Summary Notes on Impact Evaluations in the Active Labor Market/Youth Employment Programs Cluster Supported by SIEF

HDNSP, World Bank

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1 This note is authored by Silvia Muzi and collects the information available at December 10, 2010 on the current status of the ongoing impact evaluations in the HDNSP portfolio and financed by the SIEF/BNPP Trust Funds. The note was made possible thanks to the contributions of the regional teams.
The Impact Evaluations of Active Labor Market and Youth Employment Programs in the HDNSP Cluster

Particularly in the aftermath of the financial crisis, joblessness and underemployment are among the most challenging economic and social problems policymakers face in developing countries. Policymakers throughout the world struggle to find effective programs that increase employability and earnings of individuals, particularly youth, as well as the quality of jobs offered. As disincentives from social transfers (including unemployment insurance) have become better understood, active labor market programs and youth employment programs (ALMP/YE) have raised attention as an attractive, and often complementary option.

ALMPs include a wide range of interventions, intended to foster the quality of labor supply (e.g., training programs), increase labor demand (e.g., public works and wage subsidies), or improve the matching of individuals and jobs (e.g., job search assistance, employment agencies). They usually target specific sets of disadvantaged individuals that range from the unemployed and unskilled adults, to women or first time job seekers. Although there have been many investments in ALMPs and youth employment programs, little evidence still exists on the effectiveness of these programs in fostering a sustainable integration in the labor market in a cost effective manner.

During the past years, the World Bank has prioritized the systematic creation of evidence-based knowledge as key ingredient for improving the design and implementation of policies. Impact evaluations are increasingly being used to generate this evidence base. Within this context, the Bank has produced and/or supported several impact evaluations in the field of ALMP/YE programs. A significant part of these evaluations have been supported directly, through technical and/or financial assistance, through HDNSP. Financial support has been gratefully acknowledged from the Bank-Netherlands Partnership Program (BNPP), the Spanish Impact Evaluation Fund (SIEF) or the Gender Action Plan (GAP). These evaluations cover a wide range of programs, including:

- **Training.** These programs primarily aim to increase the skills of the labor force and align these skills with the needs of the private sector. Training interventions are quite heterogeneous in their content (technical, cognitive, non-cognitive, or life skills) and/or implementation (classroom or on-the-job trainings). They can be targeted to the adult unemployed (e.g. Turkey ISKUR trainings), or to specific sub-groups of the population, like disadvantaged youth (Dominican Republic Juventud y Empleo, Malawi TVST OVAY, Uganda NUSAF), or adolescent girls (Liberia EPAG). Most of these programs complement the training with additional interventions (so-called training-plus programs) such as tool-kits and startup capital for enterprise development, job counseling, or mentoring.
• **Entrepreneurship and microenterprise development.** These programs provide training and/or financial and advisory support for start up of entrepreneurial activities. These interventions can be part of broader interventions (e.g. Malawi HIV Program and Uganda NUSAf) or be targeted to specific disadvantaged groups (e.g. Liberia AGI). They can also be targeted to the more skilled groups like the entrepreneurship training among university graduate students (e.g. Tunisia Entrepreneurship Graduate Reform).

• **Public Works.** These programs aim to mitigate the effects of a low demand for labor, following idiosyncratic or covariate shocks which affect the entire population or sub-groups of the population (like the poorest and more vulnerable). Public works are designed to help people gaining access to temporary employment (e.g. NREG India) but they could also act as a bridge to more permanent employment, particularly if they include training components which encourage workers to acquire the skills needed for wage employment or to become self-employed.

• **Wage subsidies.** Wage subsidies’ aim is to foster the demand for labor. They also act as sorting mechanism as well as a way of providing on-the-job training. Wage subsidies might be used to increase youth wage employment (e.g. South Africa), or as a tool to support entrepreneurship.

• **Employment Services and job search assistance.** Employment services and search assistance aim at addressing core constraints to the job-search process and thus enhancing its effectiveness. They can be provided by public institutions or private placement agencies.

This note summarizes key information on project and evaluation of all the impact evaluations currently being supported through the SIEF cluster on active labor market and youth programs at HDNSP. A brief overview of the program and of the evaluation is presented. The document reports the status of all the evaluations as of November 2010.
# DOMINICAN REPUBLIC

## SUMMARY INFORMATION

**COUNTRY:** Dominican Republic

**IE NAME:** Programa Juventud y Empleo (PJE)

**IE TEAM:** Cornelia Tesliuc (TTL, World Bank), Juan Martin Moreno (World Bank), Sebastian Martinez (IADB), Paloma Acevedo (World Bank), Carlos Andres Asenjo (World Bank). Advisor: Paul Gertler (Berkley University), Juan Munoz (World Bank). Counterparts in the DR: José Luis Polanco (Secretaria de Trabajo, Dominican Republic), Brígida García (Secretaria de Trabajo, Dominican Republic), Douglas Hasbún (Secretaria de Trabajo, Dominican Republic), Isabel Taveras (INFOTEP, Dominican Republic).

**ALMP CATEGORY:** Training

## OVERVIEW OF THE PROGRAM

**PROGRAM NAME:** Programa Juventud y Empleo

**PROGRAM TTL:** Cornelia Tesliuc (World Bank)

**INSTITUTION(S) INVOLVED:** The program is implemented by the Secretaria de Estado de Trabajo (SET) in collaboration with the Instituto Público de Formación Técnico Profesional (INFOTEP).

**GEOGRAPHICAL COVERAGE:** Initially Urban areas throughout the whole country. In 2009, the program was expanded to rural areas (additional 100 courses).

**TARGET POPULATION:** Unemployed, sub-employed or inactive youth 16-29 years old; not complete secondary school; from the poorest 40% of household and living in areas classified as Priority I and II according to the official poverty map (based on the wealth index of the Beneficiary Identification System for social programs -SIUBEN)

**COST:** Not available

**BACKGROUND:** The program was built based on the experience of the Programa de Modernización y Capacitación Laboral (Program of Modernization and Job Training) implemented between 2001 and 2005 by the government of the Dominican Republic. It also benefited from the experience of similar programs implemented in other Latin American countries such as Chile (Chile Joven), Colombia (Jóvenes en Acción), and Perú (ProJoven). The 2001-2005 program featured several weeks of classroom instruction followed by an internship in private sector firms. The evaluation of the impact of this program (Card et al. 2007) found no evidence of a significant impact on the subsequent employability of trainee. Results from the impact evaluation fed back into policy and led to strengthen private sector involvement in the provision of training, inclusion of a new life skills module in the training content, strengthen supervision by the training institutes during the internship of the trainees.

**OBJECTIVES:** Improve employability of at-risk youth by building their work experience and life-skills. In particular, the project aims to (1) support youth in the poorest regions (Priority I and II based on the official poverty map); (2) provide technical skills and increase youth awareness of safety in the workplace and environmental protection; (3) provide basic life skills to improve personal life skills and reduce risky behaviors (4) promote self-employment and entrepreneurship.
ACTIVITIES: The program is a combination of (i) classroom vocational and life-skills training and (ii) private-sector apprenticeships implemented both in urban and rural areas.

Training. The classroom module is composed of two phases: (a) basic life skills (Modulo de Destrezas Básicas), which strengthens life skills and other non-cognitive skills (e.g., self-esteem, conflict resolution and communication skills) (75 hours); (b) vocational training (Modulo de capacitación técnica teórico-práctica) to promote specific technical skills (150 hours). Local employers are involved in determining the content of the vocational training. Youth receive a daily stipend (US$2/day to cover transportation cost). Each course includes 35 eligible applicants. The number of courses provided is: 200 in 2008; 400 in 2009; 400 in 2010; 400 in 2011. Training courses are provided by private training institutions at the local level (Centros Operativos del Sistema). The courses in rural areas included a specific focus on self-employment and entrepreneurship.

