

**Steering Committee Meeting  
Trust Fund Project:  
Job Creation, Core Labor Standards, and Poverty Reduction**

**World Bank  
1818 H St. NW  
Washington, DC  
Room MC4-860**

*November 17, 2004 (2:00pm-5:00pm)*

**TABLE OF CONTENTS**

<b>AGENDA</b>	<b>2</b>
<b>A. PROJECT OVERVIEW</b>	<b>3</b>
<b>B. BUDGET</b>	<b>4</b>
<b>C. TIMELINES</b>	<b>5</b>
<b>D. REGIONAL STOCKTAKING PAPERS</b>	<b>6</b>
<b>E. COUNTRY PROPOSALS</b>	<b>7</b>
<b>F. CAPACITY-BUILDING PROPOSAL</b>	<b>21</b>

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**Agenda**

- (1) Welcome and Agreement on the Agenda
- (2) Update on Component 1 Research Papers
- (3) Review and Discussion on Proposals for Country Activity Workplans
- (4) Discussion on Proposed Capacity Building Plan
- (5) Workshops and Dissemination Activities
- (6) Other Business

## **A. PROJECT OVERVIEW**

Following the first steering committee meeting held on April 1, the Bank modified the workplan and submitted a revised version to the committee on May 30. Since then, we have been implementing the first stages of the workplan.

The Bank's Africa department finalized the terms of reference for the four regional stocktaking papers, relying heavily on the comments and suggestions provided by the steering committee. The Africa team, with the Social Protection team, commissioned consultants to carry out the assignments. (Authors and paper titles are listed in Section D of this document.) We have just received the first drafts and they have been circulated to steering committee members. However, we have emphasized the very preliminary nature of these drafts in their current form. When these papers are completed, though, we are confident that they will deepen understanding of the causes and consequences of the labor market outcomes in Africa. While the papers have not been available to influence the conceptualization of the country-level proposals, they will be helpful to the country teams in the course of implementing their workplans. This stocktaking exercise has also raised the profile of labor markets in the Bank's Africa region, including several country units. The drafts of the four papers have provided the basis for the Africa regional submission to the Bank's labor market conference, "What is the role of labor market policy in promoting more and better jobs," to be held on November 18-19.

We have also been working with the country units to solicit proposals for component 2 of the workplan. The regional team initially solicited proposals from Ghana, Burkina Faso and Zambia. In the end, proposals were also received from Kenya and Ethiopia. All of these proposals were reviewed internally and we are forwarding three (Ghana, Burkina Faso, and Ethiopia) to the steering committee with a recommendation for funding. More detail, including the proposals, is provided in section E of this document.

The other major activity has been the development of a proposal for the capacity-building component. This proposal is elaborated in Section F, and includes two activities that have been part of the trust fund workplan since its inception: a course on core labor standards and poverty reduction organized by ILO Turin and distance learning courses organized by the World Bank. In addition, a number of other capacity-building activities are put forward in this document for consideration.

We are also putting forward a revised budget for discussion (Section B). Compared to the previous version from the May workplan, this budget proposes a higher percentage of resources be allocated to capacity-building; that the contingency be reduced (since budget uncertainty is now less as project plans have developed); and the two originally planned workshops be consolidated into one final workshop that integrates all of the elements of the trust fund activities. The total amount of the trust fund has also been increased to reflect changes in exchange rates. Finally, notional timelines for the remainder of the workplan are presented in Section C.

## B. BUDGET (US\$000)

Activity	In original proposal	May 30, 2004 proposal	November 2004 proposal
<b>Component 1 (research)</b>	<b>357</b>	<b>245</b>	<b>140</b>
Research	269	140	140
Workshop (first)	88	75	(research to be covered in final integrated workshop)
Contingency		30	(in consolidated contingency below)
<b>Component 2 (country-level )</b>	<b>432</b>	<b>575</b>	<b>450<sup>1</sup></b>
Activities	315	450 (3 countries @150)	450 <sup>1</sup>
Workshop (second)	117	75	(country activities to be included in final workshop)
Contingency		50	(in consolidated contingency below)
<b>Component 3 (capacity building and dissemination)</b>	<b>147</b>	<b>200</b>	<b>435</b>
Capacity-building/training	88	165	245
Final comprehensive workshop			150 <sup>2</sup>
Final report/web site	35	35	40
Dissemination activities	24	(done in workshop)	(done in workshop)
<b>Other</b>	<b>119</b>	<b>35</b>	<b>85</b>
Staff time	61		
Consultant (admin, support, coord)	35	35	35
Steering committee	23		
Consolidated contingency			50 <sup>3</sup>
<b>TOTAL</b>	<b>1055</b>	<b>1055</b>	<b>1110<sup>4</sup></b>

1. If accepted, proposals for country work to be presented at steering committee meeting amount to \$346,000. Budget decision to be made about whether to disburse only this amount or to seek additional country-level activities to meet \$450,000 allocated.
2. Proposal now to modify original plan for two workshops to one final workshop that integrates all of the activities undertaken in the project.
3. Previous component-specific contingencies now consolidated. The amount indicated equals the component 2 contingency under the previous proposal. There is no longer need to retain a contingency for component 1 activities.
4. Total budget reflects the changing exchange rate between the Euro and the \$US. We are now calculating that the total trust fund transfer of Euro 950,000 will translate into \$55,000 more than originally planned.

### C. TIMELINE to DECEMBER 2005

Activity	By When	Comments
Revised drafts for component 1 papers	January 2005	
Country level activities begin	December 2004	
Country level activities conclude	October 2005	Closing dates will vary by country
DL courses	Jan-Feb 2005 March-May 2005	Anglophone countries Francophone countries
Turin training course		ILO to propose dates
Other capacity-building activities	During 2005 (tbd)	GDN Dakar – Jan. 2005 WB Core course – March 2005 Other proposed activities tbd
Final workshop	December 2005	
Dissemination/web site	tbd	

## **D. REGIONAL STOCKTAKING PAPERS**

The organization of the regional stocktaking papers and the terms of reference were finalized after the last steering committee meeting and suggestions from committee members. The Bank African and Social Protection teams procured consultants to prepare these papers, relying on candidate lists from steering committee members. The preliminary drafts have been received and have been sent to members for their information and to provide an opportunity for them to provide comments to help guide the preparation of the final drafts.

The four papers and consultants include:

1. Labor Supply -- Centre for Development Policy Research, School of Oriental and African Studies, University of London (John Sender)
2. Patterns of Labor Demand -- Centre for the Study of African Economies, Department of Economics, University of Oxford (Geeta Kingdon, Justin Sandefur, and Francis Teal)
3. Climate for Job Creation -- Centre for the Study of African Economies, Department of Economics, University of Oxford (Marcel Fafchamps and Måns Söderbom)
4. Labor Institutions, Labor-Management Relations, and Social Dialogue – Advanced Research in Quantitative Applied Development Economics, Université de Toulouse I (Philippe Alby, Jean-Paul Azam, and Sandrine Rospabé)

## E. COUNTRY PROPOSALS

In accordance with the May 30<sup>th</sup> workplan, the Africa regional team initially solicited proposals from Ghana, Burkina Faso and Zambia. In discussions with these country teams, the region emphasized that this component of the trust fund work was not primarily intended to finance research and that more applied activities were targeted (including partnership activities with ILO, GTZ, etc.). Zambia initially indicated that they were only interested in doing research and would not make a proposal. The region then sought other potential proposals from country units where they knew labor market issues were on the agenda.

