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PERFORMANCE AUDIT REPORT

TUNISIA

**EMPLOYMENT AND TRAINING FUND
(LOAN 3255-TUN)**

June 29, 1998

Operations Evaluation Department

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Currency Equivalents (annual averages)

Currency Unit: Tunisian Dinar (TD)

In 1994, 1 US\$ = 1.0126 Tunisian Dinars

Abbreviations and Acronyms

ATE	Agence Tunisienne de l'Emploi
FIAP	Fonds d' Insertion et d' Adaptation Professionnelle Fund of Employment and Professional Adaptation
ICR	Implementation Completion Report
OED	Operations Evaluation Department
PAR	Performance Audit Report
USAID	U.S. Agency for International Development

Fiscal Year

Government: January 1 to December 31

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June 29, 1998

MEMORANDUM TO THE EXECUTIVE DIRECTORS AND THE PRESIDENT

**SUBJECT: Performance Audit Report on Tunisia
Employment and Training Fund (Loan 3255-TUN)**

The Tunisia Employment and Training Fund, supported by Loan 3255-TUN for US\$12 million, was approved in FY90. The project closed after extensions totaling 24 months, and a balance of US\$288,000 was canceled at closing. USAID provided cofinancing during the initial phase of the project.

Project objectives were: (a) to accelerate the adaptation of the labor force to existing employment opportunities through improved training and labor market intermediation and (b) to consolidate existing human capital by developing in-company training activities. To achieve the objectives, the project financed (a) a regionally based employment and training fund to facilitate job placement of the unemployed and to improve the productivity of existing workers through systematic in-company training efforts; and (b) an institutional development program aimed at strengthening key services to enterprises (selection, placement, and in-company training), developing job and training information and orientation, setting up a labor market placement monitoring system and strengthening project management and evaluation.

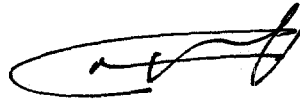
Project startup was slow, and the expenditures for training fellowships created procurement problems. Eventually, the project completed almost all its activities. The project functioned as a means to employ hard-to-place persons, particularly women of limited education. It facilitated placement of about 34,000 unemployed in industry jobs, often in medium-size firms; of these about 25,000 were still working six months after being employed. However, the project apparently did not stimulate the creation of many new jobs, either in existing businesses or through the creation of microenterprises. Also, it did not persuade many companies to seek specialized training for employees and thereby increase Tunisia's competitiveness in the international market.

The Operations Evaluation Department (OED) rates project outcome as satisfactory, institutional development as substantial, sustainability as uncertain, and Bank performance as satisfactory. The Agence Tunisienne de l' Emploi (a dependency of the Ministry of Employment and Professional Training) learned a great deal and developed substantially in the process of implementing this project. However, this project would have had more credible results if it had a strong impact and evaluation component.

Important lessons stemming from this project are:

- Subsidized training in work settings may be an effective way to stimulate employment for persons who are chronically unemployed or who lack necessary skills.
- Considerable care is needed to establish in advance norms for financing training. Early collection of data avoids abuses and high costs.
- Instructional expertise is needed in all cases of vocational education and training. Less educated trainees may encounter information problems that require resolution if they are to learn requisite skills.
- Simply designed training funds may be easier to implement. However, they may not effectively target disadvantaged areas and the populations most in need of employment.
- A strong evaluation component is very important in project design. Activities should start early during implementation, not at the end of the project.

Attachment

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Principal Ratings

	<i>ICR</i>	<i>Audit</i>
Outcome	Satisfactory	Satisfactory
Sustainability	Likely	Uncertain
Institutional Development	Substantial	Substantial
Bank Performance	Satisfactory	Satisfactory
Borrower Performance	Satisfactory	Satisfactory

Key Staff Responsibilities

	<i>Task Manager</i>	<i>Division Chief</i>	<i>Country Director</i>
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Preface

This is a Performance Audit Report (PAR) on the Employment and Training Fund Project (Loan 3255-TUN) for US\$12 million. The project was approved on September 4, 1990, and closed on June 30, 1995, after extensions totaling 24 months. A balance of US\$228,000 was canceled at closing. The U.S. Agency for International Development (USAID) provided cofinancing during the initial phase of the project.

The audit was conducted to study the effectiveness of the project and the quality of the Bank's advice in a country that has had a record of fiscal restraint and has made the development of human resources a long-term national priority.

