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# Empirical review of youth employment policies in Ethiopia.

## Policy Paper



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**Policy Paper**

# Empirical review of youth employment policies and programs and their impact in Ethiopia

This paper was produced in the context of the “What Works for Youth Employment in Africa” initiative implemented by the Partnership for Economic Policy (PEP) in partnership with the Mastercard Foundation. “What Works for Youth Employment in Africa” was a three-year research initiative that ran between 2021 and 2024, to provide evidence that can drive policy reform to increase youth employment in ten African countries. The views expressed do not necessarily represent those of the Foundation, its staff, or its Board of Directors. For more information about this initiative, please visit: [www.pep-net.org/programs/youth-employment](http://www.pep-net.org/programs/youth-employment)

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# 1. The policy context and issues of youth employment in Ethiopia

Ethiopia is experiencing a youth bulge, with about 42.4% of the population below 15 years of age (Central Statistics Agency, 2021) and more than 28% aged 15-29 (United States Agency for International Development, 2019). Ethiopia's working-age population accounts for 53.4% of the population, and approximately two million youth enter the labour market each year (Job Creation Commission, 2019). The potential social, political, and economic benefits from engaging such a large number of young people in productive activities could be significant.

However, the rate of youth employment in urban areas has barely increased over the past two decades, going from 48.5% in 2005 to 50.6% in 2021. This increase was mainly driven by young men's employment, from 55.1% to 60.2%, while young women's employment was relatively stagnant at around 42.5% over the same period.

Furthermore, an increase in youth employment rate may not necessarily signal better labour outcomes, as it potentially masks high rates of underemployment, vulnerable employment, informal works and working poverty (Woldehanna et al., 2019). Indeed, it is important to note that 66% of the urban employment in Ethiopia is in the low-skilled and low-productivity sub-sector of the economy, dominated by the informal sector (Mezgebo, 2021).

In general, the figures for youth unemployment in Ethiopia vary significantly by location (urban and rural) and gender, with higher rates for urban young women as illustrated below:

**Youth unemployment rates**

	Overall	Male	Female
<b>Urban</b>	<b>23.1%</b>	15.9%	28.8%
<b>Rural</b>	<b>11.6%</b>	5.1%	8.1%

Source: CSA, 2021.

Evidence shows that a considerable proportion of Ethiopian youth are not in education, employment, or training (NEET), though the NEET rate slightly decreased from 26.3% in 2005 to 23.9% in 2021. That change, however, was driven by a decrease in the NEET rate of young men. Indeed, the number of young women who are not in employment, education, or training is twice that of the men, and the proportion of young women who are either discouraged, inactive, or engaged in housekeeping has increased from 10.78% in 2005 to 15.84% in 2021, a significant increment.

In comparison to men and adults, women and young people tend to experience systemic, ongoing barriers to job market access as well as unique structural problems in their transition from school to the work force (International Labour Organization, 2022). Within the youth group, vulnerable groups such as people with disabilities and refugees face additional burdens in securing employment.

An International Labour Organization (2020) report indicates that more than 800,000 refugees reside in Ethiopia, which has the second-highest refugee population in Africa. Until 2020, few refugees were granted the opportunity to work legally. These limitations, along with a number of other variables, have contributed to the fact that refugees experience significantly greater rates of poverty and unemployment than Ethiopians (International Labour Organization, 2022).

**A critical and strategic issue for policymaking**

The large group of working age people, the recent COVID-19 pandemic, and political unrest throughout the country have exacerbated the issue of youth unemployment. While lack of adequate jobs and extended periods of unemployment are critical welfare issues for urban youth (Berhe, 2021), rising unemployment is also a major concern for the Ethiopian government (Planning and Development Commission, 2021). The International Labour Organization estimates that the country needs to create fourteen million jobs between 2020 and 2025 to absorb the number of unemployed persons (International Labour Organization, 2022). Engaging the continually growing youth population in productive activities could generate immense social and economic benefits for the country, but all stakeholders must coordinate efforts for this potential to materialize, and these efforts should be structured around evidence-based interventions. Over the past two decades, the Ethiopian government has enacted several policies and programs designed to address the issue of youth unemployment.

