

Job partnerships and support for medium enterprises

More growth means more jobs in Tunisia

The challenge

Following the “Arab Spring” in 2011, Tunisia has been become a beacon of democratization in the region and is attempting to implement important reforms. Despite this, the business and investment dynamics in Tunisia remain challenging. The official unemployment rate is around 15 per cent and in some rural areas twice as high. The outbreak of the COVID 19 pandemic and its consequences have further exacerbated the situation.

Private sector engagement is an integral part of the country’s development strategy. However, compared to public investments, the share of private investments is relatively low. Some foreign investors do not consider Tunisia to be an attractive location. In addition, the range of financing and support services available to small and medium-sized enterprises is inadequate. The increase in company start-ups has failed to create more jobs in the country.

In order to open further prospects for the future, especially for local young people, the German Federal Ministry for Economic Cooperation and Development (BMZ) through its Special Initiative on Training and Job Creation and under the banner “**Invest for Jobs**” has put together a package of measures to support German, European, Tunisian and African companies engaging in Tunisia. The aim being to create jobs and apprenticeships and to improve working conditions in close cooperation with the Tunisian partner institutions.

Approach

The project “Job partnerships and support for medium-sized enterprises in Tunisia”, which is implemented locally by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH as part of the Special Initiative on Training and Job Creation, supports the country with improving the basic conditions for locally established businesses, targeting the automotive and aerospace industries.

The project focuses on three fields of action: Within the framework of the Business & Invest Labs, projects are

Project name	Job partnerships and support for medium enterprises in Tunisia
Funded by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Country	Tunisia
Objective	Increased job-creating growth of domestic and European companies
Implementing organisation	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Partner Institution	Ministry of Industry and SMEs (MIPME)
Duration	12/2018 bis 11/2022

developed together with companies in order to address concrete barriers to investment through training and job partnerships - and thus contribute to the creation of training and employment in Tunisia. At this new central point of contact for businesses, interested businesses can obtain information and advice on potential business opportunities and support services. The Tunisian Automotive Management Academy (TAMA) was launched in September 2019 to equip the middle management of Tunisian medium-sized enterprises with the skills necessary for more growth and, in turn, more employment. This is a typical example of a job partnership.



In the 'African SMEs' field of action, the project team cooperates with the Tunisian aerospace association GITAS (Groupement des Industries Tunisiennes Aeronautiques et Spatiales) and the Forum Aerospace Baden-Württemberg (LR BW) to promote cooperation between companies in these two clusters. The project is currently working to develop a competency map of the Tunisian aerospace sector. Tunisian SMEs are thus supported in improving their working conditions and business ecosystems. The field of action 'Clusters' supports industry clusters in the automotive and aerospace sector. The project team promotes the clusters' activities through stakeholder and needs analyses, planning workshops and consultancy.

Results

The project "job partnerships and support for medium-sized enterprises" aims to support 170 Tunisian and European companies. This is meant to create employment for a total of 8,500 people, with 35 per cent of the jobs going to women and 40 per cent to young people. For 15,000 employees from 170 businesses, working conditions should be improved: by receiving more income, better social protection, access to staff care programmes or benefitting from better workplace security. In addition to the 170 businesses with which the project works directly, the performance of an additional 230 businesses in selected clusters are to be improved. For example, they would be able to expand their customer base, offer more new products or services and increase their order volume, sales or profits. Furthermore, businesses are to more frequently make use of external funding sources via bank loans or equity stakes.

Practical example

Three German automotive suppliers, DRÄXLMAIER Group, LEONI AG and Marquardt GmbH, in conjunction with the BMZ are cooperating in a Training and Job partnership since 2018, working together to offer advanced training to counteract staff shortages in the Tunisian automotive sector. This training and job partnership works towards creating an additional 260 training places and 7,500 jobs. These companies, together with Kromberg & Schubert GmbH, had previously held joint project development workshops in collaboration with GIZ and BMZ experts, where they recognised the lack of skilled workers in middle management positions to be a key investment barrier. The solution they jointly devised was to set up the Tunisian Automotive Management Academy



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(TAMA), a training institute based on the German system of dual vocational training. At the academy, suitable Tunisian candidates are trained for jobs in middle management roles at the participating partner companies and other businesses. The courses cover topics such as soft skills, lean management, economics and project management. From 2020, the concept is to be extended to add training for graduates of universities of applied sciences and aims to include further companies. The management academy is being conceptualised and run in association with the Educational Association of the Bavarian Economy (Bildungswerk der Bayerischen Wirtschaft, BBW).

Invest for Jobs

Through its implementing organisations, the Special Initiative on Training and Job Creation offers you **comprehensive advice, contacts and financial support to overcome investment barriers** in African partner countries. Besides Tunisia, current partner countries are Ethiopia, Côte d'Ivoire, Ghana, Morocco, Rwanda and Senegal; Egypt is due to join shortly. The Special Initiative thus contributes to the implementation of the G20 investment partnership **Compact with Africa** and the **Marshall Plan with Africa**.

**Please get
in touch!**

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Programme/
project description Job partnerships and promotion of small
and medium-sized enterprises in Tunisia
Date of publication 07/2020
On behalf of Federal Ministry for Economic Cooperation
and Development (BMZ)