



Let's Work Global Partnership
ANNUAL Review
(CY 2015)



Let's Work Partners



Let's Work Partners



COORDINATED BY
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Annual Review

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1. The Let's Work Partnership

Let's Work is a global partnership of international financial institutions (IFIs), private sector, and donors to create more and better private sector jobs. It was created to implement the findings of the IFC Jobs Study which was published in 2013, as a companion document to the World Development Report, 2013 on jobs.

Vision & Mission

Let's Work partners agreed on the mission and vision of the Partnership during its January, 2014 meeting. The three year work program, an indicative budget, and a Charter were formally discussed during a Steering Committee meeting in June, 2014. The following vision and mission statements were formally adopted by the partnership.

LET'S WORK

Vision: Let's Work is a global partnership that unites organizations dedicated to providing effective solutions to the global jobs crisis by harnessing the potential of the private sector to help create more and better jobs that are inclusive.

Mission: To work with countries, private sector companies, and development practitioners to support private-sector-led job growth by focusing on removing the main constraints to job creation and strengthening value chains. To not only help create *more* formal sector jobs in developing countries, but also *better quality jobs* that increase productivity and wages, improve working conditions, and provide more opportunities for everyone – especially women and youth.

Partners:

Let's Work partners include the African Development Bank Group (AfDB), Asian Development Bank Group (ADB), Austrian Federal Ministry of Finance (BMF), Department for International Development (DFID), European Investment Bank (EIB), 15 European Development Finance Institutions (EDFIs) Inter-American Development Bank (IADB), International Labor Organization (ILO), International Youth Foundation (IYF), Islamic Corporation for Development of Private Sector (ICD), Ministry of Foreign Affairs of Netherlands, Overseas Development Institute (ODI), Private Infrastructure Development Group (PIDG), Swiss Secretariat for Economic Affairs (SECO), World Bank Group, and World Business Council for Sustainable Development (WBCSD).

Governance:

Let's Work has a three-tiered structure that was adopted during a Stakeholder meeting held in January, 2014, in Washington, D.C.

Steering Committee: is the highest governing body and provides overall strategic guidance and priorities on the work program. It consists of senior-level representatives of participating organizations, donors, and IFIs. All members of the Steering Committee make a significant contribution to the partnership by promoting and facilitating the implementation of the *Let's Work* program - in addition to participating in the Steering Committee meetings. The Steering Committee has met regularly through audio conferences in the past year.

Technical Advisory Group (TAG): consists of individuals or entities appointed by the Steering Committee to provide expertise and technical rigor to the partnership's work program through peer review and advice to the Steering Committee and Program Coordination Unit. Partners agreed during the first Stakeholder meeting to invite TAG members to all Steering Committee meetings. A decision was made by the Steering Committee to not have a more elaborate TAG but seek expertise as needed, in order to retain a lean structure.

Program Coordination Unit (PCU): The Steering Committee and the Technical Advisory Group are supported by a small Program Coordination Unit (Secretariat) housed in the World Bank Group Jobs Group and composed of staff and consultants. The PCU manages the day-to-day affairs of the work program, coordinates with partners, and promotes a two-way knowledge and information flow with partners. It coordinates closely with other units of the World Bank Group, donors, IFIs, private sector companies, and also ensures outreach and coordination with other stakeholders (e.g. through Stakeholder Meetings etc.).

2. The Work Program

Let's Work began operating in CY 2014. Targets for year 1 and 3 (final) of the work program were established, but retained flexibility to accommodate learning and adjusting along the way as the program evolved. This report is a review of the second year (CY 2015) of the 3-year work program agreed on by Partners. Partners agreed that the strategy and work program would be organized around the 3 pillars below:

Pillar 1: Pilot innovative and multi-stakeholder private sector-led approaches on job creation in selected countries – in partnership with country governments, the private sector and other stakeholders. The country pilots will have a two -pronged strategy:

- Removing constraints to private sector led job creation (e.g. investment climate, access to finance, infrastructure and skills gap); and
- Strengthening value chains in ways that provide opportunities for SMEs, informal sector enterprises, women, and youth.

Pillar 2: Generate new methods and approaches to measure, understand, and strengthen the creation of more and better jobs.

Pillar 3: Systematically gather, generate, test and widely share the best practice knowledge, communication, and tools that we can all use to increase our impact on jobs.

Table 1: Let's Work Program

		Program Target
Pillar 1	Country Pilots	7
Pillar 2¹	Working Groups	3
	Workshops	2
	Case Studies	26 ²
	Toolkits	3
	Report on Lessons Learned	1
Pillar 3	Website	1
	Partner protected site	1
	Blog	12
	Newsletter	6
	Media news/articles	-
	Working Group	1

¹ In the course of two Steering Committee meetings held in 2015, Partners reviewed the work program originally agreed and decided to adjust it to provide key stakeholders with the appropriate tools and methods to estimate the impact on jobs.

² As per email sent to Partners on October 15th, 2015, 26 case studies were approved in-principle by the Steering Committee. The case studies were forwarded to the three Working Groups to further discuss technical feasibility.

Communications materials and events (poster, folder, banner, etc.	ongoing
Competition (youth essay)	1

Since its inception, the *Let's Work* Partnership has achieved the following results:

- Adopted a Charter that governs the Partnership.
- Increased the number of Partners to include African Development Bank Group (AfDB), Asian Development Bank Group (ADB), Austrian Federal Ministry of Finance (BMF), Department for International Development (DFID), European Investment Bank (EIB), 15 European Development Finance Institutions (EDFIs) Inter-American Development Bank (IADB), International Labor Organization (ILO), International Youth Foundation (IYF), Islamic Corporation for Development of Private Sector (ICD), Ministry of Foreign Affairs of Netherlands, Overseas Development Institute (ODI), Private Infrastructure Development Group (PIDG) , Swiss Secretariat for Economic Affairs (SECO), World Bank Group, and World Business Council for Sustainable Development (WBCSD).
- Adopted a vision, mission, and strategy that govern engagements and activities.
- Defined in detail a three-year work plan which consists of Pillar 1 Country pilots, Pillar 2 Methodology and Analysis, and Pillar 3 Knowledge Sharing and Communications.
- Developed an indicative program budget.
- Held two face-to-face Stakeholder and Steering Committee Meetings in January, 2014 and April, 2015.
- Held nine Steering Committee meetings for updates and collective decision-making.
- Launched all seven country pilots: Mozambique, Zambia, Tanzania, Bangladesh, Tunisia, Paraguay, and the Western Balkans (Pillar 1).
- Held a workshop (hosted by CDC, London) on Pillar 2 methodology and analysis to agree on next steps for the development of tools to measure the impact of private sector investments on jobs.
- Created three Working Groups, one for each of the methodologies agreed to measure the impact of private sector investments on jobs: Tracer surveys, macro models and value chains (Pillar 2).
- Approved 26 case studies to measure the impact of private sector investments on jobs (Pillar 2).
- Built a brand for *Let's Work* and developed branded materials.
- Established communication dissemination channels in partnership with the World Bank Jobs Group. Examples include social media, blogs, and e-newsletters.

- Created and maintained a *Let's Work* external website and a partner protected website for knowledge sharing amongst partners.
- Produced and disseminated newsletters, blogs, and stories to share our public goods on the *Let's Work* website, Jobs platforms, and Partner platforms.

Figure 1: Let's Work Pillar 1 and 2 Countries



3. Results by Strategic Pillar (CY 2015)

Pillar 1: Country Pilots

The objective of the country pilots is to use the *Let's Work* platform to bring together key stakeholders for developing private sector-led solutions to job creation, based on evidence. The wide array of development activities being done in countries will require frequent and consistent coordination to build accountability for effective operations, as well as a focus on learning from results on the ground. *Let's Work* aims to build better quality jobs by helping to create not only more formal sector jobs in developing countries, but also better quality jobs that increase productivity and wages, improve working conditions, and provide more opportunities for everyone, especially women and youth.

The program target of Pillar 1 was to implement 7 country pilots. For year 1, *Let's Work* partners agreed to develop 4 country pilots. Mozambique, Zambia, Tanzania and Bangladesh were selected as the first 4. Tunisia, Peru, and the Western Balkans were selected for year 2. Partners agreed during a Steering Committee meeting held in September, 2015, that Peru would be replaced with Paraguay as a country pilot.