The following criteria were established for all proposals:

- No more than \$40,000 allocated to outputs which could be labeled "studies".
- Proposals should include the following:
  - Background and objective
  - Activities
  - Outputs
  - Cost
  - Beneficiaries and expected outcomes (a few indicators)
  - Time table for key steps
  - Risks

Ethiopia and Kenya responded with proposals, as well as Burkina Faso and Ghana. And, in the end, Zambia did submit one too. A review committee was established, including both the Africa regional team and Social Protection. The following criteria were established for this review:

- Consistency with the objectives of the country component, including adherence to donor requirements for a "project"
- Quality of proposal
- Consistency with country strategy (including country unit resource commitment)

The outcome of our review was that three proposals would be forwarded to the steering committee with a recommendation for funding. These include Ghana, Burkina Faso, and Ethiopia. In our view, each of these would be useful for the countries but we recognize that the diverse views on the steering committee about the country work will need to be talked through at the meeting.

The three proposals follow.

**Africa Region**  
**German Trust Fund on Job Creation, Core Labor Standards,**  
**and Poverty Reduction**

**BURKINA FASO COUNTRY PROPOSAL**

**Background**

Despite the continued economic growth of the recent years, Burkina Faso remains very poor, with about 46% of the population living below the poverty line. As outlined in the country's PRSP, increasing employment and income-generating activities for the poor are seen as a cornerstone strategy to reduce poverty. With the fifth round under preparation, the PRSCs remain the basis of the Bank's strategy to support the PRSP.

The activities proposed in this document aim to help the Government of Burkina Faso develop labor market policies and programs that would reduce poverty through the creation of new jobs and income generating activities. These activities also aim to improve work conditions for employees through provision of adequate social protection, and strengthen M&E and statistical capacities of the Government. The current proposal is prepared jointly by the Burkinabé, ILO and World Bank teams, with active consultations with GTZ.

This proposal has two components. Component 1 includes activities to support the implementation of the Burkina Faso PRSP, and Component 2 aims to strengthen the M&E and statistical capacities of the Ministry of Labor, Employment and Youth (MLEY).

***COMPONENT I. Activities to Support the Implementation of the PRSP***

The implementation of the Burkina Faso PRSP calls for a comprehensive review of labor market policies and development of clear strategies on employment and social protection. The activities proposed below intend to assist the Government with this task by providing resources to prepare two important strategic documents: (i) a national employment strategy, and (ii) a national social protection strategy.

1.1. Burkina Faso employment strategy

*i. Background and objectives*

The 2004 Extraordinary Summit of the African Union on Employment and Poverty Reduction in Africa called for a review of existing country employment strategies and focus on job creation in Africa, as a fundamental building block for peace, security, and unity in the continent. Burkina Faso needs a comprehensive national employment strategy to adequately place employment at the core of its development challenge. Prepared in 2001, the Government's current Strategy on Employment and Professional Training does not provide a solid analytical base for addressing labor market issues in the country, and it lacks a plan of action.

To assist the Government to revise its employment strategy, the Bank launched the Burkina Faso Employment Strategy Paper in September 2004. The activities under Component 1 will complement the Bank's study and provide an opportunity for a broad country participation in the process.

*ii. Activities and outputs*

Component 1 will commission two analytical papers to review the nature, causes and consequences of limited job creation in the formal sector in Burkina Faso. The first paper will study the linkages between the macroeconomic growth, trade, the business climate, and job creation, while the second paper will focus on households' decision-making on labor market participation, informal sector jobs, and child labor. Findings and recommendations of these reports will become an integral part of the Bank's Employment Strategy Paper, and will be widely discussed with the civil society, workers unions, employers, and the donor community, including the ILO and GTZ.

*iii. Cost*

Total cost – US\$ 20,000 (10,000 each paper)

Consultant Fees:	2 x \$300 x 30 days	18,000
Translation		2,000

*iv. Beneficiaries and expected outcomes*

The outputs of Component 1 would enable the Government to revise its employment strategy. Finding and recommendations of the reports will also be beneficial in the development of future public labor market programs in Burkina Faso.

*v. Time table for key steps*

Consultant TORs	-	February 1, 2005
First Drafts	-	June 30, 2005
Final Drafts	-	October 30, 2005

1.2. Burkina Faso social protection strategy

*i. Background and objectives*

Social protection is a key component of labor policies as it improves and protects human capital. More in general, social protection interventions assist individuals, households, and communities to better manage the income risks that leave people vulnerable. With the Bank and ILO assistance, the Government of Burkina Faso has developed a first draft of the national social protection strategy, but the national team needs further assistance to finalize the document. This assistance is especially important since preparation of the SP strategy is one of the key requirements for the next round of the Burkina Faso PRSC.

In general, preparation of country SP strategies gives national governments and the Bank an opportunity to rethink the concept of social protection, highlighting the need to expand its definition to encompass all public interventions that help individuals, households, and communities to manage risk or that provide support to the critically poor. Implementation of the strategy would help move the Bank's analytical and lending work toward a more holistic, client-driven agenda. Specifically, the strategic directions would expand the World Bank's support for

informal and market-based social protection arrangements, resulting, for example, in more CDD interventions, job training, support for income-generating activities, and an increased role for the private sector in skills-building. The strategy would involve refocusing support for public sector social protection programs toward traditionally underserved groups, especially women and youth, a more comprehensive reform agenda, and risk reduction and mitigation (as opposed to an emphasis on coping)<sup>1</sup>.

*ii. Activities and outputs*

Under this component, a social protection expert/consultant will be hired to assist the national team to finalize the Burkina Faso Social Protection Strategy. The document will be presented for further consultations and endorsement at a national SP workshop, with a broad participation of workers unions, NGOs and employers. The national strategy will be also presented at the WBI Regional Social Risk Management Forum planned for summer 2005. The WBI and Africa PREM (via the Belgian Partnership for Poverty Reduction Trust Fund) will provide additional resources for in-country consultations and dissemination of the document.

*iii. Cost*

Total cost – US\$ 20,000

Consultant Fees:	\$350 x 40 days	14,000
Translation:		2,000
Dissemination Workshop:		4,000

*iv. Beneficiaries and expected outcomes*

The SP strategy will enable the Government to identify major risks and vulnerable groups and to develop public programs to prevent and mitigate risks.

*v. Time table for key steps*

Consultant TORs	-	January 31, 2005
Advanced draft	-	March 31, 2005
National workshop	-	April 30, 2005

COMPONENT II. Labor Market Statistics and M&E of ALMPs

**The activities proposed in this component aim to build statistical and M&E capacities of the MLEY.**

**2.1.Strengthening the statistical capacity of the MLEY**

*i. Background and objectives*

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<sup>1</sup> The World Bank Social Protection Sector Strategy Paper, 2002

This component will assist the Statistics Office (ONEF) at the MLEY to develop and implement measures and mechanisms to collect and analyze labor market data. Established with the help of the UNDP and ILO, the ONEF aims to provide reliable employment data to benefit development and implementation of labor market programs by the Government and the donor community.

*ii. Activities and outputs*

Activities in this component will be carried out jointly by ILO and World Bank teams. This component will finance: (i) development of a labor market database by a national consultant; (ii) development of an information collection system within MLEY decentralized structures, and (iii) a series of training workshops on employment data collection and analyses.

*iii. Cost*

Total cost        \$US 50,000

Database development:	10,000
Data information system development:	10,000
Training workshops (3):	30,000

*iv. Beneficiaries and expected outcomes*

The main beneficiary of this component is the Statistics Office at the MLEY.