The PAR is based on the following sources: the Implementation Completion Report (ICR) issued as Report No. 15398, dated February 28, 1996; the Staff Appraisal Report (SAR); the Loan Agreement; and the project files, in particular the supervision reports. An Operations Evaluation Department (OED) mission visited Tunisia in March 1998 to collect other pertinent information. Many thanks are owed the officials and researchers for their cooperation.

Following customary OED procedures, the draft PAR was sent to the relevant government officials for their review and comments but none were received.

1. Introduction

1.1 Tunisia has a strong and continuous commitment to the development of its human capital base. Its efforts at improvements include health care and important civil rights for women. Education is an important part of development plans. Primary education became nearly universal in the 1980s, and girls' participation is almost equal to boys.' Education at all grades is nearly free. The country's large investments in schools often include dormitories, canteens, and teacher housing. As a result of these efforts, Tunisia's population enjoys high life expectancy (average 69 years), high literacy levels, and a per capita income of US\$2,000.

1.2 After a decade of strong growth, the Tunisian economy experienced difficulties in the 1980s. Economic adjustment and fiscal restraint created unemployment estimated at 15 percent in 1989. Those who were unemployed often had relatively high levels of education but lacked skills in areas where there was demand. The government responded with various programs to stimulate employment. One of these was the Bank-financed Employment and Training Fund (Fonds d'Insertion et d'Adaptation Professionnelle—FIAP). USAID cofinanced a pilot stage of the training fund for US\$4.5 million. The project was one of the first in the Bank to finance hiring of the unemployed through a training fund, decentralized operations, and a bottom-up approach to job placement and income generation.

AT A GLANCE: EMPLOYMENT AND TRAINING FUND PROJECT

Loan no: 3255-TUN

Approved: September 24, 1990

Total cost: US\$21.3 million

Effective: March 21, 1991

World Bank loan: US\$12 million

Closed: June 30, 1995

Cofinancing: USAID

Disbursement record: US\$288,000 canceled at closing

Description: Financed non-formal training for immediate use in the labor market, particularly in areas of high labor demand and low supply

Objectives:

- To accelerate adaptation of the labor force to existing employment opportunities through improved training and labor market intermediation.
 - To consolidate existing human capital by developing in-company training activities.
-

Components:

- A regionally based employment and training fund to facilitate placement of the unemployed into existing job opportunities and to improve the productivity of existing workers through systematic in-company training efforts.
 - An institutional development program aimed at strengthening key services to enterprises (selection, placement, and in-company training), developing job and training information and orientation, setting up a labor market placement monitoring system and strengthening project management and evaluation.
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2. Project Design

2.1 The typical design of training funds worldwide has been supply-oriented. Institutions or agencies receive funds to train unemployed persons for skills usable in the workplace, whenever jobs are found. The Employment and Training Fund project included the innovation of responding to a market demand. The trainees developed skills for positions that existed or that they already held. Similar projects have been implemented in Mexico, and are under preparation in some eastern European countries.¹ The FIAP focused on supplying skilled labor, wherever it was demanded. Although it aspired to benefit the less educated unemployed, it was neither a poverty project nor a social fund and did not specifically target poorer areas.

2.2 The design of the Employment and Training Fund project was relatively simple. Funds were available for training that met certain criteria. Businesses could receive training fellowships and other support to hire staff who might otherwise have difficulty getting jobs. Businesses could also get training for their employees when it was not easily available as an organized course. Businesses could request funds under one of several "instruments," means by which employment could be stimulated through training and placement. (See paras. 3.4–3.9 for examples.) Larger businesses paid matching funds to the trainees, while others provided training materials (such as pottery clay). Training subsidies were given for courses of study or subject matter that clearly were in demand and met criteria specified by the project: courses were to be the subject of training agreements or approvals by industry associations, economically relevant to Tunisia's development, and amenable to organized instruction. In addition, training proposals were to include evidence of demand from industrial establishments and individuals, availability of instructors, satisfactory buildings, and existence of needed training equipment.

2.3 The staff of state employment offices administered the FIAP locally in their offices. Staff (called promoters) were responsible for contacting businesses, informing them about the project, and formulating subprojects for them. Then they matched the untrained unemployed with businesses who needed employees and could train the recruits. During training, recruits received a small subsidy of about 2.5 dinars per day. Employers contributed training, materials, sometimes matching salaries. At the end of the training period, employers chose which trainees to hire on a more permanent basis.