Table 2: Pillar 1 Work Program

Indicator	Program Target
Country pilots implemented	7

All country pilots will begin with identifying existing diagnostics (e.g. where the jobs are, what the specific constraints to private-sector led job creation are, etc.). As needed, additional diagnostics may be carried out. It will then identify 2-4 strategic areas/sectors that would offer the most promising opportunities to create more and better jobs – be sustainable and competitive and bring in the key stakeholders. Apart from the government and the private sector, other donors, IFIs, and organizations that are active in that specific country would be consulted. Lastly, a value chain based sector program will be carried out to focus on: a) building capacity of local SMEs to encourage work in the value chains of larger companies; b) developing skills required for the value chain development; c) creating access to finance for the companies in the value chain; and d) addressing other key constraints such as regulatory and policy issues or access to infrastructure. The exact nature of the country work would be determined by contextual needs, government priorities, and an assessment of where Let's Work could add maximum value.

During year 2, work in the initial four pilot countries is ongoing (Mozambique, Tanzania, Zambia and Bangladesh); Concept Notes for Tunisia and Paraguay were finalized; and a Concept Note is being drafted for the Western Balkans. Below is an update of the work that’s being carried and/or proposed for each country pilot.

Zambia

Work Program & Agreed Deliverables: The objective of the program is to assist the Government of Zambia in the implementation of its jobs strategy. The program will be aligned with stakeholder priorities, including international finance institutions, and the private sector, to promote the creation of more, better, and inclusive jobs. The aim is to develop a set of actionable proposals for investment and advisory solutions that address constraints to private sector-led job growth and labor productivity in specific sub-sectors and linked industries. These proposals will be based upon the best available evidence from past studies in addition to a comprehensive review of labor market and business dynamics, operational solutions, and value chain analysis.

To guide the implementation of Zambia's jobs strategy the work will focus on four activities:

- A comprehensive jobs diagnostic to better understand the dynamics of job creation and productivity growth at the macro and firm level, and the main incentives and constraints affecting individuals’ participation in the labor market and access to good jobs.
- A stock-take review of evidence of jobs potential in key sectors identified as priorities by stakeholders, including Government, the WBG and Let’s Work partners, to identify potentially innovative solutions as well as interventions that have not had the expected results.
- Value chain mapping in order to understand the types of bottlenecks and regulatory failures that would need to be removed to unlock job growth and labor productivity.
- Consultations with stakeholders to jointly design sector-specific strategies for jobs, identify areas for interventions, and ensure ownership of the shared jobs agenda.

Main deliverables include:

DELIVERABLE	TO BE DELIVERED BY	STATUS
Stock-take of evidence	June 2016	On track
Job Diagnostic – Labor demand, supply, macro analysis	June 2016	On track
Stakeholder Workshop	August 2016	On track
Sector Deep Dives	June 2016	On track
Multi-partner Action Plan	June 2016	On track
Local Research Partner Support	<i>TBD</i>	Ongoing
Dissemination Events	Ongoing	Ongoing

Results and Key Highlights: Draft reports have been delivered with evidence and operational programs related to jobs in key sectors/themes being analyzed under the *Let's Work* Program: agriculture/agribusiness and construction. The findings from these analyses have been presented as part of the Sector Deep Dives to identify the specific sub-sectors in which the value chain mapping will be conducted, based on the need to fill in knowledge gaps and add value in areas not yet covered among *Let's Work* Partners. During the recent January, 2016 mission, the team presented the results of the 'sector screening' analysis through an evaluative framework which led to prioritizing three sectors for the value chain task, namely livestock (including stock feed, poultry, aquaculture) and construction, to *Let's Work* Partners and stakeholders in Zambia. This component is expected to shed light on key challenges and constraints restricting growth and competitiveness of a sector, and in turn defining employment and income generating opportunities in the local economy. The initial mapping is being conducted from which the sample frame will be developed, survey instruments pilot tested, and analysis implemented. Preliminary results are expected by May, 2016.

Initial analysis on jobs that brings together the comprehensive view of macro, labor demand, and labor supply perspectives has been completed. Ongoing work continues to standardize the code developed for the analysis so that similar country-level analyses may draw upon the work in Zambia and serve as a basis for cross-country comparators. In January 2016, the team presented to Government and LW Partners the analysis entitled "The Macro Story in Zambia: Implications for Jobs Strategies." The pending analyses are on track to be completed by May, 2016.

The critical work of stakeholder consultations and dissemination has been an ongoing aspect of the *Let's Work* Program in Zambia across a number of key players, including Government, industry associations, and local researchers. As preliminary findings of the various analytical works become available, the team has been disseminating among stakeholders to seek comments in order to revise/refine before finalizing deliverables.

A stakeholder workshop to disseminate the jobs analytical review (jobs diagnostic) and sector deep dives (value chain mapping) results is planned for May, 2016.

As planned, the main outcomes of the *Let's Work* Program in Zambia are the identification of regions, sub-sectors, and value chains that mobilize investments for growth and jobs through specific partners and proposals. This important development result is on track to being achieved as evidenced by: (i) strengthening existing programs (analytical and operational) among *Let's Work* Partners; and (ii) informing the design of new projects aimed at catalyzing private sector investments, firm growth, and employment in competitive sectors, such as agriculture/agribusiness, in Zambia to create more, better, and inclusive jobs.

Specifically, across the various work streams, the following activities are contributing to the outcomes expected: 1) Linking the Jobs Analytical Review (jobs diagnostic) to the forthcoming Systematic Country Diagnostic (SCD) within the World Bank Group (WBG); 2) Completing the WBG portfolio review through a 'jobs lens' based on guidance from the World Bank and **Let's Work** Partner teams, which will be presented and shared among the Cooperating Partners' Group (CPG) of development partners; 3) Disseminating the jobs diagnostic, including spatial analysis, that complements work underway, including the local think tank, the Zambia Institute for Policy Analysis & Research (ZIPAR) with the DFID-funded Zambia Economic Advocacy Programme; 4) Building off existing programs funded by the ILO in soy, aquaculture, and construction. In construction, the value chain work could link to the ongoing Green Jobs Programme with IFC and Lafarge.

In addition to poverty, population distribution, firm activity, and nighttime lights maps, the spatial analysis presented thus far includes a focus on agricultural production and yields, dairy production, and other crops, such as barley. Ongoing analysis is underway of value added per worker and employment and labor payments per worker for all firms in the economic census phase 2 (about 5K firms).

Further, the team has been engaging industry associations on the analytical work and forthcoming World Bank operation to understand the strategic challenges and opportunities of agribusiness structures focusing on primary producers, input suppliers, processing and support services. Groups consulted included: ZACCI (Chamber of Commerce and Industry), Zambia National Farmers Union, Zambia Export Growers Association, Zambia Grain Traders Association, Dairy Association of Zambia, and Poultry Association of Zambia. Field visits to Magoye smallholder dairy farmer cooperative and Kushiya farms (a commercial dairy farm in Mazabuka), and Zambeef's Huntley Farm in Chisamba with officials from Ministry of Agriculture and Ministry of Commerce, Trade, and Industry, further shed light on the constraints to growth and jobs in the sector. The team also met WBG clients, including Yalelo Fisheries (MIGA) and Ross Breeders (IFC).

The key next step is to prepare the draft write-up of the jobs diagnostic and finalize implementation of the value chain mappings by May-June, 2016. The expected relevant outcomes include: improved design and implementation of Zambia's jobs strategy, improved policy dialogues, improved stakeholder capacity in the area of jobs, improved knowledge on jobs challenges and solutions, and improved knowledge sharing and leveraging.

Mozambique

Work Program & Agreed Deliverables: The objective of the work program is to: 1) promote the creation of private sector jobs through a value chain-based approach; 2) increase the productivity of jobs that already exist; and 3) help connect people to jobs.

