



The SINCE Programme Public Private Partnership Case Study

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ACRONYMS

AACCSA	Addis Ababa Chamber of Commerce and Sectoral Associations
BoLSA	Bureau of Labour and Social Affairs
CETU	Confederation of Ethiopian Trade Union
CIFA	Community Initiative Facilitation Assistance
CISP	International Committee for the Development of People
CoC	Certificate of Competence
COOPI	Cooperazione Internazionale
DEC	Development Expertise Center
ECC	Ethiopian Catholic Church
ELIA	Leather Industry Association
FDI	Foreign Direct Investment
GIZ	German Agency for International Cooperation
GTP	Growth and Transformation Plan
IPDC	Industrial Park Development Corporations
LIDI	Leather Industry Development Institute
LMI	Labour Market Information
LVIA	Lay Volunteers International Association
MIDI	Metal Industry Development Institute
MoFEC	Ministry of Finance and Economic Cooperation
MoU	Memorandum of Understanding
MSP	Multi-stakeholder Platforms
NGO	Non-Government Organisation
OLSA	Office of Labour and Social Affairs
PES	Public Employment Service
PIN	People in Need
PPP	Public Private Partnership
REST	The Relief Society of Tigray
SINCE	Stemming Irregular Migration in Northern and Central Ethiopia
SME	Small and Micro Enterprises
SNNPR	Southern Nations, Nationalities, and Peoples' Region
TVED	Technical Vocational and Enterprise Development
TVET	Technical Vocational Education Training
VIS	Volontariato Internazionale per lo Sviluppo (Int. Volunteer Service for Development)
WLSAO	Woreda Labour and Social Affairs Offices
WoLSA	Woreda Office of Labour and Social Affairs
YES	Youth Employability Services

FOREWORD

The presented Case Study is one of four covering the pre-identified SINCE strategic topics. These being; Public Employment Services (PES), Public Private Partnerships (PPP), Decent Work and Apprenticeships.

The aim of these case studies is twofold:

- (i) to systematise what has been achieved by the different SINCE Programme grant beneficiaries, focusing on the lessons learned;
- (ii) make recommendations on policy development and for future interventions.

The Case Studies have been implemented by an independent consultancy firm contracted by the Italian Embassy in Addis Ababa. The findings as described in the Case Study are the result of a literature review, primary information and data collection, stakeholder and beneficiary interviews, focus group discussions, project site visits and workshops implemented between October 2019 and March 2020.

ACKNOWLEDGEMENTS

Herewith the consultant wishes to thank the stakeholders from the different SINCE Programme implementing partners, SINCE Programme stakeholders and the SINCE Programme beneficiaries that have assisted and facilitated the consultancy team members during the project phases.

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1. EXECUTIVE SUMMARY

The Ethiopian Growth and Transformation Plan II clearly outlines that government financing alone cannot meet the growing demand for public services sustainably. Public and private partners share roles, tasks, (financial) resources and risks as to increase the scope, efficiency and effectiveness of the operations undertaken to achieve certain goals. In the context of employment promotion, PPP constitute an institutionalized collaboration between the public and the private sectors that aim to develop the skills of students and the workforce. PPPs can help to better align (T)VET to labour market needs.

The Ethiopian government has been working on new policy frameworks and a specific Proclamation, that serves as a legal framework, and has established a directorate to handle the PPP procedures and a PPP unit to support and spread good practice and consistency across the development and delivery of PPP projects in Ethiopia. This is elaborated in section 2 of this report. On the lower levels, however, there are no clear existing guidelines or directives for local governments on how to construct Public Private Partnership agreements, this is handled on a case to case base.

The PPP in the context of the SINCE Programme, as described in section 3, was initiated with a central focus to facilitate decent work opportunities, especially for vulnerable youth and women at the most migration prone areas. The labour market need assessments initiated at the onset of the SINCE Programme paved the way to identify the sectors of focus and relevant stakeholders for the PPP. The PPP scheme has been expanding in terms of numbers and diversity of its members over the course of the SINCE Programme. This is important for the creation of more wage employment but also for ensuring sustainability.

During the initial stage of the SINCE Programme it became clear that there was a communication and collaboration gap between the private sector companies and the TVET Institutions. Multi-stakeholder Platforms (MSP) were established as a tool to facilitate and maintain dialogue between the public and private sectors on the issues of job creation and job placement. For this purpose, a total of 17 MSP were established. One of the results of the increased communication through the SINCE Programme is that the number of jobs for the target sectors have been identified. The SINCE Programme also contributed highly to simplify the private sector companies search for skilled labour. Furthermore, the SINCE Programme is successful in raising awareness on decent work principles as the 177 signed PPP agreements incorporated decent work to be applied by all signatory partners.

One of the challenges in the implementation of the SINCE job oriented PPPs was the selection of committed and motivated beneficiaries, particularly in urban areas where informal daily work is abundant. In addition, due to the fluctuation of work for local SMEs there is a limited labour absorbance capacity. This also makes it difficult to predict the number of jobs that are available. Information on the actual (real-time) absorption capacity is not communicated in an effective manner between employment centers and the different sectoral stakeholders. Other impediments to the effectiveness of the PPPs include the misunderstanding between the roles of different government offices and the high turnover of government staff.

This Case Study report ends, after describing SINCE learned (section 4) and recommendations for new actions (section 5), by suggesting policy recommendations (section 6) such as to: decentralize and automatize the PES system with a database; conduct regular labour market assessments; establish a

minimum wage regulation; provide soft skill training in addition to technical short-term skill training; and/ or implement tax deduction for companies that provide paid apprenticeships.

The SINCE Programme showed that the short term training, cooperative training and the mechanism of apprenticeship, promoted through specific PPPs, have produced advantages and opportunities for both jobseekers and companies. Companies should be made more aware of the benefits of employing registered jobseekers. As such another collected recommendation is to elaborate, refine and revise the MoUs regularly through the MSP involvement.



Picture 1: SINCE Addis Ababa Construction MSP at International Construction Exhibition – Millennium Hall – PPP promotion

2. PUBLIC PRIVATE PARTNERSHIP

2.1 The International Environment

2.1.1 Increasing Job Opportunities through PPP mechanisms

Public Private Partnerships (PPPs) for skills development can be defined as any type of institutionalized collaboration between the public and the private sectors that aims to develop the skills of students, of the workforce or of the general public. PPPs are medium to long term (legally-binding) arrangements with a clear agreement on shared objectives. While some PPPs entail many different types of activities that last for many years and involve significant financial resources, other PPPs are much more limited in its activities, time and financial scale. PPPs are also different by their geographical coverage. Some are global, others are regional or sub-regional, while others are restricted to activities in a single programme country. PPPs are furthermore distinguishable by strategic objective or policy outcome. Regardless of the nature of a PPP, government remains actively involved throughout the implementation.

PPPs have been used to various degrees of effectiveness to address certain thematic areas, such as child labour and youth employment. In the area of skills development, it is deemed of particular strategic value for the ILO to apply the PPP modality.¹ PPP is also at the forefront of the European Commission's employment policy implementation.² Partnerships related to employment have mainly concentrated on employment promotion. They have included areas as employment analysis and research, the promotion of employment-intensive investment, the elaboration of employment policy, skills development and the establishment of sustainable enterprises.

The rationale behind forming PPPs is to harness both the capacity of governments and the private sectors. The public and private sectors play different, complementary roles. PPPs are also undertaken as a way of tapping into the private sector resources while the private sector work practices may result in increased efficiency in implementation, thus better delivery of activities and outputs.

In the field of education, PPPs help to better align TVET delivery to labour market requirements by building bridges between the world of work and training providers as well as by anticipating and developing skills for future labour market needs. When TVET delivery is aligned with labour market needs, employers are more willing and able to hire young graduates (even with scarce work experience) as they require less mentoring and training and become productive at an earlier stage. In that manner PPPs can contribute to higher employment rates of youth and economic growth. Furthermore, PPPs for skills development can contribute to innovation in TVET policy while cost-sharing between public and private partners supports to increase the provision of skills. Firms also engage in tailored PPPs that specifically link skills development with their strategic business objectives, while partnering with government programmes or with public or private education institutions. These can be implemented at the firm or sector level. Engaging in special partnerships may be required for a number of reasons, including specific industry or local needs and the availability of structured, firm-specific programmes for skills development.

There are differences in the design and arrangements of PPPs among countries. Differences in design and market conditions have proven to be determinant factors in potential outcomes, impact and

¹ https://www.ilo.org/eval/Evaluationreports/Strategyandpolicyevaluations/WCMS_723530/lang--en/index.htm

² <https://www.ef.europa.eu/en/news-and-events/news/public-private-partnerships-success-factor-skills-development>

sustainability, including in terms of the capacity created. Results and the potential impact of PPPs vary considerably – even between engagements with the same partners in different countries.

According to an ILO evaluation, PPPs have demonstrated their added value in assisting the ILO to achieve multiple programme policy outcomes. However, the duration of most PPPs is often too short to sufficiently address sustainability issues. PPPs need to be of an appropriate duration to raise the potential for achieving long-term, industry- or sector wide results and should be of sufficient scale to achieve the desired results. However, PPPs tend not to define their desired impact with clarity, the monitoring of progress or of actual impact has therefore generally not taken place and the lack of data or reliable indicators has rendered it difficult to establish impact at industry, sectoral or national level. Therefore, impact needs to be explicitly discussed during early negotiations on the design of PPPs. Impact measurement should be an explicit part of PPP design. Indicators that can be readily collected throughout the life of the PPP should be identified and covered in PPP budgets.

Also, training on PPPs is generally low, public officials may, as a consequence, miss opportunities to fully develop and exploit PPPs. Training should elaborate on questions like: what is PPP policy? What are the specific features of PPPs against traditional funding? How best to approach the private sector? What good practices and lessons have been learned from PPP practices to date?

2.1.2 Public Private Partnership constructions in the East African Region

The degree of labour supply exceeds the degree of labour demand in the East-African labour market, meaning there is disequilibrium between the forces of demand and supply. Public Private Partnership seems to be a good option for resolving the menace of unemployment and instability. In the African region, the African Development Bank Group (AfDB) has been involved in supporting PPPs, serving as an important promoter of future PPP projects to give potential investors confidence that PPPs remain a viable platform in Africa. The AfDB has served as lender and advisor to African countries in supporting PPPs.³

PPP's can focus on different economic sectors. The agricultural sector is commonly the sector that accommodates the largest number of people in terms of employment; although this is subject to climate and soil conditions. In this sector PPP supports employment creation and increases productivity levels. In addition, the concept of PPP often applies to the establishment of small-scale industries (such as processing and manufacturing). PPP's are also formed in the sector of tourism, education, health, security service, commerce, and transportation.