*v. Time table for key steps*

Consultant TORs	-	January 30, 2005
Database development	-	May 31, 2005
Information system development	-	July 31, 2005
Training Workshops	-	October 31, 2005

**2.2. M&E of public labor market programs**

*i. Background and objectives*

Burkina Faso has numerous labor market programs, but the Government lacks capacity to monitor and evaluate them. The Department of Planning and Studies (DEP) at the Ministry of Labor, Employment and Youth (MLEY) carries the main responsibility for M&E, but the DEP staff need training and an adequate technical capacity to carry the task.

*ii. Activities and outputs*

This component will: (i) support a series of training and capacity building activities to improve M&E of labor market programs; (ii) commission an impact evaluation study of existing ALMPs in Burkina Faso, and (iii) finance a purchase of some equipment (computers, printers, etc.) and IT software.

*iii. Cost*

Total cost - US\$ 50,000

Development of the M&E manual:	10,000
ALMPs Impact Study :	15,000
Training:	5,000
Workshop:	5,000
Computers & software	15,000

*iv. Beneficiaries and expected outcomes*

This component will enable the MLEY to better monitor and evaluate labor market programs.

*v. Time table for key steps*

<i>Consultant TORs</i>	-	<i>January 31, 2005</i>
M&E Manual	-	April 30, 2005
Training	-	May 30, 2005
Workshop	-	June 30, 2005

## **Application to the German TF Ethiopia**

### **Background and objective<sup>2</sup>:**

The functioning of labor markets, formal and informal, plays an essential role in the livelihoods of the poor as well as being a key element of the growth process. To date there has been little systematic analysis exploring the functioning of such markets, their efficiency and policy options to improve outcomes for growth and poverty reduction. These issues are all the more relevant given: (a) the consideration currently given to a substantial scaling up of external resources to help the country reach the Millennium Development Goals, as reiterated during Jim Wolfensohn, President of the World Bank, and Jeffrey Sachs, Director of the United Nations Millennium Project, recent visits; (b) an expected push for privatization of the many public enterprises in the country, as the pace of transition to a market economy quickens; and (c) a nascent private sector and the evident need for structural change.

In this context, key policy issues include: the existence of a skills gap and how it can be tackled, the labor market impact of retrenchment in the public enterprises, the likely impact on the sectoral allocation of labor and on wages of an expanded public sector in service delivery, and whether the existing institutional set up in the labor market constrains the development of the private sector. Many of these questions depend in turn on broader structural reform processes and on the degree of integration of different segments of the labor market (regional, urban/rural, formal/informal sectors ...). This is an area on which not much is known. It seems, in particular, that the role played by internal migration deserves better attention. Migration can act both as a transmission mechanism across market segments and as a force shaping local labor markets. Ethiopia has large internal migration flows (rural-rural, rural-urban, but also between urban areas of different sizes) but still very limited levels of urbanization (16%, i.e. less than half the Sub-Saharan Africa average). Understanding the drivers and constraints to migratory choices and the labor market impact of migration seems to be a key element to understand future developments in terms of skills availability, productivity dynamics in recipient and source areas, and more generally the regional evolution of demand and supply of labor.

This complex background, the lack of a comprehensive analysis of how labor markets work, and the need to engage with the Government of Ethiopia (GoE) over integrating an understanding of labor markets' functioning in their forthcoming revision of its Sustainable Development and Poverty Reduction Program, as the PRSP is known locally, reinforce the need to fill the knowledge gaps we currently face.

A variety of household surveys conducted in recent years provides an unusual wealth of information to explore labor market issues. Among the most relevant to analyze the

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<sup>2</sup> The design of this proposal has been informed by a background paper providing a comprehensive survey of the literature on labor markets in Ethiopia.

issues at hand are<sup>3</sup> the Migration, Gender and Health survey conducted in 5 regions in 1998, the nationally representative Labor Force Survey\* of 1999, the Child Labor Survey\* of 2001, the Investment Climate Survey\* of 2002, and the Urban Biannual Employment and Unemployment survey\* (the first round of October 2003 is already available, the April 2004 round should become available soon). Recent information on migrants is also contained in the 2002 Demographic and Health Survey\*. Detailed sectoral information at the enterprise level is available in the Large and Medium Scale Manufacturing and Electricity Industries Survey\* (2002), Distributive and Service Trade Survey\* (2003) and in the Small Scale Manufacturing Industries Survey\* (2002).

Our objective in undertaking the program of activities outlined below is to have a constructive policy dialogue on labor market issues, focused on the three key areas of public sector employment, private sector development, and internal migration, their interrelations and their effects on the demand and supply of labor.

### **Activities**

The following activities are included in this proposal, linked to the country program as described below.

**Workshop in late November.** Engagement with the key stakeholders will be launched with a workshop in late November. This two day event will involve key stakeholders including the GoE, Trade Unions, Representative of the private sector, other donors (ILO, UNDP, GTZ) and the academic community. Three background notes will be prepared, one for each main theme, taking stock of available evidence, presenting initial analysis and highlighting research hypothesis. They will focus, respectively on (a) barriers to private sector development – an area identified as an immediate priority to further our dialogue with the GoE – based on evidence from the recently collected Investment Climate Survey and the sectoral industry surveys; (b) internal migration and its impact on labor markets; (c) employment conditions in the public sector, exploring evidence from databases of the Federal Civil Service Commission and of the Ministry of Labor and Social Affairs as well as available labor market surveys. These notes will be complemented by a literature review (draft attached) which takes stock of available evidence and existing gaps in the research on labor markets.

The workshop will also provide a forum for discussing the complementarities between the focus taken by our study and other ongoing research efforts (such as the ILO's "Labor Market Flexibility and Employment Security" study). Though comprehensive in terms of coverage the workshop will be relatively small (about 30 participants) to enable open discussion and participation.

A **workshop report** drawing on the background papers, the policy discussions at the workshop and the needs of the policy dialogue with the country. The workshop report will be an input in the design of subsequent analytical work.

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<sup>3</sup> \* denotes surveys which have already been obtained, we have already requested the last one we would need and do not envisage to face any problem in obtaining it.

**Workshop in late February-early March.** This two-day workshop will be an opportunity to present initial results and start discussion of range of policy solutions with a group of key stakeholders. The workshop will be timed to ensure these discussions can be incorporated fully in the analytical work and policy advice. A couple of consultants will be hired to provide a **paper on the constraints to private sector development** and a **paper on the public sector**, and integrate the team. The rest of the team will focus on producing and presenting analysis on the public sector, factors governing the allocation of employment and human capital between the public and the private sector and the labor market impact of migration.

A **workshop report** will consolidate the comments and the discussions held at this second workshop and inform subsequent analysis and will also be an input in the labor market policy study to be completed in the current FY.

### **Link to country program**

The activities suggested are linked most closely to a labor market study to be completed in the current FY (for which a Bank budget of US \$ 120000 has been allocated). Deepening our understanding and the dialogue on labor markets in Ethiopia are also important elements in the ongoing Needs Assessment on the country's financial needs to reach the MDGs in 2015, especially in light of the planned expansion in provision of basic social services and the pressures that might arise on wages and sectoral allocation. The rich country agenda on Private Sector Development is highlighting the need to further our understanding on some issues which will fall within the realm of the activities proposed, including the role played by skills and capacity gaps in hindering private sector development and competitiveness, and the impact of the privatization agenda on the labor market, particularly in terms of large expected retrenchment of workers in currently publicly owned enterprises. Finally, these activities will also feed in the overall efforts to increase coordination with other donors in terms of research efforts and policy advice, by offering a forum for mutual learning and open discussion.