Following discussions with the Government of Mozambique, it was decided that the *Let's Work* Mozambique work program would include the following four components:

Jobs Diagnostic and Contribution to Policy Dialogue: A diagnostic of labor market outcomes that identified policy actions to promote more, better, and inclusive jobs was conducted with existing data. The diagnostic aims to provide inputs to ongoing policy dialogue on jobs, and to support the Government of Mozambique's overall development goals. In April 2015, the Mozambique government approved the Plano Quinquenal do Governo (PQG 2015-2019), a five-year plan that defines Mozambique's strategic priorities, including job creation. The Ministry of Labor, Employment, and Social Security has recently carried out a detailed consultation process in all provinces and consulted with various stakeholders to draft the National Employment Policy (NEP), which is expected to be launched in June, 2016. *Let's Work* aims to support the jobs dimensions of the Government's five-year plan (PQG) and the Government's action plan for the NEP. The policy dialogue inputs are also aligned with the findings of the World Bank Group's Systematic Country Diagnostic and proposed Country Partnership Framework³ that outlines the importance of building inclusive value chains, developing linkages, promoting economic diversification, and increasing productivity.

Value chain analysis: Enhancing value chains that link competitive, formal sector lead firms to low-skilled, self-employed workers, or smallholders is a viable route for improving earnings opportunities for the poor. After extensive consultations with the government, stakeholders, and the private sector, *Let's Work* identified agriculture, forestry, and construction as the three sectors to focus on. In-depth analysis to understand job creation potential and challenges in each of the three sectors is being conducted. A detailed survey instrument that evaluates the three value chains was designed and an external firm has been contracted to implement the survey. Additionally, private sector and government consultations with sector line ministries were held to gain a deeper understanding of key opportunities and constraints in each of the sectors and to select sub-sectors/ specific value chains to focus on. Additional emphasis was given to selecting value chains with the potential to develop the light manufacturing and agro-processing sectors. A healthy manufacturing sector can lead to long-term benefits that surpass the labor force, such as economic diversification and upgradation of skills. Based on the consultations, the possible value chains to be surveyed include: wood processing/carpentry; residential low cost housing; and agro-processing. The field work for the value chain studies will focus on the northern regions of Mozambique, where poverty is concentrated and the main developmental impulses from the gas boom will be felt. The region will therefore potentially generate induced demand for other products, opening the possibility of positive private-sector led jobs transformation. The value chain work will also be coordinated with ongoing partner initiatives including JOBA- a DfiD funded skills program focused on employment placement, to explore supporting training programs in the forestry sector; ILO's project on the construction sector in

³ World Bank Group's upcoming country engagement approach.

Cabo Delgado; International Growth Center's work on strategy for developing the construction sector; IFC's investment and community development program with a large forestry sector project; the World Bank Group's Landscapes Project that focuses on agriculture and forestry in the Northern Zambezia and Nampula and the World Bank Group's Growth Poles project; and EIB's Frankfurt School training initiative on SME development.

Jobs pilots: One of the objectives of the **Let's Work** program is to promote learning through pilots and also through rigorous evidence building/impact evaluation. Following a competitive selection process, the team contracted an international NGO to help design an agriculture pilot that helps connect small holder farmers to anchor enterprises through aggregators, with the introduction of capital, technology upgrades, access to credit, and training. Impact evaluation of the pilot will help document change in livelihoods and incomes, and will also help learn lessons for scaling up the selected pilot. Further discussions are ongoing to identify possible alternative pilot projects in the agricultural sector.

An opportunity for a second jobs pilot has come through a partnership with the International Youth Foundation (IYF). IYF will implement a pilot program to train women-owned informal sector businesses funded by Mozal, a large aluminum smelter company. The **Let's Work** team will partner with IYF in the design and evaluation of the female entrepreneurship pilot.

Knowledge Sharing Platform for Stakeholders (Government, Private Sector, and Development Partners): Round table discussions with stakeholders operating in the **Let's Work** focus sectors - agriculture, forestry, and construction - show that building strong local value chains requires well-coordinated cross-sectoral and multi-stakeholder interventions. In Mozambique, there is an abundance of development programs that are designed and implemented; however, coordination between programs is often a challenge. **Let's Work** aims to build a knowledge sharing platform that will bring partners together on select jobs themes to strengthen coordination, explore synergies, and create dialogue. In consultation with the Ministry of Finance (MEF), **Let's Work** will identify approximately four to seven broad jobs challenge themes and host two to three workshops per year on each theme. Each workshop aims to create an informal community of practice and background materials will be available on the **Let's Work** website. The sessions can include initiatives led by multilateral organizations, donors, or other development partners of the Government and **Let's Work** will seek to collaborate with relevant stakeholders active in the proposed themes.

The following are possible jobs related themes that will be explored and finalized with the MEF:

- Building and developing micro, small, and medium enterprises;
- Using information communication technologies to help create more and better jobs;
- Skills for youth employment;
- Transforming agriculture without grower models;
- Increasing access to finance;
- Building local value chains in three specific sectors – agribusiness, forestry, and construction;
- Developing a light-manufacturing sector.

Deliverables of the work program include:

DELIVERABLE	TO BE DELIVERED BY	STATUS
Diagnostic Note on Jobs - challenges and opportunities	June 2016	Draft report done
Stock-take/rapid assessment of sectors	June 2016	Draft stock take done
Jobs analysis of 3 value chains that includes identification of bottom up interventions and programs	June 2016	Draft survey instrument designed; stakeholder consultations conducted; firm hired; preliminary scoping reports on VC selection done; Government consultations held
Pilots with anchor firms	FY 17	Discussions being finalized with IYF
Jobs strategy/Policy dialogue	Ongoing, FY 17	First draft discussed with Government; ongoing
Pilot operations	FY 17, 18	Consultant firm procured; pilot design proposal drafted – discussions ongoing
M&E /Impact evaluation design and implementation	FY 17, 18	Under discussion
Knowledge Sharing/Coordination Events	Ongoing	4 private sector workshops held; youth roundtable held; inter-ministerial workshop held; Thematic Platform to be launched.; local Program Coordination Unit established

Results and Key Highlights: Following a number of scoping consultations with the Government, private sector, and development partners in the country and a focused round table workshop with youth, a first cut stock take of ongoing programs and projects in the country was completed to inform the program design and explore synergies with other development partner activities. The team conducted a diagnostic of the jobs challenges in the country using data from the latest 2012 INCAF (Inquérito Contínuo aos Agregados Familiares) household survey and the IOF (Inquérito aos Orcamentos Familiares) 2008-9 household income and expenditure survey. Board policy implications from the diagnostic were informally shared with the government in an inter-ministerial roundtable workshop. Work on conducting the sector deep dives /value chain analysis

focusing on the three sectors- agriculture, forestry, and construction was launched. The survey instrument to conduct the value chain analysis using a jobs lens was designed. A firm was contracted to conduct preliminary sector assessments and also implement the survey. Consultations were conducted with government, development partners, and private sector to better inform the focus of the survey and ensure its findings were useful and could potentially inform program design of other partner-led operations. Three round table workshops – one on each sector, were designed with the private sector in November, 2015. An inter-ministerial workshop was organized with the Ministry of Land/Forests (MITADER), the Ministry of Agriculture (MASA), the Ministry of Public Works and Housing (MOPH), Ministry of Industry and Commerce (MIC), and the Ministry of Finance (MEF) to discuss design options for the value chain studies. Following a competitive selection process, the *Let's Work* team contracted an international NGO to help design a pilot initiative to develop an agricultural value chain with smallholders, who would be connected through aggregators to anchor buyers to improve access to markets. The team has been working to finalize the design and next steps. An in country Program Coordination Unit has been established to manage the day-to-day coordination with partners and stakeholders.

Tanzania

Work Program & Agreed Deliverables: The objective is to design a technical assistance program to build on existing diagnostics and strategy and provide a jobs lens through spatial and value chain diagnostics around catalytic trends of urbanization and the emerging gas cluster in the South. As with other pilots, the program will also be complemented by a stock-take of WBG and donor operations using a jobs lens, with the objective of informing the design of future interventions for maximizing more, better, and inclusive jobs. The work program will be organized around two components:

Component 1 will focus on three activities: (a) analysis of firm dynamics in the Greater Dar area through spatial diagnostics to assess agglomeration effects; (b) value chain mapping for priority sectors, with a specific focus in the Greater Dar area and Southern Tanzania, which is being influenced by the discovery of gas; and (c) an update of recent job dynamics based on the latest labor force survey, paying particular attention to gender issues.