A clear policy and institutional framework for PPPs is a critical determinant of the success of PPP projects. East African countries have diverse institutional and legislative frameworks governing the implementation of PPPs. While all countries have some experience in PPPs implementation in different sectors, Kenya, Uganda and Tanzania have relatively more institutions that are directly involved in the approval process of PPPs, suggesting existence of more bureaucratic approval processes compared to other countries.⁴ There are many similarities in the institutional set ups for PPP project regulations across countries. This includes the involvement of a regulatory institution and a committee, which is an inter-ministerial body that has a direct oversight role. However, cabinet or the office of the President in each country also contribute to ensuring that PPP projects are approved. This also ushers in some bureaucracy.

Threats that can undermine PPP's in the short- and long term are, among others, an unstable political climate; high inflation in the economy; unresponsive attitude to change as young people may be too

³ <http://mefmi.org/wp-content/uploads/2018/12/Status-and-performance-of-PPPs-in-Eastern-and-Southern-Africa-Main-Report.pdf>

⁴ <http://mefmi.org/wp-content/uploads/2018/12/Status-and-performance-of-PPPs-in-Eastern-and-Southern-Africa-Main-Report.pdf>

centered on looking out for government jobs (white collar jobs); inadequate financial support to support start-ups; poor planning and implementation; quick anticipation for business profit and misuse of investments.

2.1.3 Various Definitions and Concepts of PPP

In diverse contexts different definitions can be found on the concept of Public Private Partnership, as there is no broad international consensus on what constitutes a PPP.

In Ethiopia, in general,⁵ PPP refers to a collaborative arrangement between the government or the public sector, and a private sector entity in order to improve the provision of public infrastructure and services. In the context of the United Nations, PPP is defined as a voluntary and collaborative relationship between various parties, both state and non-state, in which all participants agree to work together to achieve a common purpose or specific task, and share risks, responsibilities, resources, and benefits.⁶

According to the World Bank⁷, PPP refers to arrangements, typically medium to long term, between the public and private sectors whereby some of the services that fall under the responsibilities of the public sector are provided by the private sector, with clear agreement on shared objectives for the delivery of public infrastructure and/or public services.

The Ethiopian government formulated PPP in 2017, where PPP⁸ means a long-term agreement between a Contracting Authority and Private Party under which the Private Party:

- a) undertakes to perform a Public Service Activity that would otherwise be carried out by the Contracting Authority
- b) receives a benefit by away of:
 1. compensation by, or on behalf of, the Contracting Authority
 2. tariffs or fees collected by the Private Party from users or consumers of a service;
 3. a combination of such compensation and such charges or fees
- c) is generally liable for risks arising from the performance of the activity or use of the state property in accordance with the terms of the Project Agreements

2.2 Ethiopian Federal Environment (Legal framework)

Public Private Partnership, as an option to ensure various public services, is relatively new for Ethiopia. In order to manage large contracts, the Ethiopian government has been working in recent years on developing new policy frameworks and a specific proclamation that serves as a legal framework.

Procurement of public bodies/enterprises used to be governed by a set of legislations such as the Public Procurement Proclamation No. 649/2009, Public Procurement and Property Disposal Service Council of Ministers Regulation No. 184/2010 and the Federal Public Procurement Directive issued by the Ministry of Finance and Economic Cooperation (MoFEC).

⁵ UNDP – Prospects of Public-Private Partnership in Ethiopia. No.1/2015

⁶ Hodge, G., & Greve, C. – 2011 Theorizing Public-Private Partnership Success: A Market-Based alternative to Government? Public Management Research Conference, 1, 1-23.

⁷ <http://ppp.worldbank.org/public-private-partnership/overview/what-are-public-private-partnerships>

⁸ Proclamation 1076/2018 Public Private Partnership Article 2. Definitions

Since 2016, MoFEC has put in efforts to design a PPP legal framework which resulted in the enactment of PPP Proclamation No 1076/2018 on February 2018.⁹ This Proclamation was followed by the directive issued to implement Public Private Partnership - directive number 55/2010/2018.¹⁰

With the enactment of this proclamation Ethiopia recognises that the private sector is essential to support the country's economic growth and improve the quality of public services, with a strong emphasis on infrastructure development at its initial stage. It is expected that PPPs will increase to move towards the provision of 'social infrastructure' such as education and health services¹¹. Additional emphasis is anticipated on empowerment under a wider sector umbrella. The Ethiopian Public Private Partnership policy document (MoFEC 2017), as referred to in GTP II, indicates that government financing alone cannot meet the growing demand for public services in a sustainable manner.

2.2.1 Scope of PPP Application in Ethiopia

The use of Public Private Partnership is considered a tool to assist in attracting the necessary Foreign Direct Investment (FDI) to support the implementation of the Growth and Transformation Plan II. GTP II emphasis is to transform Ethiopia from a predominantly agrarian economy to a modern, industrialized economy.

The Ethiopian government has several overarching goals that are associated with the implementation of its PPP policy:

- expanding public service activities;
- reduction in project delays and cost overruns;
- increased utilization of resources from the private sector on public services.

2.2.2 Institutional Framework for the Public Private Partnership

The Proclamation of 2018 sets out a view to promote and implement initially private sector financed infrastructure projects by enhancing transparency, fairness, value for money and efficiency through the establishment of specific procedures. PPP projects may be applied for new or existing facilities and include design, financing, construction, rehabilitation, expansion, modernisation, operation, maintenance, administration and/or management.

PPP procedures are handled through a directorate as referred to in the proclamation and described in the PPP directive. This directorate will promote, conceptualise, identify and categorise PPP projects, and will make recommendations, establish policy guidelines, coordinate activities and ensure compliance. These are core functions mentioned in the Proclamation. Application depends on the level of allocation agreed to by a high level Board which includes 10 members from different relevant stakeholder groups.

In relation to decentralized and smaller projects no exact directives are provided. However, decentralized governments can obtain direction on the content and implementation of Public Private Partnership Agreements from the directive that was issued to support the implementation of Proclamation 1076/2018.

⁹ Proclamation No 1076/2018 Public Private Partnership can be found at the SINCE website:

https://ambaddisabeba.esteri.it/ambasciata_addisabeba/it/sinceprogramme/technical-documents

¹⁰ Directive Public Private Partnership 55/2010/2018

<http://www.mofed.gov.et/documents/10182/42275/PPP+Directive+2010+English.pdf/9bf4a75c-f7e3-4d19-a899-27e4f6fde003>

¹¹ Independent Evaluation Group – 2012. World Bank Group Support to PPPs: Lesson from Experience in Client Countries.

The programmatic approach described in Public Private Partnership Policy (MoFEC August 2017) is intended to expand PPP to a broad range of public services benefiting from private sector investments that are expected to increase in Ethiopia. The objectives of implementing a programmatic approach are:

- Promote an enabling environment to facilitate enhanced and systematic private investments in public infrastructure;
- Capture and disseminate knowledge on the implementation of international and domestic PPP projects to support the development of successful PPP models in Ethiopia;
- Provide clarity and consistency for both public and private sector parties with respect to their roles and responsibilities;
- Facilitate the project development process through guidance on the process, implementation and monitoring of PPPs, including the selection of private sector partners;
- Provide objective evaluation of the application of PPPs in Ethiopia to support advancement of the PPP Framework and implementation of PPP projects.

2.2.3 Benefits of Public Private Partnerships

For the government the benefits of the establishment of PPPs are the pace, efficiency and effectiveness associated with private sector business practices for public service delivery in order to ensure value for money. Among others, this is due to transparent and competitive procurement processes. The long-term costs of the public service delivery can be assessed more realistically under the PPP framework, which in turn promotes more efficient use of resources.

For the private sector, PPPs bring in new experiences to work in parallel with government for both sustainable development and economic gains. Through PPPs the private sector is enabled to introduce improved technologies, apply innovative business practices and create efficiency to boost profits.

Other key advantages for the private sector are the comprehensive (preliminary) public investments and clear-cut planning. This safeguards the investments as the public sector provides guarantees and allows for extensive borrowing. The medium to long-term contracts ensure good investment returns, as well as basic safeguards that are agreed with public partners in the PPP agreements. Especially on high risk projects, the PPP agreements can provide protection against unpredictable cyclical developments and other potential risks¹².

An example of a successful pilot PPP initiative in Ethiopia is the case of 'Lehulu', the centralized billing service for water, electricity and telephone services.

2.3 Success Factors of Public Private Partnerships

Effective PPPs need a permissive policy and legal framework, as well as a suitable investment climate. A clear policy framework sets out guidelines for the selection, preparation, and procurement undertaken by PPP projects. Another crucial requirement is the legal and/or regulatory framework that ensures the effectiveness of the long-term contractual PPP agreements.

Some conditions¹³, prerequisite for the development of a country are expected to be fulfilled by PPPs. These conditions can be defined in three interrelated levels: strategic, contextual and operational, each comprising a set of conditions or factors which impact on PPPs.¹⁴

As Ethiopia has started the development of PPPs in the last decade mainly in infrastructure, the experiences are still new. The development of a legal and regulatory framework has been done in recent

¹² PPP principles, Opportunities and risks. 2005 – Conference of the Assembly of European Regions in Ponta Delgada.

¹³ UNDP – Prospects of Public Private Partnership in Ethiopia. No.1/2015

¹⁴ Urio P. – 2010 Public Private Partnerships: Success and Failure Factors for In-transition countries. University Press of America

years, as described in section 2.2. As such, the government and the private sector have been working only since recent years on implementing PPP contracts following these guidelines.

Within the MoFEC a PPP unit has been established with the objective to support good practice and consistency across the development and delivery of PPP projects in Ethiopia.

2.4 The Need for Public Private Partnership in Ethiopia

While Ethiopia increases the development in private sector investments, it is crucial to develop public services (public infrastructure, agriculture and basic services) that can equally support the growth in privatization at a similar pace.

