Interventions to Support Young Workers in Sub Saharan Africa

Regional Report for the Youth Employment Inventory

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1. Introduction: the objective of the inventory and of the regional report

Youth employment has become a major concern in many countries around the world. As policy-makers consider measures to help young people make the transition into the labor market and obtain decent work, they are hampered by a lack of information on what their options are, what works in different situations, and what has been tried and failed. To respond to this situation, the World Bank has compiled a world-wide inventory of interventions that are designed to integrate young people into the labor market. In Sub Saharan Africa (SSA) the Youth Employment Inventory (YEI) documented 29 interventions from 17 countries across the region. These interventions have been analyzed in order to (i) document the types of programs that have been implemented to support young workers to find work; and (ii) identify what appears to work in terms of improving employment outcomes for youth.

This regional report studies the characteristics of youth employment programs in Sub Saharan Africa, describes interventions and their labor market impacts whenever evaluation evidence is available. Section 2 describes the methodology used to compile and assess the interventions. Coverage of the inventory by category of intervention, targeting and financing is presented in Section 3. Section 4 discusses the quality of the information and evaluations while section 5 assesses the quality of the interventions in terms of the programs impact on employment and earnings. Conclusions are drawn in Section 6.

2. The methodology for designing and compiling the inventory

The YEI includes programs designed to facilitate the transition of young people into the labor market. In particular, the focus is on disadvantaged young people. The inventory is meant to be as exhaustive as possible and is not confined to success stories, on the principle that there is a great deal to be learned from mistakes and failures.

The YEI itself does not include new project information but, rather, is based exclusively on existing documentation. This information has been gathered from databases, research papers, publications and web-sites of international organizations (the World Bank, the United Nations and its regional commissions, the International Labor Office, the Asian Development Bank, the African Development Bank, the Inter-American Development Bank, the Organization for Economic Cooperation and Development, the European Union and its institutions, other regional organizations, etc.), bilateral donor agencies, non-government organizations, national labor market programs, national research institutions, as well as academic publications, both books and journals, and conference reports.

This section presents the methodology implemented to compile the inventory. It includes a description of the framework used to categorize interventions, and then summarizes the data-collection effort, focusing on the key methodological questions that define the scope and content of the inventory.

a. Framework for classifying interventions

A basic issue to be resolved was setting the boundaries on what to include in the inventory. Most important was how far back into the education system the inventory should cover. Analytical

considerations alone would suggest that it should go back a long way. Many studies have concluded that the impact of interventions on future employment outcomes of disadvantaged young people diminish with age – in other words, addressing potential problems early has a greater return than when young people have left formal education. For example, in reviewing the evidence, the OECD (2002) has concluded that "the biggest pay-off for disadvantaged youths comes from *early* and *sustained* interventions." (p. 31). In other words, any policy advice on addressing youth employment problems should emphasize that prevention is more effective than curing.

However, while there is no denying the strength of this analytical point, there are practical grounds for limiting the inventory to *post-formal-schooling interventions*. One is the need to set boundaries to limit the inventory to a feasible size. The second is to give it a clear identity that differentiates the study from the enormous body of literature on formal education. By limiting the scope in this way, we do not intend to detract from the importance of formal schooling and early interventions in improving subsequent labor market outcomes.

The template used to categorize programs in the inventory builds on an earlier framework developed by Godfrey (2003). That framework embodied a two-fold approach to policy to address the employment problems of disadvantaged youth: (1) increasing the demand for labor in general in relation to supply, and (2) increasing the 'integrability' of the disadvantaged young, so that they can take advantage of opportunities that arise when the demand for labor increases. Integrability can be increased by (a) remedying or counteracting market failure (e.g., in the labor market, credit market, or training market), (b) improving labor market regulations, and (c) improving the skills of disadvantaged youth.

Based on these two premises, the inventory classifies youth employment interventions into 9 categories, displayed in Table 1. These groupings are largely self-explanatory but a few comments may be useful. Category 1, "making the labor market work better for young people", includes interventions that improve information (counseling, job search skills), increase labor demand for youth (wage subsidies and public works), and remove discrimination. Category 2, "improving chances for young entrepreneurs", covers interventions that provide assistance (financial, technical, and training) to youth who are starting their own business. Categories 3 and 4 both deal with training: the former includes the full range of post-formal schooling training programs while the latter includes interventions intended to address training market failures by providing information, credit, and other financial incentives. Location can also be a barrier for young people if where they reside isolates them from learning or employment opportunities, or even a secure living environment. Category 5 is meant to include interventions (e.g., transportation services or residential mobility) that can help young people overcome this form of barrier. Category 6 covers regulatory reforms (e.g., changes in labor law, minimum wage, etc.) that are designed to enhance employment opportunities for young people. Category 7 includes programs to provide job opportunities outside the country. Interventions that provide multiple types of services, and thus cannot be included in one of the other groups, are included in Category 8. Finally, Category 9 is a residual grouping. Examples of programs under each main category are included throughout this paper.

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¹ The OECD review goes on to note that "...[S]uch interventions should begin even before children enter the compulsory schooling system, and they should be followed by intensive efforts to boost their performance in primary and secondary schooling and reduce drop-out rates." Pre-school and school programs that attempt to improve the relative access and learning outcomes of children from disadvantaged backgrounds (variously defined) are particularly interesting.

Table 1: Categories used to classify programs in the YEI

1. Making the labor market work better for young people

- 1a. counseling, job search skills
- 1b. wage subsidies
- 1c. public works programs
- 1d. anti-discrimination legislation
- 1e. other

2. Improving chances for young entrepreneurs

3. Skills training for young people

- 3a. vocational training including apprenticeship systems
- 3b. literacy & numeracy young adult literacy programs
- 3c. 2nd chance & equivalency programs
- 3d. other

4. Making training systems work better for young people

- 4a. information
- 4b. credit (to individuals or enterprises)
- 4c. financial incentives (subsidies, vouchers)
- 4d other

5. Programs to counteract residential segregation of disadvantaged young people

- 5a. transportation
- 5b. others
- 6. Improving labor market regulations to the benefit of young people
- 7. Programs for overseas employment of young people
- 8. Comprehensive approach
- 9. Other (e.g. voluntary national service programs)

b. The inventory – how it was compiled

The inventory provides a wealth of information on each intervention and, as noted above, eligible interventions were not confined to success stories. The research team identified programs and gathered documentation from the range of sources described at the beginning of this section. With a view to maximizing synergies with other related initiatives, the compilation of the inventory was carried out in cooperation with other activities of the Youth Employment Network as well as youth employment initiatives at the World Bank.

