

PROJECT INFORMATION DOCUMENT (PID) CONCEPT STAGE

Report No.: PIDC174

Project Name	Kazakhstan - Youth Corps program (P127966)
Region	EUROPE AND CENTRAL ASIA
Country	Kazakhstan
Sector(s)	Adult literacy/non-formal education (100%)
Theme(s)	Education for the knowledge economy (100%)
Lending Instrument	Investment Project Financing
Project ID	P127966
Parent Project ID	
Borrower(s)	
Implementing Agency	
Environmental Category	C-Not Required
Date PID Prepared/ Updated	26-Mar-2012
Date PID Approved/ Disclosed	
Estimated Date of Appraisal Completion	19-Jul-2013
Estimated Date of Board Approval	31-Oct-2013
Concept Review Decision	Track I - The review did authorize the preparation to continue
Other Decision (as needed)	

I. Introduction and Context

Country Context

This concept note proposes the implementation of the Youth Corps project in Kazakhstan, to be fully financed by with contribution from Switzerland in the amount of USD 20 million. The proposed project is designed with an innovative approach that focuses on service learning opportunities for Kazakhstani youth in communities within Kazakhstan. The vision is that these service learning opportunities would serve the community, foster constructive engagement between youth and the society at large and at the same time, provide youth with life skills.

The Republic of Kazakhstan is the largest economy in Central Asia, with a population of 16.2 million people of which youth (ages 15-24) comprise 18.8 percent. Kazakhstan enjoyed strong

economic performance from 2000 to 2007, with an average real GDP growth of 10 percent. During this period, average per capita real income more than doubled, transforming Kazakhstan into an upper-middle income economy in a relatively short time. Although the recent world economic crisis has had negative repercussions in Kazakhstan, in 2010 the economy started recovering and growing again by about seven percent, which is the expected rate of growth for the foreseeable future.

Kazakhstan is committed to becoming one of the world's 50 most competitive economies as set forth in its national competitiveness strategy. However, the business environment has problems resulting in a lack of competitiveness. Kazakhstan's ranking in the Global Competitiveness Index has worsened from 50th in 2006 to 61st in 2007 and to 66th in 2008. Slow productivity growth relative to labor costs outside the resource sector poses a fundamental obstacle to achieving diversified growth in Kazakhstan, and sluggishness in labor market adjustments hinders productivity growth. The Government recognizes that efforts must be made to increase worker productivity. This requires, among other things, better knowledge and skills in the workforce especially the country's future - the youth.

The country enjoys a high rate of completion of compulsory education (11 years). In 2000, the completion rate stood at 93 percent, and rose to 114 percent by 2005. Literacy rates are almost 100 percent for both men and women. Almost all youth make it through secondary education and there are very low levels of grade repetition. Even within vocational and technical education, there are few students leaving before completing a degree. In 2006, only eight percent of students in the Primary Vocational and 11 percent in the Secondary Vocational dropped out of school. Higher education attracts a very high proportion of secondary school graduates, over 50 percent in 2005. On the basis of the total level of involvement in higher education, Kazakhstan compares favorably with European nations. There are questions, however, about the level of skills, both cognitive and non cognitive, that the secondary and higher education graduates possess upon graduation. Kazakhstan did not fare well in the 2009 PISA examinations compared to its level of economic development, scoring in average 32 points which is equivalent to three fourth year of schooling below what could be expected given its GDP per capita. Furthermore, the 2005 OECD review of higher education in Kazakhstan highlighted problems with skills shortages for technicians and specialists, skills that are usually provided in the world marketplace at the post secondary level. In this area, the Kazakhstan Technical and Vocational Education Restructuring Program (TVER), supported by the World Bank, focuses on the overhaul of the system of Technical and Vocational Education in the country.

Sectoral and Institutional Context

The Government of Kazakhstan holds youth as a priority group and has a comprehensive youth policy law focused not just on addressing youth unemployment but also the promotion of civil engagement and citizenship for youth. Evidence in countries all over the world show that the absence of agency can lead youth to choose negative social roles, including gang membership and participation in personal and political violence making programs geared towards youth a critical intervention to foster positive social roles in youth.

According to the Government of Kazakhstan's Agency of Statistics, youth unemployment was a problem in Kazakhstan around the mid 2000s but has since decreased significantly and at 2010 the annual youth unemployment rate was 5.2 percent. As expected, youth unemployment differs significantly between regions from as low as 2.1 percent in the South in 2010 to 7.0 percent in the East. Astana City had a rate of 11.2 percent and Almaty City 9.0 percent by the end of 2010. The

GoK explains the steady decrease in youth unemployment as having at least partially to do with the increased participation of youth in higher education and special programs focused on youth by the GoK. Of note, are two government programs that address youth employment issues: (i) the Youth Placement Program and (ii) the With Diploma to Villages Program described below.