1. A similar project, Mexico's Manpower Training (Loan 2876–ME), became effective in 1987. It was audited in March 1996.

3. Implementation Experience

3.1 The Ministry of Vocational Training and Employment implemented the project through the Agence Tunisienne de l'Emploi (ATE), which was created as an autonomous agency under the Ministry of Vocational Training and Employment to manage the project. Due to a lack of experience, startup was slow. Project files and supervision reports indicate expectations of greater expertise in implementation and procurement than was readily available. Procurement for training subsidies was difficult and presented unusual problems because small amounts of money were disbursed to many persons with rather inadequate receipts. Accounting difficulties were created by a shortage of resources and lack of a system to account for disbursed amounts. Thus, audits could not be prepared until an accounting system was put in place. Additional complications arose in 1990; changes in the Ministry of Vocational Training and Employment and a reorganization of the Office of Vocational Training created confusion and overlapping roles, which affected project implementation. The procurement, accounting, and institutional problems caused delays for the first two years; consequently, the project lasted nearly six years rather than the original four. Eventually, however, ATE carried out almost all planned activities.

3.2 Beneficiary businesses also experienced disbursement and placement delays. Initially, employment officers prepared subprojects slowly and inefficiently. Midterm review documents showed delays of placement and payment to trainees of two to four months, forcing some to quit the training work. Eventually, FIAP staff gained experience in document preparation. Most subprojects were approved centrally by ATE staff. In the process, staff gained experience in estimating training costs and the intrinsic value of the training schemes proposed; they were thus better able to evaluate the merits of proposals in subsequent years.

Employment and Training Fund (FIAP) Component

3.3 The audit mission visited employment offices that handled FIAP funds in Tunis, Tabarqa, Sousse, and Sfax, held discussions with staff, and visited individual beneficiaries in their places of work or training. The mission also observed some activities of the follow-on operation, the 1996 Second Training and Employment project (Loan 4036-TN). Effort was made to visit beneficiaries of each of the several schemes through which participating businesses obtained training funds. Some examples are listed below.

Examples of FIAP Funding

3.4 *Instrument A*— Unemployed persons who went to employment officers were matched with employers willing to obtain training funds and received training for placement in the participating enterprise (about 34,809 trainees (79 percent of beneficiaries), by far the most widely used instrument):

- Twenty women, some illiterate, were taught to make carpets for eight months. Upon completion, they did piecework.
- The sugar industry in Beja each year takes in six trainees who already have technical training and trains them in the use of its equipment.

- Young women with lower secondary education were trained to repair chairs and to make baskets by an artisan shop in Tabarqa. Some young men were trained to make pottery.
- A physics graduate was retrained to become personnel director of a hotel.
- Many hotels took advantage of the FIAP to screen and train unemployed persons and keep the best performers.

3.5 *Instrument B*— Some persons received training to start a business of their own (10 percent of beneficiaries):

- A seamstress in Beja received training to set up her atelier.
- The owner of a small print shop obtained accounting training for his wife.
- Illiterate women in Kairouan learned to weave carpets and worked out of their homes.

3.6 *Instrument C*—Some companies obtained in service training and extension for their employees (only a few beneficiaries):

- Five directors of an exporting company hired a university professor to teach them English during their working hours.
- A group received training in the procedures of customs offices, which is otherwise not available.

3.7 *Instrument D*— Some training and placement companies presented proposals to train and place unemployed persons in specific areas where there was a clear demand (10 percent of beneficiaries):

- A computerized accounting course was financed for prospective employees in Ben Arous.
- A Dutch non-governmental organization in Ayn Drahm received funds to train women in carpentry.

3.8 *Instrument E*— Some unemployed persons obtained allowances for job interview and relocation close to a new work site (very few beneficiaries):

- Olive collectors who lived in Tabarqa were provided transport to and lodging in Sousse for seasonal work and to help prevent exploitation.

3.9 *Instrument F*—In-company training for enterprises undergoing restructuring:

- Workers of an ailing logging enterprise in the Tabarqa area were retrained to shape planks of wood in preparation for a new job. Eventually the firm survived and was able to use the new skills of its employees.