Apprenticeship. Apprenticeship in private firms (240 hours), preferably those that require personal and are willing to participate in the training of young people. The internship takes place over a period of 240 hours (6 hours per day during 8 weeks).

During this phase, the program also offers job counseling. The service is provided by the personnel involved in the classroom module for a total of 32 hours (4 hours per week during 8 weeks) with the aim to support youth in the integration in the enterprise and advice on technical aspects.

TIMELINE: Between 2008 and 2011

IMPACT EVALUATION

RESEARCH QUESTIONS: The overall objective of the impact evaluation is to estimate the causal impact of participation in PJE on employment outcomes (employment, wages, quality of employment), risk behavior, psychosocial well-being, standards and conduct of life and other basic skills of vulnerable groups with little work experience. Research questions are:

- What is the impact of vocational training AND life skills on the outcomes of interest?
- Is the life-skills module alone a cost-effective way to improve employment and life outcomes?

OUTCOME INDICATORS: (1) Employment and earnings; (2) Quality of employment as proxied by employment rate at 20 months after training, hours worked, health insurance, social security, formal contract, duration, employment history after graduation: movement in and out of employment; (3) Risky behaviors (sexual activity and incidence of STD, alcohol use/abuse, substance abuse, including tobacco, Nutrition, Exercise/Fitness, Crime and violence); (4) Non-cognitive skills (e.g., Respect, Decision making capacity/ability to solve problems, Critical thinking capacity, Creative thinking capacity, Responsibility, Emotions control, Communication, Conflict resolution, Self-esteem, Cooperation, Empathy)

EVALUATION METHOD: Randomized design based on over-subscription

EVALUATION DESIGN: The sampling universe is 650 courses covering 13,000 beneficiaries, out of which 212 were carried out in 2008 and 398 in 2009. Thirty-five eligible applicants were selected for each course. Eligible applicants were, then, randomly assigned to two different treatment arms: Treatment 1 (20 individuals) receiving life basic skills module, technical module, internship, daily stipend; Treatment 2 (5 individuals) beneficiaries of life basic skills module, internship, daily stipend. The control group is composed of 5 individuals in each of the courses. In addition 5 individuals were assigned to the waiting list for Group1 and Group2. A sample of 3 youth per each group was, then, randomly selected to be interviewed. The total number of youth receiving training in the sample is 3,120 (1,560 in treatment 1 and 1,560 in Treatment 2) whilst the control group includes 1,560 individuals.
TIMELINE OF THE IE:

<table>
<thead>
<tr>
<th></th>
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<th>Follow up data collection</th>
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<tbody>
<tr>
<td>Intervention Implementation</td>
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<td>Oct 09 (I Cohort) Feb 10 (II Cohort)</td>
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NOTE (if any): Longitudinal surveys (10-15 minutes) were carried out in order to update contact information (and, therefore, minimize attrition) and to collect basic data on very short term impact on labor market outcomes, demographic and risky behavior. The interview was carried out with Computer Assisted Telephone Interview (CATI): attempt of 3 phone contacts with each available number ($3 incentive was charged to phone if the individual was located by the third interview). If not located by phone, individual is placed in “face to face” sample and tracked in person. The sample for the CATI interview was 4,700 individuals out of which 82.6% completed the CATI interview; 10% of total sample (470 individuals) was interviewed face-to-face. The first longitudinal tracking was able to update re-contact information on 87% of the sample. The longitudinal survey allowed to measure the following very short term impacts: positive impact of the program on actively searching for job (for T1 and T2); participation in the life skills module only (T2) is associated with a decrease of domestic work as a reason for not looking for a job and a decrease in the hourly wage earned (conditional to employment). On the behavior, individuals in T1 and T2 are more likely to expect improvement in their employment conditions and quality of life within a year from the moment of the interview.

COMMENTS FROM THE FIELD WORK (if any):

BASELINE RESULTS: The baseline data were collected on a rolling basis at enrollment. Instrument for data collection is the application form. Preliminary results from the analysis of the baseline data show a balance across the 3 groups (treatment 1, treatment 2 and control) in term of basic characteristics, such as age, gender, marital status, school enrollment.

MAIN IE FINDINGS: Results from the intervention should be available by November 2011.
INDIA

SUMMARY INFORMATION

COUNTRY: India

IE NAME: Bihar Rural Employment Guarantee (NREG) Evaluation

IE TEAM: Rinku Murgai (TTL World Bank), Puja Dutta (IE TTL World Bank), Dominique Van de Walle (World Bank), Martin Ravallion (World Bank).

ALMP CATEGORY: Public Works

OVERVIEW OF THE PROGRAM

PROGRAM NAME: National Rural Employment Guarantee (NREG)

PROGRAM TTL: Not applicable

INSTITUTION(S) INVOLVED: Department of Rural Development (Government of Bihar, India), Sunai Consultancy, GfK Mode, Praxis

GEOGRAPICAL COVERAGE: Initially NREG had a phase roll out starting with the 200 most backward districts. The program was gradually extended nationwide. NREG was introduced simultaneously in all districts of Bihar.

TARGET POPULATION: Rural households that demand work in NREG

COST: 0.5% of GDP

BACKGROUND: India’s NREG program is a public work program, probably the largest anti-poverty policy in the world. NREG has several features that make it distinct from previous workfare programs in India: (i) a rights-based approach which guarantees employment; (ii) a program wage that is equal to the state level statutory minimum wage; (iii) a key role for local governments and communities in program implementation and monitoring; (iv) emphasis on accountability of public service delivery system including through innovations such as social audit, (v) design features aiming to ensure gender equity in participation.

OBJECTIVES: Employment generation and risk insurance. Secondary objectives are: asset creation and strengthening grassroots of democratic processes.

ACTIVITIES: The NREG guarantees 100 days of unskilled manual work to all rural households on demand at the state minimum wage (daily or piece rate depending on the State). The payment of an unemployment allowance is stipulated in cases where the state fails to provide work for households within 15 days of request. Types of works eligible have a heavy focus on water/irrigation activities, as well as connectivity. Machines & contractors are not allowed. The financing is shared between central and state administration. Center pays for: (a) wage costs; (b) 75% of material costs; (c) administrative costs (subject to a maximum limit). States pay for: (a) 25% of material costs; (b) other administrative costs; (c) unemployment allowance. Wages are paid weekly through post office account.

Preliminary results based on the baseline survey showed low participation, a large unmet demand and low awareness about the program among households in Bihar. Women were also much less aware than men. A pilot
demand side intervention was, therefore, designed to increase awareness and improve participation, particularly of the poorest households. The awareness campaign included screening of a movie on program rights and entitlements; Q&A). It was carried out in 40 randomly selected villages out of the 110 baseline villages.

**TIMELINE:** The program was introduced in February 2006 in 200 most backward districts. It was expanded to additional 130 districts in 2007 and now covers all 600+ districts nationwide.

**IMPACT EVALUATION**

**RESEARCH QUESTIONS:** The study focuses on Bihar state. Bihar is one of the poorest states of India. Yet NREG participation in Bihar (NREG) is one of the lowest in India. The impact evaluation addresses the following research questions:

- Is awareness improved as a result of the intervention and how does this differ between men and women?
- What is the source of unfulfilled demand for work? Does it come from a lack of knowledge or understanding of the scheme’s goals on the part of poor workers, or does it come from the administrative process?
- Does greater “awareness” alter the behavior of households?
- What role does awareness and information play in explaining the level of participation in the scheme in Bihar?
- Does greater “awareness” empower workers to demand their rights under the scheme?
- Does greater awareness on the part of potential beneficiaries reduce corruption on the part of administrators of the scheme and generally improve accountability?
- How do impacts vary by gender?

