

Kenyan-German Cooperation for Youth Employment

Challenges and Opportunities

Kenya is one of the leading economies in sub-Saharan Africa. Over the past decade, the country's economy has grown by an average of over 5% per year. This high growth rate has not been enough to create sufficient employment opportunities for the growing young population. It is estimated that over 800,000 young Kenyans enter the labour market every year with many not finding employment. One reason for the high youth unemployment rate and the lack of qualified workers in Kenya is the mismatch of Technical and Vocational Education and Training (TVET) offers with actual labour market demand. Furthermore, the labour market does not create enough formal employment opportunities for these young people. At the same time, companies across sectors are struggling to find suitable candidates for vacancies because the TVET courses offered at various training institutions often do not meet the requirements of the private sector. Underlying reasons for this are a general lack of practical training elements in TVET courses, the low level of involvement of enterprises in the training, outdated equipment and infrastructure at training institutions, and the lack of well-trained teachers.

The Kenyan government recognises the potential of TVET as a driving force in addressing youth unemployment (20–40%). The TVET policies, launched in 2012, and the TVET Act adopted by the Kenyan Parliament in 2013, stand for a new political orientation.

The TVET reforms are accompanied by the establishment of new government agencies responsible for the coordination and regulation of TVET. By introducing competency-based education and training (CBET), the reforms contribute to improving access to, quality and relevance of TVET. Furthermore, the reforms aim to consolidate the highly fragmented TVET sector.

An integral part of the reform is the stronger involvement of the private sector in the design and implementation of TVET programmes. Investing in TVET also contributes towards ensuring highly-qualified manpower in the manufacturing sector. As one of the pillars of Kenya's Big Four Agenda, manufacturing is to contribute 1.3 million new manufacturing jobs by 2022. It also contributes towards Kenya's Vision 2030 to become a middle-income country in the next nine years.

Our approach

In 2016, the Kenyan and the German governments agreed to establish **Sustainable Economic Development — Promotion of Youth Employment and TVET** as a new priority area of their development cooperation. The objective of the Kenyan-German Cooperation for Youth Employment is to boost youth employment by offering industry-oriented technical and vocational training in close cooperation with the private sector. It also aims to provide tailor-made support for young entrepreneurs and Micro-, Small and Mediumsized



One of the first intakes of apprentices at Nairobi Bottlers. Photo: Centurion

enterprises (MSMEs) to grow and increase their number of skilled employees. This approach is aligned with the objectives of the TVET reforms and the Vision 2030 national development strategy initiated by the Kenyan Government.

Cooperation with the Private Sector

The Kenyan–German Cooperation focuses on the support of labour market–oriented TVET, in which the private sector plays a crucial role as a partner. In close cooperation with the private sector champions such as Kenya Vehicle Manufacturers (KVM), Volkswagen, Toyota, Krones and others, much–needed technical and vocational fields, e.g. automotive bodybuilding, automotive mechatronics, industrial mechatronics, are selected. One major focus will be to adapt the respective professional standards and curricula to reflect demand–oriented training courses.



The Kenyan–German Cooperation is further promoting the development of curricula for cooperative training models, whereby theoretical training is mainly provided in training institutions, while practical training is chiefly conducted in workplace settings. Participating companies will be supported to improve the conditions for training in the workplace, for example via a training–of–trainers approach. Until early 2020 the following private partners have signed a Memorandum of Understanding to cooperate with the training institutes:

- Kenya Association of Manufactures (KAM)
- Kenya Vehicle Manufacturing Ltd. (KVM)
- Stantech Motors
- Daivin Auto Ltd.
- Kenya Motors Repairers Association (KEMRA)
- Robert Bosch East Africa Ltd.
- DT DOBIE
- VW South Africa (DT DOBIE)
- Toyota Kenya
- Simba Corporation Ltd.
- Krones East Africa
- Festo Didactic
- Kevian Ltd
- Centurion Systems Ltd

- Bosch Rexroth
- Isuzu East Africa

Furthermore, the private sector will get involved in the assessment and certification processes to ensure that the qualifications of the graduates meet private sector needs.