Youth and School to Work Transition

The Youth Placement Program has been in place since 2003. The Ministry of Labor in conjunction with the Employment Office in each Region (there are 16 in all) places graduates (in the year that they graduate) with employers for 3-6 months. The wages of the graduates are subsidized by the state (26,000 Tenge monthly). The objective of the program is to give those graduates who have been unable to find employment in the labor market upon graduation, practical experience in the work place. The graduates are placed in their own hometown or region. In 2011, the program had 10,000 participants and the most “active” year was 2009-2010 due to the economic crisis which brought in a record 90,000 participants.

The “With Diploma to Villages Program” is implemented jointly by the Ministry of Agriculture and partner organizations, such as Youth Wing of Zhan Otan party – Rural Youth Union of Kazakhstan and the Student Alliance of Kazakhstan. The objective of the program is to promote the employment of individuals in underserved rural communities in professions such as teaching and medical professionals. Universities are given state grants to produce a given number of graduates in a specific field in a given year. These graduates enter into a “social contract” with the state whereby they get free university education but then must serve for at least 3 years in an underserved area usually in their own localities. Under this program, the graduates are paid 25 percent more than they would at the same job in an urban area and are given housing grants to buy their own homes. In 2011, this program had 9,000 participants.

Youth and Civic Engagement

The GoK holds community service and learning for youth as a priority but unlike the programs described above, does not have any programs focused primarily on service learning for youth. The Prime Minister’s guidance is that youth policy is to “focus on social responsibility and civil activity.” Public action to nurture good citizens is important because markets cannot do it alone—nor can mere social participation. It is also important because collective action, public accountability, caring for kin and community, and environmental stewardship are so much more difficult without an active citizenry. Citizenship affects development outcomes through three channels: by enhancing the human and social capital of individuals, by promoting government accountability for basic service delivery and by enhancing the overall climate for investment and private decision making. Two specific policies can promote youth capabilities in citizenship: civic education and programs of youth development and youth action. As mentioned previously, aside from various voluntary networks for youth however, there are no publicly provided service learning focused programs for youth making the proposed Youth Corps both relevant and a just in time response to one of the government’s priority areas.

Relationship to CAS

The proposed Youth Corps Project is aligned with the overarching areas of engagement of the Country Partnership Strategy (CPS) under preparation. These are: (i) Improving competitiveness and fostering job creation and (ii) Ensuring sustainable development. The proposed Project contributes

to the CPS objectives by helping youth develop important non cognitive skills that are important for the work place while, at the same time, involving them in the development of their communities. It is important to note that this also follows the GoK's medium term vision outlined in the Strategic Plan for Development 2020.

II. Proposed Development Objective(s)

Key Results (From PCN)

Expected results of the proposed Project would be the following:

- number of youth who successfully complete the Youth Corps program at the end of project;
- percent of youth (who complete the program) that feel able to make a positive contribution to society;
- change in perception of the role of youth in society.

III. Preliminary Description

Concept Description

This concept note describes a proposed youth Project for a total duration of five years, focused on service learning for youth in Kazakhstan. Service learning is an approach whereby students learn and contribute at the same time, through active participation in organized service experiences that actually meet community needs. Service learning provides students opportunities to use their acquired skills and knowledge in real life situations in their communities; thus enhancing youth's formative experience by extending student learning into the community and helping foster a sense of caring for others. Through this experience, society at large also learns to perceive youth as an asset that can contribute to larger national development goals instead of the frequent stereotyped perception of youth as trouble-makers going through a difficult period of the life cycle.

This is the concept of Positive Youth Development, very much at the heart of this proposed service-learning experience. Positive Youth Development may not be widely known outside of the youth and education arena but it is an increasingly popular policy, curricular, and programmatic approach that allows schools and youth organizations to infuse youth development principles throughout their programs, while supporting their community and national development goals. The proposed project will take lessons learned from Bank projects on youth both in the Europe and Central Asia region and in other regions such as Latin America and the Caribbean. Moreover, best practice from three examples of widely known programs that support service learning of the kind described above the American Americorps, the Peace Corps, and Teach for America will also be taken into account. A longitudinal impact evaluation of the AmeriCorps, program, which assessed alumni who participated in AmeriCorps between 1992-2000 and followed them for eight years, found that the program created a positive impact in generating interest in public service, exposing youth to different careers, and improving the civil attitudes and behaviors of program alumni.

The proposed Project is organized around three components, as described below.