The screening and documentation process was based on a standardized screening and datacollection methodology developed by the research team. Since different researchers were undertaking the primary research, which included determining program eligibility, reviewing documentation, entering information into the inventory database, and assessing the quality of the intervention, it was essential that a standardized methodology was followed.

<u>Criteria for inclusion</u>. A major methodological issue concerned the determination of what kinds of interventions would be included in the YEI. The question of how far back into the education system the inventory should go has already been discussed. Two other considerations relevant to defining scope were (i) whether the inventory should be restricted to programmatic interventions or also include policies like labor market regulations and minimum wages that affect labor market outcomes for young people; and (ii) whether it should include interventions that, while not targeted at youth specifically, could have a big impact on young people. With respect to policy, the determination was to base eligibility on the stated purpose and to include only those policy

interventions that specifically targeted young people (e.g., a special youth minimum wage or contracting rules that only applied to young people). As we will see in the next section, though, there were very few policies included in the inventory; almost all interventions covered are programs. As for programs, they were eligible for inclusion even if they did not explicitly target youth if the documentation indicated that young people were the primary participants. As we will see in the next section, about 20 per cent of the programs included in the inventory did not have age restrictions. Also, both completed and ongoing interventions were eligible for inclusion.

Further restrictions were imposed based on the quality of the information. Ideally, given the inventory's objective of providing information on what works, sound impact evaluations should have been a condition of inclusion. However, most interventions simply do not meet this condition, especially in developing economies, so imposing this restriction would have excluded the majority of the interventions identified. This would have severely limited the project's value in documenting what has been tried to support young workers, which was one of the objectives of the study. Nonetheless, a minimum amount of information was required for inclusion -- sound information on the intervention's objectives, implementation design, and targeting criteria. Also, the data collection placed priority on including evaluated interventions - i.e., those with net impact evaluations and cost-benefit analysis. To some extent, then, interventions with evaluations are overrepresented in the inventory.

<u>Template</u>. A questionnaire template was designed to ensure consistency and uniformity in the collection and recording of information for the inventory. The template and the coding system used are shown in Annex A. Information collected on each program includes intervention category (as described in Table 1), country, time period in which it was implemented, current status, the specific labor market problems it sought to address, main objectives, a detailed description of the program (scale, financing, etc.), as well as several performance indicators to understand the program's impact, summary measures on the quality of the evaluation evidence and the quality of the intervention (described below), and sources for further information on the intervention. To allow for quantitative analysis of the data, variables included in the template were coded on the basis of multiple choice measures wherever feasible. The template and coding system are shown in Annex A.

<u>Inventory database</u>. In the project design stage, a decision was made to use an electronic format for the database in order to facilitate search capabilities, updating, and quantitative analysis.² The template was built into an Excel worksheet and an independent machine-readable file was created for each intervention included in the inventory. After the data-collection phase ended, an Excel macro was designed on Microsoft Visual Basic to read every file and construct a searchable database where the number of observations (rows) matched the number of interventions (files or worksheets). Data collected in the questionnaire – both plain text and codes -- are displayed in the columns, creating a database of program-specific information (Database 1).

Simultaneously, a database of country-specific information (Database 2) was created to contextualize the economic conditions of the country. This information includes level of development, level of income, and a characterization of the labor market regulatory/institutional situation. Sources of information for the country database are the World Development Indicators and the Doing Business Database (2006). The Excel macro links databases 1 and 2 through a common key-variable, namely country name, creating a comprehensive database for the analysis

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² In fact, the inventory was conceived as a "live database" that could be regularly updated. This was another reason for investing in the creation of an electronic format.

of the inventory. For details on how to create databases and informative tables from the inventory, see Annex B.

Quality of intervention and quality of evaluation variables. Two critical variables in the inventory database are the "quality of intervention" (QOI) and "quality of evaluation" (QOE) (template, sections I and J, respectively). These figure prominently in the analysis of what we have learned from the inventory in terms of what works for supporting young workers. Both QOI and QOE values for each intervention have been determined by the research team according to standardized criteria described below.³

The "quality of intervention" is the measure of program effectiveness. The possible values for QOI are described in Table 2. The primary performance indicators that are considered in establishing a QOI rating are the effects of the program on the employment and earnings of participants. At one level, the QOI value can be used to identify *impact* – i.e., to distinguish those programs that actually help participants in the labor market (QOI=1,2, or 3) from those that appear to have no effect, or even a negative effect (QOI=0). A rating of 1 or 2 means that a program is judged to have had a positive impact, but this does not necessarily mean that it was successful. To be specific, interventions can have a positive employment impact but not be cost-effective (i.e., QOI=1). These programs cannot be considered successful.

Table 2: Measuring the quality of the intervention (QOI)

QOI value	Description
0	Program had negative or zero impact on labor market outcomes.
1	Program had positive impact on labor market outcomes but is not cost-effective.
2	Program had positive impact on labor market outcomes and there is no evidence on costs.
3	Program had positive impact on labor market outcomes and is cost-effective.
99	Missing value. Not enough evidence to make an assessment.

Determining a value for the quality of the intervention is complicated by the fact that the evidence on which to base the assessment varies widely. In some cases, solid evaluation results are available while in others, only basic descriptive information exists. The "quality of evaluation" variable is important for identifying the evaluative basis for assessing program quality. The QOE measure is described in Table 3. With this variable, then, assessments of the effectiveness of interventions can be judged with knowledge of the underlying evidence. For example, one can consider only those programs that meet the most exacting burden of proof (i.e., QOE=3), with the tradeoff that sample size will be reduced. On the other hand, accepting a less demanding basis of evidence will increase the pool of programs under consideration, but at the expense of rigor. As we will see later in this paper, assessments of program effectiveness are correlated with the quality of the evaluation evidence.

⁴ A program is considered cost-effective if the evaluation results indicate that the benefits (e.g., reduced use of social assistance, increased tax gains through participants who found a job, increased earnings, etc.) exceed program costs (income support, training material, cost of training, etc.). Since we are relying on available project documentation, specific methodologies used for the cost-benefit analysis can vary.

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³ To assure that the researchers applied uniform standards to assigning QOI and QOE values, the team discussed cases where ratings were not obvious and a sub-sample of programs were rated independently by all researchers.