Establishing a Network of Centres of Excellence

As a start three public Technical Training Institutes (TTIs) in the greater Nairobi area, the Kiambu Institute of Science and Technology (KIST), the Nairobi Technical Training Institute (NTTI) and the Thika Technical Training Institute (TTTI) will be upgraded to form a network of specialised Centres of Excellence.

| • Technical Training Institutes | • Technical Areas |
|---|------------------------------------|
| • Thika Technical Training Institute (TTTI) | • Automotive Bodybuilding/ welding |
| • Nairobi Technical Training Institute (NTTI) | • Automotive Mechatronics |
| • Kiambu Institute of Science and Technology (KIST) | • Industrial Mechatronics |

In strong collaboration with the surrounding industries, the network will offer demand–oriented training for specific trades. The industries will be involved at various stages, in particular in practical training, training of teachers and assessment of students, as well as in the definition of training content, specification of equipment and infrastructure needs of the TTIs. The Kenyan–German Cooperation provides funding for the modernisation of training infrastructure and state–of–the–art equipment at the TTIs, too. Organisational development and human capacity development measures for teachers and training institute management complete these interventions.

In the second phase additional vocational training institutes outside the greater Nairobi area shall be upgraded to Centres of Excellence.

Supporting Implementation of National TVET Reforms

The cooperative training model will be aligned with the newly reformed competence–based TVET system. The above–described approach to practice–oriented TVET,

in particular the learning experience and best practices derived from it, should lead to improvements of Kenya's TVET framework and further reforms. This will make the TVET system more demand-oriented, improve quality, and ensure the participation and ownership of the private sector in the implementation of the reforms. Therefore, the Kenyan-German cooperation will support sector coordination including advice and capacity development measures for government agencies responsible for the coordination and regulation of TVET. Further details and approaches of the Kenyan-German Youth Employment programme will be developed in cooperation with relevant ministries and partner institutions in Kenya.

Supporting young entrepreneurs and Micro-, Small and Mediumsized enterprises

Complementary to the training of young Kenyans the Kenyan-German Cooperation also supports pathways into self-employment and for young informal companies to grow. Through the means of a "Centre for Entrepreneurship" based in Nairobi interested youth will receive support to further develop their business skills and products via a voucher-based scheme. The centre will promote sustainable business models, e.g. the integration of young enterprises into the supply chains of bigger companies, as well as advisory services and facilitation of access to finance. With this approach



participating young Kenyans will be able to work as self-employed individuals and grow their budding companies to provide additional employment opportunities. 40.000 Kenyan youths shall profit from the services of the "Centre for Entrepreneurship" in the first phase of the project.

Promotion of the Digital Economy, Local Data Markets and Data Protection

Kenya can do more to exploit the potential of the digital economy. The planned new Project "Digital Centre Kenya" is about strengthening the digital economy in Kenya by promoting digital companies and solutions, supporting data protection legislation as well as by promoting local data markets. The Digital Centre is in the project assessment phase (early 2020).

The benefits

The outcome of the programme will be increased employability of young Kenyans.

After proof-of-concept, the cooperative training model shall be implemented in other interested companies, public training centres and professions to achieve broader impact, support job creation and reduce youth unemployment.

The Centre for Entrepreneurship can be scaled up and expanded to reach more Kenyans countrywide.

Funds for Youth Employment and TVET

Commitments by the German Government made so far of EUR 75.9 million, comprising

Centres of Excellence Phase 1

EUR 20 million as a loan (financial cooperation)

EUR 4 million as a grant (financial cooperation)

EUR 3 million for technical cooperation

Centres of Excellence Phase 2

EUR 12 million as a loan (financial cooperation)

Centre for Entrepreneurship

EUR 25.9 million as a loan (financial cooperation)

EUR 3 million for technical cooperation

Digital Centre Kenya

EUR 8 million for technical cooperation (planned)

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