
Programme: Private Sector Development and TVET in South Caucasus (PSDTVET SC)

PN: 16.2179.6-002.00

AV: Katja-Anne Kammerer

DV: Wilhelm Hugo

Activity: Preparation of the cooperation project between VWFA Wineries and Vayots Dzor College for improvement of wine quality and capacity building of personal

Period: 20.08. - 30.09.2018

1. Brief information about the programme

The Private Sector Development and Technical Vocational Education and Training programme which has been developed jointly with the Public partners and private sector in the South Caucasus Countries, aims at promoting the private sector development with a high attention to employment impacts and a close integration of vocational education and training.

Due to the small domestic markets with limited purchasing power, the South Caucasus Countries have focused so far on expanding foreign trade to promote economic development. The export-dedicated strategy achieved only limited success in improving the employment situation and living conditions. Employment growth in sectors that afford the greatest potential for *pro-poor growth* and employment promotion in comparable economies and also in South Caucasus, such as tourism and agricultural, cannot be sustained, because businesses lack well-trained skilled labour.

The core challenge consists thus in the difficult framework conditions for sustainable economic development in the sectors relevant for employment. The capacities available are not yet sufficient to generate the envisaged employment and growth momentum.

Therefore, the programme **module objective** is: The conditions for sustainable economic development have improved in selected sectors relevant for employment.

The programme will adopt the integrated approach of German development cooperation in employment promotion. It will address both the supply and demand side of the labour market to lay a better foundation for employment. Development assistance will focus primarily on involving the private sector in vocational training.

To do this, the programme will operate in three intervention fields:

Intervention field 1 will aim to strengthen capacities for improving competitiveness in the sectors relevant for employment.

In **intervention field 2**, private and public actors will cooperate to improve the labour-market relevance of selected training courses for these sectors.

Intervention field 3 will seek to strengthen the regional and international exchange of experience in sustainable private sector development and dual-oriented vocational training.

Improving the promotion of economic development will contribute to raising demand for labour. At the same time, supporting vocational training and qualification will increase the supply of qualified labour, i.e. trainees that have successfully completed initial and continuing education and training will be better prepared to cope with the requirements and their tasks in enterprises. In the medium and long term, this will make a contribution to reducing structural unemployment and underemployment and to social and sustainable economic development.

The programme is scheduled for a term of 3 years (from April 2017 to March 2020).

2. Context and current situation in the field of assignment

Driven by the imperative to increase economic competitiveness and ensure sustainable economic growth, the RA Government has initiated the development and implementation of an active industrial policy since March 2011.

As a result, the RA Government developed “The Strategy on Export-Led Industrial Policy”, which was adopted by the Government on December 15, 2011. According to the adopted Policy, Wine Sector is considered by the Government of Armenia as one of priority areas for which the Government elaborated “Wine Sector Strategy and Action Plan” with support of GIZ.

Over the past 7 years, the wine industry in Armenia has seen impressive growth. Since 2007 large investments have been made in the winemaking sector, especially for purchasing progressive technologies and modernisation of production processes. However, there are still many companies, which use old equipment and technologies from soviet time. There are quite a few challenges in viticulture and wine production in these companies, and inconsistent wine quality is one of the critical ones, which in turn creates problems in accessing internal and export markets. To ensure both their place and growth in local and export markets, new technical knowledge on proper wine processing through trainings and practical demonstration is required.

Conditions of the assignment

3.1 Objective and tasks

The goal of the project is to assess the potential for improvement of the wine quality by 8 middle- size wine producers in different regions and in the Vayots Dzor College. Based on the results of the assessment, a cooperation project between Vine and Wine Foundation of Armenia (VWFA) selected wine companies and Vayots Dzor

College will be established. The cooperation project will include introduction of new technologies through trainings and practical demonstration and improvement of technical knowledge on proper wine processing.

3.2 Deliverables and resources

Tasks – Deliverables	Timeline	Expert days
Comprehensive assessment of the situation in the companies, and in Vayots Dzor College- condition of the equipment, hygiene and processes.	August-September 2018	12
Interview with the management of the company, with the winemaker and with the teacher of college . Sensory evaluation of the wines	August-September 2018	4
Recommendations for each company and for the college in English language. Discussion on results and defining the scope of the cooperation project.	September 2018	16

3.3 Conditions and payment terms

The activities should be realized in 1.5 months.
 The total number of expert days is 32.
 The travel costs in Armenia will be covered by GIZ.

There will be one final payment after the completion of the activity.

3.4 Submission Requirements

The offer needs to include:

1. Short description of the activity
2. Budget
3. CV
4. The local or resident expert should have at least 5 years working experience in wineries outside of Armenia