### **Outputs**

The activities being supported under this proposal will result in two sets of outputs:

- The initial workshop, with a set of background notes and a workshop report
- The intermediate workshop, with a set of draft background papers and a workshop report synthesizing the feedback to the analytical work presented and the policy options discussed.

### **Beneficiaries and expected outcomes** (indicators)

The beneficiaries of the specific outputs of this project will be:

- all stakeholders present at the workshops and in particular the GoE and the donor community, who will debate the key challenges the country faces in terms of

- labor market policies and be able to better define their agenda for action and research,
- the background papers and the presentations for the workshops will be posted on the web, together with final outcomes of this analytical work so as to come to fruition to a wider audience of interested parties, and
  - the workshop reports will help the Ethiopia country team provide a more focused and relevant analysis of the current situation and future policy challenges on the labor market, and include timetables for joint work with the government and other stakeholders on analytical and policy issues

Indicators of performance will be:

- the workshops are held and well attended by representatives of all stakeholder groups
- the background papers are prepared on time and revised to incorporate comments within 2 weeks of the workshop, they are subsequently posted on the web (for the first workshop)
- the analytical work presented at the workshop is refined and reshaped (if needed) reflecting the discussion at the second workshop and the need to support the policy dialogue (for the second workshop)
- the workshop reports are prepared after the workshops and discussed with the GoE

**Risks**

- lack of engagement risk in specific areas: in the past the GoE has been reticent to discuss some aspects of its policies such as public employment conditions, though our country dialogue has shown a new willingness to consider these issues
- (related to the above) risk of restricted access to data: though data availability from sources such as household survey is not a problem in Ethiopia, there might be problems in accessing new data relating to sensitive issues such as levels of compensation in the public sector, or employment in public enterprises

**Time table for key steps**

November 20: background notes are completed

Last week of November: workshop is held in Addis Ababa

By December 20<sup>th</sup>: revised background notes and workshop report are posted on the web

Late February-early March 2005: a second workshop is held where initial results of analytical work are presented and discussion on policy options is held

By end of April, 2005: Analytical work on Labor Markets in Ethiopia is completed

**Cost**

The table below summarizes the breakdown of costs and sources of funds for the outputs listed above.

	Source of funds	
	Requested funds	BB
<b>Planned activities:</b>		

Travel for consultants to participate in workshops	24000	
Short term consultants	30000	
Workshop expenses (2 workshops) <i>(of which MTV 2600)</i>	4000	
<b>World Bank contribution to outputs:</b>		
3 staff weeks – Jeni Klugman		15000
3 staff weeks – Caterina Ruggeri Laderchi		9000
2 trips		12000
<b>Total</b>	<b>58000</b>	<b>36000</b>
<b>Additional work to complete Labor market analysis</b> <i>(1 month cross support from DECRG, writing two additional papers, writing a comprehensive report, additional traveling)</i>		<b>84000</b>

## **GHANA ICT Capacity Enhancing Program**

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### **Background and Objective**

The objective of this proposal is to enhance the competitiveness of entrepreneurs operating in the Information and Communication Technologies (ICT) sector in Ghana and to improve their accessibility to global markets. The ultimate goal is to promote the expansion of ICT firms and the creation of more ICT-related jobs in Ghana. The program seeks to align itself with the capacity building program of the African Project Development Facility (APDF).

The Government of Ghana has adopted a strategy to transform Ghana into a knowledge-based society and a technology-driven economy in order to boost employment and achieve accelerated growth. This includes ensuring the availability of skilled IT workers, rapidly developing required infrastructure, encouraging entrepreneurship and investment, transforming Ghana into a competitive regional ICT hub, and improving governance and service delivery through IT. The Government has made progress towards these goals, including liberalizing the telecommunications sector in 1994 and subsequently creating the National Communications Authority to regulate the market. Recently, with the assistance of the World Bank, the Government has made a concerted effort to formulate a comprehensive telecommunications sector policy and strategy and strengthen the regulatory environment.

These improvements are expected to encourage the expansion of the telecommunications infrastructure in the country, which will benefit the overall ICT industry in the country. Ghana has a strong entrepreneurial spirit and a number of prospering ICT companies, including internet service providers, software and IT service providers, and business process outsourcing ventures. Most of these companies have excellent technical capabilities and productive and capable staff, however many lack the ability to grow and compete globally. The Government has taken some steps to support these companies, such as establishing an ICT incubator and promoting plans to develop a technology park with special incentives to encourage high-tech investment. Ghana, however, has not yet reached its potential in terms of becoming a competitive regional ICT hub. What is missing is increased global competitiveness and access to global market demand for ICT services by Ghanaian firms.

### **Activities**

The proposed program has four main components, which are expected to achieve the specific objectives of promoting capacity building among ICT operators, entrepreneurship development, improved information sharing and improved networking links with ICT operators in other countries.

1. Preparation of a feasibility study on the potential competitiveness of Ghana's ICT industry compared to other Sub-Saharan African countries and globally.
2. Creation of a website to (i) enhance the linkage between suppliers of ICT services and the potential sources of demand; (ii) improve the linkage to business development services; and (iii) improve access to information on the global ICT market.

3. Organize workshops for existing ICT operators and the youth interested in pursuing a career in ICT sector.
4. Familiarization tours for ICT entrepreneurs and selected Government officials to countries that are advanced in the application of knowledge-based economy strategy.
5. Capacity building for entrepreneurship development.

### Outputs

1. A feasibility report on the competitiveness of Ghana's ICT industry.
2. Three workshops organized every over one year period.
3. A website created to enhance the networking of the entrepreneurs operating in the ICT sector.
4. A report on a familiarization tour to a countries such as India or South Africa
5. Reports on the capacity building programs for entrepreneurship development (4 training programs)

### Cost

Activity (12 month period)	No. of Units	Unit Cost	Total Cost(US \$)
1. Feasibility Report on Competitiveness	1	38,000	38,000
2. Awareness Workshops(incl. Travel for external resources persons)	4	7,500	30,000
3. Website Design and Maintenance	1	15,000	15,000
4. Entrepreneurship Development Workshop(s)	5	5,000	25,000
<b>Sub Total</b>	1		<b>108,000</b>
<b>Project coordination Fees and Expenses for External Resource Person(s)</b>			15,000
<b>Grand Total</b>			<b>138,000</b>

### Beneficiaries and the expected outcomes (indicators)

The proposed program will benefit all ICT entrepreneurs operating in Ghana as well as key stakeholders within the tripartite framework, namely, Employers Association, business Association(s) and representatives from the Ministry of Communications and the Ministry of Finance and Economic Planning. Expected indicators of success include the creation of new jobs in the ICT industry and the increase in the value of export of ICT-related goods and services from Ghana.

### Timetable for key Steps (Nov 04.-Sept.05)

	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
1. A Study on Competitiveness											
2. Advocacy Workshop(s)											
3. Website Design and Maintenance											

4.Entrepreneurship Development Workshop(s)											

**Risks**

The main risks are lack of policy, regulatory and infrastructure support. While Ghana is making good progress toward sector reform and liberalization, the regulatory environment needs further improvement and adequate infrastructure is still lacking. Ghana also faces stiff competition from several countries with well established ICT sectors having greater customer awareness, a larger skilled employment base, low salaries and better telecommunications infrastructure.

