

Prospects for employment

Economic Development and Livelihood Creation in Iraq

The challenge

Surrounded by political instability along its borders, Iraq is still considered a fragile state and is yet to be on track for full recovery. The main reasons behind this are the war in Syria and the terror caused by the so-called 'Islamic State' (IS) in Iraq, which resulted in protracted displacements, a rather low rate of returns, slow reconstruction progress, as well as uncertainties within the actions of the newly formed government. Although the crisis seems to be past its peak and there are some promising, yet slow signs of growth, the economy is still not able to play the determining role it is expected to.

In this regard, and compared to neighbouring countries, the autonomous Kurdistan Region of Iraq (KRI) is no exception. Although the region has been experiencing more favourable economic conditions since 2003, economic hardships are increased by the presence of around 250,000 Syrian refugees, as well as around one million internally displaced persons (IDPs), which further strain the existing scarce opportunities and resources. At present, the unemployment rate in the Kurdistan region is estimated to be between 22 and 29%. Necessary investments in infrastructure are lacking and the dependence on the oil economy remains too strong for the private sector to develop. In addition to that, the public sector remains the key job provider in the region.

Our approach

The aim of the project is to improve the access to employment opportunities, particularly in the private sector, for IDPs, refugees, returnees and socially deprived households in host communities within Iraq and KRI. Job creation in the private sector, increasing employability of job seekers, and having a functioning job placement system available are equally important preconditions to enable long-term employment. Strengthening these three aspects will economically stabilise households and enhance new perspectives for the project's target groups.

The project is currently implemented in the four governorates of Dohuk, Erbil, Sulaymaniyah and Halabja in the Kurdistan Region of Iraq. In the upcoming years, project activities will also be extended to other parts of Iraq, namely the governorate of Nineveh.

Project name	Employment Promotion for Internally Displaced Persons, Returnees, Refugees and Socially Vulnerable Households in Host Communities
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Project region	Dohuk, Erbil, Sulaymaniyah, Halabja, Nineveh
National Partner	Ministry of Planning, Kurdistan Region of Iraq
Duration	11/2016 – 12/2022

To achieve its objective, the project is built on three fundamental pillars. Firstly, the overall job placement system will be improved through training of public partners for a better service delivery and by supporting job matching platforms. Secondly, job seekers will receive on-the-job trainings, that are based on market requirements, and conduct internships in private sector companies. These activities are meant to increase job seekers' employability through practical experience and gaining expertise in fields that are demanded on the labour market. Thirdly, entrepreneurs, as well as micro-, small- and medium-sized enterprises (MSMEs) will receive specific entrepreneurial trainings and financial support. Newly founded start-ups and growing MSMEs will thus be enabled to create new employment opportunities within the private sector. At the same time, the project will continue to support vulnerable households with temporary income through 'Cash for Work'-activities and subsidised placements into long-term jobs.

The project is implemented in close cooperation with the Kurdistan Regional Government's authorities and executive bodies, partly through its own initiatives and partly in cooperation with international and national non-governmental organisations (NGOs). Respective government authorities in Iraq will be incorporated into the existing steering structure accordingly to the expansion of the activities.



Photo left: Woman attending a vocational training course at a private TV station in Sulaymaniyah.

Photo right: Cleaning manholes in Dohuk through 'Cash for Work'-activities.

Our impact: boosting income generation

Vulnerable households are supported with temporary income through 'Cash for Work'-activities. Participants are paid the equivalent to the Iraqi minimum wage and are employed for at least 40 working days. Since 2017, more than 23,000 beneficiaries have been able to earn their own direct income through 'Cash for Work'-measures. It has allowed them to improve their living conditions and to make urgently needed purchases. Apart from temporary jobs, participants also receive access to general support structures for job seekers, thus facilitating their access to the formal labour market. Further activities will be developed to actively enhance direct job placements for former 'Cash for Work'-participants.

Around 500 beneficiaries received livelihood activation grants in combination with life skills trainings. These grants are provided to vulnerable beneficiaries who are capable of reactivating or establishing their own income generating activity, i.e. by setting up their own business. Until today, the combined measures have supported more than 460 individuals in establishing their own, ongoing income generating activities, thus enhancing their livelihood opportunities in the long term.

Promoting long-term job opportunities

To support unemployed locals on their way to long-term employment, the project is also conducting practical on-the-job trainings, depending on the participants' specific skills and the needs of the local labour market. More than 200 beneficiaries have already received trainings and acquired new skills i.e. in the fields of media, accounting and travel management. More than 150 of them have started apprenticeships in the private sector, aimed at enhancing their chances of finding employment and building long-term prospects.

The project is also emphasizing the importance of digital skills within its measures for improved employability. Until today, more than 1,500 job seekers participated in specialised IT trainings, preparing them for generating their own income in digital jobs.

Significant changes have already taken place in the use of digital platforms for job placements: through the project's support, the online job platform FORAS has been developed and is being further developed. More than 5,400 job seekers and over 300 private companies have already registered and are actively using it for their applications and recruitment respectively. Around 230 em-

ployers are currently using FORAS to participate in online trainings to improve their capacities in the fields of human resources and recruitment processes.

In addition to skills development and preparation for the working environment, the project is putting a special focus on business incubation initiatives, aspiring start-ups, as well as existing entrepreneurial endeavours. Business management and entrepreneurship trainings have been provided to more than 450 people.

Over 200 promising entrepreneurs and successful businesses have received grants to either establish their start-up or to expand their existing business. By this means, new jobs in the private sector and therefore new employment prospects are likely to be created. Until today, more than 180 additional employment opportunities have been created by the supported businesses.

From skills development to employment

Together with four other young men, Reyhwan Baram Mohammed attended a practical training course at *Kazhen*, one of Sulaymaniyah's main car maintenance workshops. Enthusiastically they changed tires and oil, and assisted technicians in their repair work. Previous to the internship they attended a one-month course at the Ministry of Labour and Social Affairs to gain basic theoretical knowledge about car maintenance.

The project supports skills development and labour market access, and it provides participants with a daily stipend equivalent to an average prevailing wage for labourers, while the private sector company receives an incentive to cover the costs associated with the apprenticeship.

Reyhwan was lucky. He convinced his prospective employer with his performance during the two-month training period and was hired by *Kazhen* as a full-time employee in July 2018.



Reyhwan Baram Mohammed found employment with Kazhen.

Published by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Registered offices Bonn and Eschborn, Germany
GIZ Office Iraq
World Trade Center, Erbil, Iraq

Contact person Otilie Mooshofer
otilie.mooshofer@giz.de

As at February 2020

Photo credits GIZ / Regina Tauschek

Text Otilie Mooshofer / Burcu Okur

On behalf of Federal Ministry for Economic Cooperation and Development (BMZ)

GIZ is responsible for the content of this publication.

In cooperation with Ministry of Planning, Kurdistan Region of Iraq
Ministry of Planning, Iraq