Table 3: Measuring the quality of evaluation (QOE)

QOE value	Description
0	Program has no evaluation information available on outcomes or impact.
1	Evaluation includes basic information on the gross outcomes of the intervention (e.g. number of participants/ young people who found a job after the intervention, improvement in earnings of participants) without considering net effects (i.e., there is no control group).
2	Evaluation includes estimate of net impact on, e.g., employment and earnings in the labor market (using control groups to measure impact) but no cost-benefit analysis.
3	Evaluation includes net impact plus cost-benefit analysis

3. Coverage of the inventory

a. Coverage of the inventory by category of intervention

The inventory covers 29 youth employment programs in Sub Saharan Africa, of which 8 programs were completed by 2006, 12 programs were ongoing and seven programs were ongoing and self-sustainable. This said, information and documentation on programs with a youth employment component in Sub Saharan Africa have been generally poor, and no information was available on the completion point of the program for two programs.

- Eleven out of the 29 programs covered in the inventory have a **comprehensive**, **multiple service approach**. In most cases, these programs include elements targeted at helping young people to start their own businesses, combined with elements of skills development and training. In some cases, the programs pursuing an integrated, multi-dimensional approach to children and youth promotion also aim at awareness building and democratic participation (see, for example, the *PCY-Project* in Uganda [Box 1]).
- Seven programs, the second largest category, focus exclusively at **improving chances for young entrepreneurs**. They typically encompass modules such as supporting young people in starting their own business, including through the provision of training on writing project proposals and business plans; conducting feasibility studies; and counseling on legal requirements. This category of programs includes, for example, the *Youth Entrepreneurship Development Program (YEDP)*, the *Youth Enterprise and Capacity Building Program in Senegal*, and the *Youth Dairy Farm Project in Uganda*. The latter aims at promoting youth by selling farming products, i.e. training them in the management of husbandry and farm products. Another important measure to promote entrepreneurship for young people is to improve their access to credit/start-up loans. Programs covering this dimension of assistance include, for example, the *BAOBAB-project* in Kenya, the *Youth Entrepreneurs Scheme (YES)* in Uganda, or the *Micro-Enterprise and Credit Support for street-involved youth* in Zambia.

⁵ The relatively high number of multiple service approaches can in parts be explained by the fact that the "Alliance for African Youth Employability", an alliance of global organizations was launched in February 2004 by the International Youth Foundation in *four* African countries (Malawi, Ruanda, South Africa, and Mozambique). Together with international stakeholders and private companies, young people will receive not only job training, but also career counseling, direct placement in internships and jobs, and the skills to create their own businesses.

- Six programs focus mainly on **skills training for young people**, and hence fall under category 3a vocational training including apprenticeship systems. The *INSTARN programme*, a bilateral project between the Zimbabwean government and the Germany Technical Assistance Group (GTZ) is particularly interesting, since it provides training to working youth employed in the informal sector—in parallel to formal training for selected young people. This program comprises also regular support and monitoring from small business advisors. Other programs offer a combination of vocational training and apprenticeship programs (e.g. *AIFPA* in Cote d'Ivoire), a variety of skills training measures, including entrepreneurship development programs (*KAYEC*, Namibia), or focus on skills training for disabled youths (*HRD*, Namibia).
- Four programs adopted the objective of **making training systems work better for young people**. These programs intend to improve highly fragmented, input-orientated training systems by upgrading training facilities; improving the quality of training centers; and enhancing the quality of instruction and matching processes between labor demand-and supply through better coordination and information systems. An interesting example of a program in this category is the *Jua Kali voucher program* (Box 2), which aims at addressing labor market failures by offering financial incentives and implementing a training voucher scheme.
- Finally, one program was categorized as **making the labor market better for young people.**The public works program that is currently underway in South Africa covers infrastructure projects, the environmental sector (e.g. Working for Water), and the social sector, increasing the labor intensity of government-funded and creating work opportunities in public environmental programs (e.g. community-based health and social welfare care and early childhood development).

Table 4 depicts the distribution of programs among categories of interventions. As can be seen, no programs were found under the headings 1a (counseling, job search skills), 1b (wages subsidies), 1d (anti-discrimination legislation), 1e (other), 3b (young adult literacy programs), 3c (2nd chance & equivalency programs), 3d (other), 4b (credit), 5 (counteraction of isolation of young people), 6 (improving labor market regulations to the benefit of young people), 7 (programs to promote overseas employment of young people), and 9 (other). These headings are excluded from the remaining tables in the regional analysis.

b. Coverage by category of intervention and level of country development

Sub Saharan Africa (SSA) comprises 48 countries with highly heterogeneous characteristics. Economically, SSA countries are poor, with 45 per cent of the population living on less than US\$ 1 per day. The World Bank classifies the majority of the SSA countries covered in the inventory as low income countries, including Burundi, Central African Republic, Cote d'Ivoire, Guinea, Kenya, Lesotho, Malawi, Mozambique, Nigeria, Rwanda, Senegal, Uganda, Zambia, and Zimbabwe. By contrast, Namibia with 2 programs and South Africa⁶ with 6 programs are classified as middle-income countries (Table 2).

Interventions for young workers in low-income countries focus mainly on young entrepreneurs and follow the scheme of multi-service programs (Figure 1). This contrasts with the situation in

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⁶ See World Bank country classification by income level: Namibia is classified as low-middle income country and South Africa as upper middle-income country.

middle-income countries, where multi-service comprehensive approaches were used predominantly to integrate unemployed youth into the labor force, mainly through the provision of skills training programs. This said, the number of programs currently implemented is not up to the challenges SSA countries are facing with respect to their labor markets.

Looking forward, much more needs to be done. African economies will need to absorb as many as 7 to 10 million youth into the labor force each year over the next decade – a consequence of rapid population growth in many countries. This may represent a huge challenge for countries such as Kenya and Tanzania, where 600,000 and 700,000 young workers need to find employment each year, respectively. One related problem is the fact that weak formal economies, inadequate professional skills and education, and large cohorts tend to push youth workers towards the informal sector. In some countries, this sector characterized by relatively low labor productivity represents 95 per cent of the total value added in the economy, pointing to a huge amount of under-employment. Against this backdrop, it is alarming to observe that programs to mitigate youth under- and unemployment in SSA have been very rare to date (or at least are poorly documented).