**Footnotes**

- (i) The Ghana Employers Association could be contracted to host the program and implement the key components of the program. They have consultants that have expertise in the in website design and the management and organization workshops/conferences.
- (ii) The World Bank funded Distance Learning Center is currently located on the premises of the Ghana Institute of Management and Public Administration. The Center could be contracted to handle the training programs.
- (iii) With an additional US\$50,000 or more would finance the setting up of a Junior ICT Entrprise Center (s) on the University Campus(es),as well funding more external resources persons.
- (iv) Key stakeholders have already been consulted on this proposal. Internally , this comprise our IFC and IDA’s ICT specialists. Externally , the Association of ICT operators (AITHEC), Ghana Employers Association (GEA), and government officials, in the relevant ministries
- (v) I will be available to supervise the program from the Bank side . The Bank’s task to be attached to this activity is the ESW on Employment and Youth. Budgeted staff weeks for this exercise is 6 SWs

## F. CAPACITY-BUILDING PROPOSAL

A key objective of the overall project is to build the capacity of government officials, social partners, and researchers to analyze labor market issues and institutions and to recommend, implement, and evaluate effective policy responses to priority labor market problems. The Bank Social Protection team has taken the lead in developing the capacity-building proposal, working closely with the regional team as well as the World Bank Institute. We have also been discussing these plans with the ILO. The ILO is expected to play an important role in this component of the overall workplan, implementing one major activity through the International Training Center in Turin and collaborating with the Bank on other activities included in the proposal.

The following proposal lays out a set of activities for improving capacity with a series of learning opportunities for various target audiences. The proposal builds on the research emerging from the project's first component which identifies the key labor market trends and policy priorities in Africa related to labor supply, labor demand, job creation, and labor market institutions. The proposal also leverages existing financial, technical, and organizational resources in order to maximize the impact of the Trust Fund on both the level of attention paid to labor market issues and the quality of labor market policy-making in the world's poorest region.

Two elements of the proposal have been discussed from the initial stages of project development, a training activity at Turin on labor standards and poverty reduction and a course taught via distance learning to many sites in Africa. Both courses target government officials, employers, and workers, and (at least in the case of the World Bank-led course), academics and other researchers in Africa.

The ILO course, *Core Labor Standards and Poverty Reduction*, will provide participants with a grounding in the ILO's fundamental conventions and their relevance to decent work in low-income countries. Based on the ILO's initial proposal, it will be divided into the following three modules: (1) ILO standard-setting process and background on the Declaration of Fundamental Principles and Rights at Work; (2) Detailed understanding of the 4 core labor standards and 8 conventions underpinning them; and (3) the linkage between these labor standards and the creation of decent jobs. This initial proposal is attached. If there is an updated proposal ready in time, it will be distributed at the steering committee meeting.

The World Bank course, *Key Labor Market Issues in Africa*, will be offered in six English-speaking (Ghana, Zambia, Ethiopia, Uganda, Kenya and Tanzania ) and five French-speaking countries (Burkina Faso, Senegal, Cote d'Ivoire, Mauritania and Benin). The four regional papers from component one of the project will feature prominently in this course, along with the key research and policy lessons learned from experience with labor policy and programs in other developing regions. The course will be offered twice a week (four-hour sessions each week) over six weeks. They will be facilitated by local labor experts and incorporate videotaped presentations of experts from the World Bank

and other institutions (including ILO), combined with at least one 2-hour session per week connected live with the other sites in Africa and resource people in Washington and Europe. The course will promote learning among participants by taking advantage of e-learning methods (e.g online discussion groups). Participants will communicate via internet from the various locations. The draft course announcements are attached.

In addition to the ILO and World Bank distance learning courses, we are proposing the following activities as well. The following paragraphs describe these options. Some of these are in a preliminary stage at this point and we welcome comments and suggestions from the steering committee on these proposals.

### ***Global Development Network Workshop on Labor Markets***

Dakar, Senegal, January 23, 2005

The Global Development Network (GDN) holds an annual conference bringing together developing-country researchers from all over the world. The GDN conference sponsors a series of workshops in the days before the conference and the organizers have accepted our proposal for holding one on the theme of labor markets in low-income countries. We are requesting support from the trust fund to bring some African researchers to the workshop. The other costs of holding the workshop will be financed by the World Bank.

The GDN workshop will be a key opportunity to discuss with researchers from developing countries the main findings of the World Bank's stocktaking exercise as well as provide an opportunity for invited labor market researchers to share and discuss their work among colleagues. It will provide an opportunity to strengthen the network of developing-country labor market researchers and to build their capacity to undertake high-quality and policy-relevant research. With the help of ILO colleagues (Umit Efendioglu and Anne Trebilcock) we have identified a number of African researchers who would contribute to and benefit from participation in this high-profile workshop. Additional resources from the TF would allow their participation. The proposal for the workshop is attached.

### ***World Bank Labor Market Policies Course***

Washington, DC February 28 – March 11, 2005

The World Bank Institute in collaboration with the Social Protection unit will be offering this 2-week flagship course on labor market policy for the fourth time. This intensive, face-to-face course typically reaches about 50-60 participants from around the world, including government officials, Bank staff, trade union representatives, researchers and academics, and staff from other international organizations. The course has 9 modules covering topics such as active and passive labor market programs, program evaluation, human capital development, discrimination, labor market information systems, youth employment, etc. Resources from the trust fund could bring in participants from Africa – a group that is typically underrepresented in the course. Funds could be directed, at least in part, to supporting the participation of African union officials, who are often in need of financing. The course announcement, which provides more details, is attached.

### ***Capacity-Building for Participating in Poverty Reduction Strategies***

This event could build on the ground work that was laid at the World Bank-ILO/ACTRAV-FES Lusaka capacity-building workshop in 2002. That workshop aimed at enabling trade unions to constructively contribute to Poverty Reduction Strategy Papers (PRSPs) by providing the union delegates with a deeper knowledge of the policy issues that labor believes are important for poverty reduction. The World Bank and ILO are presently discussing plans for this activity. A more detailed proposal will be presented at the steering committee meeting.

### ***Intensive Labor Market Research Training for Graduate Students***

A group of PhD students from the African Economic Research Consortium (AERC) would be selected to participate in an intensive labor market training course taught by a team of German/European academics to be held in Nairobi. Following the course, the students would conduct a research project on their own (possibly in small teams). They would continue to receive mentoring support from the academics via e-mail. Upon completion of the projects, research results would be presented at a workshop. The best papers (exact number to be determined by the budget) would be selected by a jury and the authors would be invited to the universities/research institutions in Europe for 3-6 months of intensive research and learning. More detail on this proposal is presented in an attached proposal.

The following table outlines the cost implications of the various components. In general, the resources requested from the trust fund would complement other funding sources.

<b>Component</b>	<b>Proposed trust fund contribution US\$000</b>	<b>Other funding sources (and comments)</b>
<b><i>Turin Center Course on Labor Standards and Globalization</i></b>	70	ILO
<b><i>Key Labor Market Issues in Africa (Distance Learning)</i></b>	35	World Bank
<b><i>Labor Market Research Workshop, GDN, Dakar</i></b>	15	World Bank (trust fund to support participation of selected African researchers)
<b><i>Labor Markets Policy Core Course (Scholarships for African Participants)</i></b>	20	World Bank (trust fund to support participation of Africans, especially from unions)
<b><i>Targeted PRSP Training</i></b>	40	World Bank and ILO
<b><i>Intensive Labor Markets Research Training for Graduate Students</i></b>	65	Other financing may be sought
<b><i>Total</i></b>	<b>245</b>	

### *ILO Turin Center Course on Labor Standards and Globalization*

Note: This is the initial proposal for this activity and we expect that an updated proposal will be presented at the steering committee meeting.