**The study**

In 2022, a team of local researchers conducted an empirical review of Ethiopia's youth employment policies and programs. The team sought to identify the impact of these interventions on youth unemployment and highlight challenges. The researchers combined existing data and policy reviews with qualitative data to provide a more nuanced understanding of the policies and programs. The researchers combined existing data and policy reviews with qualitative data to provide a more nuanced understanding of the policies and programs - see the "Methodology" text box below for more detail.

This policy paper highlights the key implications of the study's findings to help guide related policy decisions. A detailed account of their methods and findings is available in the corresponding PEP working paper, accessible via the following online repository: [www.pep-net.org/open-repository-what-works-youth-employment-africa](http://www.pep-net.org/open-repository-what-works-youth-employment-africa).

<p><b>Methodology</b></p> <p>The study employed a qualitative methodological approach to understand the institutional policy settings and youth employment programs, stakeholders' perspectives, youth attitudes, and views of policymakers and implementers of youth employment programs in Ethiopia.</p> <p>In doing so, first, the research team conducted a systematic desk review of academic and policy publications. Then the team collected primary data from 12 focus group discussions (FGDs) with individuals aged 15-35 years and 82 key informant interviews (KIs) with pertinent stakeholders—including international donors—identified through the stakeholder engagement strategy. Purposive sampling was used to recruit informants with relevant expertise on youth employment. Snowball sampling was also used to recruit additional informants for deeper insights into key topics.</p> <p>The desk review served as a reference to complement and triangulate the findings from the KIs and FGDs. The key informants were selected as knowledgeable on youth employment initiatives, programs, implementations, and the ramifications of such measures from institutions. The project team used chain-referral sampling in some cases to recruit informants to capture more information on a particular topic of interest. Furthermore, the National Labor Force surveys of 2005 and 2013 and the Labor and Migration survey of 2021 from the Central Statistical Agency of Ethiopia were used to compute statistics related to the trends in youth labor and education outcomes.</p>
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## 2. Evaluation of policy strategies to promote youth employment in Ethiopia

The various youth employment-focused policies and programs enacted by the Ethiopian government, and which are either fully or partially implemented, can be grouped into the following categories – i.e. according to the nature of their ultimate (policy) objectives<sup>1</sup>:

- Economy-wide employment policies. E.g. the 2009 National Employment Policy and Strategy
- Programs to enhance youth employability. E.g. through technical and vocational education and training (TVET), or internship/apprentice programs
- Programs to promote entrepreneurship. E.g. through the support of micro and small enterprises, or providing loan services and market linkage;
- Policies to protect youth rights
- Policies addressing vulnerable groups such as persons with disabilities and refugees. E.g. Refugee proclamation, Occupation Safety and Health Directives, and labour proclamations.
- Other employment/labour market programs, such as the Agricultural Growth Program

Out of the numerous policies and programmes that correspond to these broad categories, the authors identified six major ones which they consider represent the main focus areas that the government has been working on over the past two decades, in relation to youth employment. These are listed below, and each is individually described, in detail, in Annex A :

- The National Youth Policy (since 2004)
- The Youth Development Package (since 2006 - revised in 2017)
- The Sustainable Development and Poverty Reduction Program (SDPRP, 2002-2005) and the Plan for Accelerated and Sustained Development to End Poverty (PASDEP, 2005/06- 2009/10)
- The Growth and Transformation Plan I (GTP I, 2010-2015) and II (GTP II, 2015-2020)
- The Urban Productive Safety Net and Job Creation Program (2016)
- The Youth Revolving Fund ( 2017)

Based on their study's findings<sup>2</sup>, the authors were able to assess the relative level of success or performance of these selected YEPs, focusing particularly on the following set of technical and policy-relevant criteria:

- i. Effectiveness – The policy/programme's capacity to achieve the stated objectives in terms of tackling youth unemployment
- ii. Unintended effects – Negative or positive effects generated by the implementation of the policy/program, that were not planned or identified in its conceptualization
- iii. Equity – The policy/program's capacity to enhance equity amongst young men & women, or marginalized groups (e.g. PWDs, IDPs, refugees).
- iv. Feasibility – Availability of technical, financial and human capital resources required to fully implement the program or policy.