In addition, survey results will be used to assess the performance of NREG in the field, in relation to individual perceptions and program guidelines. It will also be used to provide feedback to Government of Bihar on institutional constraints and bottlenecks.

**OUTCOME INDICATORS:** Households’ and individual male and female members’ awareness of key entitlements, rules and the scheme’s procedures. Participation in the scheme by rural households who want work. Opening of worksites and provision of employment. Use of contractors and payment levels.

**EVALUATION METHOD:** Randomized design

**EVALUATION DESIGN:** This study is based on two rounds of a panel survey administered at different levels including individuals, households, village, gram panchayat and block. The first round of data was collected from a random sample of 3000 households spread across 150 villages in Bihar in April-June 2009. The second round of the survey has been administered to the same set of villages and households between May-July 2010. Individual questionnaires were administered to one male and one female from each household (5,200 adult individuals).

**Sampling:** Given the wide variation in coverage, and overall low coverage of the program, two strata of districts were created in order to improve our chances of picking up BREG program participants: 25% (10) districts with highest coverage, and the remaining 75%. Half the sample villages (75 villages) were drawn from the high coverage stratum, and 75 villages from the remaining set of districts, each with probability proportional to size. A listing schedule was applied to all households in the selected villages and some basic information collected to form three strata:

- ST1 Yes to public works employment in last year
- ST2 No to public works employment in last year + Yes to other (non-public works) casual work
- ST3 All the rest
20 households were selected from all the households in the listings using the following rule (where applicable/available): 7 households from ST1, 7 from ST2 and 6 from ST3. From within each household, 2 individuals (1 male and 1 female) were selected to whom the individual questionnaire was administered. Priority was given to individuals who had done public works. Specifically: for households from ST2 or ST3 (no public works participants), the household questionnaire was administered to a (ideally male) main respondent, and the relevant individual questionnaire to the same person. An adult respondent of the opposite gender was also selected by simple random sampling from among eligible household members for the other individual questionnaire. For ST1 households (at least one public works participant), the household questionnaire was administered to a (ideally male) main respondent, and the individual questionnaire to the same person if s/he has participated in public works. If the main respondent has not done public works, a household member who has was administered the individual questionnaire and similarly for the opposite gender. If no one of a particular gender has done public works, we selected randomly from the household roster.

**TIMELINE OF THE IE:**

<table>
<thead>
<tr>
<th>Intervention Implementation</th>
<th>Baseline data collection</th>
<th>Baseline Report</th>
<th>Awareness pilot</th>
<th>Follow up data collection</th>
<th>Follow up Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apr/July 2009</td>
<td>January 2011</td>
<td>May/July 2010</td>
<td>March 2011</td>
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<td>Dec 2009/Jan 2011</td>
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**NOTE (if any):** The team is exploring the possibility of working with the Bihar government to implement a supply side intervention and conduct a third round survey to evaluate impacts. However, elections in October complicate the timing and planning for such an intervention. At this time, this option thus remains exploratory.

**COMMENTS FROM THE FIELD WORK:**

**BASELINE RESULTS:** Individuals interviewed in the baseline are divided into three groups: 1) Participants in NREG; 2) Non-participants (those who say they would like to work on NREG but did not obtain work); 3) Rest (those who do not want to participate). Preliminary results from the baseline survey shows that 24% of households worked in NREG, 41% of households wanted NREG work but did not participate, and 35% of the households did not want to participate in the program. At the individual level, 15% of adults worked in NREG (26% of men and 6% of women) and 90% of participants wanted more work. Women who want NREG work are less likely to get it than men (17% of female demanders actually participated and 39% of male demanders actually participated). Targeting of demand for NREG is good when compared to non-participants: participants are more likely to be lowest caste, landless, casual laborers, illiterate or poorly educated, poor housing conditions etc. But in many respects the non-participating demanders are essentially no worse off than participants. NREG awareness seems generally low (less so for participants) and awareness is very low for women.

**MAIN IE FINDINGS:** Results from the intervention should be available by March 2011.
# LIBERIA

## SUMMARY INFORMATION

| COUNTRY: | Liberia |
| IE NAME: | Impact Evaluation of the Economic Empowerment of Adolescent Girls (EPAG) project |
| IE TEAM: | Mattias Lundberg (TTL, World Bank), Shubha Chakravarty (World Bank). Partners from the Liberia Ministry of Gender and Development: Ms. Eve Lotter (Project Coordinator) and Mr. Dala Korkoyah (M&E Officer) |
| ALMP CATEGORY: | Training; Entrepreneurship and microenterprises development |

## OVERVIEW OF THE PROGRAM

| PROGRAM NAME: | Economic Empowerment of Adolescent Girls (EPAG) project |
| PROGRAM TTL: | Rui Benfica (World Bank) |
| INSTITUTION(S) INVOLVED: | Government of the Republic of Liberia (Ministry of Gender and Development) |
| GEOGRAPHICAL COVERAGE: | Nine communities in Greater Monrovia and Margibi County. |
| TARGET POPULATION: | Adolescent girls and young women aged 16-27 (18-27 for the business development component), with a basic level of functional literacy; not enrolled in school within the 12 months prior to the enrollment in EPAG; resident in the community of project implementation. |
| COST: | approximately USD $4.6 millions |
| BACKGROUND: | The EPAG project is part of a larger Bank-led Adolescent Girls Initiative (AGI), a pilot project in five low-income and post-conflict countries (Afghanistan, Liberia, Nepal, Rwanda, and South Sudan) to promote the transition of adolescent girls and young women from school to productive employment. |

## OBJECTIVES

To increase employment, incomes and well-being of adolescent girls and young women. It seeks to develop the capacity of young women to: i) take advantage of opportunities for entrepreneurial activities in the small-scale private sector, ii) meet the demand for skilled or semi-skilled labor from public- or private-sector firms. It also aims to contribute to the improvement of non-labor outcomes, such as the incidence of victimization and violence, and risky behavior which may be manifest, for example, in the incidence of sexually transmitted infections or unwanted pregnancies.

## ACTIVITIES

The project provides six months of training and six months of follow-up activities with two different curricula: 1) Skills training for wage employment, combined with job placement assistance; 2) Business development skills combined with links to microfinance. Mentorship is also provided to all beneficiaries starting from the 3rd month of training.

Training includes technical skills, professional and behavioural skills (non-cognitive skills) and life skills to address girls’ social vulnerability.

The training is market driven and training providers are hired under performance-based contracts.
TIMELINE: Three year pilot project started in September 2009

IMPACT EVALUATION

RESEARCH QUESTIONS: The impact evaluation measures the impact of participation in the program on beneficiaries labor market and non-labor market outcomes. Research questions are:

- Does the intervention improve beneficiaries’ labor market outcomes (i.e. employability, earnings and quality of job)?
- What is the impact of the intervention on investment, savings, borrowing, and lending?
- What is the impact of the program on a wide range of socioeconomic behaviors and outcomes, such as marriage and fertility, time use, experience of gender-based and other violence, and attitudes toward risk?
- Does the program promote the empowerment of participants, as measured by proxies such as physical mobility, aspirations for the future, and control over household resources?
- How do the program impacts vary according to the demographic and personal characteristics of the participants?