3.10 All interviewed beneficiaries expressed satisfaction with training and placement, and several viewed FIAP as a very beneficial program. Employers were also very positive about the opportunity they had to screen potential employees while training them. However, some found FIAP to be too bureaucratic. At its earlier stages, it was possible to get approval regionally, but the potential for abuse and the need to monitor the process shifted approval to Tunis and created delays that disappointed beneficiaries. Some businesses reported approval within three weeks while others reported delays of eight months. The subsidy amount of 2.5 dinars per day was also cause for some concern; the amount is low and is intended to have value only for the poor. But the amount enterprises receive for training materials is also minimal. This is problematic in the case where trainees must waste material before they learn, as in various handicrafts.

3.11 Promoters reported a number of successful placements, but also a few problems. Some employers were not serious and did not intend to hire trainees; they used them for free during the training period and then fired them or offered them unsustainably low salaries. Some training programs showed large costs that were not justified, while others were too short to impart usable skills (e.g., a one-month sewing course). To minimize the cost and quality variations, the follow-on project collected data on costs and course contents, and it now finances training according to norms.

3.12 Did FIAP increase the supply of new employment positions for the unemployed? All employers visited by the mission said that they would have hired about the same number of employees as they did through FIAP funds. Without the fund and visits from promoters, they might have hired through newspaper ads or through word of mouth. But they may not have hired the same people. FIAP made it possible for them to try out persons with little risk and may have thus made it possible for long-term unemployed and first-time job seekers to be hired.

3.13 Employment tended to come from medium-size or larger companies. Promoters tended to optimize their time by reaching the larger enterprises, which could offer several jobs for placement. They put less emphasis on reaching microenterprises, which often create many jobs. Many were hard to reach and did not belong to professional organizations that received and disseminated information about the FIAP. Other firms in the informal sector were unwilling to provide information about their activities. Medium and large firms tended to receive the bulk of the FIAP trainees and subsidies.

3.14 The mission tried to find out how widely known FIAP was and asked small businesses that had not participated whether they had heard of it and whether they had received an opportunity to participate. Of the three businessmen asked, one recalled seeing FIAP advertisements, but they had not considered seriously applying for the Fund because they could not see the immediate relevance to their work. They had also not been visited by promoters.

3.15 The criteria for awarding FIAP fellowships included pedagogical organization of the courses. Training was to be organized so that the information was imparted to trainees in ways that can be efficiently understood. However, it was unclear how effectively students were taught. Supervision reports did not mention this aspect of the project. Promoters said that they occasionally went to observe what was taught in courses, but this was not done systematically. Promoters tended to view teaching skills as a simple matter. Yet, information processing in vocational training is not always simple. The trainers who taught courses often did not have teacher training and may have not had a good grasp of the problems their students had with the

material. It is possible that with more attention training could have become more effective, but no data were collected on the instructional aspects of courses.

Institutional Development Component

3.16 The project also financed an institutional development program aimed at strengthening key services to enterprises (selection, placement, and in-company training), developing job and training information and orientation, setting up a labor market placement monitoring system and strengthening project management and evaluation.

3.17 The employment offices visited by the mission demonstrated considerable investment by the project. A management information system was functional and was used to register the characteristics of the unemployed, record openings reported by employers, and tentatively match people with jobs. Trained staff members operated the computers. Many staff members reported receiving various forms of training, including some internships in industry. Although undoubtedly much training took place, the extent to which promoters could provide important services to enterprises and vocational counseling to the unemployed is unclear. As discussed in the issues section, the dimensions of the promoter role may have been unrealistic.

3.18 *Evaluation.* The project was not successful in implementing an evaluation design, as agreed at appraisal. Monitoring was limited to finding out how many trainees were still employed six months after their training. There was a lack of baseline information, which made it impossible to document whether FIAP actually increased the availability of labor that matched the demand and offered positions to the long-term unemployed. Lack of a suitable evaluation design was unfortunate, because these important issues were left unanswered; answers could have been useful in other parts of the world where similar projects are implemented.

