Off Farm, On Farm, Large, Medium, Small]	Tsion Construction Service Company	KII	LIMU
6		Employer [Off Farm, On Farm, Large, Medium, Small]	Desalegn Wood works and Metal Works	KII	LIMU

7	2. Mapping of Training and Employment Service	Government Counterparts Offices Dealing with Short Term Employment	PSNP office	KII	LIMU
8		Education/Training Providers and Employment Services [Public, Private and NGO]	Mekane Yesus	KII	Hosana
1	3. Youth Assessment and Focus Groups	Youth Access to Service	Youth Access to service	FGD	LIMU
2		Youth Experience in the Formal Work Place	Youth Experience in formal work place	KII	LiMU
3		Youth Earning and Economic Behaviour	Youth earnings & economic behaviour	FGD	LIMU
9	1. Employer Demand and Skill Requirements	Government Sectors Office	Youth and sport office ( Rural Youth Employment Creation Departement	KII	Wonago
10		Employer [Off Farm, On Farm, Large, Medium, Small]	Delight International Hotel	KII	Dilla
11		Employer [Off Farm, On Farm, Large, Medium, Small]	Jemal Four Factory	KII	Dilla
12	2. Mapping of Training and Employment Service	Government Counterparts Offices Dealing with Short Term Employment	BOLSA	KII	Dilla Zuria
13		Government Counterparts Offices Dealing with Short Term Employment	BOLSA	KII	Wonago
14		Government Counterparts Offices Dealing with Short Term Employment	Food Security and Livelihood office	KII	Wonago
15		Government Counterparts Offices Dealing with Short Term Employment	Food Security and Livelihood office	KII	Dilla Zuria
4	3. Youth Assessment and Focus Groups	Youth Access to Service	Youth Access to service	FGD	Dilla Zuria
5		Youth Migrant	Youth Migration	KII	Dilla Zuria
6		Youth Migrant	Youth Migration	FGD	Wonago
7		Youth form a Youth Association	Youth Association	FGD	Wonago
16	1. Employer Demand and Skill Requirements	Government Sectors Office	Youth and sport office ( Rural Youth Employment Creation Department	Kii	Aleta Wondo
17		Employer [Off Farm, On Farm, Large, Medium, Small]	Hondobana Borboro Association	KII	Aleta Wondo
18		Hawassa Industrial park/ Employer	Isabella Socks manufacturing company	KII	Hawassa



19		Mekelle Industrial Park	EIC( Ethiopia Investemnt commission)	Kii	Mekelle
20	2. Mapping of Training and Employment Service	Government Counterparts Offices Dealing with Short Term Employment	BOLSA	Kii	Aleta Wondo
21		Government Counterparts Offices Dealing with Short Term Employment	Food Security and Livelihood office	KII	Aleta Wondo
8	3. Youth Assessment and Focus Groups	Youth Earning and Economic Behaviour	Youth earnings & economic behaviour	FGD	Aleta Wondo
9		Youth form a Youth Association			

### SNNPR (ASE and CARE) (part 2)

S. No	Interview Type	Name of Firm/Institution/FGD Group	Woreda
22	Employer [Off Farm, On Farm, Large, Medium, Small]	Rohobot Hotel	borecha
23	Government Counterparts Offices Dealing with Short Term Employment	trade and industry	borecha
24	Government Counterparts Offices Dealing with Short Term Employment	youth and sport office KII , rural youth Employment creation	borecha
25	Government Counterparts Offices Dealing with Short Term Employment	Government Counterparts Offices KII	borecha
10	Youth Focus Group	Youth Focus Group- formal work place	borecha
26	Employer [Off Farm, On Farm, Large, Medium, Small]	Prime Contractors international NGO KII-people in need PIN	dilla town
11	Youth Focus Group	Youth Focus Group KII- one by one at dilla town	dilla town
27	Education/Training Providers and Employment Services [Public, Private and NGO]	dilla Donbosko TVET KII	dilla town
28	Employer [Off Farm, On Farm, Large, Medium, Small]	Employers KII- Dilla university	dilla zuria woreda
29	Employer [Off Farm, On Farm, Large, Medium, Small]	Employers KII- Dilla zuria woreda private coffee processing site	dilla zuria woreda
30	Government Counterparts Offices Dealing with Short Term Employment	Government Sector Offices KII- Dill zuria woreda rural youth job creation	dilla zuria woreda