For the Ethiopian private sector service providers¹⁵ the PPP investment modality offers an opportunity to have access to public powers and competencies as well as significant influence on government decision-making regarding urban development, infrastructure, service delivery, and other development activities.

3. THE SINCE PROGRAMME FOR PUBLIC PRIVATE PARTNERSHIPS

The PPP in the context of the SINCE Programme was initiated to facilitate waged employment for the SINCE Programme beneficiaries. The PPP concept was customized from international experiences and principles and contextualized to the SINCE Programme focus areas in Ethiopia e.g. enhancing livelihood and decent employment opportunities for vulnerable youth and women at the most migration prone areas. The PPPs of this nature are new for Ethiopia as, explained in section 2.2, in general PPPs have been applied for infrastructure projects.

PPP were established in all the SINCE Programme implementation areas; Addis Ababa, Amhara Regional State, Oromia Regional State, Tigray Regional State and SNNPR. The PPPs are used strategically to organize and facilitate different activities with stakeholders, using their mandates while activating existing systems. In March 2020 a total of 177 Public Private Partnership have been enforced with an agreement or MoU as part of the SINCE Programme. These partnerships have been supported by the SINCE Programme across all intervention areas. The number of PPP agreements disaggregated by SINCE Programme implementation area is depicted in Figure 1.¹⁶

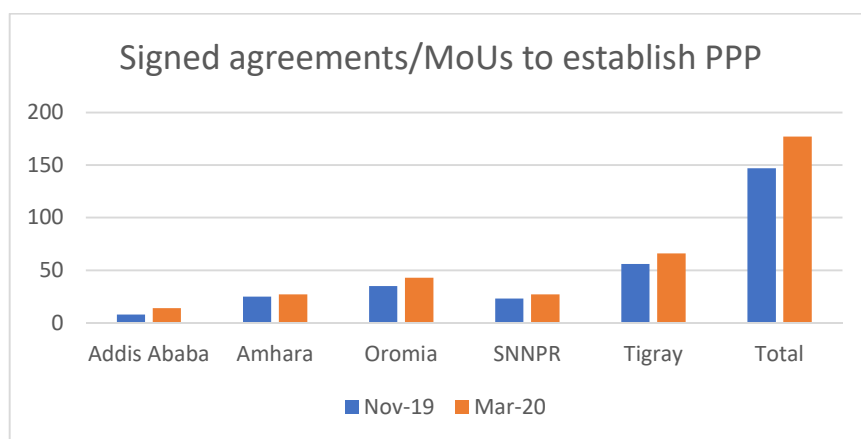


Figure 1: No. of signed agreements incl. obligations to adhere to decent work principles promoted by SINCE Programme (March 2020)

¹⁵ The potential for Public Private Partnership in Ethiopia – 2011 - AACCSA

¹⁶ Data collected from UNIDO and reported by SINCE implementing partners in 2020 Quarter I

3.1 Case Study 1: Stakeholder Identification and Mandates

The formation of PPP agreements under the SINCE Programme involves the identification of relevant public and private sector stakeholders that have the potential to facilitate apprenticeship and/ or cooperative training as well as subsequent employment opportunities. The labour market needs assessments, initiated at the onset of the SINCE Programme, paved the way to identify relevant stakeholders for the PPPs. Due attention was given to the identification of stakeholders relevant to the prevalent sectors in each of the SINCE Programme implementation areas. Sector specific implementation of PPPs was framed to take advantage of the potential in the metal, construction, textile and agribusiness sectors in each of the SINCE Programme areas.

Three months after commencement of the SINCE Programme, the PPP schemes started with the first signatories representing the public and private stakeholders in September 2018. At that time in SNNPR 5 PPP agreements were signed, in Oromia Regional State 3 agreements with unions were signed, as well as 7 agreements with Flour Factories and 14 agreements with primary cooperatives. During the period October to December 2018 also Addis Ababa has signed 1 agreement. During the same period in Amhara Regional State 25 agreements and in Tigray Regional State 9 agreements were signed. The numbers of signed agreements significantly increased during implementation, as in November 2019 more than 110 stakeholders signed the PPP agreements or Memorandum of Understanding to form a PPP and adhere to its principles.

The signed agreements incorporated the basic principles of decent work to mention; gender equality and equity, working time limitation, contract agreement, insurance coverage, safe work environment, and respect of fundamental principles at work.



Picture 2: Signing of PPP between key stakeholders including BoLSA - PES, private sector construction company and TVET college in Addis Ababa SINCE Programme implementation area

During the identification of enterprises for the PPP scheme promotion, the companies' capacity for labour absorption along with their interest to be part of the PPP scheme were the main considerations for selection. Identification of government sector stakeholders for the PPP scheme was based on their mandates, roles and responsibilities in relation to employment creation and the improvement of

livelihoods. The key stakeholders, at the start of the SINCE Programme, included the following entities (with a slight variation among the implementation areas):

- Private sector operators in the metal, construction, textile, and agriculture/agribusiness sectors depending on the sectors of interest in each area;
- Bureaus of Labour and Social Affairs (BoLSAs);
- Offices of Labour and Social Affairs (OLSAs);
- TVET Colleges in the respective SINCE Programme implementation areas;
- TVED offices.

Throughout the process, more private sector companies and public institutions joined the scheme due to the awareness creation by the SINCE Programme implementing partners. The following are the major stakeholders that joined the PPP scheme in a later phase:

- Small and Micro Enterprises, run by organized groups in the metal, construction, textile and agriculture/agribusiness sectors;
- Cooperatives and Cooperative offices (mainly in agriculture/agribusiness sector);
- Small and Medium Enterprises Development Agency offices;
- Job Creation and Urban Food Security Development Agency offices,
- Higher Education Institutions (Universities)
- Women, Youth and Children Affairs offices
- Youth and Sports offices

In the SINCE Addis Ababa implementation area, the Leather Industry Development Institute (LIDI) had previous experience with large-scale PPP in the leather sector at national level. Therefore, LIDI's PPP experience was used to shape the concept of the SINCE Programme PPPs in the Leather Sector.

3.1.1 Initial Public Sector Stakeholders

In line with the interest of the SINCE Programme, the involvement of various institutions of which a considerable number originated from the public sector increased. The initial number of public sector stakeholders involved the BoLSAs, TVET colleges and TVED offices which expanded throughout the implementation of the SINCE Programme. These public sector stakeholders mainly facilitate the framework for cooperative trainings along with the SINCE project implementers while the private sector companies are providing cooperative training and employment opportunities for the SINCE Programme beneficiaries. Table 1 presents the initial public sector stakeholders in the PPP scheme across the 5 SINCE Programme intervention areas.

Table 1: Initial public sectors stakeholders in the SINCE consortia PPP schemes

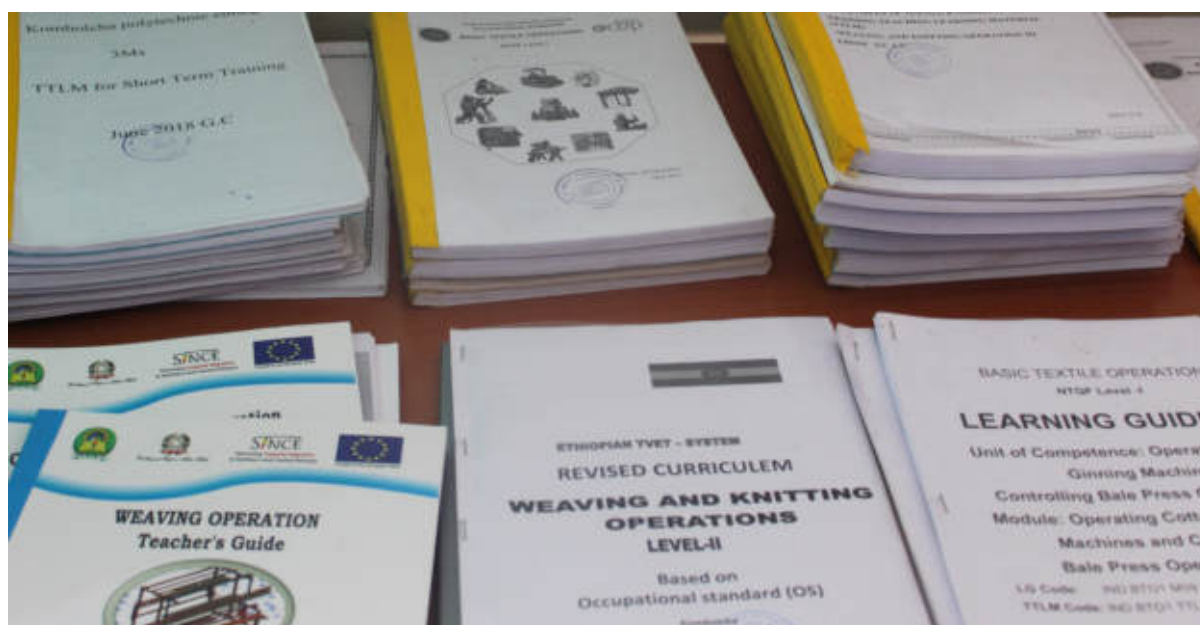
SINCE Programme Area	Implementing partners/ consortium members	Focus value chains	Initial public stakeholders in the PPP scheme
Addis Ababa	PIN (lead), VIS, Concern World Wide, CHADET	Metal Construction Leather	TVETs, BoLSA, BoTVET, LIDI, MIDI, Public Enterprises
Amhara	Edukans (lead), DEC, CIFA, CETU, Hope Enterprise	Metal Construction Textile	TVETs, BoLSA/ WoLSA, TVED,
Oromia	COOPI (lead), Edukans, LVIA, Maki Batu and Siko Mendo Cooperatives Unions	Agri-business Textile	TVETs, WoLSA

SNNPR	IRC (lead), Care Ethiopia, JeCCDO, Selam Hawassa Business Group	Agri-business Metal Construction Textile	TVETs, WoLSA
Tigray	VIS (lead), CISP, Oxfam, ECC, REST	Metal Construction Textile	BoLSA, TVETs

The initial public sector stakeholders in the PPPs have specific mandates in the context of the SINCE Programme central focus e.g. decent wage employment for the unemployed youth and women who are potential irregular migrants and/ or returnees. The mandate of the stakeholders in the PPP scheme is also aligned to the focus of the SINCE Programme. Table 2 summarizes the roles of the different public sector stakeholders in the PPP scheme.