Component 1. Supporting internships in public and private sector institutions that deliver social services. The first part would finance the subsistence stipends of the youth participants. The preliminary step in this would be the identification and enrollment of a core group of youth

participants. Then, these participants would be provided a six to eight weeks life skills training course. Only after the successful completion of this training course would the youth be placed in communities/place of work. Youth between the ages of 15-24 would be eligible to receive a stipend while working full or part time for the community for a maximum of one year. A sample of activities to be streamlined during preparation, would include tutoring and mentoring, working at local schools or health centers, working on environmental projects, caring for the elderly and children with special needs.

The second part would finance grants to eligible organizations that would sponsor service programs where the youth would participate, to assist them in training and supporting youth to meet critical community needs. The Youth Corps project would identify CSOs which could be private and semi public organizations interested in offering the service learning opportunities to Youth Project members. The criteria and procedures for the identification of the “hiring” offices or CSOs would be based on specific and transparent criteria agreed to with the Kazakh Government during preparation and outlined in the Project Grants Manual. These “hiring” offices would also provide participants with mentoring and hands-on training while they are placed in their service program.

These two parts of Component 1 put together are at the heart of the project design: while the youth would be given a stipend for the duration of their service, the “hiring” offices would also be eligible to apply for small grants to finance work-related training to the youth. The hiring organization would have to agree to keep the youth participant on the job for an agreed upon period of time (between three to nine months). The value of the grant for each CSO (“hiring office”) is expected to vary based on criteria such as type of service, location of such service, and number of youth served. The eligibility criteria and the mechanism to determine the grant amount will be developed in detail during project preparation.

Component 2. Developing an institutional framework. This would be the project’s a policy and social marketing component .

The policy sub-component would further support the work of the Youth Policy unit in the Ministry of Education and Science (MES) and specifically, the coordination of policy and programs for youth with the government’s “Road Map” and the Kazakh Employment Strategy 2020.

The social marketing sub-component would support an intensive communications campaign to engage both youth and society on: (i) the efficacy of the project itself and, (ii) once the Youth Corps is up and running, the positive impact youth can have on society and the development process of a nation. Through clever marketing on the benefits and impact of the Youth Corps project, it is expected that this sub-component will help energize the up-take from youth and CSOs, and could also potentially have an impact through the public dissemination of successes of the Project, on the sustainability of the Youth Corps program in Kazakhstan as an established structure and a viable option for youth as well as society.

Overall, it is envisaged that this component through both, the policy work and the social marketing, would contribute to solidifying the government’s policy direction in the area of youth. The structures for national youth policy in the Europe and Central Asia region are often centralized and lack connections to non-governmental youth organizations. Additionally, youth ministries and sub-departments also need support to build adequate statistical capacity for collecting disaggregated data on youth trends, as well as to monitor and evaluate the impact of government interventions for young people. Ultimately, the outcome of the Project with the support of this component would be a

more sustainable youth strategy for the country and possibly, through the demonstration effect of the successes of the Project, a Youth Corps Program owned and implemented by the GoK.

Component 3. Monitoring and Evaluation and Project Management. This component would consist of monitoring and evaluation (M&E), and project management. The Monitoring and Evaluation component of the Project would consist of two parts: (1) the regular monitoring of project's implementation and outcomes based on the agreed performance indicators developed during preparation, and, (2) the project's evaluation that would entail the design and implementation of a rigorous evaluation which would assess the effectiveness of the Youth Corps program. The evaluation component of the Project estimated would be implemented by the World Bank. Having evaluation as a Bank executed activity has merit and is based on the Bank's extensive and rich experiences with impact evaluations. An impact evaluation of this nature would be technically complicated and could greatly benefit from the international expertise that Bank staff possesses and the Youth Policy Department does not have the capacity to implement. Furthermore, this impact evaluation and its findings would be critical to the future sustainability of the Youth Corps Project. It is important to note that monitoring of the Project would remain the primary responsibility of the Youth Policy Department and the Project Management Unit.

The component would also finance Project Management and Capacity Building to support the implementation of the Youth Corps project.

IV. Safeguard Policies that might apply

Safeguard Policies Triggered by the Project	Yes	No	TBD
Environmental Assessment OP/BP 4.01			
Natural Habitats OP/BP 4.04			
Forests OP/BP 4.36			
Pest Management OP 4.09			
Physical Cultural Resources OP/BP 4.11			
Indigenous Peoples OP/BP 4.10			
Involuntary Resettlement OP/BP 4.12			
Safety of Dams OP/BP 4.37			
Projects on International Waterways OP/BP 7.50			
Projects in Disputed Areas OP/BP 7.60			

V. Financing (in USD Million)

Total Project Cost:	21.76	Total Bank Financing:	0.00
Total Cofinancing:		Financing Gap:	0.00
Financing Source			Amount
Borrower			0.00
Trust Funds			21.76
Total			21.76

VI. Contact point

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