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<sup>1</sup> In addition to youth employment-focused programmes, the government has also enacted other policies that affect the supply and demand sides of the labour market - including technical and vocational education and training, health extension programmes, free abortion and maternal healthcare services, and daycare facilities with major emphasis on women and youth.

<sup>2</sup> i.e. from the analysis of available literature and documentation, as well as of the information collected from key informants and various stakeholders.

- v. Acceptability – How the program or policy is perceived amongst target population groups or strategic constituencies (i.e. political risk) for the government.

The results of the authors's assessments, for each of the selected policies, are summarized in table 2 below.

**Table2: Evaluation summary of selected government initiatives**

<b>Evaluation criteria</b>	<b>NYP</b>	<b>YDP</b>	<b>SDPRP &amp; PASDEP</b>	<b>GTP I &amp; II</b>	<b>YRF</b>	<b>UPSNJCP</b>
<b>Effectiveness</b>	<b>Some targets achieved</b>	<b>Some targets achieved</b>	<b>Almost all targets achieved</b>	<b>Almost all targets achieved</b>	<b>Very few targets achieved</b>	<b>Some targets achieved</b>
<b>Unintended effects</b> (positive,negative)	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>Yes</b> (Negative)	<b>None</b>
<b>Equity</b> (PWDs, gender, etc.)	<b>Only gender</b>	<b>Gender &amp; other vulnerable groups</b>	<b>Only gender</b>	<b>Only gender</b>	<b>Only gender</b>	<b>Only gender</b>
<b>Efficiency</b> (and cost benefit ratio)	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>No</b>	<b>N/A</b>
<b>Feasibility</b> (e.g. technical, legal, funding source, etc.)	<b>Low</b>	<b>Low</b>	<b>High</b>	<b>High</b>	<b>low</b>	<b>High</b>
<b>Acceptability</b> (Political risk, political loyalty, etc.)	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
<b>Recommendation</b>	<b>Possibly</b>	<b>Possibly</b>	<b>Yes</b>	<b>Yes</b>	<b>No</b>	<b>Possibly</b>

**Notes :**

**Efficiency:** "N/A" signifies that there is no data on the cost and benefits of the program, which is directly related to the poor data recording and management of institutions. "No" means the cost of the program is higher than the benefits

**Recommendations:** "Yes" indicates there is a high probability that weaknesses will be addressed and the programs/policies will contribute to youth employment and empowerment. "Possibly" indicates a potential for contributing to youth employment and empowerment but the resources required for addressing the weaknesses identified through this analysis are unlikely to be available in the short term.

**Highlights from the assessment of each individual policy/program are further detailed in Annex A, following the policies' descriptions. In sum, the authors conclude that:**

- 1) **SDPRP and PASDEP, and GTP I and II** are useful to create jobs for the youth. These interventions can boost youth employment by increasing the number and quality of TVET institutions and trainees, promoting job creation through MSEs, and enhancing labor productivity. These policies and programs can have an even greater impact on increasing youth employment if the following actions are taken:

- Operationalise organised data recording and management systems.
- Increase youth awareness of existing employment programs through their participation in program planning and implementation; this is particularly important for vulnerable youth.

- 2) Three further interventions—**NYP, YDP, and UPSNJCP**—could also be useful for creating youth employment if, in addition to the same recommendations above, significant resources are committed to addressing their key common weaknesses by:
- Ensuring a clear strategy and adequate resources to execute the strategy.
  - Putting in place effective regular monitoring and evaluation schemes.
  - Increasing synergy between sectors and implementing institutions.