Table 2: Roles of the different initial public sector stakeholders in the SINCE promoted PPP scheme

Public sector stakeholders	Mandates in the PPP
BoLSA/ WoLSA	<ul style="list-style-type: none"> ✓ Lead the PPP scheme ✓ Project beneficiary's identification ✓ Screening beneficiaries for TVET training ✓ Job registration and matching ✓ Involvement in the provision of soft-skill training
TVET institutes	<ul style="list-style-type: none"> ✓ Develop tailored training modules based on companies needs ✓ Provide tailored technical and soft-skill training ✓ Screening beneficiaries for TVET training ✓ Arrange and monitor cooperative training with companies ✓ Provide technical backup in cooperative training ✓ Facilitate Certificate of Competence (CoC)
Public enterprises	<ul style="list-style-type: none"> ✓ Provide cooperative training and apprenticeship schemes ✓ Offered job for project beneficiaries



Picture 3: Developed tailored training modules based on companies needs

3.1.2 Additional Public Sector Stakeholders

In addition to the initial public sector stakeholders in the PPP scheme, efforts were made to include other stakeholders with specific mandates in the context of the SINCE Programme. Additional public sector stakeholders were included in all SINCE Programme implementation areas. Some of the new public sector stakeholders are:

Women, Youth and Children Affairs with the role to provide information on uneducated jobseekers and on the status of their livelihoods and interest on waged employment.

Small and Micro Enterprises Agency with a role in registering and organizing the unemployed jobseekers in small and micro enterprises. They provide information and facilitate loans for jobseekers looking for group employment opportunities.

Universities in some SINCE Programme implementation areas are assisting in enterprise support and promotion and building up and maintaining the knowledge network. The universities could be able to construct a protected database system through their Ether Network.

Job Creation and Urban Food Security Development Agency is one of the newly added public sector stakeholders in the PPP scheme which focus on increasing the number of people in waged employment (or self-employment). Some of these newly added public sector stakeholders have signed the PPP agreements while others are identified and in the process of signing the agreements.

The cooperative and agriculture offices are actively involved in Oromia Regional State and SNNPR, where they sign agreements to support the formation of PPPs. In the case of SINCE Oromia as well as for SNNPR, the Cooperatives and Unions signed the PPPs. Their role is focused on supporting the SINCE Programme beneficiaries to organize themselves in group businesses allowing them to work together or be members of other cooperatives or cooperative Unions.

In addition to the above, the following government stakeholders are also newly included in the PPP agreements:

- Bureau of Youth and Sports
- Bureau of Industrial Development
- Manufacturing Development Agency
- Bureau of Investment
- Bureau of Finance and Economic Development

3.1.3 Initial Private Sector Stakeholders

Private sector stakeholders' roles are mainly associated with providing cooperative training for TVET trainees and the subsequent offering of apprenticeship and waged employment opportunities. The engagement of private sector stakeholders is crucial for the implementation of the decent work principles, which became explicitly part of the PPP agreements of the SINCE Programme. Table 3 provides a summary of the initial private sector PPP stakeholders along with their core mandates in the context of the SINCE Programme, which slightly vary among the SINCE Programme implementation areas.

Table 3: Initial private sector stakeholders in the SINCE promoted PPP scheme

Private sector stakeholder	Description of mandates in SINCE project
Private enterprises/ companies	<ul style="list-style-type: none">✓ Provide LMI on available vacancies under their decree✓ Provide cooperative training and apprenticeship schemes✓ Offer wage employment opportunities✓ Implement decent work principles

Confederation of Ethiopian Trade Union (CETU)¹⁷	<ul style="list-style-type: none"> ✓ Facilitate implementation of decent work principles
Ethiopian Employers Federation (EEF) and Amhara Employer Federation (AEF)	<ul style="list-style-type: none"> ✓ Motivate its members to join the PPP ✓ Facilitate cooperative training, apprenticeship and wage employment opportunities with its members ✓ Support implementation of decent work principles ✓ Ensure sustainability of the PPP agreements
Sectoral Industrial Development Institutions	<ul style="list-style-type: none"> ✓ Contribute to the development of tailored curricula ✓ Facilitate cooperative training, apprenticeship and wage employment opportunities
Cooperatives Unions	<ul style="list-style-type: none"> ✓ Provide cooperative training, apprenticeship and wage employment ✓ Assist in new cooperative business creation
Ethiopia Construction Contractors Association (ECCA)	<ul style="list-style-type: none"> ✓ Facilitate cooperative training, apprenticeship and wage employment opportunities with member companies

3.1.4 Additional Private Sector Stakeholders

As already mentioned, the PPP scheme has been expanding in terms of numbers and diversity of its members over the course of the SINCE Programme. Not only public but also additional private sector stakeholders were identified due to the efforts of implementing partners and institutions leading the PPP platforms and some of them already signed the PPP scheme since November 2019. The newly identified, and included, private sector stakeholders covered both individual companies and SMEs operating in the SINCE Programme areas. The inclusion of these new stakeholders expands the opportunities for wage employment for the SINCE Programme beneficiaries and is also important for sustainability purposes.

In addition to the private companies and SMEs, the other newly identified members of the MSP are the local Chambers of Commerce and their Sectoral Associations. However, the Sectoral Associations and Chambers of Commerce had been identified but were not yet actively involved in the SINCE activities in December 2019. Table 4 summarises some of newly identified private companies and SMEs which are added to the SINCE PPP promotion scheme.

Table 4: Description of newly added private sector stakeholders (March 2020)

SINCE Programme implementation area	Description of newly added private sector stakeholders
Addis Ababa	<ul style="list-style-type: none"> ✓ Identified and signed PPP agreement with two new large companies from the construction sector ✓ Identified 150 potential SMEs from metal, construction and leather sectors and agreements were signed with 50 SMEs
Amhara Regional State	<ul style="list-style-type: none"> ✓ Identified 32 new SMEs from the metal, construction and textile sectors and are in the process of signing PPP agreements
Oromia Regional State	<ul style="list-style-type: none"> ✓ Identified and signed PPP agreements with three new companies and 20 SMEs
Tigray Regional State	<ul style="list-style-type: none"> ✓ Identified 31 additional private sector companies from the metal and construction sectors with a potential to offer cooperative training and wage employment opportunities

¹⁷ N.B. CETU did not yet sign PPP agreements

3.2 Case Study 2: Memorandum of Understanding

A Tripartite approach has been followed for designing and signing of Memoranda of Understanding (MoUs) in the SINCE Programme implementation areas. The intention of the MoUs is to establish a long-term engagement between the signatory parties in order to increase waged employment opportunities for jobseekers that are at higher risk of irregular migration. The content of the MoUs covers background information of the SINCE Programme and signatory institutions, the purpose, areas of partnership, and responsibilities of the signatory bodies. The MoUs also describe the activities that will be undertaken by the respective signatory bodies such as skill enhancement, creation of job opportunities, facilitation or implementation of cooperative training and the creation of apprenticeship opportunities. The MoUs also include the five minimum decent work principles and gender mainstreaming issues promoted by the SINCE Programme. The initial signatory bodies of the MoU in all SINCE Programme implementation areas included Private Enterprises, TVETs, Bureaus of Labour and Social Affairs (BoLSA) and Woreda Labour and Social Affairs Offices (WLSAO).

To reinforce the MoUs sustainability the SINCE Programme implementing partners organised capacity building activities such as training, conferences and exchange visits for the signatory bodies from the public sector. This focused on providing support as well as the exchange of ideas to improve the implementation of the activities foreseen in the MoUs.

In addition, consultative and coordination meetings – forum on sustainability of SINCE Programme outputs – are regularly conducted, including follow-up activities by the SINCE implementing partners, in the different intervention areas. This creates synergies and allows for sharing of good practices among the different stakeholders. The consultative meetings also create awareness amongst the public and private partners concerning their roles and responsibilities.

3.2.1 Contents of the PPP MoUs

The PPP MoUs, across the SINCE Programme implementation areas, contain similar sections that pertain to the provision of Labour Market Information, cooperative training or apprenticeship, available job opportunities, provision of technical and soft-skill training, mainstreaming of decent work and gender issues as outlined above and described in more detail below. Specific roles and responsibilities of the PPP stakeholders are also provided in Table 5.

Provision of Labour Market Information (LMI): At the initial stage of the SINCE Programme, all implementing partners were tasked with the collection of LMI in their respective target areas. The information obtained served to identify the different stakeholders as well as the capacity of the specific organizations regarding their capacity to absorb jobs. The assessment also identified the different gaps in the system related to skill training and other matters in the respective SINCE Programme areas. One identified gap, at this stage, was that the existing Public Employment Service center could not provide LMI due to lack of human resources, capacity and awareness of their specific role. Due to this finding, the provision of LMI has been included as a major part of the PPP MoUs aiming to ensure a sustainable flow of labour market information.

For example, in the Oromia Regional State SINCE intervention area, a tripartite MoU was established elaborating on the specific roles of the different stakeholders for the implementation of the PPP. The content of the MoU included, as described above, the provision of labour market information, cooperative training and/or apprenticeships, capacity building, market linkages, job placement and decent work.

Provision of cooperative training or apprenticeship: The hosting and supervision of SINCE Programme beneficiaries during their cooperative training under a transparent agreement was found to be an important component of the MoU. The cooperative training and the apprenticeship schemes were implemented in coordination with all stakeholders who signed the MoU. In this regard, the SINCE

Programme was able to organise the cooperative training through a guided approach where the demand for SINCE Programme beneficiaries by private sector increased as well as the demand for jobseekers who received the specific short-term training. During SINCE Programme implementation, different companies improved the supervision and progress monitoring of the trainees as per the agreed MoU. This created a better learning environment and increased the motivation of the SINCE Programme beneficiaries because they were aware that after the cooperative training, or the apprenticeship, the most successful SINCE Programme beneficiaries were offered jobs.

Examples of this are found in the SINCE Amhara and Tigray intervention areas, especially with companies at the IPDC. The supervision of trainees, before they are offered an apprenticeship or a contract, benefitted the different stakeholders. This practice can be scaled up in other areas where IPDCs are located.

Update on available job opportunities (vacancies): The PPP MoUs require the private enterprise partners to update their vacancies. Therefore, one result of the SINCE Programme is that the number of jobs for the target sectors have been identified. The SINCE Programme actively improved and increased collaboration and communication as it became clear that there was a communication and collaboration gap between the private companies and PES/WoLSA offices, and between private companies and TVET institutes.