Table 3.1. Project Activities

<i>Components/ Subcomponents</i>	<i>Activities</i>	<i>Target Achievement</i>	<i>Outputs</i>	<i>Outcomes</i>
Create regionally based Employment and Training Fund				
	Finance subprojects to place the unemployed into existing job opportunities	Place 30,000 job seekers	34,861 beneficiaries trained 61.5% of beneficiaries were under 25 65.8% of beneficiaries only had grade 6 education	25,043 placed in jobs 72.4% placement rate after 6 months in training
	Improving the productivity of existing workers through systematic in-company training offers		40 companies were beneficiaries	unknown
Institutional development	Strengthen selection, employment, and in-		in-company training did not receive	none

<i>Components/ Subcomponents</i>	<i>Activities</i>	<i>Target Achievement</i>	<i>Outputs</i>	<i>Outcomes</i>
program	company training		much emphasis	
	Develop job and training information	8 one-stop vocational information booths	activity not carried out	none
	orientation of young people and adults		extent of work unknown	
	labor market placement monitoring system	survey at six months of employment	survey carried out	results used in further planning
	strengthen project management	13 regional information units received logistical and audiovisual support		
	Purchase of vehicles	17 purchased	used in ATE activities	
	Computer equipment and software	Implementation of management information system Training 158 staff in information technology Training 17 central staff in analysis of statistical information	MIS operational in regional employment offices	Individual cases and statistics were obtainable
	Equipping sector and regional employment centers	2 sector processing units 3 regional professional employment units	equipment purchased	equipment used for tracking demand and supply of labor
Studies:				
Participatory audit of staff and their qualifications	activities were unclear	no recall of activities		
putting in place detailed accountability		a system was developed	internal audits produced	increased accountability

4. Results

Outcome

4.1 OED rates the outcome of the project as satisfactory. Due to its simple design, the project was implemented relatively smoothly, despite the implementing agency's lack of experience. The FIAP fund facilitated placement of about 34,000 unemployed in industry jobs, often in medium-sized firms. About 25,000 were still working six months after being employed. The project functioned as a means to employ hard-to-place persons, particularly women of limited education. More women than men benefited perhaps because women more often lacked skills needed by industries.

4.2 Project designers hoped that the FIAP would stimulate the employment of unemployed young men, who might otherwise create social problems that Tunisia has worked diligently to keep at bay. Since most beneficiaries were women, it is not known whether the fund has achieved this goal. The existence and dissemination of the FIAP program, however, probably generated political returns for a government that seeks to create economic and social stability in the country.

4.3 It is possible that the subsidies could have been more closely targeted to the hard-core unemployed and to industry sectors that needed government help for technological development. But the loan was relatively small (US\$12 million), its time frame was short, and it was demand-driven. Therefore, ATE had relatively limited options for targeting the funds. The follow-on project is more closely targeted to areas of specific industrial development.

4.4 Training of employees for technologies that would increase Tunisia's competitiveness is a different objective from the placement of the unemployed. Yet, FIAP promoters tried to do both. The relative lack of success in stimulating training of employees in companies may have been due to overburdening of promoters with two very different objectives and activities.

Institutional Development

4.5 Besides management information systems, the project resulted in considerable institutional development for ATE, which learned a great deal in its efforts to implement the project. The institution developed skills in costing courses, collaborating with various labor-oriented agencies, and meeting the needs of businesses. Overall, institutional development is rated as substantial.

Sustainability

4.6 Since the evaluation system was not effective, the percentage of scholarship recipients who retained their jobs in the long run is unknown. The quality of the training they received is also unknown. Other instruments besides job placement also have unknown outcomes. For this reason, OED rates the sustainability of the Employment and Training Fund project as uncertain.

Bank Performance

4.7 Bank performance was satisfactory. The project was supervised closely, and the Bank helped resolve the rather unusual disbursement and audit issues that arose. Some performance shortcomings marred this record, however. The Bank did not monitor the quality of instruction that trainees received and did not provide leadership; no educator was involved in the project. Also, the Bank did not provide Tunisia with the experience of other countries that had carried out such projects, notably Mexico. Despite the Bank's emphasis on poverty alleviation, the project design lacked poverty and regional equity considerations.

4.8 Ministry officials were satisfied with the help they received from the Bank. They found the advice useful, procedures flexible, and staff willing to find innovative answers to deal with this unusual project.

Borrower Performance

4.9 Borrower performance was satisfactory. Officials in the Ministry of Vocational Training and Employment paid considerable attention to the project and carried it out to the limits of their implementation capacity.

Ratings

4.10 OED rates project outcome as satisfactory, institutional development as substantial, sustainability as uncertain, Bank performance as satisfactory, and borrower performance as satisfactory. The ICR gave the project the same ratings, except that sustainability was rated as likely.