Overall, the authors' evaluation generally supports the continuation of existing youth employment initiatives. However, the findings underscore the need for significant adjustments and improvements in their implementation to fully realize their potential. Specifically, some of the key shortcomings that hindered the achievement of the programs' intended outcomes include:

- The absence of clear job-creation targets,
- Limited guidance on strategies to reduce unemployment (Tigabu & Gebeyehu, 2020),
- Insufficient institutional capacity,
- Weak data systems, and
- Inadequate monitoring and evaluation mechanisms (Ministry of Women and Social Affairs, 2022).

These limitations were also echoed by the study's key informants, who described the programs as well-designed in theory but poorly executed in practice.

Inclusiveness is another critical concern. Evidence indicates that Ethiopian youth programs often fail to adequately address the needs of women, persons with disabilities, refugees, and internally displaced persons. Gender disparities persist among program beneficiaries, and youth in rural and agricultural areas remain underrepresented (Ministry of Women and Social Affairs, 2022). Although policy documents refer to the inclusion of vulnerable groups, the lack of concrete targets and implementation strategies undermines their effectiveness. For example, while the National Youth Policy highlights marginalized young women as a priority, it does not include measurable goals, actionable mechanisms to ensure their participation, or systems for monitoring progress (USAID, 2019).

Finally, weak coordination among governmental institutions—and between government, non-governmental actors, and the private sector—has hindered effective implementation. According to key informants, frequent structural changes within government agencies have disrupted program continuity, focus, and sustainability. Persistent gaps between policy language and implementation, along with poor monitoring and evaluation across institutions, further challenge the success of youth employment initiatives.

### 3. Policy recommendations and roadmap

Findings from the evaluation of Ethiopia's major youth employment policies and programs reveal that many initiatives are hindered by systemic weaknesses—particularly limited institutional capacity. To improve future implementation and impact, the following recommendations are proposed:

#### 1. Clarify and align objectives with strategies

Most youth employment programs lack clearly defined targets, such as specific demographic groups (e.g., by age, gender, location, or vulnerability status), required resources, and intended outcomes. Additionally, program documents often fail to articulate how these objectives will be achieved. The

government should ensure that all programs specify both their intended outcomes (ends) and the means to achieve them, including measurable targets and coherent strategies that are clearly aligned.

## *2. Strengthen implementation capacity and resources*

The evaluation highlights widespread implementation challenges across government institutions. Despite being well-designed on paper, many employment policies fall short in practice due to inadequate execution. To enhance implementation capacity, the government should:

- Reinforce institutional commitment to translating plans into action;
- Build human capital and ensure access to necessary resources, including technology and financing;
- Improve data management systems to support timely and evidence-based program delivery;
- Establish stable and adaptive institutional frameworks and foster strong coordination among stakeholders to address the prevalent gaps in networked governance.

## *3. Promote forward-looking interventions*

Skills development programs, including technical and vocational education and training (TVET), should be aligned with current labor market demands. Rather than focusing solely on credentialing, these programs must prioritize equipping youth with practical, in-demand skills. Moreover, youth employment initiatives should not be reactive to political instability but rather grounded in a long-term vision that prioritizes sustainable economic and social outcomes. Expanding access to digital skills and technologies can also create new pathways for youth employment in the growing digital economy.

## *4. Strengthen monitoring and evaluation systems*

A major gap in current youth employment initiatives is the lack of robust monitoring and evaluation (M&E) mechanisms. Without these systems, it is difficult to assess program performance, track progress, and make informed decisions. Developing comprehensive M&E frameworks will enhance program accountability, support continuous improvement, and provide valuable insights for future policy planning.