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Within the work programme, the ILO's International Training Centre will organise a two week training activity in Turin, Italy, on "*Core labour standards and poverty reduction*".

The aim of this training session will be to give participants a greater understanding of the ILO's fundamental conventions and its relevance to the creation of decent jobs and poverty reduction. This session will be divided into three main modules:

- Module 1 will provide participants with a general understanding of the ILO's standard setting system and the origins and nature of the ILO's Declaration on Fundamental Principles and Rights at Work;
- Module 2 will focus on providing participants with a detailed understanding of the nature and content of the fundamental conventions, namely Conventions 87 and 98 on freedom of association and the effective recognition of the right to collective bargaining; Conventions 29 and 105 on the elimination of all forms of forced or compulsory labour; Conventions 138 and 182 on the effective abolition of child labour; and Conventions 100 and 111 on the elimination of discrimination in respect of employment and occupation.
- Module 3 will focus on the linkages and relevance of the core labour standards to the creation of decent jobs, poverty reduction and development generally. This module will present a rights-based approach to development; explain research findings on the links between these rights and poverty reduction; assess the contribution of the fundamental conventions to the growth, employment and poverty reduction nexus; and present concrete examples of rights-based technical cooperation projects.

Participants to this training session will come from governments (mainly Ministries of finance, economic planning and trade), employers and workers organisations, as well as others involved in implementation of pilot projects. This training activity which will be a residential course in Turin, will take place in 2005.

## **Key Labor Market Issues in Africa A Distance Learning Course**

January 10– February 24 , 2005

### **Overview**

“Key Labor Market Issues in Africa” is a modular distance learning (DL) course designed to expose Anglophone Africa participants to international and African best practices and policy experiences in the key labor market issues most pertinent to Africa, and to promote discussions among labor market experts and policymakers. It is developed in conjunction with the World Bank Institute’s (WBI) Washington DC-based global flagship course on Labor Market Policies 2005, as well as the Africa Region and Social Protection units of the World Bank. The course will be offered in January-February 2005 in Ghana, Zambia, Ethiopia, Uganda, Kenya and Tanzania.

The issues covered in the DL course build on new research by the World Bank and others on labor markets in Africa which has endeavored to explain the disappointing growth in formal sector employment despite improved economic performance in much of the region. The course will cover supply side issues such as skills development, migration, gender, conflict, and HIV/AIDS as well as the demand side issues such as investment climate, export patterns, and job creation in the formal and informal sectors. Labor market regulation and institutions such as trade unions and the practice of social dialogue will also be discussed. Course participants and resource people will then explore the most effective policy responses to promote quality job creation in Africa. Participants will also have the opportunity to apply the lessons from the course to the labor market issues facing their country.

### **Course Description**

The course will be delivered using a combination of video-conferencing, e-learning, taped presentations and local, face-to-face facilitation. Participants will meet twice weekly for half a day over 6 weeks. Taught by experts from the World Bank, as well as from leading academic institutions and African universities, the course incorporates an interactive learning experiencing including formal lectures, case studies, as well as presentations prepared by the participants themselves aimed at enabling them to apply learning to concrete situations in their own countries. Learning sessions are organized around key readings and taped presentations by experts, group discussions of this material moderated by local content experts, and video-conferences connecting the World Bank with all participating African sites.

Through the e-learning course website each participant will have access to course materials, powerpoint presentations by international and African experts, and key readings. Participants at each site will be encouraged to use the electronic discussion space to post questions between video-conference sessions, share their individual presentations, projects and responses to case-studies and interact with their peers and experts on a regular basis during the course. The electronic discussion space will be facilitated both by international and local experts.

The course will cover the following topics:

1. Labor Markets in Africa: Key Trends and Major Policy Issues
2. Climate for Job Creation
3. Enterprise Restructuring in the Public and Private Sector
4. Active Labor Market Programs and Unemployment
5. Skills Development and Training Needs
6. Prospects and Limitations in the Informal Sector
7. Labor Regulation, Employment, and Wages
8. Industrial Relations in Africa
9. Engendering Development
10. Child Protection Issues
11. HIV/AIDS and Its Impact on the Labor Market
12. Labor Markets and Poverty Reduction Strategies

### **Course Fees**

To be determined by Distance Learning sites.

### **Certification**

Certificates will be issued upon successful completion of the course.

### **Target Audience**

The course will be delivered through the Distance Learning Centers in Ghana, Zambia, Ethiopia, Uganda, Tanzania, and through the UN center in Kenya. This course is designed for policymakers, technical staff of government agencies, researchers from academic organizations, training institutions, trade unions, employer groups, and NGOs involved with labor issues in client countries as well as for operational staff from the World Bank and from bilateral and multilateral donor agencies. The content of the course should be of interest not only to Labor Ministries but also to government officials with responsibility for economic policy, industry and education, and we encourage participation of staff from these agencies.

### **Delivery Requirements**

A minimum of 10 participants per site is required to participate in the course (with 20-30 participants being the norm).

### **Supporting Materials**

Each registered participant will be connected to WebCT containing course materials, as well as a password to enter the World Bank Institute's Social Protection/Labor Markets website. The on-site teaching will be supplemented by videoconferences and an e-learning/electronic discussion space. Participants will be provided access to the Internet and WebCT at the GDLN centers, and be provided training on using the e-discussion space.

### **Contact and Application**

For further information, please contact the course administrator Ms. Magdalena Smoot (email: [msmoot@worldbank.org](mailto:msmoot@worldbank.org), phone: (202) 473-4503).

## **Key Labor Market Issues in Francophone Africa A Distance Learning Course**

March 17– May 5, 2005

### **Overview**

This distance learning (DL) course is designed to expose Francophone Africa participants to international and African best practices and policy experiences in selected key labor market issues most pertinent to Africa, and to promote discussions among labor market experts and policymakers. It builds upon the World Bank Institute's (WBI) Washington DC-based global flagship course on Labor Market Policies in March 2005 and a DL labor markets course delivered to 5 Anglophone African sites in February 2005. The course will be offered in March – May 2005 in Burkina Faso, Senegal, Cote d'Ivoire, Mauritania and Benin.

The issues covered in the DL course build on new research by the World Bank and others on labor markets in Africa which has endeavored to explain the disappointing growth in formal sector employment despite improved economic performance in much of the region. The course will cover supply side issues such as skills development, migration, gender, conflict, and HIV/AIDS as well as the demand side issues such as investment climate, export patterns, and job creation in the formal and informal sectors. Labor market regulation and institutions such as trade unions and the practice of social dialogue will also be discussed. Course participants and resource people will then explore the most effective policy responses to promote quality job creation in Africa. Participants will also have the opportunity to apply the lessons from the course to the labor market issues facing their country.

### **Course Description**

The course will be delivered using a combination of video-conferencing, e-learning, taped presentations and local, face-to-face facilitation. Participants will meet twice weekly for half a day over 6 weeks. Taught by experts from the World Bank, as well as from leading academic institutions and African universities, the course incorporates an interactive learning experiencing including formal lectures, case studies, as well as presentations prepared by the participants themselves aimed at enabling them to apply learning to concrete situations in their own countries. Learning sessions are organized around key readings and taped presentations by experts, group discussions of this material moderated by local content experts, and video-conferences connecting the World Bank with all participating African sites.

Through the e-learning course website each participant will have access to course materials, powerpoint presentations by international and African experts,

and key readings. Participants at each site will be encouraged to use the electronic discussion space to post questions between video-conference sessions, share their individual presentations, projects and responses to case-studies and interact with their peers and experts on a regular basis during the course. The electronic discussion space will be facilitated both by international and local experts. In the final session, country teams will weave in knowledge gleaned during the course into a proposal for how labor market considerations and policies could be better incorporated and reflected in their country's Poverty Reduction Strategy Paper. This is also be shared via the e-discussion space.