OUTCOME INDICATORS: (1) Employment (wage employment and entrepreneurship) and earnings; (2) Financial capabilities (investment, savings, borrowing); (3) Health and risk behavior (e.g., pregnancy, incidence of self-reported sexually transmitted infection); (4) Empowerment (e.g. physical mobility, aspirations for the future, control over household resources)

EVALUATION METHOD: Randomized pipeline

EVALUATION DESIGN: Eligible participants choose to apply for either the job skills for wage employment curriculum (JS) or business development curriculum (BDS). The proportion of the sample is 35/65. Allocation of available places is determined by participants’ choice. However, given an excess of demand for the JS option and a lack of demand for the BDS option, some girls were randomly assigned to the latter based on the following criteria: 1) previous experience in business or trading, 2) random assignment.

The total sample for the IE is 2,107 girls (all eligible). After the baseline survey, 1,273 participants are randomly assigned to the treatment group (receiving training during the Round I of the project in 2010) and 843 to the control group (receiving training during the Round II of the project in 2011). The control group is defined as those who are assigned into the program but get the training in Round II. The follow up survey is conducted at the end of each round. Qualitative exit polls are conducted to collect information on the participants’ views of their training, content, pedagogy, and trainers (focus groups).

This study consists of two types of questionnaires: (1) Adolescent Questionnaire (answered by the adolescent girl) (2) Household questionnaire (answered by the head of household if different). Each respondent is interviewed at her home. Psychological games among participants are also included to examine group dynamic, leadership, and trust

TIMELINE OF THE IE:

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<th>Intervention Implementation</th>
<th>Baseline data collection</th>
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<th>Training Round I</th>
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<th>Training Round II</th>
<th>Follow up data collection Round II</th>
<th>Follow up Report Round II</th>
</tr>
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</table>

Intervention Implementation: Jan/Sept 2009 December 2010
BASELINE RESULTS: Households. All analysis of variance tests showed no difference between treatment and control group which are established as being drawn from the same population with similar underlying characteristics. The average household size was consistent with urban areas (around 4.9 persons), whilst the rate of literacy among household members aged 5 to 30 was found to be higher compared to the national level. Around 40% of households were headed by females. Three-quarters of household members could read and write English compared to around 56% estimated at the national level (which include both urban and rural areas). Well over half (53.6%) of household members between the ages of 13 and 30 were not engaged in any kind of income generating activity in the two weeks prior to the survey. A slight variation (3.1 pp) was found between treatment and control group in term of share of people mentioning begging as the main income generating activity (11.8% in the treatment group and 8.7% in the control group). Slightly over half of the household heads (50.3%) believed that the suitable minimum age of marriage for males should be 30 years, while as regards females, almost three-quarters of household heads believed that the suitable age of marriage for females should be between 18 and 25. Almost three-quarters (72.8%) of household heads and their spouses did not have savings at the time of the survey. Adolescent and young women. Forty-three percent of the girls surveyed were over the international standard age range for adolescence -10 to 24 years. The majority (46.6%) was between ages 20 and 24, while nearly 10% was below the age of 20. The vast majority (93.6%) of respondents had never been married, though close to a third of this number were co-habiting with their partners. Slightly more than a quarter have gone beyond secondary school, only 2% had any kind of vocational training/skills, making access to job and income extremely difficult; around 62% were not engaged in any income generation activities at the time of the survey. For those generating income, they were engaged mainly in activities with relative ease of entry and requiring very little or no formal learning experience. Reported earnings were low but the vast majority of respondents were found to exercise some level of control over the use of the income they received from their work. In both treatment and control groups, only a third (34.5%) had savings, with over three-fourths of the savings kept with susu clubs (around 60% of savings comes from income earning activities and 18% comes from caregivers/parents). On the sexual behavior, 98% of the respondents had had sex, with the mean age at first sex of 17 years for both treatment and control groups. Of respondents who were sexually active, 94% of them had a regular partner. Contraceptive use was generally low among the respondents. Only around 40% had ever used contraceptive before. The experience of transactional sex was significant: close to 40% of the respondents indicated that they had had sex in exchange for something.

MAIN FINDINGS: Results from the intervention should be available by end 2011 (first round) and end 2012 (second round).
## MALAWI

### SUMMARY INFORMATION

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<th>Malawi</th>
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<td><strong>IE NAME:</strong></td>
<td>Impact evaluation of TVST (Technical and Vocational Skills Training) for OVAY (Orphaned, Vulnerable and Affected Youth)</td>
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<tr>
<td><strong>IE TEAM:</strong></td>
<td>Sangeeta Raja (TTL, World Bank), Yoonyoung Cho (World Bank), Victor Orozco (World Bank), Rachel Hoy (World bank), Clara Höpler, Maria Jones, Mushfiq Mobarak (Yale University)</td>
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<tr>
<td><strong>ALMP CATEGORY:</strong></td>
<td>Training; Entrepreneurship and microenterprises development</td>
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### OVERVIEW OF THE PROGRAM

| **PROGRAM NAME:** | Apprenticeship Training Program and Entrepreneurial Support for Vulnerable Youth in Malawi |
| **PROGRAM TTL:** | Sangeeta Raja (TTL, World Bank) |
| **INSTITUTION(S) INVOLVED:** | National AIDS Commission of Malawi (NAC) along with local non-governmental organizations (NGO) and in close collaboration with Malawi’s traditional authorities (TAs) and local authorities (LAs). |
| **GEOGRAPHICAL COVERAGE:** | 300 traditional authorities nationwide |
| **TARGET POPULATION:** | Vulnerable youth (15-24 years old) including orphans and out-of-school youth |
| **COST:** | Not available |

**BACKGROUND:** Malawi is characterized by a large youth population (60% of the population in Malawi is under age 30) who face a difficult situation in term of poor education outcomes, scarce formal employment opportunities, extreme poverty, high risk sexual behavior, and high HIV prevalence. Young women face additional challenges in the job market due to generally lower level of education and gender dynamics. Linkages between labor market outcomes and risk behavior: the lack of stable employment marginalizes workers, especially women, increasing their susceptibility to HIV infection.

**OBJECTIVES:** Provide vulnerable youth with new marketable skills and follow up support for entrepreneurship in order to enhance their employability and earning potential, thus reducing high risk behavior that increases vulnerability to HIV infection.

**ACTIVITIES:** Training which includes: (a) vocational training in skills for sustainable income generation activities (including food production, sewing, soap making, carpentry, vehicle repair or bricklaying), (b) interactive life skills training for HIV/AIDS and sexual health through role playing and group discussions that address real-life situations, (c) entrepreneurship and business management training including basic financial management, budgeting, planning and skills marketing to encourage profitable and self-sustaining income generation. The training is market driven and training providers are hired under performance-based contracts.

Entrepreneurial support which includes: (a) microcredit through the subsidized provision of start-up tool kits (equipment, initial materials); (b) mentoring and supervisory visits for trained youth as they launch new business activities (e.g. advising on budgeting, bookkeeping, and accounting).
PEP Talk: randomly select a half of the first cohort and provide encouragement composed of the following elements: (i) encouragement on their performance in training, (ii) small monetary reward, (iii) information on job opportunities and earnings prospect for skilled workers

TIMELINE: The program started in March 2010 and it is implemented with a phased roll out. Each phase (apprenticeship training and entrepreneurial support) will take approx. 6 months

IMPACT EVALUATION

RESEARCH QUESTIONS: The objective of the impact evaluation is to estimate the causal impact of vocational training and provision of microcredit/start-up kits on labor market outcomes and health/sexual behavior. Research questions are the following:

- Does the intervention improve beneficiaries’ labor market outcomes (i.e. employability, earnings and quality of job) including for those more at risk?
- Does the intervention reduce vulnerability to health risks and risky behavior? Does the intervention affect youth healthcare seeking?
- How do the impacts of intervention vary according to individual characteristics, community, and training programs?