31	Education/Training Providers and Employment Services [Public, Private and NGO]	Dilla TVET KII	dilla zuria woreda
32	Industrial Park	industrial park	hawassa
33	Employer [Off Farm, On Farm, Large, Medium, Small]	Employers-KII canal cafe	hossana town
34	Government Counterparts Offices Dealing with Short Term Employment	BOLSA	hossana town
12	Youth Focus Group	Youth Focus Group KII- formal work place one by one at hossana town	hossana town
35	Education/Training Providers and Employment Services [Public, Private and NGO]	Education training Employment provider KII- TVET at Hossana	hossana town
36	Education/Training Providers and Employment Services [Public, Private and NGO]	Education training Employment provider KII- zonal broker at Hossana	hossana town
37	Industrial Park	kombolcha industrial park	kombolcha
38	Employer [Off Farm, On Farm, Large, Medium, Small]	Guiding Questions for Employers- Soro woreda Employer	soro woreda
39	Government Counterparts Offices Dealing with Short Term Employment	Soro woreda youth and sport office KII , rural youth Employment creation work process	soro woreda
40	Government Counterparts Offices Dealing with Short Term Employment	Government Counterparts Offices KII Soro woreda	soro woreda
13	Youth Focus Group	Youth migrating Focus Group discussion FGD- Soro woreda	soro woreda
41	Employer [Off Farm, On Farm, Large, Medium, Small]	coffee processing cooperative/Bele kara cooperative	wonago
14	Youth Focus Group	Youth from a Youth Association Wonago woreda FGD	wonago

## Labor Market Debrief Workshop Agenda

<b>Labor Market Debrief Workshop Agenda</b>	
<b>Monday 20 November</b>	
<b>Purpose: Debrief Findings of Field Research</b>	
<b>08.30</b>	Arrival; Set Up
<b>09.00</b>	Welcome; Introductions
	Research Methodology Overview Presentation (EDC – One Slide)
<b>09.15 – 10.00</b>	<b>Debrief Planning Activity</b> <i>(on a flip chart)</i> <ul style="list-style-type: none"> <li>• What was the most important thing you learnt</li> <li>• What did you learn about wage employment for our youth (two things)</li> <li>• What did we learn about off farm opportunities for our youth (two things)</li> <li>• What were your two biggest challenges in the field</li> </ul>
<b>10.00 – 11.00</b>	<b>Discussion</b> <b>Preparation:</b> <i>Introducing the Quantitative Record Table of Interviews</i>
<b>11.00 – 11.15</b>	<b>Tea</b>
<b>Unpacking the Key Research Areas</b>	
<b>11.15 – 13.00</b>	<b>Employer Demand and Skills Requirements - Potential for Youth Employment</b>
	1. Feedback: How did we go about identifying Employers to talk to
	2. Quantitative: How many Employers did we talk to
	3. Unpacking the Employer Demand Findings
	<ul style="list-style-type: none"> <li>• Key Economic Sectors (Broad and drill down)</li> <li>• Wage Based Employment Opportunities (Qualitative Discussion)</li> <li>• Employers and Lead Firms (Lists, Size, Number of Jobs)</li> <li>• Industrial Parks &amp; Recruitment Centers (Scope, Lessons)</li> <li>• Seasonal or on Construction Sites</li> <li>• Skills Demand / Gap (What, How Many) - Discuss</li> <li>• EMPLOYER MAPPING &amp; SKILLS REQUIREMENTS</li> </ul>
<b>13.00 – 14.00</b>	<b>Lunch</b>
<b>14.00 – 15.30</b>	<b>Youth Assessment and Focus Groups</b>
	1. Feedback: How did we go about identifying youth for the Focus Groups
	2. Quantitative: How many Focus Groups did we do
	3. Unpacking the Focus Group Findings
	<ul style="list-style-type: none"> <li>• What are Youth saying about their economic behaviour and earning money</li> <li>• What are Youth saying about accessing training services</li> <li>• What are Youth saying about formal jobs</li> <li>• Are Youth prepared to move for wage employment opportunities</li> <li>• Do Youth Associations support youth to find employment</li> <li>• What do youth want? What are youth saying?</li> </ul>
<b>15.30 – 15.45</b>	<b>Tea</b>
<b>15.45 – 17.00</b>	<b>Mapping of Training and Employment Services</b>
	1. Feedback: How did we go about identifying Training Providers to talk to
	2. Quantitative: How many Training Providers did we talk to
	3. Unpacking the Training Providers Findings
	<ul style="list-style-type: none"> <li>• Tell me about the training providers</li> <li>• What training providers, NGO providers are there (list)</li> <li>• What are they training, What are they not training; What is their capacity</li> </ul>