To further assist policymakers and policy stakeholders in implementing the broad changes that are needed to make the existing programs more impactful, the authors developed the **following roadmap, along with related resource requirements:**

Recommendation	Activities	Actors to be involved	Resources needed
Clearly specify the number of target groups of each program based on age, gender and location	<ul style="list-style-type: none"> <li>Identify the number of youth in demand of the intervention</li> <li>Limit the number of youth the program would reach in relation to the resources available</li> <li>Identify the number and type of vulnerable youth groups to be included</li> </ul>	Gov't institutions at lower levels (Kebele and Woreda); youth associations; youth; NGOs & private orgs	Budget; youth databases
Identify the intended outcomes in measurable terms	<ul style="list-style-type: none"> <li>Articulate the desired end goals in measurable terms</li> </ul>	Gov't institutions; youth associations; civil society organizations and donors	Technical capacity
Identify specific strategies (the how) to achieve the end goals	<ul style="list-style-type: none"> <li>Develop strategies in relation to the political, economic and social context of the country</li> </ul>	Gov't institutions; policy advisors/ analysts; CSOs and donors	Technical capacity; budget
Commit to policy enforcement	<ul style="list-style-type: none"> <li>Create common understanding among officials on the policy enforcement limitation of the government</li> <li>Apply carrot and stick measures to enforce policies adopted</li> </ul>	<p>Higher, middle and lower government officials</p> <p>All bureaus in their relative sectors</p>	Political commitment
Enhance implementation as well as M&E capacities of institutions	<ul style="list-style-type: none"> <li>Empower the bureaucrats technically and financially</li> </ul>	All institutions in their relative sectors	Political commitment; technical capacity; budget
Improve data recording and management systems	<ul style="list-style-type: none"> <li>Establish and manage youth databases well</li> </ul>	MoWSA, other contributing offices	Technical capacity; budget
Enhance cooperation among governmental institutions	<ul style="list-style-type: none"> <li>Establish one central office/ministry that works on coordinating issues of the youth</li> </ul>	PM office	Political commitment; budget

Notes:

- CSOs: Civil society organizations
- MoSWA: Ministry of Women and Social Affairs
- PM office: Prime Minister's Office

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## ANNEX A

### A.1 Descriptions and types of approach/objectives of main government-led YEPs in Ethiopia

#### a) National Youth Policy (NYP) (2004)

- Policies to protect youth rights

The NYP is the first youth policy developed to enable the youth to actively partake and gain equitable benefits from the country's political, social, and economic developments. It was prepared to fill the gap in lack of institutions and policy that impeded the youth's active participation and gaining fair benefit. The government believed that the absence of a ministerial institution mandated to coordinate youth issues and lack of national policy had negatively affected participation and benefits to the youth. The policy also emphasized capacity building through education and training as the key instruments to consolidate employment of the youth. It further sought to create enabling environment for the youth to create their own jobs as well as the private sector to create jobs for them (MoYSC, 2004).

#### EVALUATION RESULTS:

The NDP is a comprehensive policy which recognizes the importance of active participation of youth in the political, social, and economic affairs of the nation. However, the analytical review shows that the policy's effectiveness is currently challenged because of the lack of:

- monitoring and evaluation systems;
- budget;
- implementation strategies;
- stable and flexible institutional arrangements;
- coordination among different implementing institutions; and
- alignment with youth's current realities.

These gaps will have to be addressed to ensure effective implementation of the National Youth Policy and achieve the intended benefits for the youth.

#### b) Youth Development Package (YDP) (2006, revised in 2017)

- Programs to enhance youth employability
- Policies to protect youth rights

The YDP sought to tackle three major problems of the youth: unemployment, unavailability of well-equipped and youth-focused social services and recreational centers, and exclusion and lack of participation forums. The target population of the package is youth aged 15-29 years. The package aspires to empower youth and create job opportunities through equipping skills and engaging them into the construction, manufacturing, trade, urban agriculture and services sub-sectors. The strategies identified were increasing the number and quality of TVET institutions to provide the youth

access and bridge their skill gap; and creating linkages between higher education institutions and industries to improve youth practical skills through apprentice and internships with due emphasis on mainstreaming youth issues in all sub-sectors.

#### E EVALUATION RESULTS:

The YDP allowed the building of 3,000 recreational centres, but findings show that these centres are strictly physical entities, devoid of the facilities and the human and financial resources required to operate them. This situation is largely the result of a lack of coordination among institutions, a lack of consultation with youth, and the politicization of the endeavours. Once these limitations are addressed, the authors estimate that the programmes will have the potential to contribute to the employment and empowerment of youth, mainly by enhancing labour productivity and increasing networking and information sharing.