OUTCOME INDICATORS: (1) Employment and earnings including employment status, employment type (salaried/self employed/domestic worker), payment type (paid/non paid, monthly/hourly), earnings (net profit) and hours of work, duration of unemployment, employment stability and quality of employment); (2) Quality of employment; (3) Risk behavior including information on dating patterns (i.e., multiple sexual partners, non-regular sexual partners, commercial sex, and patronage through sexual relationship), sexual behavior (i.e., unprotected sex), marital expectations, and knowledge of HIV/AIDS.

EVALUATION METHOD: Randomized pipeline

EVALUATION DESIGN: The IE design is an experimental design that randomly assigns eligible Traditional Authorities (TA) and youth to the two phases of program roll-out. More specifically, 40 TAs are randomly phased into the program every six months, with the 40 TAs assigned to later periods serving as control groups for the 40 TAs receiving the intervention early on in the program. Within each group (treatment and control) 600 youth will be randomly selected to be interviewed.

TIMELINE OF THE IE:

<table>
<thead>
<tr>
<th>Intervention Implementation</th>
<th>Baseline data collection</th>
<th>Baseline Report</th>
<th>Training Round I</th>
<th>Follow up Round I</th>
<th>Follow up data collection</th>
<th>Follow up Report</th>
<th>Training Round II</th>
<th>Follow up Round II</th>
<th>Follow up data collection Round II</th>
</tr>
</thead>
</table>
NOTE (if any):
In order to improve economic wellbeing, this project develops skills and employability rather than simply transferring resources. In the prevention of risky behavior, the project addresses HIV/AIDS by improving economic prospect as well as information. Differently from other HIV/AIDS programs, it aims to increase the opportunity cost of health loss as well as to improve information and awareness about HIV/AIDS. By improving economic prospect, skills development will reduce their risky behavior and improve psycho wellbeing of youth.

COMMENTS FROM THE FIELD WORK:

BASELINE RESULTS: Data collection was for the baseline survey was completed in May 2010. Out of a total number of 1,900 individuals participating in the project, data were successfully collected for 1,200 individuals.

Results from the baseline report should be available by early 2011

MAIN IE FINDINGS: Results from the follow up report should be available in May 2012.
## SOUTH AFRICA

### SUMMARY INFORMATION

**COUNTRY:** South Africa

**IE NAME:** A Youth Wage Subsidy Experiment for South Africa

**IE TEAM:** Milan Vodopivec (TTL, World Bank), David Faulkner and Christopher Loewald (National Treasury), Neil Rankin (University of the Witwatersrand), James Levinsohn (University of Michigan), Ian Macun and Tendani Ramulongo (Department of Labor, Pretoria). Advisors: Haroon Bhorat (Development Policy Research Unit -DPRU, at the University of Cape Town), Murray Leibbrandt (Southern Africa Labour and Development Research Unit -SALDRU)

**ALMP CATEGORY:** Wage subsidies

### OVERVIEW OF THE PROGRAM

**PROGRAM NAME:** Youth Wage Subsidies for South Africa

**PROGRAM TTL:** Not applicable

**INSTITUTION(S) INVOLVED:** National Treasury; Department of Labour; and University of the Witwatersrand, Johannesburg

**GEOGRAPHICAL COVERAGE:** Three provinces: Gauteng; KwaZulu-Natal and Limpopo. The program will be possibly scaled up at the national level

**TARGET POPULATION:** Unemployed youth (20 to 24 years old)

**COST:** Not available

**BACKGROUND:** Youth unemployment rate in South Africa is high (35%) and reaches 72% of overall unemployment. Pockets of unemployment in urban areas exceed 50% rate and in the post-apartheid era (post-1994) high unemployment has been persistent. Results of recent studies show that once individuals get a job they are likely to remain employed. Based on those findings the International Growth Advisory Panel (IGAP) proposed to target a wage subsidy intervention for youth.

**OBJECTIVES:** Address determinants of youth unemployment by: (i) compensating employers for the risk of investing in young workers when the productivity of the new hire is unknown; (ii) reducing cost of hiring; (iii) subsidizing on-the-job training; (iii) encouraging a more active job-search behavior.

**ACTIVITIES:** Eligible beneficiaries will receive a letter offering the subsidy. Subsidies are paid directly to firms but are attached to workers. Only firms that are registered for tax are eligible for the wage subsidy. The total subsidy available for each worker is $R5,000 (approximately $670). The subsidy is valid for at least six months subsequent to the start of employment and can be claimed for up to half the individual’s wage. Subsidies are paid to the firm on a monthly basis, until the subsidy is exhausted. The monthly amount available per month is capped at approximately R800 (just over $100). The national median monthly wage for youth aged 20-24 was R1,500 (approximately USD $200) in 2007.
**TIMELINE:** Subsidies allocation started in April 2010

### IMPACT EVALUATION

**RESEARCH QUESTIONS:** The IE seeks to investigate the impact of a wage subsidy on the employability and earnings of beneficiaries. Research questions are the following:

- How effective is the wage subsidy program in improving employment outcomes (with a focus on the probability of obtaining and keeping jobs)?
- How effective is the program in improving the quality of post-unemployment jobs?
- How does the wage subsidy influence firm decisions regarding labour and hiring?

**OUTCOME INDICATORS:** (1) *Employment and earnings* (including duration of unemployment of program participants); (2) *Quality of employment* as proxied by duration of post-unemployment job and type of appointment (fixed-term vs. permanent).

**EVALUATION METHOD:** Randomized design based on pair-wise matching.

**EVALUATION DESIGN:** The IE is based on a total sample of 4,000 youth selected according to the following criteria:

- 2,500 individuals are randomly selected from several clusters in the three provinces. The probability of clusters being drawn is proportional to the number of young people living in these clusters at the time of the 2001 Census.
- 1,500 individuals are randomly selected from Department of Labour’s Labour Centers close to the different clusters.

After baseline data are collected (through an electronic questionnaire), the sample is split using information on provinces, sampling strategy (cluster vs. labour centers), gender. Pair-wise matching uses age, cluster, education, intensity of job search, networks, and raven’s matrix scores.

### TIMELINE OF THE IE:

<table>
<thead>
<tr>
<th></th>
<th>Baseline data collection</th>
<th>Baseline Report</th>
<th>Subsidies allocation</th>
<th>Tracking Survey</th>
<th>Follow up data collection</th>
<th>Follow up Report</th>
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<tbody>
<tr>
<td>Intervention Implementation</td>
<td></td>
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<td>Apr-10</td>
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<td>Impact evaluation implementation</td>
<td>April 2010</td>
<td>NA</td>
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<td>Sep/Oct 2010</td>
<td>early 2011</td>
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</table>

**NOTE (if any):** To address concerns related to the possibilities of deadweight losses and substitution effects, the IE includes a matched firm-level survey which collects information on the current composition and size of the workforce, plus retrospective information. Three sets of firms are interviewed: (i) firms that employ young people that were employed in the baseline study; (ii) firms that employ those with the wage subsidy; (iii) firms that employ non-wage subsidy holders who were unemployed during the baseline survey.

A pilot of the firms’ survey has been already conducted: 30 firms were contacted telephonically and 12 responded (40%). Participating firms were generally happy to engage. Interviews (average length of 45-60 minutes) were carried out with Human Resource Manager.

The result of the interviews showed that firms would hire additional young workers. However, they were inconclusive about substitution of older workers since it depends on value of firm/job specific knowledge. Concerns
were expressed about labor legislation (what happens after 6 months) and worker productivity.