Component 2 will draw on the analytics from Component 1 and will focus on three additional activities: (a) review of jobs-relevant existing WBG and donors operations and those planned with the objective of identifying gaps and opportunities for improved integration and coordination; (b) stakeholder and partner consultations with the objective of providing a platform for consensus and coordination of existing activities against an integrated action plan for jobs, and adoption of a potential pilot in a specific sub sector (tourism as a potential); and (c) client capacity building of identified institutions who will be trained to carry out some of the above analyses and continue the agenda beyond the work program.

Deliverables of the work program are highlighted below.

DELIVERABLE	TO BE DELIVERED BY	STATUS
Analytical note on Spatial Diagnostics	May- August 2015	Draft ready
Jobs analysis of selected sectors including identification of interventions, in relationship to existing programs	May- December 2016	Survey launched
Analytical note on labor market trends and outcomes	May- August 2016	Draft under preparation
Note on select portfolio operations, pipeline and donor activities	April- June 2016	Under analysis
Stakeholder and partner consultations (including blue print for jobs operation)	January- June 2016	On going
Capacity Building of Partner Institutions	May 2015- June 2016	On going
Knowledge sharing/Dissemination Events	Ongoing	Draft ready

Results and Key Highlights: Over the last year, the *Let's Work* Program in Tanzania has made progress on the agreed components and included an additional component, which provided an opportunity to measure impact of an intervention on rural livelihoods.

Within Component 1, the status of activities is as follows:

Analysis and spatial diagnostics of firm dynamics: The team has spent the last few months cleaning up the Census of Registered Establishment data sets (CRE 2005, 2012) with the help of spatial data scientists and the National Bureau of Statistics. Spatial econometric modeling has then been used for a preliminary analysis on drivers of firm location within Tanzania at the most discrete ward level. This analysis will be ready by the end of April, 2016. The team is also planning to explore a method of assessing job creation potential of Local Government Units (LGUs)/tertiary towns with the objective of informing policy decisions around spatial investments. Discussions with the National Bureau of Statistics (NBS) have also been had with regards to potential for training of their researchers on the analytics of demand side firm data. Details will be firmed up once the analytics have been completed and ready to be shared.

Value Chain mapping for priority sectors: The initial desk review, using the screening tool of the newly designed 'Value Chain tool for jobs', has been conducted. As part of this assessment, several interviews and consultations were also held with private sector firms in the sectors, as well as with development partners and Lets Work partners. Based on this, horticulture has been identified for rolling out the value chain tool. Analysis is ongoing to select the specific crop(s) and location and the end objective will be to design an intervention which can maximize creation of more, better, and inclusive jobs. The tentative timeline for roll out of the value chain tool is scheduled for May- July 2016. It is anticipated that the initial results will be available by August, 2016.

Within Component 2:

The review of World Bank Group operations, and donor activities, with a jobs lens is being completed and will be shared with relevant stakeholders (World Bank country team, *Let's Work* partners) by end of April, 2016.

Since April 2014, two missions have been made to Tanzania, which included several consultations with relevant stakeholders in the private sector (firms in the agribusiness and related supply sectors), private sector associations (TPSF, TAHA), development partners (Aga Khan Foundation, USAID, GIZ, World Food Program) and with *Let's Work* Partners (DFID, AfDB, ILO). The purpose of these meetings was to provide status updates and find synergies and opportunities for complementarities. Going forward, as analytics are ready to be shared, more formal consultations/workshops will be held.

Finally, an additional activity has been added to the work program as it provided an opportunity to build evidence on impact of private sector operations to the jobs agenda. *Let's Work* is partnering with the Imperial College of London to do an Impact Evaluation of an International Finance Corporation (IFC) and World Food Program (WFP) project aimed at raising farmer productivity in maize. The project is part of the multi-country Patient Procurement Platform (PPP) that aims to raise smallholder staple crop productivity via an integrated support package to smallholder farmer organizations that improves access to modern inputs and technical assistance and provides guaranteed market access. The team will be working towards building a baseline in 2016.

Bangladesh

Work Program & Agreed Deliverables: The objective of the program is to support the Government of Bangladesh, development partners, and the private sector in creating more, better, and inclusive jobs. The aim is to develop an action plan for addressing market and coordination failures that hinder the creation of high productivity jobs in the private sector, with a particular focus on diversifying employment beyond the ready-made garment sector and improving the quality of jobs within the sector. The program will generate new knowledge and develop an actionable set of proposals for investment and policy interventions in high-priority subsectors and value chains. Specifically, the program is delivering on this objective through three broad activities:

Jobs Diagnostics: Providing a comprehensive assessment of the supply and demand side dynamics that shape jobs outcomes in Bangladesh, in order to identify a shared strategic agenda on jobs that can support the Government of Bangladesh in achieving its Vision 2021. Diagnostics were launched in January, 2016, and an agreement has been reached to carry out some of the core analysis jointly with the Bangladesh Bureau of Statistics (BBS), an arrangement which will also include support for capacity building of BBS staff in carrying out comprehensive diagnostics

of jobs encompassing both labor supply and firm-level demand side components;

Sectoral Analytics and Pilots: Designing and implementing select analytics and pilot programs that address constraints to private sector-led job growth, improved job quality, and greater inclusion in specific sub-sectors and value chains with high job creation potential. These activities are focusing on three main sectors: leather (emphasis on upgrading technical quality and environmental compliance to support value chain deepening and competitiveness); light engineering (emphasis on value chain mapping, cluster coordination, and technology and skills upgrading); and ready-made garments (designing and piloting a program for women’s career advancement). The program will also consider the possibility of further work in agriculture and agro processing, depending on demand and resources, and in case any of the other sectoral activities do not proceed as planned.

Jobs Action Plan: Supporting a process of dialogue that engages the Government of Bangladesh, the private sector, and development partners with the aim of developing a shared jobs agenda leading toward the development of a comprehensive, multi-stakeholder jobs action plan.

Outputs and timelines for the program are outlined below:

DELIVERABLE	TO BE DELIVERED BY
Job Diagnostic (Component 1)	September 2016
Sector Analytics and Pilots (Component 2)	Ongoing: September 2016 through June 2017
Jobs Action Plan (Component 3)	Ongoing: March 2016-June 2017

Tunisia

Work Program & Agreed Deliverables: The objective of the Let’s work program in Tunisia is to identify some of the most binding constraints affecting the creation and productivity of jobs within targeted value chains in a lagging region in Tunisia and inform future projects to help tackle these constraints. This will be guided by a specially designed instrument that maps value chains and assesses constraints to growth and employment creation, as well as a capacity building program addressed for local administrations (active in the lagging region) on value chain analysis and business development services.

The pilot lagging region of focus will be chosen in consultation with the government and in coordination with other donor projects, based on a pre-defined criteria including regional rates of poverty, unemployment, and growth. The value chains selection will be based on readiness for meaningful engagement by actors and firms in the value chain (i.e. critical mass of dynamic firms) and potential impact on targeted social group.

While broad or fundamental policy changes are necessary and important contributions to tackle low growth and job creation in a country, they are often not sufficient. To be effective, these policies need to be accompanied with interventions that address both market and government failures at the local level. A value chain and jobs mapping combined with industry-specific Business Development Services (BDS) and Local Sector Specific Public Private Dialogue (PPD), as planned for the *Let's Work* program in Tunisia, to reinforce competitiveness can help achieve this. This project aims to inform the design of potential future programs or investments aimed at accelerating job creation (especially for low-skilled youth) and reducing inequalities between the leading and the lagging regions of Tunisia. In the mid-term, the program will help: (i) identify the most binding constraints to productivity growth and job creation in selected value chains; (ii) elaborate action plans to address these constraints, including needed regulatory and administrative reforms, or interventions to support firms in achieving higher productivity and strategic positioning; (iii) design interventions to connect individuals and enterprises to new jobs and business opportunities within value chains; and (iv) prepare components within future projects that contribute to the implementation of these action plans.