- Private companies did not communicate their training needs to the TVET institutes and did not collaborate on curricula development. Through the SINCE Programme regular consultative meetings were organised between the different MoUs signatory partners and new partners were added to the consultative meetings. The communication between partners improved and better understanding was created. In some SINCE intervention areas this resulted in the establishment of a sustainable platform led by the Labour and Social Affairs offices (e.g. SINCE Tigray metal sector and SINCE Addis Ababa construction sector - see section 3.3.1)
- Private companies did not have strong relationships with the TVET institutes due to former negative experiences and their fear that trainees might break equipment or waste materials during their cooperative training, at the expense of the company. As described in section 3.4 there is no insurance or guarantee for trainees at the workplace. The SINCE Programme was able to organise the cooperative training through a more guided approach through the promotion of PPP MoUs. As a result, the demand of SINCE Programme trained beneficiaries by private sector has increased and the demand for jobseekers with specific short term training had taken a trend (as mentioned for lot 2, the textile sector but also in other lots as described in section 3.2.1).
- Enterprises hosting and supervision of TVET students was not well organised. During SINCE Programme implementation companies started to supervise and monitor the progress of the trainees, this created a better learning environment where beneficiaries were more motivated and at the end the most successful ones were offered jobs. During the research field work in Addis Ababa this was confirmed by one leather enterprise.
- Collaboration between TVET institutes and private sector companies was not well organised. In most SINCE Programme implementation areas it was observed that only few companies were trying to collaborate with the TVET institutes. No clear mechanisms were in place to optimise this collaboration into job opportunities for TVET graduates. Through the SINCE Programme the formal short-term training became successful amongst the companies and the trainees. Many SINCE Programme beneficiaries in all SINCE Programme implementation areas have expressed interest to continue their education and training to expand their skills. The unskilled jobseekers realised that through formal skill training they can obtain better jobs.

The metal multi stakeholders platform established by the SINCE Tigray project was successful in such a manner that the MSP could even predict the expected jobs over a period of six months (based on the upcoming contracts in the private sector). Previously, companies applied an informal approach to obtain

workers or day labourers with limited or no skills. The SINCE Programme contributed highly to streamline the search for skilled labour for companies by linking them, also through PPP MoUs, to the PES and TVET systems.



Picture 4 Metal sector MSP meeting in Mekele, Tigray Regional State SINCE Programme implementation area

Provision of technical training: As described, during the initial stages of the SINCE Programme it became evident that there was a communication and collaboration gap between the private companies and the TVET institutions. Only a few companies tried to collaborate with the TVET institutes and no clear mechanisms were in place to enhance the collaboration for the creation of increased job opportunities for TVET graduates. This necessitated the inclusion of a section in the MoUs on the provision of technical training. Through this, the formal short-term training in the SINCE Programme has become successful amongst the private companies as well as amongst the beneficiaries.

Mainstreaming decent work: With the aim to promote decent work in the private sector, the PPP MoUs include the minimum decent work principles which were encouraged by the SINCE Programme.

Most of the MoUs mention the decent work principles using a basic and not too complex format, they contain limited details to ensure that the partners could easily engage to sign the PPP agreement which was something new for them. This was specifically mentioned by SINCE Programme Addis Ababa construction and SINCE Programme Amhara textile sector stakeholders.

Gender mainstreaming: The SINCE Programme promoted the PPP MoU requirement to offer equal opportunities for male and female SINCE beneficiaries, with at least a proportion of 50 percent female beneficiaries. Through the SINCE Programme and with the support of an UNIDO gender expert, it was possible to gender sensitize the MoUs among the different SINCE implementing partners, stakeholders and sectors.

In the SINCE Amhara project some of the female construction trainees mentioned that they never expected to operate in a male dominated working environment, without any harassment. This was due to the strict orientation of all employees. Before enrolling in the SINCE Programme the female construction trainee would never consider that a woman could have a profession in masonry. She expressed that she was very much interested to continue in this line of work.

Table 5: Specific roles and responsibilities of PPP signatory bodies

PPP stakeholders	Responsibilities
TVET institutions	<ul style="list-style-type: none"> ✓ Develop job market tailored short-term training course modules ✓ Provide (three months) tailored short-term trainings

	<ul style="list-style-type: none"> ✓ Organize cooperative training in collaboration with private enterprises ✓ Follow up and monitor the cooperative training process ✓ Facilitate CoC examination at the end of the TVET technical training ✓ Create awareness on Occupational Safety and Health policy and decent work for trainees during short-term training ✓ Provide soft skill training in collaboration with BoLSA ✓ Share the list of trainees who have completed short-training for TVED ✓ Strengthening the PPP through pooling new members in collaboration with the SINCE implementing partner (as in SINCE Oromia)
Private enterprises	<ul style="list-style-type: none"> ✓ Provide information on training needs to TVET institutes ✓ Collaborate with TVET institutes for the development of tailored curricula ✓ Host cooperative training for TVET trainees ✓ Provide job needs/vacancies to BoLSA/WoLSA/PES and the required skill that help coin short term trainings and subsequent job matching ✓ Provide employment opportunities based on available vacancies ✓ Take prime responsibility in the enactment of decent work principles
BoLSA/WoLSA	<ul style="list-style-type: none"> ✓ Register, identify, and screen unemployed most vulnerable job seekers ✓ Provide LMI ✓ Take the lead in sifting the appropriate candidate for short term training ✓ Job placement/matching for the selected unemployed based on available vacancies in collaboration with TVET institutes and enterprises ✓ Follow up on the enactment of minimum decent work principles ✓ Provide soft skill training in collaboration with TVET institutes ✓ Collaborate in conducting tracer studies after job matching ✓ Strengthening the PPP through pooling new members in collaboration with the consortia ✓ Promote industrial peace

3.3 Case Study 3: The Multi-stakeholders Platform for Coordination

The Multi-stakeholders Platforms (MSPs) are established by the SINCE Programme as a tool to bring the public and private sector stakeholders together to discuss matters related to the job placement, and particularly waged employment opportunities.

The MSPs facilitate dialogue between the public and private sectors as well as to find common ground to promote PPPs on job related issues. The MSPs are also working towards sustainability ensuring that the public and private sector cooperation on securing jobs for TVET trainees remains, during and after the SINCE Programme.

Table 6: Overview of MSPs established

MSPs established	Jun-19	Mar-20
Addis Ababa	3	3
Amhara Region	3	3
Oromia Region	2	6
SNNP Region	2	2
Tigray Region	3	3
Total	13	17

The sectoral MSPs have normally quarterly meetings which can be organized in collaboration with sector specific task forces. For example, the taskforce members in Addis Ababa in each sector first meet and identify issues that need to be covered during the MSP meetings. However, if not sector specific,

the MSPs are organized at the woreda/ zone levels. The MSPs are composed by members from different stakeholder institutions. The MSPs also embrace SINCE projects steering committee members (mainly PES) and other Labour and Social Affairs Offices, Enterprise Development Agencies, local

Administration offices, Women and Youth Affairs, Agriculture, Cooperatives Development and Promotion, Investment Promotion, TVET Agency, TVET colleges and various representatives of the private sector.

In general all the MSP exists out of members of the different stakeholder groups, which has already been elaborated on in section 3.2. Different developments have been observed during the SINCE Programme implementation, to mention;

- Initially the SINCE Programme supported BoLSA in organising the MSP, setting the meeting and inviting the different stakeholders or adding stakeholders to the platform. The implementing partners increased their efforts for BoLSA to take control, also financially by preparing an annual budget that includes the MSP. In the Tigray Regional State implementing area BoLSA took the lead for organising and financing of the MSP. In some other SINCE Programme implementation areas BoLSA also financed the meetings for the MSP.
- The involvement of the private sector in the MSP (and in the PPP), as well as the motivation of the trainees, was an important factor for successful job matching in the SINCE Programme. In the Amhara Regional State implementing area it was crucial that the private sector presented information on employment opportunities and skills demand, this facilitated also the selection and the orientation of the SINCE Programme beneficiaries. The MSP include many SMEs which employ SINCE Programme beneficiaries.
- TVET institutes benefit from the MSP meetings to understand the skills needs of the private sector which is crucial for the technical training design. For example, the SINCE Amhara project beneficiaries received a Vision Development training for creating a work focussed mind-set. This made them more successful in maintaining the waged employment opportunity.
- During the SINCE Programme universities also started to join the MSP meetings within the different implementation areas.
- Companies part of the IPDC (such as the Kombolcha Industrial Park and the Mekele Industrial Park) could not sign the SINCE MoU on cooperative and short-term training, due to the nature of their internal rules and regulations. However, through the involvement of the One Stop Shop Centres and the Investment Commission, SINCE Programme beneficiaries have been matched with some IPDC companies for apprenticeships and waged employment. This achievement is the result of the common understanding created on the SINCE promoted PPP through the organization of workshops with the involvement of all Kombolcha IPDC steering committee members.

Box A: Observations that pertain SINCE established MSP

- ◆ The lead for MSP is normally taken by BoLSA;
- ◆ The private sector stakeholders represent various value chains/sectors;
- ◆ The private sector stakeholders provide information on employment opportunities and skills demand, which supports the selection and orientation of unemployed SINCE Programme beneficiaries;
- ◆ Interest of trainees was considered when assigning them to specific TVET training and job matching;
- ◆ TVET institutes benefitted from the MSP to understand the skills needs of the private sector both for the design of curricula and subsequent provision of skills trainings;
- ◆ During the SINCE Programme, universities joined the MSP meetings, which is important for the provision of technical backup for the MSP;
- ◆ Companies part of the IPDC are potential members to MSP particularly for the provision of cooperative training and subsequent employment. However, there is a need to create understanding on how IPDCs can contribute to the MSP.

3.3.1 Sectoral Platforms

Sectoral platforms are multi-stakeholder sector specific platforms targeting sustainable wage employment in specific economic sectors/value chains. The establishment of sectoral platforms aligned to the main PPP scheme were instrumental for achieving the intended goals of the SINCE Programme. The platforms are recognized for building cooperation and partnerships with key stakeholders representing both the public and private sector actors in each sector. Each partner agrees to their specific role and responsibilities within the platform. This condition has been instrumental in the facilitation of apprenticeships, cooperative trainings and employment opportunities in all value chains/sectors across the SINCE Programme implementation areas. Therefore, due attention had been given for the identification of stakeholders relevant to the context in each sector.