The course involves sessions focused on the following topics:

1. Labor Markets in Africa: Key Trends and Major Policy Issues
2. Climate for Job Creation
3. Enterprise Restructuring in the Public and Private Sector
4. Active Labor Market Programs and Unemployment
5. Skills Development and Training Needs
6. Prospects and Limitations in the Informal Sector
7. Labor Regulation, Employment, and Wages
8. Industrial Relations in Africa
9. Engendering Development
10. Child Protection Issues
11. HIV/AIDS and Its Impact on the Labor Market
12. Labor Markets and Poverty Reduction Strategies

### **Course Fees**

To be determined by Distance Learning sites.

### **Certification**

Certificates will be issued upon successful completion of the course.

### **Target Audience**

The course will be delivered through the Distance Learning Centers in Ghana, Zambia, Ethiopia, Uganda, Tanzania, and through the UN center in Kenya. This course is designed for policymakers, technical staff of government agencies, researchers from academic organizations, training institutions, trade unions, employer groups, and NGOs involved with labor issues in client countries as well as for operational staff from the World Bank and from bilateral and multilateral donor agencies. The content of the course should be of interest not only to Labor Ministries but also to government officials with responsibility for economic policy, industry and education, and we encourage participation of staff from these agencies.

### **Delivery Requirements**

A minimum of 10 participants per site is required to participate in the course (with 20-30 participants being the norm).

## **Supporting Materials**

Each registered participant will be connected to WebCT containing course materials, as well as a password to enter the World Bank Institute's Social Protection/Labor Markets website. The on-site teaching will be supplemented by videoconferences and an e-learning/electronic discussion space. Participants will be provided access to the Internet and WebCT at the GDLN centers, and be provided training on using the e-discussion space.

## **Contact and Application**

For further information, please contact the course administrator Ms. Magdalena Smoot (email: [msmoot@worldbank.org](mailto:msmoot@worldbank.org), phone: (202) 473-4503).

# **How to promote more and better jobs in low income economies: Any role for labor market policies?**

**Proposal for a workshop to be held before the GDN Annual Global Development Conference**

**Dakar, Senegal, January 2005**

## **The background**

The past two decades have witnessed major shakeups in the economic and social systems of many developing and transition countries. Some have gone through a fundamental transition from a centrally-planned to a market economy; others have implemented far-reaching structural reforms, including financial-market and trade liberalization, privatization and product market deregulation. At the same time, all countries have been confronted with the growing challenges of a globalizing world. These changes have significantly reshaped society, itself, leading to stronger, and more sustainable, economic growth in many countries. But labor market outcomes in many cases have not improved, with rises in unemployment, inequality, and exclusion.

Unsatisfactory labor market outcomes loom large in many countries and regions. In Central and Eastern Europe, unemployment rates moved from being practically nil in 1990 to two-digits in the early phases of the transition to a market economy and, despite a recovery in output in the most recent years in some countries, it has often remained well above 10 per cent with associated falls in participation rates. Many Latin American countries, including those with revived growth in the 1990s, have also seen major rises in unemployment and inequality together with falls in participation rates. At the same time, while measured unemployment has remained relatively low in Sub-Saharan Africa and in South Asia, the share of working poor has reached almost 40% on average in both regions.

These labor market outcomes are obviously not what reformers had hoped for. Understandably, they have also weakened popular support for reforms, not least because a growth process that is not associated with job creation often fail to reduce poverty and insecurity. A well functioning labor market is also a key to an investment climate where new firms are created and private agents find the proper incentives to invest and innovate and thus spur growth. Thus, sound labor market conditions are needed to guarantee the success of structural reforms, to maintain the social support for those reforms, and to ensure that the benefits are widely distributed.

Against this background, the World Bank has launched in 2004 a review of labor market conditions in developing and transition economies. Regional “stock-taking” reports are being prepared also with the help of leading experts outside the Bank. These regional reports will review labor market trends and outcomes, assess the policy responses in different countries and identify knowledge gaps and priorities for further analysis.

The regional reports will be discussed at a workshop the Bank is organizing in the Fall of 2004. One of the main goals of the workshop – which will involve Bank’s experts as well as a number of leading scholars – is to identify key areas for further research which will be subsequently elaborated into a comprehensive research project to be implemented over a two-year horizon and involving different departments of the Bank as well as research centers outside the Bank.

### **The proposed workshop**

The GDN workshop will be a key opportunity to discuss with an extended group of experts and policy makers from developing countries the main findings of the in-depth review of labor market conditions produced at the World Bank. It will also allow to identify the research priorities and establish partnerships for implementing the research program. We consider this as a unique opportunity for the Bank to have a “reality check” on the topics and priority for its labor market work, and an opportunity for researchers and experts in developing countries to influence this research agenda and be part of its implementation.

We would envisage a one-day workshop organized in five sessions as follows:

#### **1<sup>st</sup> Session: Where are the good jobs? The informal labor market and the experience of low income countries.**

This session will share the results of an effort to take stock of the key labor market issues and policy priorities in two low-income regions: South Asia and Sub Saharan Africa.

#### **2<sup>nd</sup> Session: The Business Climate for Job Creation**

The session explores recent research based on a set of Investment Climate Assessments in low income countries.

#### **3<sup>rd</sup> Session: Research Showcase I: Issues in Quality and Quantity of Labor Supply**

#### **4<sup>th</sup> Session: Research Showcase II: Labor Demand and Job Creation**

Papers to be discussed in the 3<sup>rd</sup> and 4<sup>th</sup> sessions will be selected from the work of invited participants. Session 3 will include topics such as child labor, human capital development, migration, etc. Session 4 will include analysis of existing and projected employment trends, including the role of labor market regulation and institutions such as trade unions.

#### **5<sup>th</sup> Session: Defining the research agenda. Where do we go from here?**

We would envisage the participations of 25-40 people in one meeting room of adequate capacity. We will invite a core group of policy makers and experts to ensure a lively debate but would rely on participants to the GDN Conference for the majority of the

audience at the workshop. We are already seeking funds to cover the participations of the core group, including particular outreach to African researchers.

# WORLD BANK INSTITUTE

*Promoting knowledge and learning for a better world*

## WBI COURSE ANNOUNCEMENT **LABOR MARKET POLICIES**

**February 28 - March 11, 2005 - Washington, DC**

The World Bank Institute is pleased to present its fourth "Labor Market Policies" flagship course in partnership with the Human Development Network. The course -- taught by experts from the World Bank, top academic and research institutions, and other leading agencies -- is designed to provide participants with a solid grounding in the key issues that arise in the labor market. In previous years, between 50-60 participants from over 30 countries and different multilateral and bilateral development institutions have attended each offering of the Labor Market Policies course. Participants have consistently ranked the course near the top of all WBI courses, both in terms of usefulness to their areas of work as well as new knowledge gained. This year, the course will feature new curriculum based on recent research efforts launched by the Bank in response to unprecedented demand in client countries for greater attention to labor issues. New research includes a comprehensive stocktaking of the labor market issues and policy priorities in each of the world's developing regions, as well as lessons learned from low and middle income country experiences about policy options for unemployment benefits; the effectiveness of active labor market programs; and the investment climate for job creation.