Table 4: Coverage of inventory by category of intervention in Sub Saharan Africa

Category of intervention	Number of interventions
Making the labor market work better for young people	
1a. counseling, job search skills	
1b. wage subsidies	
1c. public works programs	1
1d. anti-discrimination legislation	
1e. other	
Sub-total	1
2. Improving chances for young entrepreneurs	7
3. Skills training for young people	
3a. vocational training including apprenticeship systems	6
3b. literacy & numeracy – young adult literacy programs	
3c. 2nd chance & equivalency programs	
3d. other	
Sub-total	6
4. Making training systems work better for young people	
4a. information	2
4b. credit (to individuals or enterprises)	
4c. financial incentives (subsidies, vouchers)	1
4d. other	1
Sub-total	4
5. Programs to counteract residential segregation of disadvantaged young people	
5a. transportation	
5b. others	
Sub-total	0
6. Improving labor market regulations to the benefit of young people	0
7. Programs for overseas employment of young people	0
8. Comprehensive approach	11
9. Other (e.g. voluntary national service programs)	0
Total	29

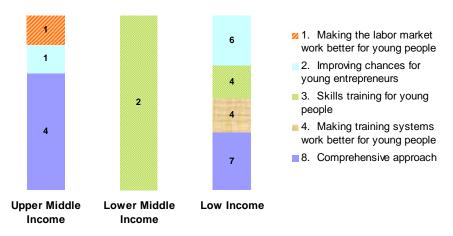
Table 4: Coverage of inventory by category of intervention in Sub Saharan Africa

Category of intervention	Number of interventions
of which:	
Completed	8
Ongoing in process	12
Ongoing self-sustainable	7
Unknown	2

Table 5: Coverage of the inventory by income level in SSA countries

Country	Low Income	Lower Middle Income	Upper Middle Income
Burundi	1		
Central African Republic	1		
Cote d'Ivoire	1		
Guinea	1		
Kenya	2		
Lesotho	1		
Malawi	2		
Mali	1		
Mozambique	1		
Namibia		2	
Nigeria	1		
Rwanda	2		
Senegal	1		
South Africa			6
Uganda	3		
Zambia	1		
Zimbabwe	2		
Total	21	2	6

Figure 1. Interventions by Income Level of Countries



Source: World Development Indicators, 2006.

c. Coverage by targeted age group, category of intervention, and location

In SSA countries, young workers were the primary focus of most employment interventions included in the inventory. 22 out of the 29 programs (76 percent) targeted young workers exclusively, while 7 programs were open to unemployed workers of all age groups.

Most of the programs targeting youth workers aimed at improving employment prospects for young entrepreneurs, skills training, or implementing the multiple service approach.

No real bias could be found regarding location (Table 6).

Table 6: Coverage of inventory by category of intervention, location and age group served

	Urban		Rural		Both		Total		
Category of intervention	Only young people	All ages							
Making the labor market work better for young people									
1c. public works programs						1	0	1	
Sub-total	0	0	0	0	0	1	0	1	
Improving chances for young entrepreneurs	2		1	1	3		6	1	
Skills training for young people 3a. vocational training									
including apprenticeship systems			2		3	1	5	1	
Sub-total	0	0	2	0	3	1	5	1	
4. Making training systems work better for young people									
4a. information					1	1	1	1	
4c. financial incentives (subsidies, vouchers)		1					0	1	
4d. other	1						1	0	
Sub-total	1	1	0	0	1	1	2	2	
Comprehensive, multiple- service approach	4		1	1	4	1	9	2	
Total	7	1	4	2	11	4	22	7	

d. Coverage by category of intervention and source of finance

The largest source of financing in the region is "others", with this funding source accounting for 52 percent of the interventions targeted at young workers, as shown in Table 7. The others category represents financing received from international donor institutions, including the World Bank, the ILO and the UN family, as well as bilateral donors and their national implementation agencies. In many cases, financing for a program was secured from multiple sources, including the national government, multilateral organizations, multinational enterprises, and NGOs. Examples of such financing strategies include the *Micro-Enterprise and Credit Support Program for street-involved children* in Zambia, or the *Bugaya Youth Dairy Farm Project* in Uganda. Other innovative financing arrangements were also used. For example, the *Swiss-South African Cooperation Initiative* financed its program through a social investment fund which was established by the Swiss Agency for Development and Cooperation and numerous Swiss companies that are active in South African private sector. Interestingly, none of the programs

surveyed benefited from financing extended by employer organizations or program beneficiaries/participants in the countries concerned.

Table 7: Coverage of inventory by category of intervention and source of finance

Cotomony of intervention		Sourc	e of finance			
Category of intervention	Government	Beneficiaries	Employers	NGOs	Other	NA
Making the labor market work better for young people						
1c. public works programs	1					
Sub-total	1	0	0	0	0	0
Improving chances for young entrepreneurs	1			4	2	
Skills training for young people						
3a. vocational training including apprenticeship systems	1				4	1
Sub-total	1	0	0	0	4	1
Making training systems work better for young people						
4a. information	1				1	
4c. financial incentives (subsidies, vouchers)	1					
4d. other					1	
Sub-total	2	0	0	0	2	0
Comprehensive, multiple-service approach	3				8	
Total	8	0	0	4	16	1

e. Extent of orientation towards disadvantaged by broad category of intervention.

Some of the youth employment programs in the SSA region targeted predominantly vulnerable sectors of society, including women, youths with low income, and young under- or unemployed persons with low levels of education or no education at all. For example, 11 out of the 29 programs were directed towards young women, and 3 programs targeted young workers with disabilities, as displayed in Table 5.

Moreover, 12 programs (41 percent of the total surveyed) aimed at young people with low-income (41 per cent), and 17 out of 29 programs (59 percent) at youths with low levels of formal education. By contrast, ethnicity did not appear to be a selection criterion.

In general, significant complementarities can be observed in program targets. For example, the majority of programs (92 percent) that target low-income youth also target youth with low-levels of education. A similar trend is observable for programs targeting women or disabled youth, which focus at the same time on young people from low-income families and those with no or only low levels of education.

This said, eligibility criteria can vary significantly at the micro-level. For example, some programs such as *The National Open Apprenticeship Scheme (NOAS)* in Nigeria are designed for school-leavers, drop-outs, and other unskilled young workers in rural areas. By contrast, other programs focus specifically on homeless children and youths in urban areas.

