التعاون الألماني

DEUTSCHE ZUSAMMENARBEIT

Implemented by

giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

# Promoting Employment in the Digital Economy in Iraq (ProDIGI)

## The challenge

With a rate of 15.5% Iraq has one of the highest unemployment rates in the world (ILO 2022). Employment opportunities in the country's two main employment sectors, the oil industry, and the public sector, cannot provide sufficient jobs for a growing population. The country faces difficulties in creating these employment opportunities, particularly in the private sector. Every year, about one million young people enter the Iraqi labour market. Young people and women are particularly disadvantaged: 25.8% of Iraqi youth and 28.2% of women are unemployed according to the World Bank (2022). Out of 13 million women in the age of employment, only one million is working (ILO 2022).

The digital economy offers tremendous opportunity for job creation: Due to past sanctions, digitalisation levels are still low. Yet, good internet connectivity and a huge interest in in digital job profiles are accelerating the growth of the digital economy.

## Our approach

ProDIGI works on strengthening the digital economy to create employment opportunities for Iraqi youth. This is achieved through the following measures:

1. **Skills Development**: The project strengthens the skills of professionals and jobseekers, especially of women. Currently, hiring companies struggle with finding candidates with the needed skillsets. Therefore, the project works with partners such as entrepreneurship hubs to offer practical training courses in the areas of IT, digital transformation and soft skills. Participants benefit from individual medium-term support through internship programs and mentoring, and job-matching mechanisms.

| Project name | Promoting Employment in the Digital Economy in Iraq (ProDIGI) |
|---|---|
| Commisioned by | German Federal Ministry for Economic Cooperation and Development (BMZ) |
| Project region | Anbar, Baghdad, Basrah, Erbil, Mosul, Sulaymaniyah |
| Lead executing agency | Ministry of Planning, Iraq |
| Duration | 01.09.2023 – 31.08.2026 |

2. **Start-up and company support:** The project supports later stage start-ups and micro, small and medium sized enterprises (MSME) operating in the digital economy to enhance their development and growth opportunities. Company operations and market approaches are analysed and evaluated, KPI metrics are introduced to ensure milestone achievement and investment and Business-2-Business sales opportunities are available as part of the process.

3. **Cooperation of actors**: The project establishes cooperation between ecosystem support organisations, innovation hubs, non-governmental and civil society organisations, corporate entities and governmental actors, to establish support market-driven support mechanisms to drive growth in the digital economy. These support mechanisms create a value-chain effect on programme development, ensuring that gaps in technical support on individual and company level are alleviated, and that economies of scale and knowledge transfer are created through their implementation.

4. **Advocacy**: The project advocates for the digital economy as an employment-relevant growth driver. An improved data basis on the employment and growth potential of the digital economy will be starting point for awareness raising activities and dialogue formats. The latter aim at bringing the public sector to the table to expand (state) support services for the digital economy.

## Results

Since the launch of ProDIGI, more than 120 young Iraqis – 83 of them women – have successfully completed training courses in advanced digital skills. The project has supported three further measures between local and international partners to bridge the gap between non-formal education and training and employment and career opportunities.

Additionally, 25 tech-enabled companies improved their operations and growth after participating in activities delivered by ProDIGI's partners, and over EUR 500,000 in external investment has been facilitated as a result of these improvements.

As a step to strengthen the digital ecosystem's long-term impact, ProDIGI and its local partners developed three tools to enhance data-driven approaches and decision-making, with an aim to support positive development and promote employment growth in the digital economy.

At the core of supporting the tech ecosystem in Iraq lies the public's recognition the digital economy's potential as an employment option. Therefore, the project has sensitised more than 33,000 Iraqis to consider the digital economy as a viable employer through online and offline campaigns.

ProDIGI builds on the success of the 'Information and Communication Technology (ICT) – Perspectives for a Modern Youth in Iraq' project through the enhanced focus on job creation measures and growth greater depth and business development of previously established start-ups and MSMEs operating in the digital economy.

## An example from the field

Mohammed, a 23-year-old Computer Science student from Erbil, Kurdistan Region of Iraq, recalls always having a passion for technology and computers: "Ever since I was 14 years old, I was curious about everything related to computers." Determined to turn his passion into a career, Mohammed enrolled in Computer Science: "It was during that time when I discovered Re:Coded, and applied immediately."

Mohammed recognised that university education alone was insufficient, especially in the rapidly evolving web development field: "Re:Coded offers the latest technologies and experienced trainers, making it the right place for anyone aspiring to become a web developer."

Mohammed's experience was transformative technically and personally: "I experienced a significant growth in my understanding of web development concepts and their workings. Next.js, which was introduced during the bootcamp, proved to be a game-changer. This framework simplified the web development process, making the vast web world much more accessible to me."

On a personal level, Mohammed's confidence in coding and trying out new things soared: "In the past, I often struggled to stick to a single programming language for months, attempting to memorise every intricate detail. The bootcamp taught me a lesson: writing codes and searching for solutions is perfectly acceptable as long as you truly understand them. This newfound perspective allowed me to focus on understanding the core principles rather than focusing on memorisation." It also allowed him to embark on new projects, expecting challenges and learning from them. Additionally, the bootcamp emphasised on teamwork and collaboration, exposing Mohammed to bright ideas from his teammates and teaching him how to lead a team to success. Breakout rooms and various group activities proved to be a fantastic learning experience.

Mohammed expressed his admiration for the community's support: "This collaborative environment enhanced my learning experience and exposed me to different cultures and perspectives."

Looking ahead, Mohammed is eager to utilise the skills he gained to improve his own life and contribute to his family's financial well-being. After completing the learning phase of the Bootcamp in May, Mohammed is embarking on a three-month paid internship with 1001, a global video streaming and social platform specializing in hyper-localised Iraqi Arabic content. He has joined as a Frontend Developer, eager for this opportunity to pave the way toward a successful career.