### **Course Description**

The course is designed to address several areas of policy concern in the labor market - unemployment and under-employment, labor misallocation, low levels of skills development, and inadequate and exclusionary social protection. It comprises nine inter-related and complementary modules, as well as parallel expert sessions on selected topics, and participant presentations on incorporating labor market issues in country poverty reduction strategies and other policies:

**Module 1: Setting the Scene: Global and Regional Labor Market Trends** – gives an overview of key labor market trends and issues worldwide and introduces a number of cross-cutting themes such as the informal sector, gender issues, vulnerable groups and the macro economic environment.

**Module 2: Active Labor Market Policies** - examines the different types of active labor market policies such as retraining, job search/matching, and direct employment creation, as well as the performance evaluation of such policies.

**Module 3: Passive Labor Market Policies** - gives an overview of passive labor market policies such as income support and unemployment benefit schemes. It will include a number of country case studies including some presented by participants themselves.

**Module 4: Climate for Job Creation** – examines the constraints to investment in the private sector and their effects on employment creation; covers the complementary role of public

investment. It will discuss policy lessons derived from recent work including the 2005 WDR.

**Module 5: Downsizing and privatization** - reviews alternative policies to deal with labor adjustment issues associated with privatization, restructuring of state-owned enterprises and downsizing. It will present a hands-on toolkit for downsizing simulations allowing participants to analyze the costs and benefits of downsizing operations.

**Module 6: Human Capital, Skills Development and Training Policies** - examines issues of human capital and economic growth, the training market, skills development and its consequences for earnings and productivity, and alternative policies for financing and delivering training to formal and informal labor markets.

**Module 7: The Informal Sector** - reviews the characteristics of the informal sector and examines its implications for policy making, including how informality affects social protection, vulnerable groups, and labor market reform.

**Module 8: Labor Markets and Equity** - examines the gender dimensions of the labor market. It covers different approaches to promoting more equitable labor markets and reports new research on the relationship between gender, program design, and economic growth.

**Module 9: Labor Market Regulation** - gives an overview of different modes of labor market regulation, and their likely impacts on the labor market. It discusses the roles of core labor standards and trade unions in the labor market and in the globalization process.

**Module 10: Youth Employment** - reviews trends and data on the growing problem of youth unemployment. Discusses measurement issues and offers the main policy lessons emerging from research and evaluation.

In addition to these modules, participants will be offered a choice of expert sessions where they can interact with leading experts within a smaller group of participants to gain in-depth knowledge on a particular topic. Candidates for this year's expert sessions include (1) HIV/AIDS and its impact on labor markets, (2) Developing labor market information systems for labor market analysis, (3) Designing enterprise training surveys for competitiveness studies and for evaluation of SME programs; (4) Migration and brain drain; and (5) disability and the labor market.

Participants from a country, or from several countries in a region, will have an opportunity to present a policy problem or challenge they face in their country(s). Such country/regional teams will provide fellow participants with background information on the issue and during the sessions participants and experts together work towards solutions or advise on the country cases presented. This action learning approach allows participants, and country teams in particular, to develop knowledge while engaged in the process of finding solutions to policy problems.

### ***Target Audience and Language***

This course is designed for senior policymakers, technical staff of government agencies, researchers from academic organizations, training institutions, trade unions, employer groups and NGOs involved with labor issues in client countries, as well as operational staff from the World Bank and from bilateral and multilateral donor agencies. The content of the course will be of

interest not only to Labor Ministries but also to those with responsibility for economic policy, industry and education, and we encourage participation of staff from these agencies.

As the course will be conducted entirely in English, a good command of English is essential to fully benefit from it. Training in other languages is planned for the near future, under partnership arrangements to be established with key institutions in the various regions.

## **Costs**

The two weeks of training is offered at the subsidized rate of US\$1,300 per participant from client countries (government officials, NGO's, trade unions, researchers and academia). For participants from international organizations, donor agencies and developed countries, the fee is US\$2,300. To build institutional capacity, countries are encouraged to send larger teams of, ideally, 4-5 participants, and course fees for the fourth and fifth participants will be waived. The fee includes tuition, training materials, medical insurance and other conference costs. Participants will be responsible for their own transportation to and from Washington, DC, as well as hotel and subsistence costs. We have negotiated a group rate at the Concordia Hotel, a 10-15 minutes walk from the World Bank, for a total of US\$ 119 (studio) and US\$ 129 (suite) per night.

## **Application and Contacts**

The deadline for applications is January 14, 2005. We strongly recommend early application since admission is competitive, space is limited, and the time taken to process US visa applications has lengthened. Acceptance is provisional pending evidence of full financial sponsorship and approval by nominating or coordinating agency (if required).

Please complete the attached application form and send it by fax or email to the following name and address, or preferably, apply online at <http://www.worldbank.org/wbi/labormarkets/>.

**Magdalena Smoot**

**E-mail:** [m-smoot@worldbank.org](mailto:m-smoot@worldbank.org)

**Fax: 1-202-676-0961**

**Tel : 1-202-473-4503**

**Address:**

## **World Bank Institute**

**1818 H Street, N.W.**

**Washington DC, 20433, USA**

For further information on participation, course fees and related administrative/logistical matters, please contact Ms. Magdalena Smoot.

For information regarding course content, please contact:

Yang-Ro Yoon at [Yyoon@worldbank.org](mailto:Yyoon@worldbank.org) or telephone: (202) 473-7520

Amy Luinstra at [Aluinstra@worldbank.org](mailto:Aluinstra@worldbank.org) or telephone: (202) 473-1827.

*The Social Protection Program of WBI is supported by the Governments of Belgium, Finland, Canada (through CIDA), France, Italy, Ireland, Japan, and the Netherlands (through CTF)*

## **Proposal for Building Research Capacity on Labor Market issues in Africa for Graduate Students**

**Background:** In SSA, as in other low-income regions, the research of labor market issues is little developed and labor market economics does not figure prominently, if at all, on the curricula of Master and Ph.D. programs. This contrasts with macroeconomic topics and has been recognized by the African Economic Research Consortium (AERC) which plans to introduce labor market courses at both master and Ph.D. level into their 2004/05 program. They have asked the help of the Bank (HDNSP) to this end.

To help develop the research capacity of young African economist within the African context and concurrently to develop the research topics of Phase I in a country-specific context, the following proposal for capacity building is suggested. It has been developed for the European Union in order to strengthen research capacity of the Baltic countries in the mid 1990s and was implemented with great success. It has been discussed with staff of AERC in Nairobi in February 2004 and they are eager and ready to implement.

**Proposal:** The AERC together with the LM steering committee select, say, 5 topics for research by the Ph.D. students of AERC. The topics and the empirical work may be linked to those emerging from the pilot countries.

To introduce into relevant research literature, relevant empirical/econometric methods and data, a small team of, say, 2 LM researchers from German/European Universities/LM research institute travel to Nairobi for 2 weeks and present each topic in 2 days. At the end of the two weeks, the research questions for the 5 topics to the, say, 20 students are presented. Each student is asked to address one topic and to write a research note (individually or as team, as appropriate). After the teaching team leaves, it interacts with the students via email and returns to Nairobi for a workshop presentation for the results.

The best 3-6 research notes will be selected by a jury, and the students invited to the research institutions in Europe for a 3-6 months research stay in order to deepen knowledge and instruments.

It is suggested to hold such a research course first in English, and in a second round in French. German LM research institutions in Bonn (IZA) and Munich (CEifo) could potentially partner for the English language course, and partner with French, Belgium, Spanish or Italian institutions for the French course.

**Costs:** The estimated cost depends on the number of visits to Nairobi by teaching team, the number of best students selected and their length of stay at the research institution.