Table 8: Orientation towards disadvantaged by category of intervention

0			Category o	of intervention	on			
Gender	1	2	3	4	8	Tota		
Positive	1	2	2	2	4	11		
Neutral		5	4	2	3	14		
Not known					4	4		
Total	1	7	6	4	11	29		
		Category of intervention						
Disability	1	2	3	4	8	Tota		
Positive	1		1		1	3		
Neutral		2	1	4	3	10		
Not known		5	4		7	16		
Total	1	7	6	4	11	29		
	1		Category o	of intervention	on			
Ethnicity	1	2	3	4	8	Tota		
Positive						0		
Neutral		2	1	4	3	10		
Not known	1	5	5		8	19		
Total	1	7	6	4	11	29		
	1		Category o	of intervention	on			
Income	1	2	3	4	8	Tota		
Positive		4	3	1	4	12		
Neutral		2		3		5		
Not known	1	1	3		7	12		
Total	1	7	6	4	11	29		
	1		Category o	of intervention	on			
Education	1	2	3	4	8	Tota		
Positive		4	5	2	6	17		
Neutral		1		2		3		
Negative		1	1			2		
Not known	1	1			5	7		
Total	1	7	6	4	11	29		

Notes:

- 1. Making the labor market work better for young people 4. Making training systems work better for young people
- 2. Improving chances for young entrepreneurs
- 3. Skills training for young people

- 8. Comprehensive approach

4. Quality of the evaluations

a. Quality of evaluation by category of intervention in Sub Saharan Africa

The coverage of net impact evaluations was lower in SSA than in all other regions. Only 3 percent of all net impact evaluations covered in this inventory were targeted on programs in Sub Saharan Africa, as shown in Figure 2. This poor result can be explained partially through the low coverage of youth employment programs in the region, poor data availability, and the fact that evaluations rarely track post-program outcomes. Perhaps unsurprisingly, evaluation quality seems to be correlated with a country's income level: programs with net impact evaluations were concentrated in (low) middle income countries, namely Kenya and Uganda.

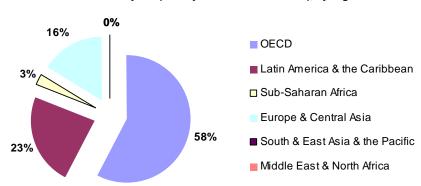


Figure 2. Coverage of the inventory in net impact evaluations and cost-benefit analyses (Quality of Evaluation 2 and 3), by region

In general, programs in SSA included in the inventory were not evaluated appropriately. For example, while 11 programs include information on gross labor market outcomes, 16 programs lack any information on results or the level of evaluation is unknown⁷ (Table 9). Only two interventions -the *Jua Kali Voucher Program* in Kenya (Box 2) and the *PCY* in Uganda (Box 1) - had enough information to suggest a positive impact.

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⁷ Their assessment was based on information on gross outcomes and background literature.

Table 9: Summary rating of quality of evaluation by category of intervention

Cotomorn of intermention	Qu	ality of	Evaluat	ion
Category of intervention	0	1	2	3
Making the labor market work better for young people				
1c. public works programs		1		
Sub-total	0	1	0	0
2. Improving chances for young entrepreneurs	4	3		
3. Skills training for young people				
3a. vocational training including apprenticeship systems	2	4		
Sub-total	2	4	0	0
4. Making training systems work better for young people				
4a. information	2			
4c. financial incentives (subsidies, vouchers)				1
4d. other	1			
Sub-total	3	0	0	1
8. Comprehensive, multiple-service approach	7	3	1	
Total	16	11	1	1

Notes:

^{0:} Program has no evaluation information available on outcomes or impact

^{1:} Evaluation includes basic information on the gross outcomes of the intervention (e.g. number of participants/ young people who found a job after the intervention, improvement in earnings of participants) without considering net effects (i.e., there is no control group)

^{2:} Evaluation includes estimate of net impact on, e.g., employment and earnings in the labor market (using control groups to measure impact) but no cost-benefit analysis.

^{3:} Evaluation includes net impact plus cost-benefit analysis.

5. Quality of the interventions

a. Quality of intervention and Quality of evaluation

In the absence of adequate evaluations in the case of most of the programs, it is almost impossible to form a judgment about the quality of the various interventions. Therefore, the ratings presented in Table 10 and 11 should be interpreted with some caution.

Table 10: Quality of intervention by category of intervention

Catagory of intervention		Quality of	Interve	ntion	
Category of intervention	0	1	2	3	99
Making the labor market work better for young people					
1c. public works programs			1		
Sub-total Sub-total	0	0	1	0	0
2. Improving chances for young entrepreneurs			3		4
Skills training for young people					
3a. vocational training including apprenticeship systems	1		3		2
Sub-total Sub-total	1	0	3	0	2
4. Making training systems work better for young people					
4a. information					2
4c. financial incentives (subsidies, vouchers)			1		
4d. other					1
Sub-total Sub-total	0	0	1	0	3
8. Comprehensive, multiple-service approach			2	2	7
Total	1	0	10	2	16

⁸ Many implementation agencies and donors noted that one key obstacle to obtaining a better basis for assessments are the high cost of designing a control group and applying a before-and-after survey to participants and comparison groups.

Table 11: Quality of intervention x quality of evaluation

Ovality of Evaluation		Quality of Intervention					
Quality of Evaluation	0	1	2	3	99	Total	
0					16	16	
1	1		9	1		11	
2				1		1	
3			1			1	
Total	1	0	10	2	16	29	

Notes on Quality of Evaluation:

- 0: Program has no evaluation information available on outcomes or impact
- 1: Evaluation includes basic information on the gross outcomes of the intervention (e.g. number of participants/ young people who found a job after the intervention, improvement in earnings of participants) without considering net effects (i.e., there is no control group)
- 2: Evaluation includes estimate of net impact on, e.g., employment and earnings in the labor market (using control groups to measure impact) but no cost-benefit analysis.
- 3: Evaluation includes net impact plus cost-benefit analysis.

Notes on Quality of Intervention:

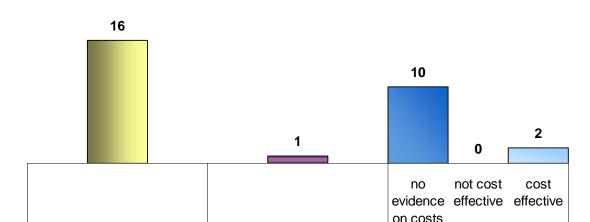
- 0: Program had negative or zero impact in the labor market.
- 1: Program had positive impact in the labor market, but it is not cost effective.
- 2: Program had positive impact in the labor market and there is no evidence on costs.
- 3: Program had positive impact in the labor market and is cost effective.
- 99: Missing Value: Not enough evidence to make an assessment.