	<ul style="list-style-type: none"> <li>• What are the gaps that we might need to be concerned about</li> </ul>
<b>To 17.00</b>	<b>Wrap Up and Closure</b>
<b>Tuesday 21 November</b>	
	<b>Purpose: Recommendations and Next Steps</b>
<b>09.00 – 09.30</b>	Reflections on the Debrief
	<b>Regarding Youth</b>
<b>09.30 – 10.30</b>	Who are our Youth
	Male / Female; Urban / Rural; Employed / Unemployed; School / Livelihoods Literate / non Literate; Primary Educate / Not Primary Educated;
	What do the different segments of Youth want
	How would we accommodate these different segments
<b>10.30 – 11.00</b>	What Employers say Youth Need
	What do youth need to be Employable (List)
	<b>Recommendations Regarding Youth (Table)</b>
<b>11.10 – 11.30</b>	<b>Tea</b>
	<b>Regarding Wage Based Employment</b>
<b>11.30 – 12.30</b>	Opportunities for Wage Based Employment
	What are the sectors we should consider
	Where are the employers we should consider
	What are the skills the youth need
	How do we prepare them for employment
	What is the job potential and number of jobs for our youth
	<b>Recommendations about Employment Pathways</b>
	<b>Regarding Training and Employment</b>
<b>12.30 – 13.00</b>	What we know about other Training Provision
	How many youth are trained per year
	What is their geographic reach
	What is their training timetable? Is it flexible?
	Can we use them?
	<b>Recommendations about Training and Employment</b>
<b>13.00 – 14.00</b>	<b>Lunch</b>
	<b>So Now What?</b>
<b>14.00 – 16.00</b>	Planning the Way Forward
	EMPLOYER MAPPING & SKILLS REQUIREMENTS
	What are we Recommending regarding Employment
	What are we recommending about Employment Preparation Training
	Who will provide this training
	How will we identify Employment Opportunities
	How will we accompany the youth along the pathway to employment
	What have we learnt
	What can we do with it
	Summary of all Recommendations
	Way Forward

<b>Wednesday 22 November</b>	
	<b>Purpose: Planning Employment Pathway Training</b>
<b>09.00 – 10.00</b>	<b>EDC recommendations</b>
	What are we saying these Curricula are in the context of Livelihoods for Resilience
	<ul style="list-style-type: none"> <li>• Work Ready Now ; Changing Youth Attitude</li> <li>• Be Your Own Boss ; Business Development Support</li> <li>• Employability Preparation ; Employment Linkage</li> <li>• Accompaniment ; Post-Training Support</li> </ul>
	<b><i>Response and Discussion</i></b>
<b>10.00 – 10.30</b>	<b>Tea</b>
<b>10.30 – 11.00</b>	What are we Recommending regarding Employment
	<ul style="list-style-type: none"> <li>• How will we identify Employment Opportunities</li> <li>• How do we prepare Youth for employment</li> <li>• How will we accompany the youth along the pathway to employment</li> <li>• Who will provide this training, this accompaniment</li> </ul>
<b>11.00 – 11.30</b>	<b>VESA / Youth VESA</b>
	•
	•
	•
<b>12.00 – 13.00</b>	<b>Review of Training Capacity and Methodology</b>
	<b>Implementing Partner Capacity</b>
	<ul style="list-style-type: none"> <li>• Trainer Capacity; Training Numbers</li> <li>• Scheduling Possibilities</li> <li>• Capacity Building Needs</li> </ul>
	<b>Technical Skills and Business Support Skills Capacity</b>
	<ul style="list-style-type: none"> <li>• What Training is needed</li> <li>• What is the Capacity of Providers</li> <li>• IS there budget for this</li> </ul>
	<b><i>Response and Discussion</i></b>
<b>13.00</b>	<b>Lunch</b>
<b>13.00 – 15.00</b>	<b>Key Next Steps</b>
	GANTT Chart Scheduling and Responsibility
	Curriculum Adaptation
	Training of Trainers
	Partner Capacity building needs
	Program Gaps
	Resource Needs
	<b>Closure</b>

## List of Employers interviewed

<b>SNNPR</b>	
Coffee Processing Cooperative/Bele Kara Cooperative	Wonago
Private Coffee Processing Site	Dilla Zuria Woreda
Canal Café	Hossana Town
Employer Wood Work	Soro Woreda
Rohobot Hotel	Borecha
Wachamo University	Hosana
Tsion Construction Service Company	LIMU
Desalegn Wood Works And Metal Works	LIMU
Delight International Hotel	Dilla
Jemal Flour Factory	Dilla
Hondobana Borboro Association	Aleta Wondo
<b>TIGRAY</b>	
Adigrat University	
Alamata Agricultural Research Center	
Kibrom Desta General Contractor	
Messobo Flour Factory	
Raya Brewery Sh. Co	
Raya Hortifarms PLC	
Right Mineral Water Manufacturing PLC	
Solomon Ayalew Agro Processing Firm	
Tewelde Tadele Creature and Gravel producer	
Tewodros Hotel	
Vellevard Tomato Processing Center	
Yotek Construction Company (constructing expansion Project in Adigrat University)	
<b>AMHARA</b>	
Yencomad Construction PLC	
Metal and Wood Work Enterprise	
Metal and Wood Work Enterprise	
Daniel Tsehaye Building Construction Level 1 [Woldiya University]	
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Demand assessment of pastoralist areas in Afar, Oromia, and Somali regions and in Dire Dawa. Not in CARE-target regions. Opportunities found mostly in livestock, farming, construction, and in retail and wholesale in Somali region.

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## End Notes

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Inception

Phase

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