#### C) Sustainable Development and Poverty Reduction Program (SDPRP, 2002-2005) and Plan for Accelerated and Sustained Development to End Poverty (PASDEP, 2005/06- 2009/10)

- Programs to enhance youth employability
- Programs to promote entrepreneurship

SDPRP introduced specific programs related to youth employment such as the Micro and Small Enterprises (MSEs) through providing access to non-farm income generating activities and credit services. But the target population and target goal was not clearly specified. The TVET had targeted to enrol 130,000 students (i.e. 55,000 annual intakes) by 2004/05 to provide skills training and employment opportunities for the youth (MoFED, 2002). The target group for the TVET is students who have completed grade 10.

PASDEP was implemented as the second phase of the SDPRP. The section on employment clearly recognized the existence of growing youth unemployment in Ethiopia particularly in the urban areas. The growth of MSEs and integration with TVET system development was considered instrumental to increase youth (15-29) employment. The plan includes construction of 360,000 new housing units in condominium blocks and commercial units to create 200,000 jobs; and promotion of 10,000 small enterprises in the construction industry, which are predominantly owned by the youth. Moreover, the plan aspired to increase the number of MSEs by 12,000 annually and to reduce urban unemployment rate in the populated towns from 40% in 2005 to 20% by 2010. With regards to TVET, the plan aimed to increase the number of trainees from 94,592 (of which 48,431 are female) in 2004/05 to 312,826 (of which female are 160,167) in 2009/10 (MoFED, 2006). The document did not specify the budget allocated for youth in the TVET and MSEs programs.

#### EVALUATION RESULTS:

Reports analysed by the authors show that the SDPRP and PASDEP have shown commendable achievements in increasing the number of technical and vocational education and training institutions and trainees, reducing urban unemployment, and increasing job creation through micro- and small enterprises (Ministry of Finance and Economic Development, 2006; 2010). The relative effectiveness of these programmes is attributed clear and specific strategies and targets and to better coordination. Even if their findings indicate concerns related to technical and vocational education and training institutions'

capacity in matching the trainees' skills with demands in the labour market, the authors still recommend that similar programmes be designed in the future.

#### d) Growth and Transformation Plan (GTP-I, 2010–2015; GTP-II, 2015-2020)

- Programs to enhance youth employability
- Programs to promote entrepreneurship

The GTP-I planned to facilitate self-employment, support employment opportunities, and encourage active participation and benefit of the youth in economic development, democratic system and good governance. Youth and women empowerment is among the main pillars of GTP-I and planned to: encourage employment creation/entrepreneurship and improve access TVET for skill and competency; implement packages and initiatives that aimed at empowering youth; encourage youth to engage in non-farm income generating activities, bee keeping and watershed development by providing packages of skill and business management training, credit and access to markets; and enhance the benefits of youth from the MSEs to reduce unemployment and poverty. The GTP-I planned to create 182,000 and 740,000 jobs through integrated housing development and MSEs, respectively, and to increase TVET intake capacity to 1,127,330 by 2014/15 (MoFED, 2014).

GTP-II was formulated based on the achievements and challenges of the GTP-I by the Ministry of Planning and Development (the then National Planning Commission). The plan assumes opportunities for youth primarily in the manufacturing sector through SMEs and included a plan to provide all round support to educated youth to enable them organize and engage in agriculture. The activities identified were to: engage in the production of inputs for agro-processing industries and for the export market through provision of land, including rehabilitated mountains, machinery leases at affordable prices, capacity building trainings, inputs and appropriate market infrastructure; create market linkage between small and medium investors with educated youth agricultural investors and large investors; raise the total number of job opportunities created by the manufacturing sector to 1.5 million, and make women and youth to be the main beneficiaries. By the end of the period, the plan envisaged the following:

- engaging 7.43 million youth in MSEs,
- increasing the rate of youth participation in MSEs from 59% in 2015 to 90%;
- providing 10.98 billion ETB loan service to 2.19 million youth;
- creating market linkages for 2 million youth;
- engaging 4.32 million youth in agriculture and 3.64 million youth in non- agricultural activities;
- training 6,0431,42 youth in entrepreneurship and business management skills;
- benefitting 12,328,893 youth from urban MSEs;
- creating 2,250,000 job opportunities for youth through cooperatives
- benefitting 3,417,038 youth from credit services, and further
- benefitting 16,739,040 youth from youth centers (NPC,2018).