COMMENTS FROM THE FIELD WORK (if any):

BASELINE RESULTS: Results from the baseline survey should be available by early 2011

MAIN IE FINDINGS: Results from the intervention should be available by late 2011
## TUNISIA

### SUMMARY INFORMATION

**COUNTRY:** Tunisia  
**IE NAME:** Turning Theses into Enterprises  
**IE TEAM:** Stefanie Brodmann (TTL), Rita Almeida (World Bank), Patrick Premand (World Bank). Silvia Paruzzolo and Luca Etter are former Bank staff also contributed to the evaluation design and Rebekka Grun (World Bank) was TTL before Stefanie Brodmann.  
**ALMP CATEGORY:** Training; Entrepreneurship and microenterprise development

### OVERVIEW OF THE PROGRAM

**PROGRAM NAME:** Turning Theses into Enterprises (“Concours de Plans d’affaires Entreprendre et Gagner”)  
**PROGRAM TTL:** Not applicable  
**INSTITUTION(S) INVOLVED:** Tunisian Ministry of Labor, Tunisian Ministry of Higher Education and Research, Tunisian National Agency for Employment and Self-Employment.  
**GEOGRAPICAL COVERAGE:** The program is implemented as a reform of the undergraduate studies curriculum at the national level. Baseline data showed that all universities in the county are represented (except for the online University of Tunis)  
**TARGET POPULATION:** Undergraduate students at the 3rd (and final) year of an applied undergraduate degree (licences appliquées); enrolled in one of the 162 programs in 109 institutions in the whole country; on track to graduate in the 2009-2010 academic year.  
**COST:** Not available  
**BACKGROUND:** Youth unemployment rate is very high in Tunisia, particularly among the university graduates (23% compared to 15% of the total active population) and first time job seekers (46% among youth during the first 18 months after graduation). Unemployment hits disproportionally women as well as graduates in business, economics, finance. In addition, 28% of total university graduates are under-employed still three years after graduation. The causes of the high unemployment rate are identified both on the demand side (low creation of formal jobs due to strict labor market regulation and low wage flexibility as well as lack of interest in entrepreneurship) and on the supply side (graduate students’ skills and experience not in line with private sector needs). In order to address these constraints Tunisia launched the Turning Theses into Enterprises business plan competition (“Concours de Plans d’affaires Entreprendre et Gagner”) as a pilot during the academic year 2009-2010.  
**OBJECTIVES:** Enhance students’ technical and business skills and foster entrepreneurship in order to facilitate university graduates’ transition to the labor-market, improve their employment opportunities (including through self-employment and enterprise creation) and career perspectives. The ultimate goal is to reduce graduate unemployment.
ACTIVITIES: The program gives the opportunity to 3rd year undergraduate students in to write a thesis on an enterprise project (including a detailed business plan) and to participate to a business plan competition instead of following the standard curriculum.

A strong communication campaign was launched before the project started to encourage application of interested students. This included posters and information workshops in the different universities, distribution of leaflets to the students, active role of professors in informing the students, advertisement at the radio and launch of a website.

The project provides training on enterprise creation (80 hours provided by the National Agency for Employment and Self-Employment). After the training, participants start writing the initial concept note for their business plans (individually or in pair). At this stage they receive tailored professional coaching (8 hours provided by experienced entrepreneurs) and supervision from facilitators in order to move from the initial concept note to a more detailed business plan. At the end of the school year (June 2010) the fully fledged thesis (including a very detailed business plan) is submitted for consideration to a jury which ranks the projects. The top 50 receive diversified prize packages which include a monetary reward and access to credit.


IMPACT EVALUATION

RESEARCH QUESTIONS: The impact evaluation measures the impact of participation in the program on beneficiaries’ employability and earnings. Research questions include:

- Does the intervention improve beneficiaries’ labor market outcomes (i.e. employability, earnings and quality of job)?
- Does the project promote entrepreneurship and help beneficiaries to start their own firm? Can entrepreneurship be taught?
- What is the profile of the students for benefit most from the intervention? Is launching a business plan competition open to all 3rd year undergraduate students an effect channel to promote entrepreneurship or it would be better to target the intervention to specific students?

OUTCOME INDICATORS: (1) Employment (wage employment and self-employment) and earnings, (2) Quality of Employment (as proxied by type of contract); (3) Business and life skills (4) Attitudes and aspirations towards entrepreneurship;

EVALUATION METHOD: Randomized design based on over-subscription.

EVALUATION DESIGN: Interested students can apply to participate in the intervention and develop a business plan for a project either individually or in pair. Randomization is conducted at the project level with stratification based on gender and subject of study (14 main academic subjects).

A total of 1,702 eligible candidates applied to participate in the intervention (1,506 projects, of which 196 in pair and 1,310 individual) This amounts to almost 10% of the approx. 20,000 students entering the last semester of undergraduate studies in the country. All candidates submitted an application form which collects basic information on the applicants’ demographic characteristics as well as on their projects, previous labor-market experience and family background. Out of all eligible applicants, 846 students (756 projects - 99 in pair and 652 individual) were randomly selected to participate in the project (treatment group) and 846 students (742 projects - 97 in pair and 652 individual) were assigned to the control group.
In addition, data was also collected for a sample of students not interested in applying to the business plan competition in order to document differences between interested and noninterested students.

**TIMELINE OF THE IE:**

<table>
<thead>
<tr>
<th>Event</th>
<th>Baseline data collection</th>
<th>Baseline Report</th>
<th>Business Plan Competition</th>
<th>Tracking Survey</th>
<th>Follow up data collection</th>
<th>Follow up Report Round I</th>
<th>Follow up data collection Round II</th>
<th>Follow up Report Round II</th>
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<tbody>
<tr>
<td>Intervention implementation</td>
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<td>Impact evaluation implementation</td>
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<td>August 2010</td>
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<td>March 2011</td>
<td>August 2010</td>
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**NOTE (if any):**

**COMMENTS FROM THE FIELD WORK:** Results from the baseline show that students have high expectations on the labor-market benefits of the program: more than 3/4 believe the intervention will help finding a job or earn higher income. In addition, the communication campaign at universities was effective and professors are committed: most students heard about the intervention through professors (86%) or posters (39%). A phone survey collected to complement baseline data collected in the inscription form reached 90% of all applicants. Attrition is not correlated with treatment, but the target population is extremely mobile and the team will pay particular attention to minimizing attrition at follow-up.

**BASELINE RESULTS:** Data at the baseline are collected though an application survey (online and paper) conducted in December 2009. In addition, a complementary survey was collection by phone in early 2010. The survey for noninterested students was conducted in spring 2010. Randomization achieved good balance in most observable characteristics related to student human capital, professional experience and family background.

In general, two thirds of the applicants are women; the mean applicant is approx 23 years old, single, university score of 11.5/20; took previously an entrepreneurship course and has a reasonable understanding of English (3/5); and comes from middle-low income families (mean USD 300/month). Approx. 70% of the applicants have had some LM experience, most of them in a seasonal activity (for mean duration of 6 months). For approx. 2/3 of applicants this professional experience related to the field of the proposed project. Only 25% have worked with a close relative/friend in a related business (likely to be the father). Almost all self report has willing to take risks but in a moderate way (25% are “risk takers”).

**MAIN IE FINDINGS:** Results from the intervention should be available by August 2011.
**TURKEY**

### SUMMARY INFORMATION

**COUNTRY:** Turkey

**IE NAME:** ISKUR Impact evaluation of vocational training

**IE TEAM:** Cristobal Ridao-Cano (co-TTL, World Bank), Rita Almeida (Co-TTL, World Bank), Levent Yemer (World Bank), Arzu Uraz (World Bank), David Mckenzie (World Bank), Murat Kirdar (Middle East Technical University), Sarojini Hirshleifer (World Bank) and Ayca Domnez (World Bank; Field Coordinator). The evaluation is carried out in collaboration with ISKUR and under the guidance of the Ministry of Labor.