The sectoral platforms are tailored to the local/specific SINCE Programme implementation areas taking into account the sectors of importance. In line with this, the following SINCE Programme sectoral platforms were formed:

- Sectoral platforms in the metal sector (Addis Ababa, Amhara, and Tigray areas);
- Sectoral platforms in the textile/garment sector (Amhara and Tigray areas)
- Sectoral platforms in the construction sector (Addis Ababa, Amhara, and Tigray areas);
- Sectoral platforms in the leather sector (Addis Ababa area);
- Sectoral platforms in the agriculture/agribusiness sector (Oromia area).

The responsibilities of the sectoral platform members were customized from the main PPP scheme, while emphasis was given to the value chains/sectors of interest. The formation of these platforms is backed by the capacity development efforts aimed at the creation of mutual understanding among the platform members. SINCE Implementing partners have identified the potential sector specific private sector companies, public institutions and associations.

Sectoral Platforms in the Metal, Construction and Textile Sectors

In the case of Addis Ababa, as part of the common methodology of overall SINCE Programme implementation, PPPs were signed including the private sector companies, Bureau of Labour and Social Affairs (BoLSA), and TVET institutes. Corresponding platforms have been established at sub-city level (to mention in Yeka, Kirkos, Arada, and Addis Ketema) involving the Labour and Social Affairs Offices, private sector companies and TVET institutes. These platforms paved the way for promoting decent employment opportunities in the respective sectors. In Addis Ababa, each platform has its own task force and platform lead institution. The metal sector platform is led by the Metal Industry Development Institute (MIDI) while the Ethiopian Construction Contractors Association (ECCA) is leading the construction sector platform.

Similarly, in Amhara Regional State, the Labour and Social Affairs Offices, private sector companies and TVET institutes created functional platforms in each sector aiming at the promotion of decent employment opportunities in line with the SINCE Programme objectives.

In the case of Tigray Regional State, BoLSA took the lead in establishing the sectoral platforms for metal, construction, and textile sectors. TVET institutes took responsibility for the technical skill training while private companies in the different sectors offer job opportunities. Additional stakeholders included the Small, Medium Industrial Manufacturing Development Agency, Job Creation and Urban Food Security Development Agency, and SMEs operators, which joined the platforms to support apprenticeship and employment opportunities.

Sectoral Platform in the Leather Sector

A platform in the leather sector was established in Addis Ababa because of the SINCE Programme focus on the development of job opportunities in this sector. For this, TVET colleges, specialized in

leather training, and private sector companies established the leather sector platform that endeavor to create employment opportunities for the SINCE Programme beneficiaries and others. The leather sector platform is led by the Leather Industry Development Institute (LIDI)

Sectoral Platform in the Agriculture/Agribusiness Sector

The agriculture/agribusiness value chain is the core intervention sector in SINCE Oromia and SINCE SNNPR intervention areas. Agribusiness sectoral platforms were established in Oromia Regional State by engaging agribusiness companies (food complexes and flour factories), agricultural cooperatives/unions, woreda Labour and Social Affairs Offices, TVETs, Small Scale Enterprises Development Agency (zonal and woreda level), Investment Promotion Offices (zonal and woreda level) and the Office of Women and Children Affairs (zonal and woreda level). The aim of the platform is to ensure future sustainability of the collaboration among private and public sector stakeholders and the promotion of the PPP agreements during and after the SINCE Programme.

3.4 Case Study 4: Existing Policy Dialogue

The SINCE Programme operationalization of the MSP paved the way for the promotion of policy related issues, such as decent work and gender mainstreaming, which are also emphasized in the PPP agreements. In this regard, some policy dialogue improvements have been observed, more specifically on the following:

Decent work principles promotion in PPP practice

- Some of the large companies in SINCE Amhara implementation area were not willing to sign the PPP MoU due to a misunderstanding on the benefit packages (especially related to decent work) for SINCE Programme beneficiaries. These companies feared that they would have to hire possibly incompetent youth and would not be allowed to fire them in case of insufficient available work. Furthermore, the SINCE Programme beneficiaries might also damage or break equipment without insurance coverage. In addition, they feared that the payment requirements, would affect the contracts with existing employees. From the pre-assessed 70 private companies, only 25 companies signed the MoU. Therefore, the MSP stimulated another 53 private companies to sign the MoU containing the minimum decent work principles. This is 65% of the 82 companies that signed the MoUs in December 2019).
- Awareness was raised on the importance of the SINCE Programme identified minimum decent work principles that were included in the MoU of the PPP scheme. However, this has not translated yet in continuous policy dialogue or next steps on contracting of company staff.
- Different stakeholders have been given more attention to occupational safety standards through the SINCE Programme. A gap remains in relation to the application of some occupational safety standards at the work floor, mainly due to the required investments in personal protective equipment for employees. Due to the SINCE Programme, it is likely that labour inspectors will follow up more often on the implementation of the occupational safety standards.
- The wage offered by many companies does not satisfy the financial needs of the employees and results in the discontinuation of employment contracts. The main source of disinclination on the companies' side not to provide a decent living wage salary is the absence of compulsory minimum wage directives.
- In some situations, there is a mismatch between the qualification of a jobseeker and the job position. The YES centre experienced this with overqualified SINCE Programme beneficiaries, who would not continue their jobs, because these did not match their skills (and financial needs). Also, the PES centres need to increase their matchmaking capacity in order to create job matching based on the appropriate standards and considering the offered salary scales. Therefore, it is recommended to digitalize the registration of jobseekers in such a manner that it is possible to search the database for unemployed youth with matching skills.

The SINCE Programme is successful in raising awareness on decent work principles both on the employer and employee sides. However, there is a need to translate the promoted decent work principles into continuous policy dialogue based on the good practices derived from the SINCE Programme.

Increased employment opportunities

In Ethiopia, the investment in sectors like manufacturing, construction, and agriculture continues to expand. It is expected that more wage employment opportunities will be created. Furthermore, the growth of these sectors will also require more educated staff in management positions, for which the YES centers are crucial. In line with this, the SINCE Programme, also through the PPP agreements, has created awareness on the potential for employment and the possibility to activate the local population to participate in waged employment also through PPP agreements. This is also signaled by the great participation in cooperative training opportunities facilitated by the SINCE Programme which, eventually, lead to waged employment for many SINCE Programme beneficiaries.

Job matching

Additional stakeholders besides the PES are involved in the job matching activities, but these stakeholders have not been very visible. One worth mentioning is the SME Agency which is mainly responsible to support jobseekers towards SMEs creation. There has been confusion on the official SINCE stakeholders' mandates in relation to the implementation of certain tasks in the process of supporting jobseekers to the world of work. The inclusion of the SME Development Agency in the MSP showed the importance of bringing in all efforts to create synergies among stakeholders in the job matching process. The SINCE Programme increased the awareness on available unemployed youth for private sector waged employment.

Prospect for sustainability

In the SINCE Programme implementation areas, awareness has been created to increase collaboration amongst the stakeholders with common interests. More MSP were established in the metal, construction, textile and leather sectors. The MSP were established with a few core stakeholders but expanded by adding relevant public and private sector stakeholders. The main intention of increasing the number of stakeholders in the PPP schemes was to sustain the achievements of the SINCE Programme. As such, the PPPs contractual obligations are not limited to the SINCE Programme implementation period, in fact the partnerships are generic and consider a long-term partnership to ensure sustainability. Both public and private sector stakeholders showed interest to commit themselves by allocating resources/budget for the facilitation of the PPP platforms in the respective sectors.

In Addis Ababa, the prospect for sustainability can be illustrated from the experience in the leather sectoral platform. The leather sectoral platform has been led by the LIDI which has experience, as a semi-government institution, in leading the national leather sectoral platform. Hence, the SINCE implementing partners planned to hand over the implementation of the SINCE Programme established MSP in the leather sector to LIDI while also involving the Ethiopian Leather Industry Association (ELIA) and other sector companies to ensure sustainability.

In the Amhara Regional State implementing area, government actors were influenced by the PPP scheme and planned to support the further integration of the PPP scheme by allocating budget for the facilitation of the platforms. The same occurred in the Oromia Regional State implementing area, where stakeholders are committed to host the MSP meetings in an organized manner with resources requested from the Bureau of Finance. In the Tigray Regional State implementing area, BoLSA allocated budget and took the lead to integrate the PPP scheme with private sector companies, and to organize regular MSP meetings with different SINCE Programme stakeholders.

Increased number of relevant stakeholders

Confusion existed between TVED and BoLSA on their responsibilities in relation to job creation. This was mainly caused by the changed roles in recent years which were due to adjustments made in the respective Proclamation. As explained in chapter 3.1 the MSP was initiated with only a few public and private sector stakeholders. Through the persistent efforts made by the SINCE implementing partners in creating awareness, roles became clearer and a considerable number of new stakeholders joined the PPP scheme.

The new stakeholders included, among others, the public Universities; Chambers of Commerce; sectoral associations; Women, Youth and Children Affairs; Small & Micro Enterprise Agency, and additional private sector companies. The involvement of these stakeholders further strengthened the PPP scheme towards its goal and increased its sustainability.

4. SINCE LESSONS LEARNED ON PPP IMPLEMENTATION

In Ethiopia there are no clear existing guidelines on how to construct Public Private Partnership agreements at the lower levels. Especially in relation to the large investments there are no directives from the local governments available on how to manage this aspect. As such PPPs are handled on a case to case basis without considering the overall framework or the mandates mentioned in the respective Proclamations¹⁸. As part of the implementation of the SINCE Programme discussions were held with the Ministry of Labour and Social Affairs. Nonetheless, the PPP agreements were signed at regional level to smoothen implementation.

4.1 General Challenges and Lessons Learned

Turnover of government staff

Most of the stakeholders are facing high staff turnovers, including key staff related to the implementation of the SINCE Programme. The high staff turnover creates loss of engagement, as well as loss of the organisational memory and knowledge related to the SINCE Programme. This has been mentioned by the implementing partners in the different SINCE Programme implementation areas as a challenge affecting the impact of specific activities and their sustainability. Especially with new decision makers, it takes time to create awareness on the relevance and impact the SINCE Programme.