The program is designed to build on local capacities of the relevant Tunisian counterparts and complete with capacity building as needed, to enable the replicability of the process on as many additional regions and value chains in the country. Further, the planned outputs, including the capacity building performed within this program, will facilitate the implementation of related projects that aim at increasing private sector demand in Tunisia, and/or the identification of opportunities for independent public-private financed interventions.

As an initial step, the program will pick the target region for this project in consultation with the Government of Tunisia. The choice will be based on the selection criteria for lagging regions. The program has 3 components:

Component 1: Value chain/cluster identification, and project preparation with local partners: In order to prepare the ground for the successful and simultaneous rollout of both, the survey and the value chain diagnostic, the first component will focus on two main activities: (i) the identification of selected value chains for which enough qualitative and quantitative analytical material is readily available; and (ii) the design, adaptation, and finalization of the Jobs in Value Chains survey (in collaboration with the local implementing agency).

Sub-component 1.1 Identification of value chains / clusters in the lagging region: The first activity will start with a mapping and evaluation of available or ongoing value chain/cluster analysis in Tunisia, and shortlist five to seven options that respond to preset criteria. The aim is to not only avoid duplication of work, but most importantly to capitalize on existing/ongoing experiences to increase and accelerate impact. Various bilateral and multilateral donors and UN agencies active in Tunisia are currently supporting or have supported value chain analyses and programs. Some of this work is now becoming available, although not always at the same level

of coherence and rigor. Based on this first activity, and in consultation with the government and professional associations, the program will choose pilot value chains or clusters on which the project will focus.

Sub-Component 1.2 – Design of the Value Chain survey instrument: This survey will be designed by a team of experts (private sector and value chains specialists; labor economists; and statisticians) and local partners who will be engaged in the roll-out (i.e., the Institute National de la Statistique (INS); and the ITSEQ). The design will be based on a Jobs CCSA developed survey, but will undergo adaptation based on the inputs and exchanges with the implementing agencies.

Component 2: Jobs in Value Chains Implementation: The objective is to map jobs in selected value chains that are strongly anchored in the selected lagging region. This component will involve: i) the rollout of the survey; and ii) the geographic mapping of the value chain and/or cluster. The component will cover the geographic mapping of the value chain, and the implementation of the survey.

Component 3: Value Chain diagnostics and preparing MSME Business Development Services: The objective of the component is to gain in-depth understanding of the opportunities and constraints for job creation in the selected value chains/clusters. This component will: i) assess key constraints affecting growth, competitiveness, and job creation; ii) prepare initial recommendations to address these constraints; and iii) link the recommendations to ongoing World Bank Group operations for implementation. The entire component will be implemented through a “learning by doing” program providing capacity building for 20-30 local sector specific PPD officers from the Tunisian administration. This component will allow public partners to apply the methodology, while establishing an accurate mapping and analysis of the shortlisted value chains. This can then be used to address constraints and develop the value chains in in upcoming lending programs.

DELIVERABLE	TO BE DELIVERED BY
Identification of lagging region(s) and drafting of detailed work plan	April 2016
Initiate activity in the lagging region	May 2016
Develop the first draft value chain analysis and mapping report	June 2016
Implement firm level surveys	May – July 2016
Implement capacity building program and VCAs	March – July 2016
Finalize the value chain analysis report and draft of Synthesis Report	October 2016
Finalize Synthesis Report	January 2017

Paraguay

Work Program & Agreed Deliverables: The objective of this program will be to support the Government to develop a jobs strategy with a focus on the bottom 40 percent of the population. It will include analytical work, new data collection, and piloting Measurement and Evaluation (M&E) measures that support the following areas of focus: (a) promoting the creation of private sector jobs; (b) increasing the productivity of jobs that already exist; and (c) helping connect people to jobs.

The work program will be organized around four components: 1) Jobs Diagnostic supported by new data collection (qualitative and quantitative); 2) Sectoral analysis; 3) Regulatory and Institutional Assessments; 4) Stakeholder dialogue and Action Plan. The first component aims to fill knowledge gaps on current trends in job creation, labor productivity, and access to jobs. It will use household and firm-level data (both existing and new), complemented by structured interviews with employers and youth to identify key constraints to better match labor supply and demand. It will also use macro and demographic data to assess structural trends and their potential impact going forward. Component two consists of sectoral value chain analysis focused on the agriculture sector and agro-processing activities, and the development of M&E measures to capture productivity and job quality aspects, particularly relevant for the agriculture sector. Component three will create a gap analysis of the institutional and regulatory settings in Paraguay, to identify areas for future partner support to help the Government address key jobs-related challenges. The final component aims to establish an active dialogue among the various stakeholders (Government, private sector, civil society, social partners) with a goal to reaching a common understanding of the challenges impeding better labor outcomes in Paraguay. The results of the Jobs Diagnostic, sectoral analyses, and the institutional and regulatory assessments will be formulated into a framework of policy actions that will serve as a basis for discussions between the Government, private sector, civil society, social partners, and donor partners to help the Government develop its jobs strategy.

Deliverables of the work program will include:

DELIVERABLE	TO BE DELIVERED BY
Consultation with Government, partners	March-December 2015
First client workshop	December 2015
Basic Jobs Diagnostic (using existing data)	June 2016
Jobs analysis of 2-3 value chains	January 2017
Focus group surveys on youth jobs challenges, mobility	July 2016 onwards
Institutional and regulatory assessments	December 2016
Support for a micro/small firm survey (tentative)	June 2016
M&E design and implementation for better agric. Jobs	April 2016 onwards
Stakeholder workshops	July 2016, February 2017, June 2017
Action Plan for consultation	May 2017
Knowledge Sharing/Coordination Events	Ongoing

Western Balkans

Work Program & Agreed Deliverables: The Western Balkans program is in the initial consultation and design phase. The program will identify key knowledge gaps for diagnosing jobs challenges, and design activities accordingly. One main component will be a Jobs Diagnostic for Kosovo, which will incorporate firm level, household-level, and macro-level analysis of employment outcomes. We will also develop a regional overview of employment trends and sectoral transformations using the Shapley decomposition tool. For each country, an issues paper will incorporate existing and new analysis to identify the key jobs challenges. These issue papers will provide a framework for private sector consultations that aim at deepening our understanding of labor demand dynamics and the reasons for demand-supply mismatch. The outcome of these consultations would inform policy discussions between stakeholders. The scope of activities and deliverables will be developed in the forthcoming concept note.

Lessons Learned and Next Steps

It is still too early to provide lessons learned from our engagement in the countries. However, it is important to highlight:

Timelines: As the country pilots were launched, consultations held with governments, stakeholders and **Let's Work** Partners in each country revealed that building multi-stakeholder dialogue in designing country programs requires more time than anticipated.

Data gaps: The robustness of diagnostics and analysis will depend on the availability of datasets. Without the required data, the analysis may be limited by its scope to simple descriptive statistics without the analysis of productivity that can be linked to job creation.

Coordination among stakeholders: Coordination among all **Let's Work** Partners, as well as internal coordination within each stakeholder, is essential. Many development institutions are currently engaged in the jobs landscape individually, and this warrants cognizance and conscious engagement with all players at an early stage. This is done through constant and regular communication on the work program.

Political buy in: Engaging the government is critical to secure buy-in and support in operationalizing the **Let's Work** program for a jobs strategy in the pilot countries. Engagement should begin early in the process, to understand and incorporate the Government's priorities. In some countries, existing government development strategies sometimes create a complex landscape for engagement.

As next steps, Concept Notes for Tunisia, Paraguay, and the Balkans will be shared with Partners to assure alignment of ongoing and planned initiatives and to avoid duplication of efforts. Each country pilot will detail its objective, country background, scope of program, and risks and challenges. Once Partners approve and agree on a course of action, programs will be implemented.

Pillar 2: Methodology and Analysis

The objective of Pillar 2 is to develop a set of harmonized methodologies and tools for estimating direct, indirect, and induced effects of jobs for both the quantity and the quality of jobs. **Let's Work** partners originally agreed to jointly implement a set of case studies on a number of sectors including real sectors (agribusiness, extractives, construction, tourism, automotive), infrastructure (power, ICT, ports and others), skills and training, better working conditions, and financial markets to understand and estimate job creation effects (wherever possible develop multipliers) and ultimately develop tools and frameworks that can be broadly operationalized by project teams to estimate job effects of their projects.