As shown in Figure 3, the lack of net impact evaluations and cost-benefit analyses derives a substantial amount of programs with insufficient evidence to make a sound assessment on the quality of intervention. In addition,

- two programs (*PCY Uganda and the Swiss-South African Co-operation Initiative*) for which an impact analysis was conducted were awarded the highest rankings for the quality of their intervention.
- In the case of ten other programs including three entrepreneurship programs (Bugaya Youth Dairy Farm Project; BAOBAB; YES), three skills training programs (INSTARN Program; HRD for Community Based Training of persons with disability; KAYEC Scheme), one "making training systems work better for young people" (Jua Kali), one public works program (Expanded Public Works Programme South Africa), and two multiple service programs (NOAS in Nigeria and Urban Conflict Management in South Africa) a tentative assessment based on limited available information would also suggest a positive impact. However, it is not clear whether the benefits exceeded the costs associated with the programs' implementation in all of the cases.
- One skills development program to promote rural youth in Burundi was rated as having negative or zero labor market impact. The program was ended in 1997 because the objectives of strengthening employment of rural youth were not achieved.

-

⁹ While there is general information available on many projects, it is sparse and incomplete from results perspective. In most cases, results are assessed by labor market outcomes only. The evaluation includes basic information on gross outcomes of the intervention, like number of participants/ young people who found a job after the intervention and improvement in earnings of participants, but without considering net effects (i.e., there is no control group).



Negative or zero impact

Positive impact

Figure 3. Quality of Intervention in Sub Saharan Africa

One key lesson emerging from this performance patterns appears to be that successful interventions are often associated with a multifaceted, integrated bundle of services such as skills training, promoting entrepreneurship and social elements. Moreover, programs aimed at strengthening entrepreneurship also seem to deliver satisfactory results in many cases. Another emerging stylized fact is that the few public work programs targeted on youth do not seem to lead to higher employment chances for the participants. ¹⁰ Finally, the evaluation may systematically underestimate the benefits associated with programs targeted at the most disadvantaged sectors of society; as such interventions may have significant benefits that are not adequately captured in employment statistics. ¹¹

b. Summary rating of quality of intervention by country context

Unknown impact

The SSA region is characterized through the most rigid labor markets in the world (see Figure 4 and Table 12 for further details). For example, the region scores highest, on average, in the rigidity of employment index, with Europe and Central Asia being a distant second.

While the average employment rigidity index for the SSA region stands at 53.1, substantial cross-country variation can be observed. Employment rigidity is highest in the Central African Republic (76), followed by Burundi (68), Mali (66), Senegal (64) and Mozambique (61). The most favorable labor market conditions can be found in Zambia (10) and in several countries that

¹⁰ This said, the basis for this tentative finding is weak: only one such program was included in the inventory.

¹¹ Self-assessments of such programs tend to report positive results regarding their social dimension (getting children off the streets, health, crime-related, psychological support etc.).

benefited from substantial labor reforms in recent years, including Uganda (13), Malawi (21), and Zimbabwe (24).

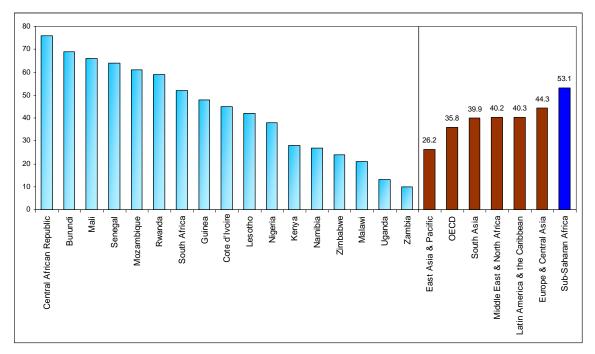


Figure 4. Rigidity of employment index in Sub Saharan Africa and across region

Note: The Rigidity of Employment Index is a composite measure that accounts for the presence or absence of the following: (1) contracts can only be temporary; (2) contracts have a maximum duration; (3) ratio of mandated minimum wage to average value-added of working population; (4) restrictions on night or weekend work; (5) workweek is five and a half days or more; (6) whether the workday can extend to 12 hours or more (including overtime); (7) 21 or fewer paid vacation days annually; (8) redundancy is grounds for dismissal; (9) employer must notify a labor union or labor ministry for group dismissals; (10) employers require labor union or labor ministry approval to dismiss a redundant employee; (11) law mandates training or reemployment prior to dismissal; (12) priority rules apply for dismissals; (13) priority rules determine reemployment. High index values indicate high employment rigidity; low values indicate low employment rigidity.

Source: World Bank, International Finance Corporation, Doing Business Database, 2006.

On other country context variables, intervention quality seems to be correlated with the country's income level: programs with a positive impact were concentrated in the low income group, as shown by Table 12.

Table 12: Summary rating of quality of intervention by country context

Income Level	Quality of Intervention						
income Level	0	1	2	3	99	Total	
Low	1		6	1	13	21	
Lower Middle			2			2	
Upper Middle			2	1	3	6	
Total	1	0	10	2	16	29	

Digidity of Employment Index	Quality of Intervention					
Rigidity of Employment Index	0	1	2	3	99	Total
From 0 to 25			3	1	4	8
From 26 to 50			5		3	8
From 51 to 75	1		2	1	8	12
From 75 to 100					1	1
Total	1	0	10	2	16	29

6. Concluding remarks

- Labor market programs in Sub Saharan African countries are relatively rare. This is particularly true for interventions targeted at youths, which may well be the most vulnerable group on the labor market. The apparent lack of policy support stands in a sharp contrast to the needs of the country in the region, which face a huge and rising challenge of integrating large numbers of youth into relatively rigid labor markets over the medium term.
- More systematic evaluations of program performance are needed to draw strong conclusions from the evidence. In fact, most projects were evaluated with a zero or one rating; only 12 programs obtained a rating of two or higher. This implies that the conclusions drawn from the analysis need to be interpreted with considerable caution; and that governments in the region face a significant challenge in learning from previous programs with a view to improve future policy performance.
- To the extent that evaluations exist, they typically fail to analyze the effect of policy interventions independent of other exogenous factors. Among the few evaluation studies that exist, most report only on the outcomes rather than on the impact of the underlying projects (how many participated in the program, found jobs etc.). By neglecting this aspect, the studies are unable to analyze the independent effect of the programs on the labor-market experience of participants. In other words, it is hard to say whether the employment outcomes depended on the program or on other exogenous factors. Looking forward, the use of control groups could help overcoming this methodological shortcoming.

- In many cases, the lack of cost-benefit analysis makes it hard to assess the effectiveness and efficiency of the programs. In fact, only two of the 29 programs benefited from a cost-benefit analysis (in which benefit is measured by the program's impact on employment conditions). This appears unacceptable in an environment where funding for labor market interventions is very limited. It also makes it difficult to allocate the limited resources to the most productive uses, in particular as labor market programs compete with critical needs in other areas including education, safe motherhood programs, contraception, and public infrastructure. Looking forward, a desirable approach would be to subject each program to a double test: (1) every program financed by the budget should pass a social benefit-cost test; and (2) every program that is supposed to help disadvantaged young people should offer them a high private rate of return. Interventions that do not meet the first criterion are an unjustified burden on the budget; those that do not meet the second criterion are highly likely to remain ineffective.
- Finally, the evidence suggests that youth employment programs in the SSA region depend almost entirely on external funding.