Use of different methods, studies and information in a practical manner

The identification of the private sector stakeholders, who identify the number of available jobs, is crucial for the operations of the other SINCE Programme stakeholders involved. Appropriate identification of available jobs can only be done with strong involvement of the private sector stakeholders.

4.2 Lessons Learned on Stakeholders and Mandates

In section 3.1 the stakeholder identification and their mandates have been described. Many results were reported in PPP. By bringing different stakeholders together in a short time, SINCE Programme actions could be taken accordingly. For example, through the strong private sector engagement, appropriate short-term training was designed, while the involvement of local kebeles ensured that the right SINCE beneficiaries were selected.

¹⁸ Note that Proclamation No 1076/2018 Public Private Partnership and the Directive Public Private Partnership 55/2010/2018 is applicable as well as sector specific proclamations.

Engagement of the appropriate mandated stakeholders in the public and private sector

Ownership of the MoUs needs to lie with the correctly mandated organisations. The MoUs also need to inform which stakeholder will manage the PPP. Similarly, the different stakeholders in the MSP could organise a joint budget, as all members of the platform benefit accordingly, and the chair might rotate but should be normally managed by the public sector stakeholders as the PPP needs to represent the interest of the public at large. While some of the public stakeholders are part of larger organisations it is important to identify the relevant departments that need to be involved. This should be based on their mandates as described in the Proclamation and directives (see section: 2.2.2).

The involved organisations have to clearly understand their roles and responsibilities and awareness can be raised through the MSP. In general, this is decided through the national Proclamations and the related directives that are developed for different sectors independently.

Since public sector reform activities are taken place in Ethiopia, sometimes the responsibilities of offices and departments change. It is therefore crucial for all stakeholders to have clear information about their roles and responsibilities and to have a common understanding on the development agenda that is derived from development plans such as the GTP II.

Increased engagement of the Employers Federation and Unions was at its initial stage during the research phase. Results are expected over time and most likely in line with the trend e.g. engagement of the appropriate mandated stakeholders, described above.

4.3 Lessons Learned on Memorandum of Understanding

Renewal and adjustments of Memorandum of Understanding

The MoUs need to express more specifically the strategies for sustainability. Adjustments can be based on 'action' research. The MoUs should be revised regularly through the MSP and elaborated where needed by the different stakeholders. When a MoU is refined, stakeholders might be added or changed, and the MoU should be renewed. Different experiences on this were found in the SINCE Programme implementation areas. These experiences are often derived from the setting, e.g. urban or rural, as well as the specific sectors. It was noticed that if MoUs are adjusted, renewed or tailored and specific new stakeholders are engaged, the performance of the MSP will enhance. This also paves the way for obtaining finance and for increasing the number of matched SINCE beneficiaries.

For the Addis Ababa SINCE implementing area there have been different experiences among the sub-cities during the development of the MSPs. Through extensive stakeholder discussions it was possible to improve the identification of the SINCE beneficiaries and to increase job matching in a more sustainable manner.

Coverage of expenses

At the initial SINCE Programme implementation stage, the MoUs did not address the financial aspects (e.g. which stakeholder should cover specific expenses) as this was covered by the SINCE Programme. The SINCE Programme also covered the expenses for the cooperative training and apprenticeships such as SINCE beneficiary transport expenses and sometimes even the monthly allowances. In the future these costs need to be reimbursed by the private sector companies. Especially for apprenticeship as the Labour Proclamation states that companies should pay the apprentice an agreed amount for a fixed period of time.

In some of the SINCE Programme implementation areas challenges arose during the cooperative training and apprenticeships, as the SINCE beneficiaries had unrealistic salary expectations. This

partially resulted in the (initial) high dropout rates and the refusal to accept the jobs offered in the first round. Especially, serious problems were faced in different sub-cities of Addis Ababa.

Additional expenses related to occupational safety equipment, covered by the SINCE Programme, need to be organised through the MoU in the future. During the short term training the SINCE Programme provided the necessary occupational safety equipment and uniforms to the SINCE beneficiaries. In the different SINCE Programme implementation areas the equipment had also been provided to the SINCE beneficiaries trained by the TVET institutes. The SINCE beneficiaries could use the equipment during their cooperative training, on-the-job training or apprenticeship period. For the private sector companies it would be important that all employees receive similar occupational safety equipment as the SINCE beneficiaries.

Mission and Vision of the Memorandum of Understanding

The MoU did not address the mission and vision of the signatory bodies, which in turn limited the detailed description of responsibilities during implementation. Including the general mission and vision of the different official organisations in the MoUs will be helpful to assign certain activities. This will also facilitate better understanding of the different interests among the signatory bodies. This can stimulate partners to work towards a common goal. This can also support legibility of financial requests made to different institutions.

Gender mainstreaming

As part of the SINCE Programme gender was mainstreamed and equal opportunities were provided for both women and men to enroll in the training programmes and to obtain jobs. Specific attention has been provided to establish a gender sensitive working environment and to create awareness of those already in waged employment. By training women in construction trades it was possible to create a different work balance at construction sites, also for men and women that were not SINCE beneficiaries. As such the SINCE Programme has created role models.

4.4 Lessons Learned on Multi-stakeholders Platform

The Multi-stakeholder Platform is key to success

One of the MSP functions is to match unemployed trained SINCE beneficiaries with employment opportunities on a temporary or, more successfully, permanent base. The communication among stakeholders regarding relevant job information created the necessary synergies and started to function efficiently in some SINCE Programme implementation areas, such as Tigray Regional State. The metal sectoral platform established by the SINCE Programme and managed by BoLSA in Tigray Regional State has been very swift in learning: (i) how they can identify the number of jobs with the private sector, (ii) how they can verify the number of youth that received training and (iii) when the SINCE beneficiaries are graduating and can enter the labour market. Through this mechanism, SINCE beneficiaries are matched against a job more efficient and satisfactorily. It seems that this good practice will be continued in this SINCE Programme implementation area.

Various stakeholders have been added to the MSP in order to scale up impact and the numbers for job matching. Good examples come from the Industrial Park Development Corporation in Amhara Regional State and Tigray Regional State SINCE implementing area, as mentioned in section 3.2.1.

Contextualization of the MoU to address signed contracts and waged employment issues involving the public and private sector actors is a crucial part of the PPP. In the case of Oromia Regional State SINCE implementing area the agri-business sector was able to improve relationships throughout the value chain, involving even cooperative suppliers, as described in section 3.1.

Knowledge of labour absorbance capacity of private sector

The SINCE Programme encountered limited labour absorbance capacity within the existing private sector partners for different sector related reasons. This was partially due to the absence of large companies as these companies identified challenges in providing longer contracts (see section 3.4). Therefore, many SINCE beneficiaries were matched with SMEs which did not have a substantial number of job placements available and could not always offer permanent jobs. For local SMEs it remains hard to predict the availability of jobs, due to the fluctuation of work.

Due to the lack of communication between the PES and the different sector stakeholders there was no up-to-date information available on the actual absorption capacity of the local private sector. Before SINCE there was an information and networking gap between public employment service centers and the private sector, also including the large companies.

Some examples of the job predictions for the construction, metal, leather, textile and agriculture sector are provided below. However, these still differ per geographic area as well as in urban or rural settings.

- **The construction sector:** Offers normally seasonal work, and the private sector is not well engaged with PES. There is a high use of day labourers that have no formal education to perform assigned tasks and are not oriented on occupational safety standards, and/ or signed contracts. Employment is usually depending on temporary contracts with clients or subcontracts with large companies, which is unpredictable.
- **The metal sector:** This sector is not well engaged through PES. The use of unemployed labour without formal education or orientation on occupational safety standards is common in this sector. Assignments obtained by SMEs are irregular and often based upon subcontracting. As such it is challenging for the SMEs to organise apprenticeships or commit to a fixed number of jobs.
- **The leather sector:** Here small growth for more regular assignments is observed. However, in general, companies do not necessarily hire formal educated staff. They offer on-the-job training and select the best functioning staff from the in-house training. The employment opportunities depend on the orders the companies receive from individual clients or subcontracts with large companies.
- **The textile sector:** Large companies do not select future employees based upon formal education but rather based on their performance during the on-the-job training. This was observed in Tigray Regional State SINCE implementing area where jobseekers are selected based on their demonstrated learning capacity. It should be noted that the large companies in the textile sector can predict employment opportunities as they have longer term fixed contracts with their clients.
- **The agri-business sector:** The major gaps assessed in this sector relate to the lack of market linkages, the power of middlemen in the value chain and perishability of products. More emphasis could be placed on these areas which would encourage job creation. Here the MSP can contribute significantly.

Apprenticeship agreement does not lead to waged employment and is not definite

The concept of apprenticeship¹⁹ is relatively new to the Ethiopian context, although it has been around in the Proclamations since the Derg regime. The SINCE Programme has made use of the existing relationships between the private sector and the TVET Colleges to promote apprenticeship schemes. This was one of the starting points for the identification of companies that are interested to further train SINCE beneficiaries after they got a CoC and to provide them with a possible job opportunity. In the Amhara Regional State SINCE implementing area the HOPE TVET College used their existing connections with the private sector to place the SINCE beneficiaries for the on the job training in private companies. The same occurred in the Tigray Regional State SINCE implementing area for the textile

¹⁹ As discussed in detail in the separate Apprenticeship Case Study Report

sector. In the Addis Ababa SINCE implementing area this was facilitated with the Yemisrach Polytechnical College and the leather companies.

4.5 Lessons Learned on Existing Policy Dialogue

The initial collaboration and communication challenges, as described in section 3.2.1, have been solved. Cooperation initiatives have been successful and created synergies. Some of these initiatives have been sustained and responsibilities have been included in the partners mandates.

Additional issues are being resolved, which need continued discussion to sustain and improve the situation of jobseekers. The SINCE Programme identified some of the issues as part of the lessons learned, which are described below.

Short term training and cooperative training

Short term training opportunities should continue and expand through the collaboration between TVET institutions and PES for unskilled and unemployed jobseekers. It should be possible that besides the SINCE beneficiaries other jobseekers could join this kind of training. This needs to be balanced with the existing TVET programmes and the recognised Certificate of Competence at the end of the training.