The plan also targeted to reach the number of institutions that institutionalize youth affairs in their

structures to 15 in the country by 2019/20 (MoFED, 2018).

#### EVALUATION RESULTS:

Reports from the National Plan Commission (2018) and the Ministry of Labour and Social Affairs (2021) indicate that GTP I & II have been effective in enhancing youth employment through micro- and small enterprises, particularly in construction and tourism. Enrolment in technical and vocational education and training have increased, especially during the GTP II period, and the programmes have been successful in reaching youth and women. The authors therefore recommend that similar programmes should be designed in the future.

#### e) Urban Productive Safety Net and Job Creation Program(UPSNIJCP)

- Economy-wide employment policies

The UPSNP was initiated under the national Social Protection Policy which was adopted in 2016. To implement the program a Federal Urban Job Creation and Food Security Agency was established under the Ministry of Urban Development and Housing by the Council of Ministers, Regulation No.374/2016 (FDRE, 2016). The objective of the program and the agency was to improve the livelihood of citizens under poverty line and who are able to work but unemployed; to coordinate institutions working on issues related to the MSEs; to assist and promote MSEs engaged in urban agriculture, construction, trade and services sectors (excluding manufacturing sector). The support package assumes the enterprises can be productive, resilient and competitive enough to create employment opportunities for the urban workforce with fair representation of youth and women. The program document indicates 50% of the participants to be women (including female youth). It also underlines the need to include youth/youth representative in the beneficiary selection process.

#### EVALUATION RESULTS:

The UPSNIJCP has created jobs for youth and market linkages and opportunities. However, for the programme to be more effective, important gaps must be addressed in implementation, which the authors found has been compromised by poor monitoring and evaluation, lack of implementation strategies, and poor coordination among institutions.

#### f) Youth Revolving Fund (YRF 2017)

- Programs to promote entrepreneurship

The YRF was adopted in 2017 with the objective of assisting the youth to employ their capabilities in creating job opportunities. The fund was established with capital of 10 billion ETB and was assumed to serve as permanent source of finance for the furtherance of the objectives of the fund (FDRE,2017). The Revolving Fund's Proclamation, No. 995/2017, states the money shall be transferred to beneficiaries on a loan basis for implementing projects (capital goods and operating costs) proposed by youth beneficiaries and approved by government institutions mainly the Commercial Bank and Microfinance institutions.

#### EVALUATION RESULTS:

The YRF is considered a first of its kind in this category of intervention because it does not require collateral, thus making it easier for beneficiaries to have access to financing compared to loan services from formal

financial institutions. As it currently stands, however, the YRF has a bad reputation. Again, the authors consider that the Fund could serve as sustainable source of finance to youth if the government would address the gaps pertaining to:

- its monitoring and evaluation systems;
- institutionalization of the fund with long sighted clear target and purpose;
- the modalities of loan processing and repayment;
- the selection of beneficiaries;
- youth's awareness on obligations and commitments associated with the fund; and
- skills of the beneficiaries in turning ideas in to viable business ventures.