**ALMP CATEGORY:** Training

### OVERVIEW OF THE PROGRAM

**PROGRAM NAME:** Turkish Public Employment Agency (ISKUR) vocational training programs

**PROGRAM TTL:** The training program is a program of the Government of Turkey. However, support to ISKUR is provided by the World Bank as Technical Assistance (TA). **(TTL) for the TA program is Cristobal Ridao-Cano**

**INSTITUTION(S) INVOLVED:** Ministry of Labor; ISKUR; National universities.

**GEOGRAPHICAL COVERAGE:** Nationwide (ISKUR operates through 109 offices in 81 provinces all over the country)

**TARGET POPULATION:** Unemployed registered with ISKUR; registration with ISKUR is possible for any individual that is currently looking for work. Focus on individuals with at least 15 years old, having not received training during the last 24 months; having at least primary education (except for the southern and eastern parts of Turkey); having a basic level of qualifications in the field of training.

**COST:** Not available

**BACKGROUND:** The labor market in Turkey is characterized by low employment rate (in 2008 it was 46% significantly lower compared to the target of 70% set by the EU Lisbon Strategy), high unemployment, and pervasive skills mismatch driven by the transformation of the economy from rural to urban. The national public employment agency (ISKUR) delivers a wide set of employment services among which are the vocational training courses which are the most frequent. In response to the 2008 employment reform and the 2009 crisis response package, the supply of vocational training courses rose substantially. In 2009 the number of beneficiaries was 150,000 (compared to 25,000 beneficiaries in 2008) and, over the 2009-2011 period, ISKUR plans to train about 471,000 people. Despite this substantive scale up, there is limited evidence on the cost effectiveness of these vocational training programs in promoting employability of trainees and type of market failure are they fundamentally addressing.

**OBJECTIVES:** Improve employability and productivity of the unemployed individuals by providing updated and marketable skills.

**ACTIVITIES:** A provincial labor board decides the mix of professions to target and specific courses are planned and delivered throughout the year. The courses running between October 2010 and March 2011 provide vocational skills in a very diverse number of occupations including tourism, accounting, IT, office work and cook. Broadly,
courses can be categorized as job-guaranteed (11% of training) or non-job-guaranteed training (89% of training). For the job-guaranteed training, employers approach ISKUR and indicate the type of skills they are seeking. Non-guarantee training courses are planned through the labor offices. Historically, the MoE has been the main training provider, but in 2003, ISKUR started to outsource the delivery of trainings to private and NGO providers. The program offers a stipend to trainees. The stipend is TL 15 per day (approx.10USD) which is approx. 3/5th of the minimum wage.

TIMELINE: ISKUR services are provided on a continuous basis. However, the impact evaluation focuses on course implemented on a rolling basis between October 2010 and April 2011.

IMPACT EVALUATION

RESEARCH QUESTIONS: The impact evaluation will only cover non-job guaranteed courses, which are the majority of the trainings offered by ISKUR. The evaluation will:

- Quantify the average impact of participation in an ISKUR training program on job placement, earnings, and employment quality.
- Look at the heterogeneity of the effects by type of the beneficiary, including (i) Initial human capital, (ii) Work history (including unemployment and inactivity episodes and length), (iii) Gender; (iv) Age, (v) Behavioral preferences, including psychological traits (optimism, emotional stability, etc); (v) Household decision-making power.
- Document the main reasons why market fails and individuals fail to invest in vocational trainings if they are profitable and optimal in a social way (is it due to lack of information on quality, lack of access to finance, etc).
- Assess the reasons why the intervention actually works (e.g., links with the search process; differences in the quality of training providers) and how the impacts differ when the economic environment also varies (including changes in the institutional quality within the country).
- Understand the selection process into the trainings, including who becomes interested in these programs and how do these individuals differ from the optimal target group.
- Quantify the cost-effectiveness of the intervention, through the collection of detailed cost information.

OUTCOME INDICATORS: (1) Employment and earnings; (2) Quality of employment; (3) Skills acquisition

EVALUATION METHOD: Randomized design based on over-subscription

EVALUATION DESIGN: A nationwide representative sample of 95 training courses was selected in close collaboration with more than 20 ISKUR provincial offices. Courses are selected as follow. First a sample of 20 labor offices—stratified on province level unemployment rates- was selected; then a number of courses (2-5 per office) were selected in each province proportionate to the percent of individuals trained in 2009. Selected courses are announced to potential candidates (usually this is done by text or email. In addition, information are also posted in the labor office) and applications are received in person or on-line. All applicants who meet basic objective for courses are interviewed or tested and top applicants are admitted. Based on this process a list of the final set of applicants (evaluation participants) was complied and all evaluation participants were interviewed for the baseline survey. The baseline survey was conducted during the interviews for the courses (throughout the country between late September 2010 and early December 2010).

After the baseline survey, the evaluation randomly assigns evaluation participants into treatment and control group. To capture short and medium run effects of the trainings, two follow up surveys have been planned approx. six months and one year after the beginning of the trainings. Evaluation participants will be tracked through the duration of the evaluation period (for approximately 16 months).

Power calculations were conducted based on job placement rates to capture an effect size of 5% at 90% power.
Estimates account for imperfect take-up of the program (90% take-up of treatment, 20% take-up of control) and sample attrition of 20%. Sample size covers approximately 5,700 individuals.

### TIMELINE OF THE IE:

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<th>Baseline data collection</th>
<th>Baseline Report</th>
<th>Training</th>
<th>Tracking Survey</th>
<th>Follow up data collection Round I</th>
<th>Follow up Report Round I</th>
<th>Follow up data collection Round II</th>
<th>Follow up Report Round II</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intervention</td>
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<td></td>
<td>October 2010/March 2011</td>
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### NOTE (if any):

### COMMENTS FROM THE FIELD WORK:

### BASELINE RESULTS:

**BASELINE RESULTS:** Results from the baseline report should be available by January 2011.

### MAIN IE FINDINGS:

**MAIN IE FINDINGS:** Results from the intervention should be available by June 2012.
### UGANDA

#### SUMMARY INFORMATION

**COUNTRY:** Uganda

**IE NAME:** The Northern Uganda Social Action Fund (NUSAF) Youth Opportunities Program (YOP)

**IE TEAM:** Patrick Premand (TTL, World Bank), Nathan Fiala (World Bank), Suleiman Namara (World Bank); Christofer Blattman (YALE) and Sebastian Martinez (IADB). Counterparts in Uganda: NUSAF and IPA. Previous TTL was Sebastian Martinez

**ALMP CATEGORY:** Training; Entrepreneurship and micro-enterprise development

#### OVERVIEW OF THE PROGRAM

**PROGRAM NAME:** The Northern Uganda Social Action Fund (NUSAF) Youth Opportunities Program (YOP)

**PROGRAM TTL:** Suleiman Namara (World Bank)

**INSTITUTION(S) INVOLVED:** Government of Uganda

**GEOGRAPHICAL COVERAGE:** 29 districts (originally 18) of Northern Uganda, with lower levels of education and health, physical insecurity, political instability and geographical distance from the historical location of commercial activities.