Between TVED and PES dialogue should take place on how to successfully continue the training programme in order to sustain and upscale while making use of existing structures. It will be crucial to involve national level stakeholders to create similar criteria and to provide the trainees with a certificate valid throughout Ethiopia.

Effective short-term trainings should include cooperative training as it is an important tool. It was observed through the SINCE Programme that this cooperative training can be considered as a crucial step to obtain an apprenticeship, waged employment or promotion. While the companies observe the learning capacity of the trainees and apprentices throughout their on the job training, it might create future employment opportunities for the trainees.

Apprenticeship programme

Through the MSPs the mechanism of apprenticeship has been partially activated by the SINCE implementing partners. It became clear that stakeholders were not always aware of the advantages of the apprenticeship mechanism, even though it is part of the Labour Proclamation.

The apprenticeship programme, initiated by the SINCE implementing partners, was not successful in all SINCE implementation areas. For future interventions it will be important that the private sector companies accept their roles and responsibilities and, as such, cover the transport expenses and small allowances for the apprentices (as they are partially working).

In the Oromia Regional State SINCE implementation area a good example was observed of how apprenticeship can work in the advantage for both the company and the apprentice. Here they agreed that the SINCE beneficiary would receive a half a day of training and would work the other half of the day. A salary was then agreed for the duration of the apprenticeship contract and the SINCE beneficiaries were informed on the future salary in case they obtained a permanent contract.



Picture 5: Dessie textile short term skills training HOPE enterprise

Private sector incorporation through sectoral associations

Agreements with sector associations need to be established to reach out to more private sector companies. This can be done through, for example, the Employers Federations, Industrial Park Development Corporations, One-Stop Shop Centers and the Chambers of Commerce that are already established in all the SINCE Programme implementation areas. Involving these organizations was at an initial stage in December 2019.

It is crucial that the private sector is made aware of the public employment services available in the SINCE Programme implementation areas. Before the implementation of the SINCE Programme, private sector entities were not always aware of the PES, as they recruit jobseekers in an informal manner.

The private sector should become aware that employing registered jobseekers offers benefits and guarantees. This should be addressed more widely. Also, incentives could be provided through the tax system.

Implementation and follow up of decent work integration are not at the expected level

Despite the signed intentions, there are issues that continue to hamper proper implementation of the minimum principals of decent work²⁰. Some of the decent work principles were agreed upon through the MoU mechanism as part of the PPP.

During the implementation of the SINCE Programme challenges related to decent work surfaced. The biggest challenge is the non-existence of a legal minimum wage policy for the private sector in Ethiopia. This discourages people to consider waged employment. Overall, all interviewed SINCE beneficiaries mentioned that they would be interested in waged employment if a minimum wage structure is available

²⁰ More details can be found in the Decent Work Case Study Report

and properly applied. They also expressed their interest to work in waged employment for several years after which they would like to start their own business.

The negotiations of decent pay and agreement on decent living wage was a challenge for the SINCE implementing partners and was brought to the attention of the Ministry to Labour and Social Affairs. The Ministry to Labour and Social Affairs is currently developing minimum wage scales for different sectors.

5. RECOMMENDATION FOR NEW ACTIONS

5.1 General Recommendations

Replication & continuation

Through the MoUs, facilitated by the MSPs, the short-term skill training was implemented successfully. This also increased the success of the job matching. An opportunity should be created for other sectors, through the use of a centralized system which applies the same methodology, curricula and minimum criteria that will be officially certified. It is crucial for TVET institutes that those that obtained their certificates are able to perform a specific skill, regardless of where they were trained. Only in this manner the certificates will have value for the private sector, and consequently for the trainee as well.

The soft skill training should be applied and continued for all jobseekers. It should be possible for the PES offices to offer certified soft skill training in cooperation with the TVET institutes. This would increase the actual wage employment opportunities for young people.

The technical and the soft skill training could be incorporated in MoUs or PPP agreements, as they have proven to be one of the SINCE Programme successful components. It is also crucial that in the MoUs and PPP agreements financial responsibilities are incorporated through the lead parties like BoLSA or TVETs. This would increase the private sector interest.

5.2 Recommendations for Stakeholders and Mandates

Basic stakeholders' roles and responsibilities continuously assessed

The SINCE Programme identified the relevant stakeholders to initiate the different projects, based on their official mandates. The most important roles and responsibilities related to training provision, and the private sector and public sector employment registration. Based on a more in-depth assessment, together with the first experiences in the SINCE Programme implementation areas, additional stakeholders were identified and successfully included in the intervention. Different stakeholders have been added specifically for the identification of beneficiaries, the identification of private sector stakeholders and for conducting labour assessments. Stakeholders and their mandates should be continuously assessed and aligned for successful implementation.

Elaborating the roles of stakeholders (building a bridge)

Stakeholders were supported to understand their relevance and contributions to overcome different challenges. This has been captured in improved MoUs and more regular meetings by the MSPs. This methodology activated the PPP and increased the number of PPPs that have been established.

One of the key issues is that stakeholders will need to capture labour market information. In this view cooperation with Universities could be considered as the Universities have the equipment and the technical capacity to provide data services. Cooperation would also support the facilitation of higher educated graduates in the job matching system.

5.3 Recommendations for Memorandum of Understanding

Implementation of existing MoUs can be continued and expanded. Special considerations should be provided to sustainability, local context and sector specific circumstances. Although the aim of the MoU will remain the same, as the main goal to increase job matching is continuous, the implementation modalities can be adjusted.

The preferred modality for job matching in the SINCE implementation areas depends on the type of stakeholders. Nonetheless, the basic stakeholders will be the BoLSA (PES center), TVET and private sector partners, working together to identify and encourage jobseekers to register, while providing training, apprenticeship and possible future job opportunities accordingly.

Short term trainings can be continued based on a clear agreement on (i) jobseeker identification through the PES center and (ii) stakeholder financial contribution to the training, occupational safety equipment and other expenses that have been covered by the SINCE Programme in the different implementation areas.

5.4 Recommendations for the Multi-stakeholders Platform

It is important to achieve sustainability of the Multi-stakeholders Platforms based on the existing SINCE Programme experiences.

Sectoral multi-stakeholders platforms through PPP

Labour market information gathering should continue, as observed in Amhara Regional State and Oromia Regional State SINCE Programme implementation areas. This should be expanded and integrated at national level, which will provide a general standard which can be adjusted to the sectoral, local, urban or rural setting. There are options to digitalize the captured data which would make the application throughout the country easier.

Sectoral specific market information can be obtained. This will provide an accurate overview of the job opportunities and can address the sector training needs. TVET institutes can then tailor the appropriate training in a timely fashion.

The selection of unemployed unskilled jobseekers through the local mechanisms used by the SINCE Programme should continue. In addition, it will be important to provide the opportunity to jobseekers to register and attend short-term training inclusive of cooperative training and possibly a further apprenticeship scheme.

Apprenticeship should be continued while the private sector organizations cover the expenses for transport, a small payment for the apprentice and occupational safety equipment. It has to be based on the Labour Proclamation which details the functioning of the apprenticeship. This needs to be captured in the Public Private Partnership agreement and has to be part of the Policy Dialogue (see section 6).

6. POLICY RECOMMENDATIONS

From the Public Private Partnership case studies, lessons learned and the recommendations for new actions, the below policy recommendations are made:

- For the PPP it is crucial that MoUs are designed based on actual stakeholders' needs derived from a consultative process. A minimum number of stakeholders should be involved initially. Details on MoU content could be provided by guidelines organized from the central level. It will be important to agree on the duration of a MoU and when adjustments should be considered. Including stakeholder mission and vision will be of relevance to frame goals and activities. Where feasible, the PPP and MoU should agree on specific (measurable) results.
- Labour Market Assessments must be organized regularly and in cooperation with knowledge institutes, like Universities, to understand the labour force absorption capacity and steer TVET short term training (in coordination with PES offices) for registered jobseekers. The collected information can be verified with the existing information from the PES database. The LMA could be used for strategy development and policy adjustments, to support Government in the development of strategic plans that are tailored to the needs of the different sectors and geographical areas.
- Short-term training should be organized through the PPP (and detailed in MoU) for unskilled jobseekers. The entry level for this training should be lowered to grade 4 in order to increase the number of people at risk of irregular migration.
- The short-term training should be qualified up to a National level qualification in order to guarantee the validity of skills obtained nation-wide. This should be organized at central level through the Federal TVED Agency. Curricula will need to be practical, uniform and a mandatory cooperative training with a local SME or company should be part of the certification procedure.
- Besides the technical short-term skill training, the soft skill training should be provided through the PES and YES centers to equip jobseekers with the right attitude and mindset that is necessary to obtain and maintain a job. Jobseekers should be able to develop a skill allowing them to rationalize their thoughts for their day-to-day life as well to plan for their future in terms of income versus responsibilities.
- Put more emphasis on the relation PES can build with Industrial Park One-Stop Service Centers, as waged employment opportunities can be organized in collaboration among the two entities. Decent work can be mainstreamed and followed up through MoUs or PPP agreements.
- Decentralize and automatize the PES system with a database and provide more attention on how to address jobseekers to register in the system. It is important that the quality of vacancies improves and fulfills the minimum standards following the decent work principles. This will further facilitate the job matching process, especially when minimum wages will be introduced in Ethiopia. The database needs to facilitate different search options in the interest of the different stakeholders. The data base should also serve macro data collection.
- Minimum wage, based upon a decent living wage, would support the implementation of decent payment for wage employment and would make wage employment more attractive. The minimum wage will need to consider the rural and urban area setting, the different types of work per sector, and the promotion opportunities for employees. MoLSA will need to consider different indicators in the development of a minimum wage structure for different sectors.

- Apprenticeship needs more elaboration by taking in consideration the experiences of cooperative training organized through the TVET institutes. Apprenticeship should be a next step after successful cooperative training, and the design of apprenticeship schemes require a close collaboration among private sector and PES that should be involved also in the soft skill training/counselling. As such a graduate will be able to obtain an apprenticeship contract and be enrolled in a formal job while combining on-the-job training with paid labour for the company.
- Companies should be able to benefit tax deduction or some form of tax waivers, through their participation on cooperative training opportunities and apprenticeship. This approach will encourage the private sector to actively search for cooperative trainees as well as to increase the apprenticeship contracts, which will lead to more permanent contracts at the end and less manpower turnover rate.



Picture 6: SINCE Tigray beneficiary