**Table A.1: Types of youth employment interventions across clusters**

Policies/Programs		Vulnerable Youth Groups Intended	Vulnerable Youth Groups Actually Benefited	Challenges Addressed	Target Youth Groups	Funders	Intended Beneficiaries (Number)	Actual Beneficiaries (Number)	Budget Planned	Budget Executed
<b>Programs to enhance youth employability</b>	SDPRP/TVET (2002-2005)	Women, PWDs	31% are women	Supply/ Skills gap	All (Grade 10)	International Monetary Fund; World Bank	67,674	2.4ETB	N/A	N/A
	PASDEP/TVET (2005-2010)	Women, PWDs	50% are women	Supply/ Skills gap	All (Grade 10)	Government	611,267	3billion ETB	N/A	N/A
	GTP I & II/TVET (2010-2015)	Women, PWDs	-	Supply/ Skills gap	18-35	Government	1,127,330	596,455	4.6billion ETB	N/A
	GTP II/TVET (2015-2020)	Women, PWDs	-	Supply/ Skills gap	18-35	Government	1,470,663	2.2million	65.3 billion ETB	
	YDP/internship/ Apprenticeship (2006;2017)	Women, PWDS	-	Supply/ Skill gap	University + TVET students	Government	N/A	N/A	N/A	N/A
	GTP II/ entrepreneurial trainings	-	-	Supply	All	Government	6,043,142	2,245,452	N/A	N/A
<b>Programs to promote entrepreneurship</b>	SDPRP/MSMEs (2002-2005)	Women, PWDs	31% are Women	Supply; Demand	All (18-64 with 50+ youth)	International Monetary Fund; World Bank	1.5million	1.5million	N/A	N/A
	Youth Revolving Fund(2017)	-	-	Supply	All(18 -34)	Government	N/A	224,297	10 billion birr	9.01billion birr
	PASDEP /MSMEs (2005-2006-2009-2010)	Women, PWDs, IDPs and Refugees	50% are women	Supply; Demand	All (18-64; 50+ youth)	Government	200,000	542,000	N/A	N/A
	GTP I & II (MSMEs) (2010-2020)	Women, PWDs	44% are women	Demand; Supply	All (18-64; 50+ youth)	Government	740,000+ 7.43 million	5.5 million + 5,044,409	N/A	N/A
	GTP II/Loan Services	-	-	Supply	All (18-35)	Government	2.19 million	4.3million	10.98 billion ETB	N/A
	GTP II/Market linkage	-	-	Supply; Demand	All (18-35)	Government	2 million	N/A	N/A	N/A
<b>Policies to protect youth rights</b>	National Youth Policy (2004)	Women, Persons with Disabilities, youth with HIV/AIDS	-	Legal and institution; Supply; Demand	All (15-29)	Government	N/A	N/A	N/A	N/A
	Youth Development	Women; Persons	-	Supply;	All (15-29)	Government	N/A	N/A	11.4million	N/A

	Package (youth centers) (2006; 2017)	with Disabilities		demand						
<b>Economy wide employment policies</b>	National Employment Policy and Strategy (2009)	Women, Persons with Disabilities	35 % are women	Supply; Demand; Labor Market institutions	All	Government	N/A	2,050,668	N/A	N/A
	Urban Productive Safety Net and Job-Creation Program (2016 -2020)	Women, Persons with Disabilities	39.34% are women	Supply; Demand	Urban (11 major cities)	World Bank, Government	717,114	31, 637	\$450 million	38.3billion ETB
<b>Other employment / labour market programs</b>	Agricultural Growth Program (2011-2021)	Women	50+ women	Supply; Demand	All (Rural)	Government	N/A	36,342	N/A	N/A
<b>Policies addressing vulnerable groups</b>	National Plan of Action of Persons with Disabilities (2010)	Persons with Disabilities, Women with disabilities		Demand/ Inclusive	All	Government	N/A	N/A	N/A	N/A
	Refugees Proclamation No. 1110/2019	Refugees	N/A	Demand/ Inclusive	All	Government	N/A	N/A	N/A	N/A
<b>Occupational safety and Health Policy</b>	Occupational Safety and Health Directive (2008; 2014) and Labor Proclamation 1156/2019	Women, Persons with Disabilities	N/A	Demand/ Work safety	All	Government	N/A	N/A	N/A	N/A

Source: Authors compilation from various sources  
NA refers to not applicable