Work Program and Agreed Deliverables

In the course of two Steering Committee meetings held in 2015, **Let's Work** partners reviewed the work program originally agreed under Pillar 2 to provide policymakers, international organizations, and practitioners with tools and methods to estimate the impact of public and private investments on jobs. Investments can involve funding from a firm or group of firms operating in a given sector of the economy; infrastructure projects including information and communication technology projects; or programs that increase the human capital of a given population group. While the focus is on the effect that these investments have on the number of direct, indirect, and induced jobs created as well as any losses, other indicators can also be considered. Examples include, labor productivity, earnings, working conditions, and demands for different types of skills. The strategy is to identify best practices through country specific studies implemented by different partners.

Measurement tools proposed to estimate the jobs impact of investments were classified under three categories: namely, i) value chain surveys to understand patterns of job creation along a given value chain; ii) tracer surveys to follow the beneficiaries/users (e.g., firms, farmers, own-account workers, job-seekers) of an intervention and measure changes in labor market outcomes; and iii) *ex-ante* simulation models to explore the range of possible outcomes resulting from investments in a sector (e.g., construction, transport, electricity, or agriculture). The latter could be informed by the data collected under the first two categories and could vary in the level of complexity – from multi-sector computable general equilibrium (CGE) models with a detailed description of the labor market to “light-touch” input-output tables that focus on a single sector. Other modeling tools such as dynamic simulation models could be considered as well.

The end result would be a framework to guide the project manager on which tool to use (based on the country, infrastructure sub-sector, size etc. of project). This framework would include guidance on the cost effectiveness of each tool and the appropriate level of effort needed in relation to the type of operation (e.g., when to use a “light version” of the measurement tools).

Table 3: Pillar 2 Work Program

Indicator	Target
Working Groups	3
Workshop	2
Case Studies	26 ⁴
Toolkits	3
Report on Lessons Learned	1

Working Groups: To carry out and oversee the work under Pillar 2, three working groups (WG) for each of the methodologies (tracers, value chains, and macro models) were formed. Each WG consists of volunteers from partner organizations and is tasked with: a) developing tools and methodologies that are technically sound; standardized, replicable, and sustainably implementable; and b) at disseminating the lessons learned. When possible, the WG will exploit a ‘triangulated approach’ where the results of one jobs estimation tool will be used to check and verify the results and assumptions of the other tools.

⁴ These case studies do not include those that are conducted under Let’s Work Pillar 1 sector work countries.

Figure 2: Working Groups' Composition

VALUE CHAIN ANALYSIS	IYF ILO IFC AfDB AfDB CDC DFID PIDG WB [coordinator]	Colin Hagans Erick Zeballos Charles Lor Issa Faye El Hadj Bah Kate Griffith Stuart Tibbs Ann Muir Thomas Farole
TRACER STUDIES	AfDB CDC CDC IFC IFC ILO EIB WB [coordinator]	El Hadj Bah Alex MacGillivray Kate Griffith Charles Lor Mahima Khanna Matt Ripley Christoph Weiss Alvaro Gonzalez
MACRO MODELS	ILO IFC IFC [coordinator] IFC AfDB PIDG DFID CDC EIB	Massimiliano La Marca Marek Harsdorff Camilo Mondragon Evgenia Shumilkina Emelly Mutambatsere Ann Muir Martyn Shannon Alex MacGillivray [TBD]

In 2015, each WG has met virtually at least once. One of the first tasks was to determine the feasibility of the proposed case studies that were approved for funding. The purpose of the feasibility assessments was to determine the readiness of projects to start in the near term, identify any potential technical barriers to implementation, and recognize needs for technical support from the WGs. The review process involved the teams filling out a 'technical assessment template' and then having a short meeting (usually 30-45 minutes) to discuss evaluation implementation plans. In total, 26 case studies are likely to start in 2016⁵. For the tracer Working Group, 7 proposals were approved and recommended to start implementation; 11 for the value chain tool; and 8 for the macro tool. Below is a table that contains details on all pilots and a map outlining the country and sector specific case studies by measurement tool. All documents have been loaded to the [Let's Work](#) partner protected site and continued updates are being made.

⁵ Some case studies might be dropped after scoping missions are carried out to assess the feasibility of the project, including data availability.

Figure 3: Country and sector specific case studies by measurement tool



*Please note, some of the measurement tools are being used to conduct sector work in Let's Work Pillar 1 countries.

Table 4: Value Chain Working Group

Sector	Country	Partner	Status	Start date	End date
Poultry	Mozambique	AfDB	Consultancy firm will be hired following LW standards	February 2016	September 2016
Construction	Zambia	IFC/ILO		-	-
Poultry	Burkina Faso	WB	Sub-sectors have been selected (i.e. horticulture and poultry), based on a brief sector analysis. Team will proceed to further refining this selection to identify specific commodities to further focus on. For this, two consultants specializing in horticulture and poultry, respectively, will be hired and participate in a mission to Burkina Faso, tentatively scheduled for early March 2016.	December 2015	April 2017
Horticulture (Mango)	Burkina Faso	WB		December 2015	April 2017
Construction	Lebanon	WB	Project started. Mapping began, surveying will begin at the end of February. The VCs being studied are vegetables (potato) and waste/recycling	January 2016	June 2016
Horticulture	Lebanon	WB		January 2016	June 2016
ICT	Tajikistan	WB	A consultant is being hired to help with sector assessment to inform VC sector selection. Team will contract a firm by June 2016.	January 2016	September 2016
Agribusiness	Tajikistan	WB		January 2016	September 2016

Construction and agribusiness (cotton/textile)	Kenya	WB	VC sector/product selection: cotton-textile and construction. GFR has been processed.	February 2016	September 2016
Agri-Commodity Traders	Côte d'Ivoire, Nicaraguan, Vietnam and Ukraine	IFC	Procurement started. A consultant was hired for analytical review.	February 2016	June 2016
Agricultural products	Georgia	WB	Product have not been selected. Mission scheduled in March. A Consultant will be hire as Technical assistance	February 2016	December 2016

Table 5: Tracer Working Group

Sector	Country	Partner	Status	Start date	End date
Transport, Roads and Water	Uganda	PIDG	Inception mission will take place in February. GFR being processed. Consultants being hired	January 2016	June 2017
Power	Rwanda	PIDG	Recommended to write a toolkit for practitioners/lessons learned.	April 2016	June 2017
Transport (taxi)	South Africa	PIDG	It was decided to drop the case study due to lack of data.	March 2016	June 2017
SME Finance	Nigeria and Bangladesh	IFC	After assessment this case study has been pushed back.	March 2016	December 2016
SME Finance (expanded appraisals)	Tanzania and India	IFC	TOR under preparation. Company has been identified.	March 2016	December 2016
Irrigation	Zambia	PIDG	Recommended to write a toolkit for practitioners/lessons learned. See details below.	April 2016	June 2017
Retail	Romania and Sri Lanka	IFC	IFC-GFR being processed. Concept note/TOR has been received.	January 2016	June 2016

Table 6: Macro Working Group

Sector	Country	Partner	Status	Start date	End date
Oil & Gas	Ghana	IFC	Team is preparing an updated feasibility report	April 2016	December 2016
Airports (Tourism and non-tourism)	Jamaica and Dominican Republic	IFC	Concept Note submitted. Recommended to move ahead with implementation. IFC completed short-listing of the companies: 4 companies were selected; in two weeks we will have technical and financial proposals.	December 2015	July 2016
Power	Zambia	PIDG	Meeting offline with ILO to leverage their macro work on Zambia		

Macro/Multi sector	Zambia	ILO	Recommended to move ahead with implementation. Awaiting for instructions on how to access funds.	December 2015	December 2016
Multisector	West Bank/Gaza	WB	Concept Note submitted. Recommended to move ahead with implementation	January 2016	November 2016
Macro/Multi sector	Ethiopia	IFC	Recommended to move ahead with implementation. Awaiting for instructions on how to access funds.	January 2016	November 2016
Transport (Sea Ports)	Argentina and Mexico	IFC	Concept Note submitted. Recommended to move ahead with implementation. IFC currently procuring the contract with Hamburg Port Consulting GMBH – selected through a competitive bidding – a very well respected consulting company specializing in the economic and financial analysis of the	December 2015	July 2016
Electricity (Thermal Power Generation and Distribution)	Turkey	IFC	Concept Note submitted. Recommended to move ahead with implementation IFC short-listed 2 companies and proposals are expected in about a week.	December 2015	June 2016