Box 1. Uganda: Programme for the Promotion of Children and Youth (PCY)

The characteristics of youth un- and underemployment in Uganda are as follows: Prevalence of subsistence farming among rural young people with no chance to work themselves out of poverty; lack of jobs in the formal sector and other alternative employment opportunities leading to an increasing disparity between the number of school leavers and available jobs; moreover, entrepreneurs in Uganda lack diversification in trades.

PCY pursues an integrated, multi-dimensional approach to children and youth promotion in the areas of social work for and with young people, information and counseling, entrepreneurship and self-employment activities, and also local skills development. PCY mainly works at two levels:

- (1) Consultancy and policy advice at the macro level, to the Ugandan Government, i.e. the Ministry of Gender, Labor Markets and Development, related to national youth policy, mitigation of youth unemployment and poverty, establishment of a Labor Market Information System (LMIS) and interministerial cooperation (Departments of Labor and Children & Youth, and Ministry of Education). As a result of the International Conference on Youth Employment, held in Kampala in June 2005, the Ugandan Government has become a member of the Youth Employment Network (YEN); consequently a National Action Plan on Youth Employment has been drafted, with PCY supporting the newly established Task Force within MoGLSD.
- (2) Promotion of youth group activities at community level, based on peer education and with support from mobile services, comprising local skills development, promotion of non-formal education, i.e. life skills, reproductive health and HIV/AIDS prevention. PCY is also engaged in active labor market policy such as career guidance, information and orientation. The promotion of young entrepreneurs and youth cooperatives is another important activity. PCY also provides interventions for youth in conflict-affected areas and Internally Displaced Persons' camps.

Corresponding with these two levels of intervention, the impact of the program was measured at two levels:

- (1) Institutional impact such as improved capacity of governmental youth workers, labor officers, community development workers and other stakeholders regarding youth policy in general, as well as tools and methods of social work with young people in particular, strengthening of youth representations and NGOs, and
- (2) Better income and employment opportunities for PCY participants

A first impact evaluation in 2003/04 showed a positive trend with regard to income increases, i.e. the incomes of PCY participants were about 26 per cent higher than those of other community members. Furthermore, the main sources of income of youth promoters/youth group members are from salaries (23 per cent) and youth group activities (38.5 per cent), while other community members are still mainly engaged in subsistence farming (76 per cent). Another impact evaluation with control group is planned in 2006. First indications show that the program works on a positive cost-benefit ratio.

Source: Project Documents by James.Macbeth (Technical Advisor to the Ugandan Ministry of Gender, Labour and Social DevelopmentMoGLSD);

http://www2.gtz.de/dokumente/AKZ/eng/AKZ 2004 Youth/interview.pdf;

Youth Employment and Social Integration, Sum Consult Study Report, May 2003.

Box 2 . Jua Kali - Voucher Programme/Training vouchers for "workers under the sun"

Under the auspices of the Kenya Micro and Small Enterprise Training and Technology Project (MSETTP), Jua Kali Voucher Program was established in 1997 in Kenya. The objective of the voucher scheme is to facilitate the provision of training for young people which aims to overcome information asymmetries present in the market for such services and to re-orient a training system towards disadvantaged youths. Vouchers are issued to the unemployed youth, who can personally select a provider of training, based on their needs and objectives rather than having them chosen by a bureaucratic institution. The use of vouchers for training has been carried out for some time in the UK and more recently in Germany. In Africa, the only country to implement such a program is momentarily Kenya.

The voucher program intends to empower recipients with the capacity to buy training on the open market and thereby promote competition between private and public suppliers of training. The approach should improve the quality of training and bring down the costs, while at the same time ensuring a better match between the participant and the training course.

Anyone eligible for training is given a voucher which can be cashed in at the chosen training provider. Participants pay only 10 percent of the cost of the voucher with the government subsidizing the remaining 90 percent. Master craftsman were the major provider of training, responding to demand from clients.

Although Jua Kali voucher scheme did not focus entirely on youth, the majority of those trained were young and disadvantaged.

Program results:

Under this program, 37,606 vouchers have been issued to entrepreneurs and employees in enterprises with fifty workers or less over the 1997-2001. Though the voucher scheme has not been subject to a rigorous empirical evaluation, there is evidence that the scheme has had a positive impact on those who were trained and that it has boosted employment, assets and business for enterprises which participated (in comparison with a control group) in terms of job creation, productivity and business profits. The scheme was complex and costly to establish, and it has proven to be difficult to phase out the subsidization of the vouchers.

Lessons learnt from the experience: Such schemes should be administered through the private sector rather than (as in Kenya) through a government ministry; the scheme should include provision for upgrading of training providers, especially those from small enterprises. An exit strategy is needed unless subsidies are to last forever. Its experience suggests that there is scope for the use of vouchers in a system more precisely targeted at the most vulnerable.

Source: Richard K. Johanson and Arvil v. Adams (2004): Skills Development in Sub-Saharan Africa, The World Bank, Washington, D.C.;

Adams, Arvil v. (2001): "Assessment of the Jua Kali Pilot Voucher Program". World Bank, Washington, D.C., June 2001.

