



## Strengthening Skills Development in Ethiopia

with Ethio-German Sustainable Training and Education Programme (STEP IV)

### Challenge

Ethiopia is the second most populous country in Africa and the fastest-growing economy in the region. Despite these advancements, many young Ethiopians, including highly educated ones, remain unemployed. One key reason is the weak alignment between the economy and educational offerings, leaving graduates without essential skills demanded by the labour market.

To address this gap, a labor market-oriented vocational training system is crucial. The new Education and Training Policy (2023) emphasizes integrating general and vocational education with economic transformation and growth. However, translating these policy guidelines into practice remains a challenge. Sector-specific reforms, practical strategies, legal frameworks, and management structures involving the private sector are either lacking or insufficient. Additionally, there is little implementation of concepts addressing digitalization, sustainability, gender equality, and inclusion in vocational training. Tackling these challenges requires a concrete operationalization of the ongoing reforms in the vocational training.

With this background, on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GIZ is implementing the Ethio- German Sustainable Training and Education Programme in cooperation with the Ethiopian Ministry of Labor and Skills (MoLS), and various other stakeholders both from public and private sector.



Project Name	Sustainable Training and Education Programme (STEP-IV)
Partner Country	Ethiopia
Volume	4,5 Mio. EUR
Duration	December 2024 to November 2027
Implementing partners	Ministry of Labor and Skills

Implemented by

## Objective

The program aims to support the implementation of reforms to align Ethiopian vocational training with labor market needs. It achieves this by strengthening governance through a robust regulatory framework, increasing private sector involvement, and enhancing the system's ability to adapt to societal, economic, and technological changes.

## Approach

To achieve its objective, the programme clusters its activities under three thematic areas and key interventions:



### Regulatory Framework for TVET

promoting the translation of the reform guidelines into practical strategies, implementation plans, legal frameworks and steering structures.



### Strengthen the Role of the Private Sector

supports the organized private sector in fulfilling its central role in managing vocational training, as formulated in the reform.



### Align the TVT system with transformation processes

enables vocational training actors to recognize social(gender) and economic transformation (digitalization and green TVT) processes and to make necessary adjustments to the vocational training system.

## Achievements

Together with the previous project phases, the following results have been achieved so far:

#SDG4



8,250

young Ethiopians completed long-term and short-term technical training programmes as well as trainings on soft skills, digital skills, and entrepreneurial skills.

As of February 2025

#SDG4



2,890

TVET & UAS leaders, instructors, lecturers, and in-company trainers have been further trained in technical, didactical, leadership and digital skills as well as in data management.

As of February 2024

#SDG8



46%

of the programme beneficiaries found employment.

As of February 2025

#SDG4



43%

of the training participants have been women.

As of February 2025

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### Project

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### As of

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