**TARGET POPULATION:** Unemployed or underemployed youth aged 15-35 years old, who live in conditions of poverty.

**COST:** Approximately USD $6 million.

**BACKGROUND:** The Youth Opportunities Program is one of the four components of NUSAF, a Government of Uganda project which started in February of 2003 with US$100 million IDA credit from the World Bank. The YOP component was added to NUSAF in 2005. The other three components of NUSAF are:

1. Community Development Initiatives, which provide health, education, transport and water/sanitation infrastructure to communities;
2. Community Reconciliation and Conflict Management, including training and activities to support peace building, traditional systems, and psychosocial programs;
3. Vulnerable Groups Support (VGS), which provides a variety of group-based interventions designed to reduce the vulnerability of especially poor and marginalized groups.

**OBJECTIVES:** Educate unemployed youth in trade skills (accompanied by tool kits for the trade and start-up capital for establishing productive enterprises) in order to improve their chances for employment and, ultimately, improve economic livelihoods and social cohesion at the community level.

More specifically YOP has three main objectives: (1) provide youth with vocational skills and tool kits to enable them earn incomes and improve their livelihood; (2) contribute towards community reconciliation and conflict management; and (3) build capacity of NGOs, CBOs, and Vocational Training Institutes (VTIs) to respond to the
needs of youth.

**ACTIVITIES:** Vocational Training. Decentralized, community- and district-level system. Small groups self-organize, identify a vocational skill of interest and a vocational training institute (VTI), and apply for funding. Proposal are examined and selected. Groups with successfully approved proposals receive a cash transfer of up to USD $10,000 to a community bank account. These funds are used to enroll in the vocational training, purchase training materials, and equip graduates with the tools and start-up costs for practicing a trade after graduation. NUSAFT District Technical Offices are also tasked with providing supervision and technical assistance throughout. Life Skills and Psychosocial Counseling. Life skills and psychosocial counseling are provided to some of the training beneficiaries. Monitoring Services. In addition some groups are given an additional payment to hire a monitoring advisor, chosen by the group itself. The advisor provides monitoring and extension services to the group. It is intended to improve capacity and monitoring while maintaining the independence and empowerment of the youth groups.

**TIMELINE:** The program started in 2005

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**IMPACT EVALUATION**

**RESEARCH QUESTIONS:** The impact evaluation measures the average impact of participation in the training programs on employment outcomes, leadership development, and psychosocial well-being. In addition, it evaluates the impact of additional services (such as planning support, supervision, extension services, etc.). Research questions include the following:

- Does the intervention improve beneficiaries’ labor market outcomes (i.e. employability, earnings and quality of job)?
- Do funds reserved for the acquisition of tools and enterprise start-up expenses increase the likelihood of self-employment? Do youth that participate in the program start a greater number of enterprises and earn greater net profits?
- Do youth who participate in training programs increase their community group and leadership activities?
- Does participation in the youth training program improve community integration and family/kin support through higher income?
- Do increased employment, incomes and social support (and diminished idleness) improve self-esteem and self-actualization and reduce hostility, aggression, and the incidence spousal/child abuse?

**OUTCOME INDICATORS:** (1) Employment and labor earnings; (2) Quality of employment as proxied by duration, (3) Risk behavior (4) Life Basic Skills (e.g. family/kin support, self-esteem and self-actualization, depression and stress, self reported health); (5) Political and community participation

**EVALUATION METHOD:** Randomized design based on over-subscription

**EVALUATION DESIGN:** The impact evaluation design hinges on the availability of a large pool of eligible but unfunded applications that had been submitted for NUSAFT YOP funding by late 2006. The sample frame for treatment and control group proposals were selected, at the district level, from that pool of existing proposals by following standard procedures for desk and field appraisal. Treatment and control proposals were then selected for each district by lottery from the pool of proposals that pass the desk and field appraisal stage. In each district, between 30% and 60% of the eligible groups were selected for funding, depending on budget limitations for that particular district.
In order to evaluate the additional monitoring services, the treatment groups were randomly assigned to participate in an additional cross-cutting design. Funded projects were randomly assigned to one of three groups: treatment group 1 (no additional intervention); treatment group 2 (the program provides additional money to the local authority for each subproject to receive the additional treatment); and treatment group 3 (subprojects have been given the money up front and instructed on how to make a contract that they will sign with an Monitoring and Extension Advisor (MEA) detailing responsibilities and payment method).

The evaluation sample consists of 530 young groups across 10 districts, with half being selected as treatment and half as control. Concerning the cross-cutting design (CCD), out of the 260 treatment group, 80 are in CCD1, 90 in CCD2 and 90 in CCD3. From each group, 5 individuals were chosen at random to be interviewed. The total number of individuals surveyed is 2,587, with 1,313 individuals in the treatment groups and 1,274 in the control groups.

The majority of the NUSAF participants are currently involved in small business enterprises, most of which operate on an extremely small budget. The impact evaluation also includes a component that focuses on these businesses. The selection of the business to be studied was done in two steps. First, a small household questionnaire is conducted in random areas in northern Uganda, focused around the villages. The data from this questionnaire are then used to randomly select out businesses of different sizes to be studied.

### TIMELINE OF THE IE:

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<thead>
<tr>
<th>Intervention Implementation</th>
<th>Baseline data collection</th>
<th>Baseline Report</th>
<th>Training</th>
<th>Tracking Survey</th>
<th>Follow up data collection</th>
<th>Follow up Report</th>
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**NOTE (if any):** The IE also includes a group dynamic simulation exercise carried out in four of the districts in December 2008 and January 2009. The simulation exercise allows the IE to directly observe the group dynamics in a controlled setting. The results of the tests games will eventually be used to test the following hypothesis:

- Whether the level of cohesion and cooperation within the groups is an important determinant of the success of the individuals within the group.
- Whether the level of preference of equality, from both individuals in the group and the group leaders, is an important determinant of the success of the individuals within the group. (i.e., does corrupt leadership and willingness to accept this corruption has a negative impact on group performance?
- Whether the level of cohesion and cooperation within the groups today is an important determinant of the likelihood the groups will continue to stay together in the future.

YOP evaluation is already informing the design of NUSAF2 evaluation which will have a focus on governance, gender and business skills.

**COMMENTS FROM THE FIELD WORK:** In November 2009 a tracking survey were conducted in 10 original NUSAF districts (excluding Karamoja). Three Surveys were conducted: (i) missing person survey - Re-contact; (ii) Group survey - Training and funding; (iii) Individual survey - Training, labor market, income and psycho-social. The surveys show a high attrition rate, but balanced between treatment and control group. Groups: 393 groups were identified out of 450 (12% attrition): 195 treatment groups and 192 control groups. Youth: 977 youth identified out of 1893 (48% attrition): 467 youth in treatment groups and 499 youth in control groups. Preliminary results, which are valid only for non-migrant youth, show large and significant short-term impacts of NUSAF YOP on: training; employment; income; reduction in domestic chores, especially for women; emphasis on skilled labor.
**BASELINE RESULTS:** A comparison of the applicants and a representative sample of individuals in Northern Uganda shows that applicants own significantly more assets and are more educated than the average youth. Additionally, women are unrepresented in YOP compared to the general population, accounting for only 33% of the YOP participants. Results also show that although YOP applicants are on average from higher socio-economic levels there is significant unemployment and under-employment at baseline. Female applicants to YOP NUSAF make up only one third of the total population, suggesting that a more pro-active targeting of young women may be necessary to overcome the barriers that limit women’s participation in the context of a demand-driven community-based program such as YOP. Self-reported interest in entrepreneurship, mental health, and risk-taking behavior suggest that the applicant pool is well motivated to engage in the skills training and entrepreneurship activities financed by YOP.

**MAIN IE FINDINGS:** Results from the intervention should be available by Spring 2011.