Annex A: Inventory template and coding system

YOUTH EMPLOYMENT INVENTORY Worksheet for Assembling Inventory

	PROGRAM NAME:			
. Interv	ention category		H. Impact and performance indicators	
	mary Category CODE		1 Outcome (number who got jobs, the number who got waged jobs, their a	verage earnings etc.)
Cor	nments:			
	condary Category CODE			
Cor	nments:			
2 To	tiary Category and others CODE		2 Impact (measured by e.g. the number who got jobs, the number who got we earnings, compared with a control group who were not affected by the second of the control group who were not affected by the second of the control group who were not affected by the control group who were	
	nments:		earnings, compared with a control group who were not alrected by the	iis intervention).
			<u> </u>	
. Coun	try			
			3 Cost Comments:	
T:			, l	
. I ime	period of the intervention		to Society:	
			to Government:	
Statu	s of the Project			
(Com	oleted or Ongoing) CODE			
Comm	ents:		to Individual Participants:	
			I	
			,	
Probl	em addressed		A Impact in relation to Cost	
			4 Impact in relation to Cost (benefit/cost ratio, net present value, internal rate of return, cost-effectiveness)	
			Comments:	
Natur	e of the Program/Policy and/or Stated objective		to Society:	
			to Government:	
	am content details			
1 De	scription			
			to Individual Participants:	
2 Tai	get beneficiaries			
_ [ger beneficialies			
3 Age	e group (Only young people or all ages but mainly young people)	CODE		
	nments:		I. Summary rating of quality of evaluation	
	eation (Urban, rural or both)	CODE	Comments:	CODE
	nments:			
5 Acc	cess for disadvantaged			
a.	Gender (Positive, Neutral, Negative, Not known) Comments:	CODE		
		0005	J. Summary rating of quality of intervention Comments:	7
b.	Disability (Positive, Neutral, Negative, Not known) Comments:	CODE	35000000	CODE
^	Ethnicity (Positive, Neutral, Negative, Not known)	CODE		
C.	Comments:	JODE		_
d.	Income group (Positive, Neutral, Negative, Not known)	CODE	K. Sources of further information	
u.	Comments:		- Sanda Sand	
e.	Education (Positive, Neutral, Negative, Not known)	CODE		
	Comments:			
f.	Financing. (Government, Beneficiaries, Employers, NGO or Other)	CODE		
	Comments:	_		

YOUTH EMPLOYMENT INVENTORY

Codesheet for Assembling Inventory

A.	Inte	Intervention category Codes							
	1	Making the labor market work better for young people							
		1a	counseling, job search skills	1d	anti-discrimination legislation				
		1b	wage subsidies	1e	other				
		1c	public works programs						
	2	Improving chances for young entrepreneurs							
	3	Skills tra	aining for young people						
		3a vocational skills (active labor market training programs for youth) including apprenticeship							
		3b literacy & numeracy – young adult literacy programs							
		3c	second-chance and equivalency programs						
		3d	other						
	4	4 Making training systems work better for young people							
		4a	information	4c	financial incentives (subsidies, vouchers)				
		4b	credit (to individuals or enterprises)	4d	other				
	5	ged young people							
		5a	transportation	5b	others				
	6	Improving labor market regulations to the benefit of young people							
	7	Programs for overseas employment of young people							
	8	Comprehensive, multiple service approach							
	9	Other (e	e.g., voluntary national service programs)						
	99	99 Missing Value							

G	i.	Program content details					
	3 Age group:						
			1	Only young	people	99	Missing Value
			2	All ages but	mainly young people		
ŀ	4	Loc	ation:				
ı			1	Urban		3	Both
ı			2	Rural		99	Missing Value
1	5	Acc	cess for d	isadvantaged	d:		
ı		a.	Gender				
ı			1	Positive	e.g. women	3	Negative
ı			2	Neutral		4	Not known
ı		b.	Disabilit				
ı			1	Positive		3	Negative
ı			2	Neutral		4	Not known
ı		C.	Ethnicity				
ı			1	Positive		3	Negative
ı			2	Neutral		4	Not known
ı		d.	Income	-			
ı			1	Positive	e.g. low income	3	Negative
ı			2	Neutral		4	Not known
ı		e.	Educati				
ı			1	Positive	e.g. out-school	3	Negative
ı			2	Neutral		4	Not known
		f.	Financii	-			
			1	Governmen			
			2	Beneficiarie	es	4	NGOs
L			3	Employers		5	Other

D.	Status of the Project		
	1 Completed	3	Ongoing self-sustainable
	2 Ongoing in process (about to finish)	99	Missing Value

Summary	rating of quality of evaluation
0	Program has no evaluation information available on outcomes or impact
1	Evaluation includes basic information on the gross outcomes of the intervention (e.g. number of participants/ young people who found a job after the intervention, improvement in earnings of participants) without considering net effects (i.e., there is no control group).
2	Evaluation includes estimate of net impact on, e.g., employment and earnings in the labor market (using control groups to measure impact) but no cost-benefit analysis.
3	Evaluation includes net impact plus cost-benefit analysis.
99	Missing Value

Summary rating of quality of intervention
 Program had negative or zero impact in the labor market.
 Program had positive impact in the labor market, but it is not cost effective.
 Program had positive impact in the labor market and there is no evidence on costs.
 Program had positive impact in the labor market and is cost effective.

 Missing Value: Not enough evidence to make an assessment.

Annex B: Template Reader Manual

This Annex contains detailed instructions to guide the creation of electronic databases for the inventory as well as standardized informative tables for analysis. Microsoft Excel serves as software platform for this process. The automatic compilation of files and tables are done through Visual Basic macros.

Key files

The Template_Reader.zip contains the following three files:

- 1. MACROS.xls
- 2. Countrydata_Inventory.xls
- 3. Codebook.xls

MACROS.xls contains the Visual Basic code that will allow you to create a database from a collection of formatted templates.

Countrydata_Inventory.xls contains some macroeconomic information that will be added to the database you create in order to organize the information in tables.

Codebook.xls contains the variable definitions of the generated database. It also contains the location of each variable in the formatted templates, as well as the Visual Basic code needed to update the macros in case the template format is updated or variables are added.

How to use the Template Reader Macro:

- 1) Create a folder called TEMPLATES anywhere in your hard drive.
- 2) Inside TEMPLATES create two folders with the following names:
 - a. FilledTemplates: this folder will contain all the templates that you want in your database.
 - b. Country_Data: this folder will contain the file countrydata_Inventory.xls which is used to add macro statistics and region codes to the database.
- 3) Place all templates in the folder FilledTemplates and place countrydata_Inventory.xls in the Country_Data folder.
- 4) Place the MACROS.xls file in the TEMPLATES folder and open it by double clicking on its icon. Excel will not display the contents of this file. If you want to access it, click on the Visual Basic Editor button in Excel (or click on *Tools* menu, *Macro*, and *Visual Basic Editor*)
- 5) Create an empty excel spreadsheet and save it in the TEMPLATES folder with the name OUTPUT. In OUTPUT.xls create an empty worksheet and name it DATA. Save OUTPUT.xls.
- 6) Place the cursor in any cell within worksheet DATA, in OUTPUT.xls. In Excel go to *Tools* menu, select *Macro* and then *Macros* (or press Alt+F8). Choose the CREATE DATABASE macro and click in *Run* it. This will take a few minutes while the

macro reads each file and builds the database.

7) Once the database has been created you can proceed to create the tables. For this, simply go to the *Tools* menu, select *Macro* and then *Macros* (or press Alt+F8). Choose the TABLES macro and run it.