Challenges
The countries of the South Caucasus face the challenge of achieving inclusive growth that can narrow the urban-rural gap and reduce the risk of poverty, especially in rural areas. In order to promote growth in sectors relevant for the labour market, like tourism and wine, providing a skilled labour force trained to meet labour market needs is essential. The preconditions for achieving this goal, stronger involvement of the private sector and practice-oriented vocational education in particular, are not yet in place.

Objective
The objective is to improve the preconditions for sustainable economic development in selected sectors relevant for employment. The focus is on economic sectors with high relevance for employment in rural areas and for young people and women.

Activities
The programme’s actions focus on selected economic sectors and three fields of activity: (1) building capacities that can improve the competitiveness of employment-relevant sectors, by promoting inclusive business models; (2) improving selected dual-oriented technical vocational education and training offers, and (3) strengthening regional and international professional exchanges in the areas of private sector development and dual-oriented technical vocational education and training. The main focus is on capacity development to strengthen small- and medium-sized enterprises in sectors relevant for employment as well as new and adapted service and technical vocational education and training offers. Sectoral cooperation and cluster/network formation is promoted in order to better linkup regional and international sectoral organisations and corporate networks.
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In cooperation with the Geisenheim University in Germany and the International Center for Agribusiness Research and Education (ICARE), the first ever training programme in oenology and the winemaking business was developed in Armenia. The first generation of 32 graduates completed their training in the summer of 2017, and all secured employment in the sector. Due to the high demand for this 18-month training programme, another 29 participants are already enrolled. ICARE provides them with access to the latest technology through the newly set-up winemaking laboratory for sensor technology and analytics. The project has thus established an innovative training programme in an export-oriented sector, with potential for stimulating growth and sustainable employment in Armenia.

In five tourist regions across the three countries, more than 400 micro and small businesses have seen their turnover increase and the number of overnight stays rise, as a result of improvements in service provision and joint marketing strategies.

70% of the participating companies in selected value chains (e.g. beverage, wine, tourism, construction) that introduced new or improved management approaches show improved business performance.

467 managers and teachers from technical vocational education and training institutions across the South Caucasus received trainings in management, pedagogy, didactics, and/or dual-oriented vocational education.

46 adapted or new professional qualifications (like electric welder, cook, and winemaker) are offered by 147 education providers in the South Caucasus.

26 business service providers (e.g. chambers of commerce, associations, business development agencies) in the South Caucasus offer new or improved services (like consultancy or trainings) to more than 1,500 companies - with growing demand.

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Private sector development

» In the tourist regions of Gegharkunik and Vayots Dzor, several tourism actors have developed new tourism promotion strategies. Twenty existing and newly established small businesses improved their service offerings through assistance in gaining access to financing.

» Six Armenian wineries received guidance on introducing international standards for quality management and food safety, and a further seven are making use of newly introduced winemaking services. All six producers have been awarded silver or gold medals at the wine world championship “Vinus Mundi”.

» The “Support to SME Development in Armenia” project is strengthening the capacity of two consortia of business support organisations and has helped set up two online platforms for business advisory services. Furthermore, 120 start-up teams have been trained and were provided with extensive business support at Startup Ole in Salamanca, Boot Camps in Armenia and Sevan Startup Summit.

Vocational education

» The reform of the technical vocational education and training sector sets the goals and upcoming activities for the 2017-2021 period, with the aim of developing demand-oriented qualification offers (e.g. in the tourism and winemaking sectors).

» Thirty Armenian tourist guides participated in an international training programme and received certifications by the World Federation of Tourist Guides.

» In total, 12 trainers and 65 TVET students took part in trainings in business administration and entrepreneurial learning. In this scope, two textbooks on setting up an own business were published, and the curricula of vocational schools were updated.

Economic integration of Syrian refugees in Armenia

» A group of approximately 10,000 refugees from the Armenian diaspora, who fled the Syrian civil war since 2012, are being supported to integrate into the Armenian economy through multi-stakeholder dialogue & action, implemented together with the Armenian Ministry of Economy, UNHCR, and other actors. In cooperation with the German Sparkassen Foundation and the German Business Association in Armenia, the project provided training in entrepreneurship, career development and access to financing for more than 2,800 Syrian Armenians. More than 200 entrepreneurs were supported to exhibit at 12 national and international fairs.

Our contribution in Armenia

„Skills for Business“ – vocational qualification for sustainable economic development

Commissioned by:
German Federal Ministry for Economic Cooperation and Development (BMZ), European Union (EU)

Partners:
Ministry of Economic Development and Investments, Ministry of Education and Science, other line ministries, downstream institutions at local, national and sectoral level; business associations; business service providers and selected companies

A country-specific example