Results and Key Highlights

Workshop: The CDC (UK’s Development Finance Institution), a *Let’s Work* partner, hosted a technical workshop in London, on September, 2015. Over 50 participants attended, including representatives from *Let’s Work* partner organizations such as AfDB, CDC, DEG, DFID, EIB, IFC, FMO, ILO, ODI, PIDG and WB, as well as experts and academics. The aim was to brainstorm ways to further the development of the three generic tools that can be used to develop, refine, and apply methods for estimating direct, indirect, and induced job effects of private sector investments. Discussion was also focused on finding ways to ensure the interlinkages and integration of the three tools for a triangulated approach to the measurement agenda. The first day focused on challenges of the measurement agenda, the tracer studies, value chain and macroeconomic tools. The second day focused on macroeconomic, CGE and input output models, its triangulation and next steps for the *Let’s Work* partnership.

Let’s Work Partners agreed that the value added on this agenda is based on three points; namely, (i) the triangulation agenda-the use of three different tools in different sectors and in times in the same country to understand what drives job creation and its estimation; (ii) focus on sectors in which all partners are engaged; and (iii) investing in the public good of a standardized, comprehensive jobs estimations tools that each organization may not invest in, but would consider useful.

The sectors of focus are challenging to analyze from a jobs impact angle, but there is agreement that these are high priority in the jobs agenda. The ten sectors that the Steering Committee identified and agreed to as priority are the following: (i) agri-business, (ii) power, (iii) SME finance, (iv) light manufacturing, (v) infrastructure, (vi) textiles, (vii) tourism, (viii) transport, (ix) construction and (x) retail. It was agreed that the three sectors with highest votes align quite naturally with the three tools being discussed - the value chain analysis could start by focusing on the agri-business sector before moving to others, while tracer surveys could start with the SME finance sector, and the macro-models could begin by focusing on the power sector.

Some examples of partner-led studies: DEG (Deutsche Investitions – und Entwicklungsgesellschaft), the German Development Finance Institution developed a Cobb-Douglas production function based model to estimate employment effects. Also, on behalf of the European Development Finance Institutions (EDFIs), DEG commissioned a study to collect and share innovative approaches used by businesses in different sectors in developing markets to deal with skills gaps. The study *“Bridging the skills gaps in developing countries – A practical guide for private sector companies”* by DEG and BCG provides companies with the tool they need for pursuing meaningful developmental and business activities for closing skills gaps.

The practical relevance of the study is underpinned by a three-step approach based on theory, practical examples, and field testing, and produces the following results: 1) a user-friendly guide for practitioners consisting of six phases (incl. a self-analysis tool) offering companies practically oriented six-step help in recognizing skills gaps and how to successfully bridge them; 2) an outline of proven examples shows companies specific and detailed ways of how they can close these gaps on three levels – staff, suppliers, and local communities; 3) a newly developed, practical assessment method for private-sector activities for bridging skills gaps offers companies for different data situations the necessary basis for a quick and, at the same time, meaningful assessment of their investment; 4) the win-win situation of private-sector activities for bridging skills gaps on all three levels – with employees, suppliers and local communities is analyzed and demonstrated using selected case studies; 5) the approaches developed (guide for practitioners, self-analysis tool, and assessment methods) were tested and optimized by conducting case studies with five customers.

Also by DEG, the case study *“Committed to fair working conditions – DBL-Group: High labour and safety standards in the Bangladeshi garment industry pay off”*, shows that better working conditions can be a business case, even in a highly competitive sectors with low margins, like the garment sector in Bangladesh. DBL’s investments in good working conditions like medical services, a Fair Price Shop, and the implementation of a social dialogue system led to less absenteeism, higher employee satisfaction, and less staff turnover. In combination with further production efficiency measures – like training programs and resource efficiency measures – those effects led to less downtime, increased wages, and strengthened DBL’s competitive advantage.

This allows DBL, to pay higher wages than the industry average, while enabling DBL to invest in even better working conditions.

During the London workshop, *Let's Work* Partners shared with participants studies that are being carried out under Pillar 2 activities in their respective organizations. IFC is piloting an approach – expanded appraisal- to understand effects on SME beneficiaries. The objective of this approach is to analyze the relationship between increased access to financial services for SMEs and associated development effects, such as job creation, SMEs growth, productivity, and woman ownership at the time of appraisal/supervision. The methodology focuses on the source of the baseline and end-line data collection, stratified random sampling technique, and timeline (at least two years between baseline and end-line). The end-line evaluation could assess two types of effects: (i) evolution of same SME beneficiaries over 2 years; (ii) change in characteristics of average SME beneficiary of partner financial institutions. The challenges faced in this methodology are: (i) attribution to IFC; (ii) absence of control group; (iii) recall bias when interviewing SME directly.

IFC also presented the results of the impact of IFI investments in power generation in the Philippines. The study looks at the actual power situation against a constructed counterfactual in which these investments would not have happened if IFIs had not provided finance. Furthermore, IFC developed a practical excel-based tool that aims to provide ex-ante quantitative estimates of the economic impact of IFI investments in the power sector (estimating multipliers). The tool helps to estimate GDP and employment impacts resulting from IFC investments in power generation resulting from: (i) local expenditures in Engineering, Procurement, and Construction: capturing direct, indirect, and induced effects through backward production linkages; (ii) local expenditures in Operations and Maintenance (O&M): capturing direct, indirect, and induced effects through backward production linkages; and (iii) increase in power supply: capturing induced effects through forward production linkages that account for the increased supply of inputs to upstream industries.

Another approach developed by IFC, the dynamic simulation models, aims to measure the impact of private sector investments on jobs (M3 Modeling initiative). This is a dynamic general equilibrium simulation model that uses a system dynamics modeling framework, which implies it has a general equilibrium structure that ensures consistency (like standard CGE models) within a truly dynamic setting (providing ability to trace development impact over time), using a micro-founded integrated approach to labor markets and poverty (ensuring interconnectedness between micro and macro), under a flexible, intuitive, and modular framework (allowing us to model specific sectors of interest in more detail, reflect as close as possible how the private sector functions in the real world, and improve communication with our clients and stakeholders).

ILO presented experiences with Randomized Control Experiments in the area of enterprise development, and shared the following lessons learned on the methodology: (i) carefully

estimating beneficiaries' interest and ability to participate in a program is extremely important to plan for the correct evaluation design; (ii) baseline and program implementation timing need to be carefully aligned to avoid possible beneficiaries losing trust and interest in the program offered; (iii) collecting multiple and frequent follow-up surveys is extremely useful – when possible - to avoid losing track of individuals in the evaluation sample and insuring that program effects can be identified; (iv) in depth knowledge about the local context and careful planning before conducting a survey are crucial in insuring that respondents are able and willing to complete the survey.

ODI shared the results of a job creation impact study of a small investment in a hydro project plan in Uganda. This study replicated the methodology developed by the IFC's Powerlinks case study. It was highlighted that the induced employment effect was the area of particular interest in the study and hence, presented the approach and framework used to estimate this effect as well as the obstacles and limitations faced, especially in terms of data availability.

EIB presented the results of a study on the "Employment impact of EIB infrastructure investments in Mediterranean Partner Countries". The study used two complementary analysis: (i) macroeconomic analysis: simulation using IO/SAM to assess the indirect and induced employment effects; and (ii) project level analysis: to assess the quantity and quality of direct jobs created. The main lessons learned were: (i) from the macroeconomics analysis, a same class of models (I-O/SAM) could be chosen and adapted to the country/sector context to make comparisons easier, reliable data is key, and close cooperation between data collectors and modelers is required; (ii) from the project level analysis, keep the indicators to measure the direct employment effects simple, report method on direct employment should be simple, gradual, regular and be complemented by studies on the quality of employment created, contractors should be given an incentive to provide the essential data, a standardized monitoring system on employment created would give governments/promoters additional arguments to attract funding and allows governments/IFIs to assess its employment targets more accurately.