5. Issues and Recommendations

The Challenge of Promoting an Endless Task

5.1 The project's success largely depended on the activities of employment officers. They made presentations to syndicates and professional organizations, located businesses interested in using FIAP, formulated proposals for them, and later supervised traineeships to some extent. Businesses in a locality are many, and so are the unemployed. Trying to reach a significant number of employers and employees is a never-ending task. This endless work is sometimes demotivating, and some promoters could handle it better than others. Some were attentive to the FIAP criteria, others seemed to recommend funding rather indiscriminately. Since promoters focused on larger enterprises, they oriented FIAP employment and benefits toward established businesses rather than smaller and developing businesses which are difficult and time-consuming to reach. For the larger follow-on project there was a question as to whether sufficient staff members were available to carry out the work.

5.2 It would be helpful if FIAP depended less on employment office promoters. Promotion could rely more on media, like television. Perhaps syndicates and trade organizations could also submit proposals directly to ATE.

Difficulties of Income Generation

5.3 ATE officials hoped to stimulate the creation of microenterprises through FIAP, but relatively few businessmen took advantage of the opportunity. One problem was lack of capital for equipment and setting up the businesses. Management and marketing advice were also needed. FIAP did not provide such help, and promoters do not effectively link FIAP training with capital. There are a few potential sources, such as the Fonds National d'Artisanat et des Petites Entreprises (FONAPRA) and the Banque Tunisienne de Solidarité. However, the former requires a guarantee and gives out loans with difficulty, while the latter gives only 10,000 dinars without guarantee.

5.4 To stimulate creation of microenterprises FIAP staff need to make clear linkages with the organizations that can provide credit to beneficiaries. Also, FIAP might pay for management and marketing expertise to ensure the success of the new enterprises.

Sensing the Need for Training

5.5 ATE had expected that companies would use the FIAP to finance training for their employees in areas of technology that would increase Tunisia's international competitiveness. This has not yet happened. One problem seems to be that businesses do not have a good understanding of the benefits training can provide.

5.6 Promoters should concentrate on helping businesses understand their training needs and budget for them. The now completed Education and Training project (Loan 3054-TUN) has financed sectoral centers of training in specific technological areas. FIAP should create clear

linkages with these centers to make it possible for businesses to receive tailor-made training in some of these centers.

Concentration on Areas of Greater Development Need

5.7 The simple design of the project meant that many variables which were considered in training or social funds of other countries were absent. The project did not aim specifically to alleviate poverty, create labor-intensive works, or benefit in particular minority and disadvantaged areas. Therefore, the FIAP operations mainly occurred along the coast, where most industrial development took place. They were not as frequent in areas of greater poverty, where they might have kept trainees from migrating to cities. However, future operations might target more the people of the smaller towns with the expectation that migration to cities may be reduced.

Women's Occupations

5.8 Women seem to have benefited considerably from the project. However, their training was limited to traditionally female areas, such as clothing and handicrafts, which do not pay very well. In some areas, handicrafts are indeed an alternative. But where more opportunities are available, as in Tunis, these women may be locked into very low-income work of about 100 to 130 dinars per month. This may be particularly the case because carpet-making is paid by piece, and middlemen receive the majority of the profit.

5.9 Staff could orient women toward higher-earning, less traditionally female occupations. There is also a need to establish cooperatives or means of marketing that will enable women to earn sufficiently from handicrafts. As mentioned earlier, capitalization and advice should be linked with FIAP funding to maximize the probability that microenterprises will succeed.

The Importance of Evaluation

5.10 As mentioned earlier, the monitoring and evaluation activities of this project were weak and could not show what benefits beneficiaries received in the long run. Project results would be much more credible if a robust evaluation design had been put in place. Activities should start early during implementation, not at the end of the project. They must assess a wide range of variables rather than merely retention in a job for six months.

6. Lessons

- Subsidized training in work settings may be an effective way to stimulate employment for persons who are chronically unemployed or who lack necessary skills.
- Considerable care is needed to establish in advance norms for financing training, such as likely costs and duration. Early collection of data avoids abuses and high costs.
- Instructional expertise is needed in all cases of vocational education and training. Less educated trainees may encounter information processing problems that require resolution if they are to learn requisite skills.
- Simply designed training funds may be easier to implement. However, they may not effectively target disadvantaged areas and the populations most in need of employment.
- A strong impact and evaluation component is very important in project design. Activities should start early during implementation, not at the end of the project.

