THE CHALLENGE
Unemployment and underemployment are persistent problems in Ethiopia, especially among youth. Most of the workforce, around 35 million people, have very low levels of educational attainment and are engaged in low skill employment sectors. Technical vocational education and training (TVET) programmes, established to improve the quality of human resources in the country, are often of low quality and theory driven due to resource constraints and a lack of skilled technical teachers. These educational establishments are also ill-prepared to adjust to changing labour market demands and cannot keep pace with the rapidly increasing demand for trained manpower in sectors such as construction and commercial vehicles maintenance. This severe shortage of skilled technicians is having a major impact on productivity and growth in the sector, and thus on Ethiopia's economic and social development.

THE RESPONSE
In collaboration with Volvo, a global company manufacturing heavy duty construction and transport trucks, the Swedish International Development Cooperation Agency (Sida) and UNIDO have started a new initiative to establish a training academy for technicians of heavy duty machinery and commercial vehicles.

Ambassador Odlander (far left) School guide (left) Mr. Jean B. Bakole, Regional Director of UNIDO (center) Dr. Kabba Urgessa, State Minister of Education (right) and Mr. Tadesse Haile, State Minister of Industry (far right) at the inauguration of the auto-mechanic school, February 5th, 2013.

The project aims to improve access of poor and young Ethiopians to gainful employment opportunities in advanced commercial vehicle maintenance, thereby contributing to poverty reduction efforts in the country. The partners will establish a modern, well-equipped training centre for heavy duty commercial vehicles (trucks, engines, agricultural equipment, etc.) at Selam premises outside Addis Ababa. This will involve strengthening the institutional capacity of a local non-governmental training
service provider, Selam Vocational Training College, to deliver up-to-date training courses relevant to the requirements of modern enterprises, which are expanding their operations in Ethiopia.

Leveraging its international experience in technical vocational training, UNIDO is responsible for the overall project management and implementation, ensuring the smooth delivery of the academy. Volvo provides new equipment, training material, teacher training, ongoing curriculum development and apprenticeship opportunities for students. The Selam Vocational Training College is the project owner and will manage administration of the academy, recruitment of teachers and the selection of students.

The initiative at Selam Vocational Training College will be the first state of the art vocational training for heavy machinery in Ethiopia that will be open to applicants irrespective of their background. The facility will train 25-30 high school students per year. The four-year training will include, inter alia, courses in English and Information Technology. In addition, more than 100 local technicians will benefit annually from short-term skill upgrading trainings held at the academy. The total calculated project cost is USD 5.3 million with contributions of Volvo (USD 2.8 million), Selam (USD 340,000) and SIDA (USD 2.2 million).

**THE BENEFITS OF PARTNERING**

Through this innovative public-private partnership programme, UNIDO, Volvo and Sida are helping to ensure that a lack of skilled labour does not restrict industrial investment, while also contributing to Ethiopia’s efforts to generate gainful employment opportunities for youth. By engaging in joint activities, UNIDO is able to harness Volvo’s advanced knowledge and technology in the sector to improve the quality of vocational training. Partnering with Selam Vocational Training College strengthens linkages between education institutions and industry. The local ownership of the project also helps ensure the long-term sustainability of the programme. By investing in local training Volvo is helping to develop the local value chain and strengthen economic development through the better service provision of local enterprises. The academy will also provide the Group with an effective way to build relationships with potential employees.

**DRIVING SKILL DEVELOPMENT & YOUTH EMPLOYMENT**

Hanna Negussie, pictured above, is a 21 year old trainee at the Training Academy in Heavy Duty Equipment & Commercial Vehicles in Selam. Before joining the Academy she was attending courses at the Selam VTC in Auto Department and Autoelectricity, in Level II. The opportunity to learn new skills and work on big trucks motivated Hanna to join the training. After graduating she would like to find a job as a mechanic or set up her own garage.

“After graduation I would like to work as a mechanic for a company like Volvo or start up my own garage for big trucks.”

Hanna Negussie, Training Academy in Heavy Duty Equipment & Commercial Vehicles student