Pillar 3: Communications and Knowledge Sharing

The overall objective of this work component is to disseminate and maximize the global public good aspect of the lessons that are learned.

Work Program & Agreed Deliverables:

Results and Key Highlights

- Updated and maintained communications/knowledge sharing platforms on central website and partner protected site.
- Distributed and promoted *Let's Work* content and updates on *Let's Work* website and Jobs and Development blog, newsletter, and social media platforms.
- Updated member portal to include information on London Pillar 2 workshop, steering committee meetings, and Pillar 2 working groups.
- Initiated the process of building a thematic knowledge sharing workshop series in Mozambique, in collaboration with the Government of Mozambique.
- Started developing a template for public good products/publications under the *Let's Work* brand as analysis/ strategies are finalized.
- Met with the *Let's Work* Communications Working Group to discuss cross sharing of products on *Let's Work* website and Jobs social media and newsletter.
- Worked with DEG to promote reports on *Let's Work* website and Jobs newsletter and social media.

Table 7: Pillar 3 Work Program

Indicator	Indicator Type	Program Target
Pillar 3	Website	1
	Partner protected site	1
	Blog	12
	Newsletter	6
	Media news/articles	-
	Working Group	1
	Communications materials and events (poster, folder, banner, etc.	completed
	Competition (youth essay)	1

Figure 5: DEG Study “Bridging the Skills Gap in Developing Countries” – Joint Communications Campaign



*In February, 2016, DEG, a Let’s Work Partner, released “Bridging the skills gaps in developing countries: A practical guide for private sector companies. “ In cooperation with the Boston Consulting Group, the study was produced as a contribution of the Association of European Development Finance Institutions within the Let’s Work Partnership. The study was jointly distributed by DEG, BCG and Let’s Work.

Lessons Learned and Next Steps

For next year, we would like to strengthen our collaboration with the Communications Working Group to best feature and share work program progress updates and public goods. Activities planned include:

Country Facing Work: share information coming out of Pillar 1 and Pillar 2 work– e.g. interviews, visual case study with videos and interviews from the ground, podcasts etc.

Jobs Diagnostic Tool and other tools: plan workshops focused on a specific diagnostic tools planned with (in collaboration with) partner(s).

Mozambique Thematic Workshops: The thematic sessions aim to bring together development programs, active in Mozambique, to strengthen coordination, explore synergies, and create dialogue. In consultation with the Mozambique Ministry of Finance (MEF), **Let’s Work** will identify approximately four to seven broad jobs challenge themes and host two to three workshops per year on each theme. Proposed themes that will be finalized after discussion with the MEF,

include: 1) Building and developing micro, small, and medium enterprises; 2) Using information technologies to help create more and better jobs; 3) Skills for youth development; 4) Transforming agriculture without grower models; 5) Increasing access to finance; 6) Building local value chains in three sectors – agribusiness, forestry, and construction; and 7) Developing a light manufacturing sector. The background documents, presentations, and discussions will be shared on the *Let's Work* website and collaboration tools will be used to enhance coordination and support creating an informal practice community for workshops.

Knowledge Sharing Website: Populate the existing searchable knowledge website template with works and case studies produced under Pillar 1 and Pillar 2. Also, include relevant Partner studies on the website.

4. Financial Report

Let's Work is funded by contributions from its partners. The World Bank Group (WBG), as the implementing entity for Let's Work, receives and manages cash contributions under its trust fund pursuant to bilateral arrangements entered into between the relevant member and WBG and in accordance with applicable policies and procedures. In-kind contributions are in the form of a Partner directly funding a study or research product that is explicitly approved within the work program by the Steering Committee. Each partner is expected to contribute at least US\$ 250,000 either in cash or in kind.

There are two Trust Funds through which partners and donors contribute to *Let's Work*: IFC TF and IBRD TF. Current donors to the IFC Trust Funds include Netherlands and SECO. Other donors⁶ are contributing to *Let's Work* through the Jobs Umbrella MDTF. In addition, IFC is contributing \$1.5M over three years.

Table 8: Summary Report Jobs Umbrella MDTF Status of Contributions as of December 2015

Donor Name	Currency	Amount in Country Currency	Amount in USD	Paid in USD	Unpaid in USD	Of which preference for Let's Work
Norway - Ministry of Foreign Affairs	NOK	120,000,000	15,309,737	15,309,737	-	
Austrian Development Agency GmbH	EUR	1,600,000	1,877,789	1,100,439	777,350	
Austria - Federal Ministry of Finance	EUR	900,000	1,100,439	1,100,439	-	1,000,000
DE-Federal Ministry for Economic Cooperation and Development (BMZ)	EUR	1,000,000	1,115,495	560,245	555,250	
United Kingdom - DFID	GBP	14,650,000	21,476,878	7,081,488	14,395,390	12,325,000
Swedish International Development Cooperation Agency (SIDA)	SEK	60,000,000	7,070,380	4,091,175	2,979,205	
TOTAL ***			47,950,717	29,243,522	18,707,195	13,325,000

** SIDA has recently advised that the next two tranches have been subjected to mandatory reductions estimated at SEK 6m / USD 700k based on current situations in Sweden related to the migration crisis

*** Does not include SECO contributions to the Let's Work Program housed in IFC ledgers

⁶ As of April 2015, the Jobs Umbrella MDTF donor partners include Austria-Federal Ministry of Finance, Austrian Development Agency (GmbH), Norway Ministry of Foreign Affairs, Germany-Federal Ministry of Economic Cooperation and Development (BMZ), UK-Department for International Development (DFID) and SECO.

Table 9: Jobs Umbrella Allocations for Let's Work Program (Actual and Notional)

	# of Interventions	Allocation Amount	Comments
LW Pillar 1 (Country Pilots)	7	10,345,001	Mozambique, Zambia, Tanzania, Bangladesh, Balkans, Paraguay, Tunisia
LW Pillar 2 (Improving Data, Methodologies and Analysis) ***	26	3,406,242	Implementation of the measurement tools on direct, indirect and induced jobs through value chains, tracers and modeling
LW Communications, Program Support, and Oversight		832,000	Includes developing the measurement tools, the development of measurement toolkits and dissemination of the results, as well as the overall knowledge management, dissemination and secretariat functions of Let's Work.
LW contingency		600,000	This is expected to cover either additional measurement pilots or to deepen the interventions in a Country Pilot.
TOTAL LW Allocations		15,183,243	(Pillar 1 + 2 + Comm/Support/Oversight+ Contingency)

*** Some interventions for Let's Work Pillar 2 will be financed from the IFC MDTF for Let's Work.

Table 10: Summary Report IFC Let's Work Trust Funds

Donor Cash Flow Statement (cumulative, up to the reporting date)	From inception to Dec 31, 2015 (Amount in USD)
Funds Committed by the donors (Agreement signed)	4,250,000
<i>Netherlands</i>	1,000,000
<i>IFC*</i>	1,500,000
<i>SECO</i>	1,500,000
<i>PIDG</i>	250,000
<i>* Represents funds committed and to be spent by IFC from its own resources</i>	
Funds received from the donors	3,500,000
<i>Netherlands</i>	1,000,000
<i>IFC</i>	1,500,000
<i>SECO</i>	1,000,000
TF Admin fee deduction	(100,000)
Investment Income received	8,187
Total funds available	3,408,187
Total Expenditures	2,254,336
Donor Funds Balance at the end of the reporting period	1,153,851
Outstanding donor commitments	750,000

Table 11: Funding In Pipeline

Partner	Type of Contribution	Amount	Status
ADB	in cash	250,000	Pending - draft Agreement and template sent
AfDB	in kind	250,000	Pending confirmation
EIB	in cash	250,000	Pending – draft Agreement and template sent
EDFIs	in kind	500,000	Pending
IADB	in cash	250,000	Pending - draft Agreement and template sent
ICD	in kind	250,000	Pending - Template sent
ILO	in kind	250,000	Pending – under active discussion
PIDG	in cash	250,000	Pending - agreement signed
TOTAL		2,250,000	

Let's Work Global Partnership
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