Basic Data Sheet

EMPLOYMENT AND TRAINING FUND (LOAN 3255-TUN)

Key Project Data (amounts in US\$ million)

	<i>Appraisal estimate</i>	<i>Actual or current estimate</i>	<i>Actual as % of appraisal estimate</i>
Total project costs	34.7	21.3	61%
Loan amount	12	11.7	99.9%
Cofinancing	4.5	0	0
Cancellation		0.3	
Date physical components completed	12/31/1993	12/31/1994	1 year
Economic rate of return	n/a	n/a	n/a
Institutional performance		modest	

Cumulative Estimated and Actual Disbursements

	<i>FY91</i>	<i>FY92</i>	<i>FY93</i>	<i>FY94</i>	<i>FY95</i>	<i>FY96</i>	<i>TOTAL</i>
Appraisal estimate (US\$M)	1.20	3.60	5.00	2.20			12.00
Actual (US\$M)	0.00	1.0	5.54	2.07	2.03	1.05	11.71
Actual as % of appraisal	0	28	101	95	N/A	N/A	97.6

Date of final disbursement: December 6, 1995

Project Timetable

<i>Steps in Project Cycle</i>	<i>Date Planned</i>	<i>Date Actual</i>
Identification	March 1989	March 9, 1989
Preparation (Pre-Appraisal)	November 1989	October 30, 1989
Appraisal	March 1990	March 3, 1990
Negotiations	N.A.	June 21, 1990
Board presentation	July 1990	September 4, 1990
Signing	N.A.	September 24, 1990
Effectiveness	N.A.	March 21, 1991
Project completion	December 31, 1993	December 31, 1994
Loan closing	June 30, 1994	June 30, 1995

Staff Inputs (staff weeks)

<i>Stage of Project Cycle</i>	<i>Planned</i>		<i>Revised</i>		<i>Actual</i>	
Through Appraisal	74.0	185.0	78.7	196.8	51.3	107.5
Appraisal - Board	66.0	165.0	62.5	156.3	10.5	23.0
Board - Effectiveness	5.0	12.5	17.5	43.8	3.6	9.1
Supervision	44.5	111.3	62.3	155.8	44.1	112.0
Completion			7.0	17.5		
TOTAL	189.5	473.8	228.0	570.2	102.3	306.9

Mission Data

<i>Stage of project cycle</i>	<i>Date (month/year)</i>	<i>No. of Staff persons</i>	<i>Staff days in field</i>	<i>Specializations represented^a</i>	<i>Performance rating</i>		<i>Types of problems</i>
Through appraisal	07/89	3	11	E			OFPE wants to expand network without resolving existing inefficiencies first.
	11/89	4	11	E			Issue of extending welfare programs.
Appraisal through Board approval	03/90	3	15	E			
<i>Board approval through effectiveness</i>							
Supervision	05/91	2	23	E	N/A	1	
Back to Office	06/91	2	7	E			Implementation delay due to change in Ministry and reorganization of OFPE.
Back-to-Office	09/91	2	5	Ed/FA			
Supervision	09/91	2	12	E	N/A	1	Delays in subproject preparation; insufficient resource allocation.
Back-to-Office	12/91	1	3	E			Mismanagement in OFPE.
Supervision	04/92	1	6	E	N/A	1	Not enough human resources in accounting section to handle volume of sub-project workload.
Supervision	11/92	2	7	E	N/A	1	OFPE is split into 2 separate entities, and MFPE overwhelmed by tasks.
Back-to-Office	02/93	1	6	E			Designation of an audit firm.

<i>Stage of project cycle</i>	<i>Date (month/year)</i>	<i>No. of persons</i>	<i>Staff days in field</i>	<i>Specializations represented^a</i>	<i>Performance rating</i>	<i>Types of problems</i>
Supervision	12/93	2	4	E	N/A	1
Supervision	05/94	2	5	HRE; E	N/A	1
Supervision	11/94	2	6	HRE; E	S	HS
Back-to-Office	03/95	2	6	HRE; IS		
Completion	11/95	1	7	EE	N/A	

a. E = Economists; Ed/FA = Educator/Financial Analyst; EE = Education Economist; HRE = Human Resources Economist; IS = Implementation Specialist

Other Project Data

Borrower/Executing Agency:

<i>FOLLOW-ON OPERATIONS</i>			
<i>Operation</i>	<i>Loan no.</i>	<i>Amount (US\$ million)</i>	<i>Board date</i>
Second Training and Employment Project	4036-TN	60	October 1996